The background features a dark blue, textured surface with several vertical, metallic-looking rectangular bars of varying heights. A large, semi-transparent globe is positioned in the center-right, showing a grid of latitude and longitude lines. Small orange and blue squares are scattered on the globe's surface. To the left of the globe, a red circle is visible. A thin, light blue line curves across the scene, passing behind the globe. In the upper right corner, a few small, bright stars are visible against the dark background.

SEC Newgate
ESG Monitor

2021 RESEARCH FINDINGS

Contents.

• Introduction	2
• Background & Methodology	3
• Summary of Findings	4
• Detailed Findings	
• Where does ESG fit?	7
• How much do we really care about ESG?	11
• How are we performing on ESG?	17
• How do different industries compare?	27
• What actions do people think should be taken?	30
• What actions will people take based on ESG beliefs?	33
• What sort of response will really move the dial?	40



Introduction.

Adequately responding to the strong consumer and investor focus on environmental, social and governance (ESG) factors is a point of intense discussion for senior executives, non-executive directors and political leaders.

The focus of consumers, investors and voters on ethical and sustainable behaviour in the public and corporate space is now clearly a **fundamental shift in the establishment, maintenance and development of reputation and trust. This has implications for both businesses and for governments.** Community focus on ESG priorities will continue to shape the landscape of public discussion, consumer and investor choice for the foreseeable future.

Developing an appropriate and relevant response to this shift is complex. It involves understanding the drivers behind community attitudes, how these attitudes are shifting and how they differ across markets to know what actions will really make a difference to business or policy success.

The **SEC Newgate ESG Monitor** has been established to deliver practical insights to these challenges across major markets, and to track them over time.

A snapshot of attitudes across ten key countries globally, this initial edition of the Monitor is remarkable in showing that concern about ESG issues is real, significant and consistent around the world. This is truly a global trend. It also shows climate change clearly at the top of the issues tree and identifies which sectors the public thinks are doing well and those that are not. Concern about the environment is a strong influence on sectoral reputation.

The SEC Newgate ESG Monitor provides an invaluable resource for business leaders and policymakers to develop a focused and coherent response.

The challenges are well understood. Terminology remains inconsistent and there is no uniform evaluation framework for ESG performance, despite extensive and ongoing efforts. Social attitudes are ever-evolving and responsibility for the broad range of priorities captured by the term “ESG” is spread widely across multiple functions within organisations.

These challenges result in an elevated risk of losing focus and effectiveness, by trying to respond to everything at once; or of being distracted by a ‘fad’, as the loudest voice seeks to fill the uncertainty vacuum and drive the ESG debate to suit its own agenda.

Of course, where there are challenges, there is also opportunity.

Organisations that respond effectively will listen closely to their stakeholders’ expectations, to be clear on what really is important to them underneath the noise of the public discussions, and will prioritise those elements that really make a difference.

Given the broad base of ESG issues and the challenge to maintain focus, successful organisations must also ensure their response is grounded in a common and broadly shared starting point. **As reputation and trust are, now more than ever, critical foundations to business success, it is clear that they must be placed at the centre of any meaningful and credible ESG response.**

This study is one piece to help you bring insight, focus and coherence to your response.

Contact your local SEC Newgate office to discuss the findings and underlying data in further detail.

Background & Methodology.

SEC Newgate conducted research to understand community awareness and perceptions around Environmental, Social and Governance (ESG) issues. The key objectives of the research were to measure:

- **Awareness and interest in ESG issues**, including the extent to which it influences purchases / service usage;
- **Perceived performance of governments and companies** when it comes to acting responsibly on ESG issues;
- **Attitudes towards ESG issues**; and
- **Willingness to pay for higher ESG performance.**

This benchmark research will be tracked annually going forward.

15-minute

online survey

10,203

Sample of **n=10,203** across **ten countries**

Participants were sourced from global panel provider PureProfile with the Chinese, Colombian, French, German, Italian and Japanese surveys done in-language. Fieldwork was conducted between mid and late August 2021.

Quotas were set by age, gender and location to ensure a nationally representative sample in each country. Further, the sample included an excellent mix of education levels within each country. The final results were weighted by the actual age and gender proportions for each country.

