

**ABOUT SCHWAB'S MODERN WEALTH SURVEY**

Schwab's 6<sup>th</sup> annual Modern Wealth Survey examines how Americans think about saving, spending, investing and wealth. The online survey was conducted by Logica Research from February 10, 2022 to February 27, 2022, among a sample of 750 Los Angeles and San Diego residents aged 21 to 75. Quotas were set to balance the local sample on key demographic variables.

**THE RISE OF VALUES INVESTING**

**Three-quarters of Southern Californians (75%)** say that their personal values drive their decisions more today than they did two years ago and nearly an **equal number (73%)** say they prioritize using their money to support causes they care about:

	<b>All Americans</b>	<b>Southern Californians</b>
My personal values guide how I make life decisions more today than they did two years ago	73%	75%
It is a key priority for me to use my money to support causes I care about	69%	73%
My personal values guide my investment choices	73%	70%
I invest in companies that align with my personal values	69%	68%

When asked which personal values are their biggest motivators, Southern California residents prioritize doing what's best for others, including the environment and the greater good as well as their family and friends, followed by having positive work ethics and doing the right thing.

**VALUES-DRIVEN SPENDING**

**Similar to all Americans, more than eight in 10 (85%)** Southern Californians agree that their personal values play an important role in how they manage their finances. When making a purchase, personal values rank third on the list:

	<b>All Americans</b>	<b>Southern Californians</b>
The price	94%	96%
The product's features	93%	94%
The values of the company that made the product	76%	76%
Where the product is made	74%	70%
The brand name	67%	67%
Advertising	41%	43%

Looking ahead, **almost three-quarters (73%)** Southern Californians say they are likely to change their lifestyles in the next 12 months to have a more positive impact on the world. More than half say they intend reduce their use of plastic bags (**65%**), resell or donate clothing (**57%**) and to shop local (**54%**).

**Three-quarters (75%)** of Southern Californians say they try to use their purchasing power to support brands that are aligned with their beliefs, with many willing to pay 10% more for:

	<b>All Americans</b>	<b>Southern Californians</b>
A product where a portion of the price goes to charity	67%	68%
A locally made product	72%	66%
A product that aligns with their personal values	63%	64%
A product made from recycled materials	60%	58%

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**SOUTHERN CALIFORNIA**

A product from a minority owned business	54%	57%
A product that aligns with my faith or beliefs	56%	55%
A product that has less packaging	48%	47%

**VALUES-DRIVEN INVESTING**

**Seven in 10 (70%)** Southern California investors agree that their values guide their investment choices, with the following factors influencing investing decisions, among others:

	All Americans	Southern Californians
Company performance	96%	96%
Risk	94%	94%
Stock Price	93%	93%
Company reputation	91%	93%
Diversification, how the fund or company fits into my overall portfolio	90%	91%
The expected dividends	92%	90%
The sector or the industry	86%	85%
Corporate values	81%	84%
How the company treats its employees	81%	79%

**PRIORITIZING VALUES IN THE WORKPLACE**

**Consistent with all Americans, nearly nine in 10 (89%)** Southern California workers say that it is important for them to feel fulfilled by their work:

	All Americans	Southern Californians
It is important to me to be fulfilled by my work	89%	89%
Having colleagues and co-workers who respect my personal values is important to me	85%	85%
My personal values guide how I manage my career	84%	84%
I chose my career path based on my personal values and affinities	74%	75%
I chose my employer based on their values	63%	63%
I would work for a lower salary for a company that better represents my personal values or interests	59%	56%
My work defines who I am	56%	54%

When looking at the factors that influence Southern California workers' decisions when it comes to selecting a new job, work life balance and salary are the top factors. Sharing similar values is higher than job title. Other influential factors include:

	All Americans	Southern Californians
Work life balance	93%	95%
The salary	93%	94%
The hours	92%	91%
The employee benefits (Healthcare, 401(k), ...)	89%	90%
The flexibility of where I work (office, home, anywhere)	87%	88%
Opportunity for advancement	84%	84%

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SOUTHERN CALIFORNIA**



The company's values/mission align with my personal values	83%	82%
Working with people who share my values	78%	80%
The stock options or equity compensation	63%	67%
The job title	54%	58%

What's more, **nearly half (44%)** of Southern California workers are interested in changing employers over the next 12 months:

	<b>All Americans</b>	<b>Southern Californians</b>
Likely to change jobs in the next year	43%	44%

**WEALTH IN 2022**

As Southern Californians reflect upon what money means to them personally, Schwab's survey finds the top three answers to be:

	<b>All Americans</b>	<b>Southern Californians</b>
Freedom	42%	39%
Flexibility	23%	24%
Opportunity	18%	19%

Of note, Southern Californians also considered what it takes to be "wealthy" and "financially comfortable" in 2022:

	<b>2022</b>
Average net worth it takes to be "wealthy"	\$3.9M
Average net worth it takes to be "financially comfortable"	\$1.3M

(0522-28TH)

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