Country	n=
Australia	1,000
China	1,045
Colombia	1,039
France	1,010
Germany	1,014
Italy	1,006
Japan	1,014
Singapore	1,027
United Kingdom	1,017
United States of America	1,031

Other methodological notes:

- The 'total' result gives equal weighting to each of the ten countries.
- The total Europe result includes France, Germany and Italy (each are given equal weight).
- Survey questions and sample sizes are shown at the bottom of each page .
- Results may not always total 100% due to rounding or multiple-response questions.
- Down ▼ and up ▲ arrows have been used to show where an individual country result is significantly lower / higher than all other countries combined. Significance testing has been done at the 95% confidence level.

Summary of *Findings*.

This is a ten-country global study of public attitudes to Environmental, Social and Governance (ESG) principles for both governments and corporates, exploring how well people think their countries are performing. It will be an annual benchmarking index to measure community sentiment, so countries can measure their performance year on year as well as compare performance with peer countries around the world.

Concern about and interest in ESG issues is universal

Around six in ten people across the ten countries (61%) say they are very interested in ESG as an issue, rating their level of interest as 7 or more out of ten. This is consistent across all ten countries surveyed.

Environment is the number one public ESG concern, especially climate change

When asked how concerned they are about a range of issues (both general as well as ESG-specific issues), participants were most concerned about the COVID-19 pandemic followed by environmental issues such as climate change, extreme weather events and pollution. After this came government leadership and the quality of healthcare services. Overall, social issues were considered less important than Environment and Governance issues.

When asked an open-response question about the one ESG issue they feel is most important for the government or companies in their country to focus on, 52% related to the environment. Climate change was the clear front-runner (24%). This was followed by environmental issues in general (10%), waste management (7%) and pollution (6%). This reflects the prominent place of climate change in global debate ahead of the UN Climate Change Conference (COP26) in Glasgow from 31 October.

ESG is clearly driving consumer buying power and activism

Globally, ESG performance has a high level of influence on people's decision to purchase products or services. More than half of people across the ten countries (51%) said that their perceptions of a company's ESG performance had an influence over their purchasing decisions. A further 32% had warned others against using a company because of their behaviour and 26% had discussed a company's behaviour online or on social media.

... And consumers want consistent ESG measurement to navigate by

There was agreement that companies should promote their ESG efforts more clearly (74%) and that there should be a consistent approach for reporting (74%). A large proportion also agreed that ESG claims should be regulated (71%) and that companies should be penalised for poor ESG practices (71%).

A large majority of participants also agreed that companies should take responsibility for their supply chains (78%, making it the number one issue people identified to be addressed), that they need to do more to look after their employees (77%) and to give back to the natural environment (76%).

Summary of *Findings*.

Not for profits seen as leading the way on ESG performance followed by individual people and companies – government rated lowest

Not for profit organisations tended to receive the highest average ratings when it came to their performance in acting responsibly on ESG issues (average rating of 6.2 out of 10). This was closely followed by individual people (5.7) and then companies (5.7). By comparison, the national or federal government was rated the lowest (5.5). Those who said they had a good understanding of what ESG is gave significantly higher ratings for each of these groups.

Driver analysis (which indicates the factors proportionally most influencing and impacting people's responses) shows that ratings of the national or federal government are largely driven by governance (importance score of 43%) and environmental performance (35%). The most impact comes from behaving ethically, taking action on climate change, improving the environment, and transparency in decision making.

Community sees different ESG priorities for government and corporates

Driver analysis reveals the factors with the most influence or impact on people's overall views of ESG. It shows that ratings of the national or federal **government** are largely driven by their performance on governance (with a derived impact score of 43% out of a total of 100%), followed by environmental performance (35% of the impact). The most impact specifically comes from behaving ethically, taking action on climate change, improving the environment, and transparency in decision making.

When looking at what drives the overall ESG rating of **companies**, modelling shows the environmental pillar is most important (49%), followed by governance (28%) and then social performance (23%). The most impact comes from responsible and sustainable use of natural resources and genuinely working towards being carbon neutral.

Technology, healthcare seen as best sectors, mining and chemicals as poorest

Topping the list of ESG performance by industry were technology (rated on average as 6.3 out of 10), health care (6.2) and education and training (6.2). Conversely the lowest rated were mining and resources which scored 5.0, followed by chemicals (5.1), airlines (5.4) and automotive industry (5.6).

Banking behaviour impacts perceptions of all corporates

Driver analysis reveals that the banking and finance industry has the strongest influence on community perceptions of overall company ESG performance, followed by energy and utilities, manufacturing and the chemical industries. This means the greatest potential to improve perceptions of the corporate sector overall lies in improving how these particular industries are perceived.

Unprompted perceptions about who is doing well in companies appears to be influenced by people's awareness of retailers with prominent ESG messages – those who generally scored well were large supermarket chains, Amazon, Google and Apple.

There is little support for the public to underwrite improvements in ESG – the global audience sees this as an expected cost of doing business

Despite most saying ESG is an important consideration, willingness to pay for ESG performance for a range of different products and services was quite limited.

Climate and environment dominate ESG thinking.

In all ten countries surveyed, either 'climate change' or 'the environment' was the number one ESG concern – and environmental record is overwhelmingly the factor people regard as most important when judging companies' ESG performance.

- When asked what one ESG issue they feel is most important for the government or companies in their country to focus on, **52% cited environmental considerations, with climate change / global warming the top specific issue cited (24%).**
- Across all ten countries, **climate or environment more generally was the top ESG concern, with pollution and air quality also featuring.**
- **Companies were rated as doing a slightly better job than governments on the environment** – but neither is rated all that highly. Environmental performance of governments and companies was a middling 5.2 and 5.3 out of ten respectively. When asked to rate their Government and companies on specific environmental performance metrics, participants also tended to give mid-level ratings between five and six.
- Modelling shows **environmental performance has by far the biggest impact in driving public perceptions of how well the corporate sector has performed on ESG.** Environment accounted for half (49%) of sentiment followed by governance (28%) and then social performance (23%). Further, the most impact comes from responsible and sustainable use of natural resources and genuinely working towards being carbon neutral.
- A large majority of respondents agreed that **companies need to do more to give back to the natural environment.**

#01

Around 7 in 10

are very concerned (rating 7+) about climate change, extreme weather events and pollution.

#04

5.3 out of 10

The environmental performance of companies is slightly stronger at 5.3 out of 10.

#02

52%

say environmental issues are the most important for government or companies to be focusing on.

#05

49%

of the overall ESG rating of companies can be explained by their environmental performance.

#03

5.2 out of 10

On average, governments are rated 5.2 out of 10 on their environmental performance.

#06

76%

agree that companies need to do more to give back to the natural environment.



Where does *ESG fit?*

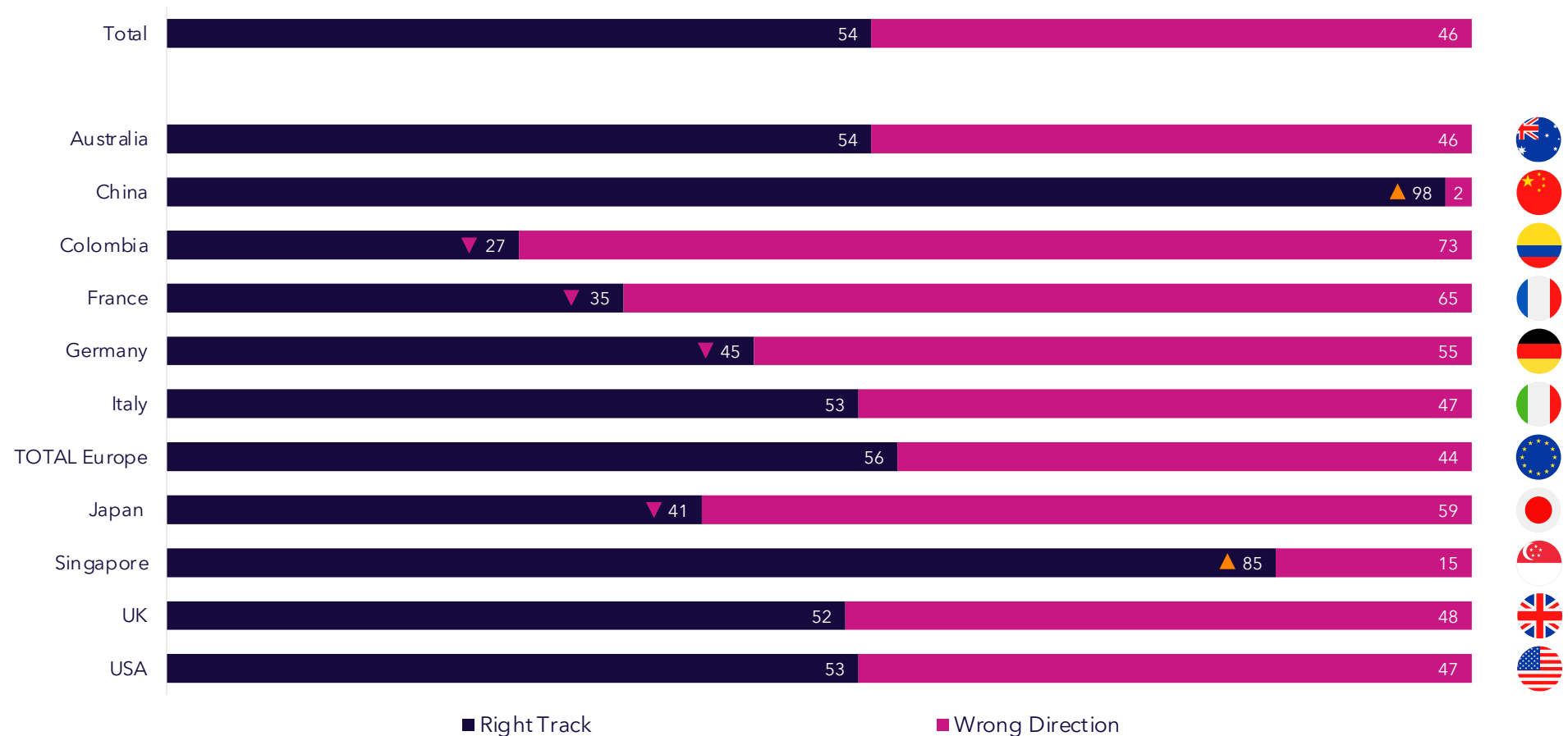
Notwithstanding the immediate focus on the COVID-19 pandemic, the environment features very strongly on the concerns of people around the world. Climate change ranks equal second in priority with the economy, while extreme weather and natural disasters also rate strongly – and above the quality of healthcare. From a governance perspective, crime, data security and government leadership are high priorities.

Perceived *direction* country is heading in.

On average, slightly more than half (54%) of participants feel that things in their country are heading in the right direction. Not surprisingly, local factors have led to some very different results across the ten countries.

For example, participants in China and Singapore are most likely to feel their country is on the right track while participants in Colombia and France are most likely to feel their country is heading in the wrong direction.

Perceived direction country is heading



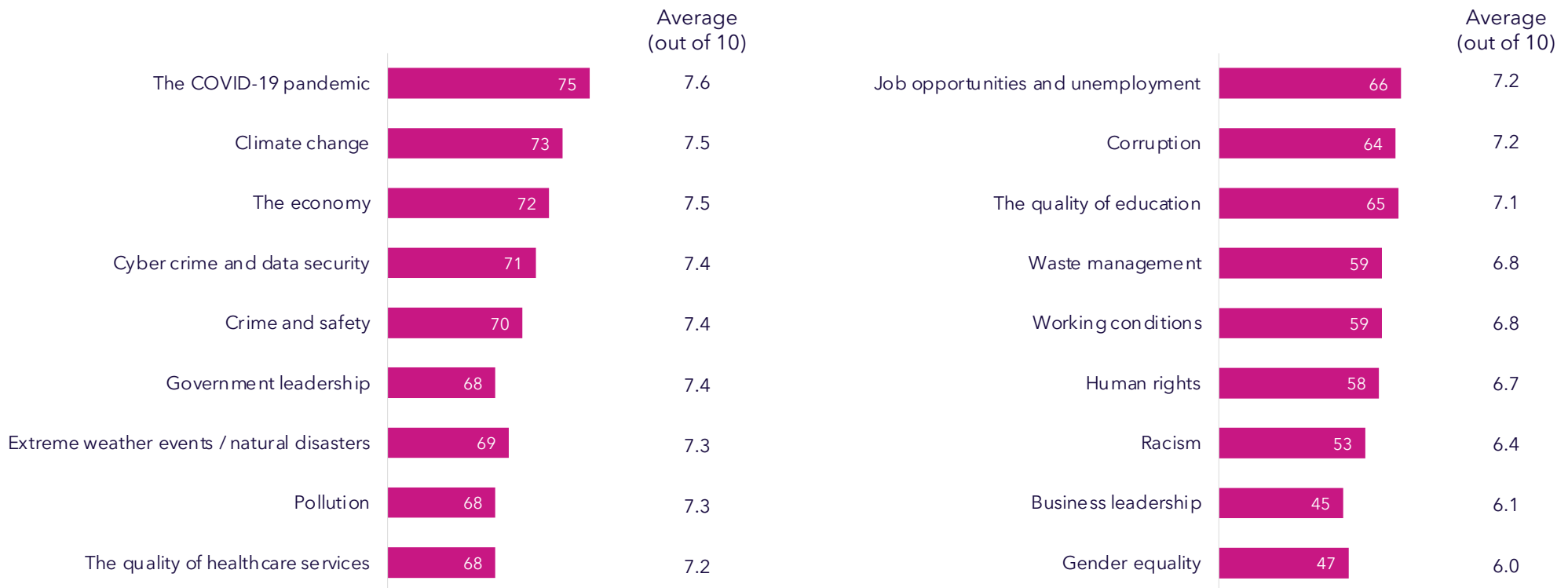
Base: All survey participants (n=10,203)
 Q1. Overall, do you think that things in [INSERT COUNTRY] are heading on the right track or in the wrong direction?

Level of concern about various issues.

The COVID-19 pandemic is the most concerning issue for participants across all ten countries, with three in four people rating it of high concern (seven or more out of ten). When it comes to ESG issues, people are most concerned about environmental issues such as climate change, extreme weather events and pollution followed by

government leadership and the quality of healthcare services. If we consider these issues in the context of the three ESG pillars, things that related to 'social' issues are ranked relatively lower than environmental and governance issues.

Level of concern about various issues
(% who rated 7 or more out of 10 when prompted)














Base: All survey participants (n=10,203)
Q2. How concerned are you about the following issues in [INSERT COUNTRY], if at all?
Rating scale: 0 = not at all concerned to 10 = extremely concerned

Level of concern about various issues by country.

The issue of greatest concern varied by country, with COVID-19, climate change and crime and safety competing for the first spot.

In China, the biggest concern was the quality of healthcare services.

% Rating 7 or more out of 10											
	Australia	China	Colombia	France	Germany	Italy	TOTAL Europe	Japan	Singapore	UK	USA
The COVID-19 pandemic	77	89	79	72	57	77	69	81	73	70	74
Climate change	61	77	83	73	70	85	76	73	65	71	66
The economy	65	88	90	67	48	81	66	68	69	67	78
Cyber crime and data security	65	81	83	68	64	78	70	67	66	62	78
Crime and safety	62	79	96	73	59	83	72	50	49	67	80
Government leadership	66	83	86	49	59	64	57	72	61	65	75
Extreme weather events/natural disasters	55	80	75	72	66	83	74	76	54	60	67
Pollution	58	83	90	72	56	85	71	43	55	67	67
The quality of healthcare services	59	90	90	68	46	75	63	56	57	67	73
Job opportunities and unemployment	57	78	92	66	47	85	66	57	66	50	64
Corruption	56	78	95	56	49	85	63	51	43	54	76
The quality of education	53	86	88	63	54	74	64	55	51	52	72
Waste management	50	68	79	62	42	77	61	50	54	55	57
Working conditions	45	81	90	55	40	77	57	51	57	41	59
Human rights	50	70	86	56	44	66	55	44	49	45	70
Racism	48	47	62	57	52	64	58	39	48	52	62
Business leadership	37	63	64	39	28	43	37	40	46	34	52
Gender equality	38	66	61	50	32	60	47	35	40	38	53

Base: All survey participants (n=10,203)
 Q2. How concerned are you about the following issues in [INSERT COUNTRY], if at all?
 Rating scale: 0 = not at all concerned to 10 = extremely concerned

But how much do people *really care* about ESG?

Six in ten people around the world state they are very interested in ESG issues. This is clearly a meaningful global movement that will continue to shape the reputation landscape for governments and businesses for the foreseeable future.

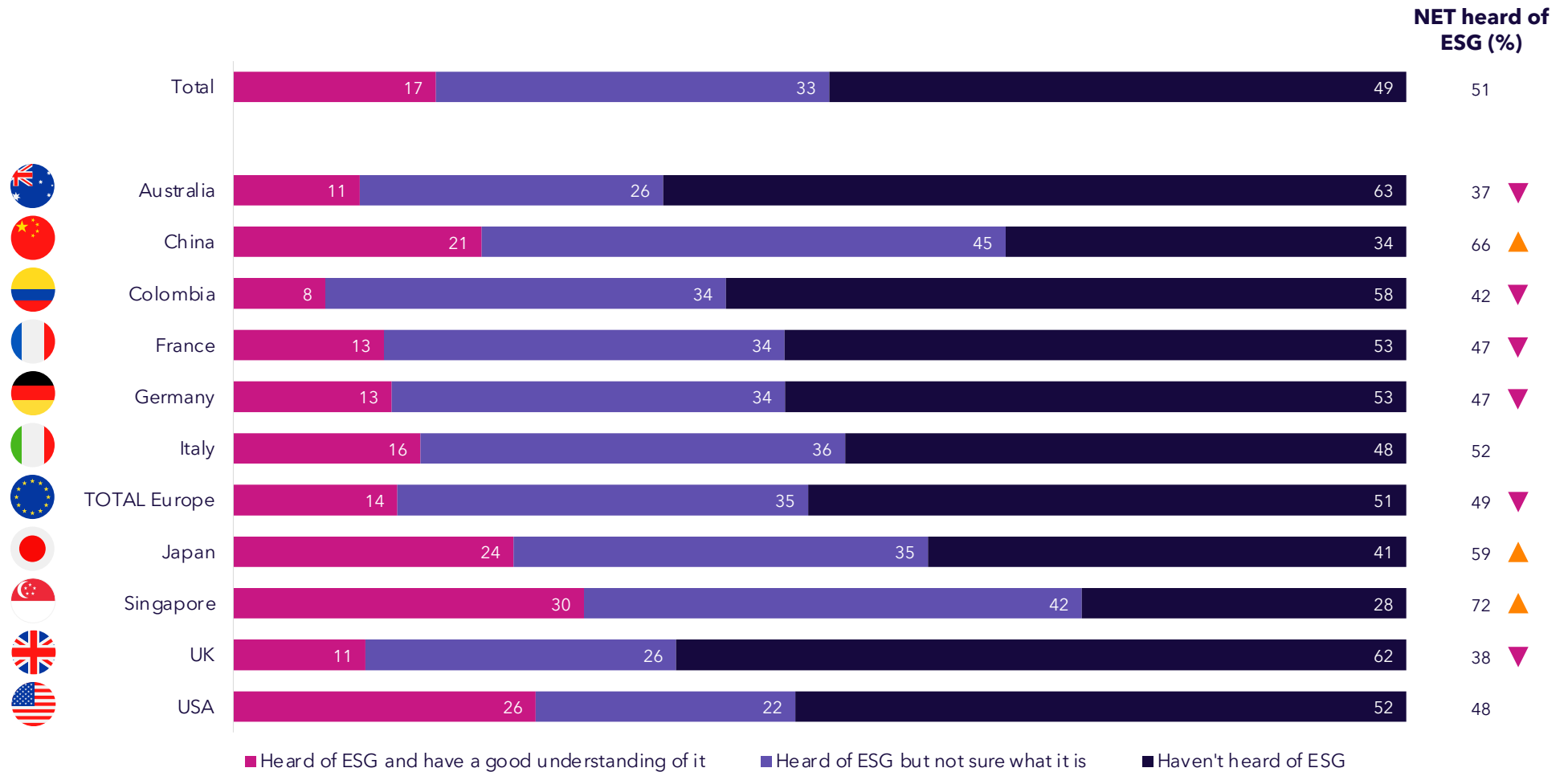
The environment, and climate in particular, is the dominant ESG concern across most countries.

Awareness and knowledge of ESG.

Overall unprompted awareness of the term ESG is quite limited, with less than one in five participants saying they understand what it is.

One in three say they have heard of ESG but are not sure what it is and half have never heard of it. Those in China, Japan and Singapore were significantly more likely to say they have heard of ESG.

Unprompted awareness of ESG by Country (%)



Base: All survey participants (n=10,203)
 Q3. Before today, had you heard of the term "ESG" which stands for "Environmental, Social and Governance (ESG)"?

What is *ESG*?

After asking participants whether they had heard of the term ESG, they were then shown the following text:

As you may already know, the term “ESG” refers to standards, policies and behaviours that organisations have in relation to **E**nvironmental, **S**ocial and **G**overnance issues. Some examples of these issues include:

- ***Environmental issues:***
e.g. action on climate change, use of natural resources, waste management, pollution, toxic free environments and the preservation of habitats and living creatures.
- ***Social issues:***
e.g. human rights, working conditions, health and safety, social equality, diversity and inclusion.
- ***Governance issues:***
e.g. leadership quality, transparent reporting of impacts, responsible policies and procedures, corporate regulation, risk management etc.

Environmental

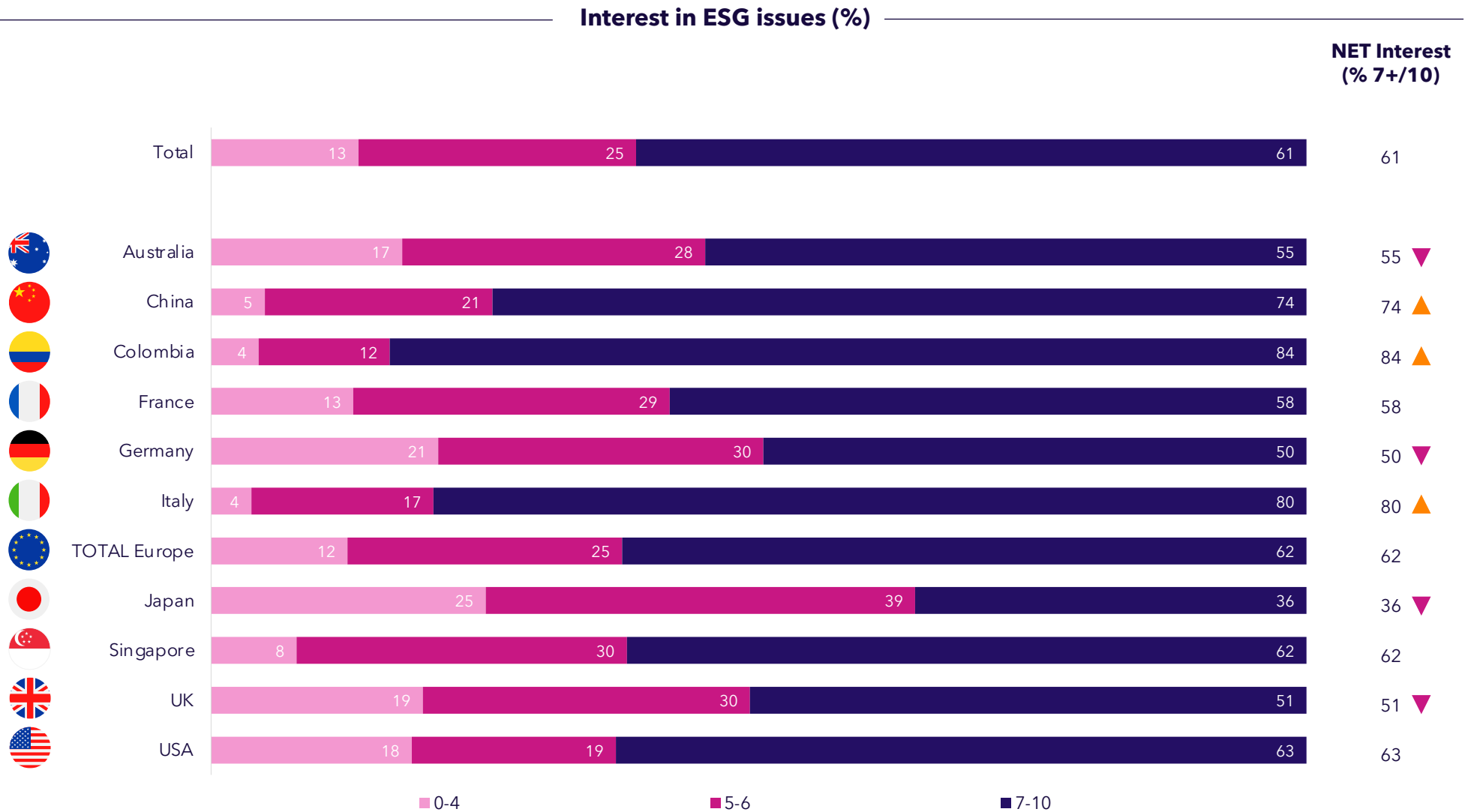
Social

Governance

Interest in *ESG issues*.

Around six in ten people across the ten countries say they are very interested in ESG Issues (61% rating this seven or more out of ten).

ESG issues were of most interest and importance to those in China (74%), Colombia (84%) and Italy (80%).



Base: All survey participants (n=10,203)

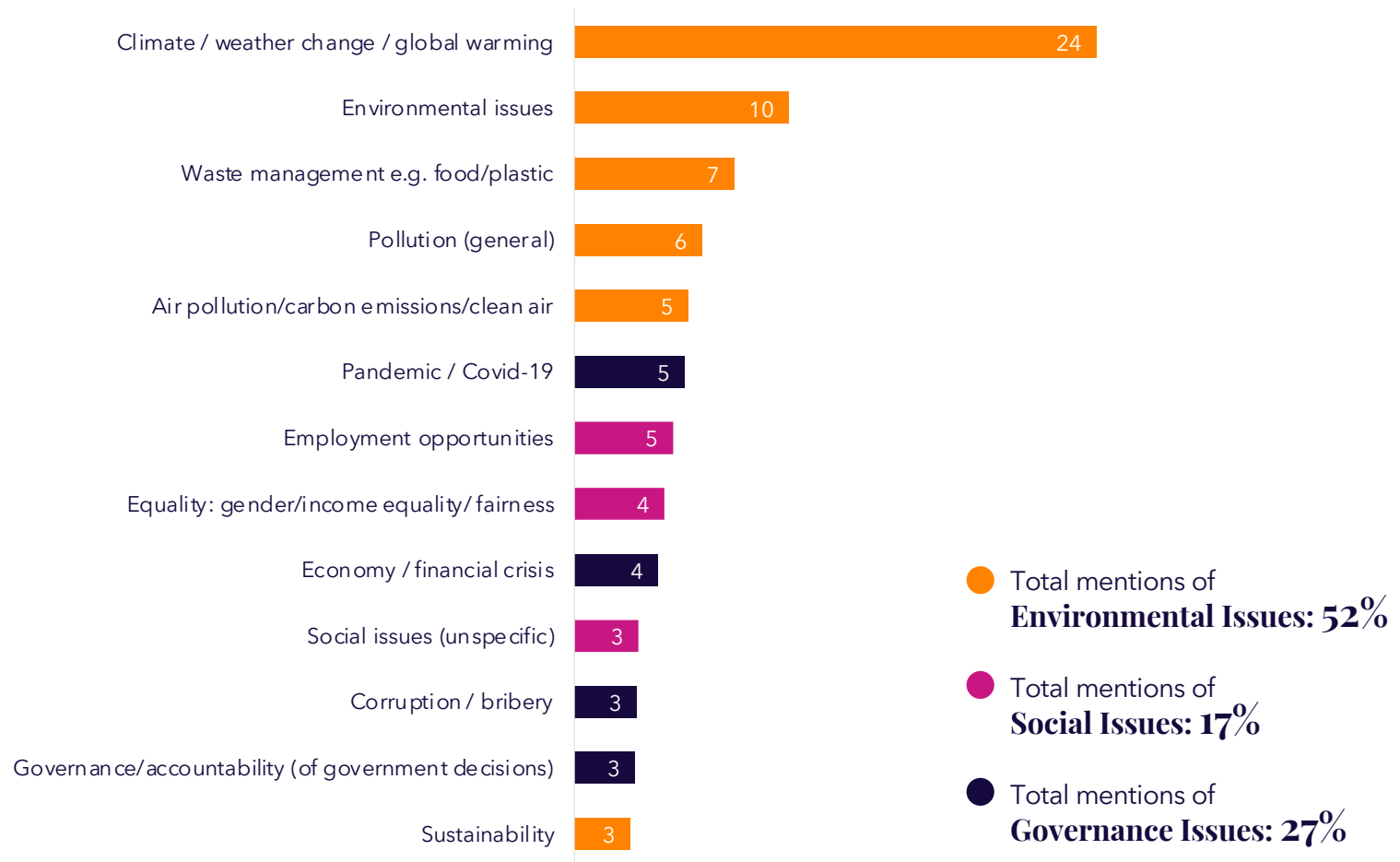
Q4. How interested are you in Environmental, Social and Governance (ESG) issues, if at all? 0=not at all interested, 10=extremely interested

Most important *ESG Issue*.

When asked an open-response question about the one ESG issue they feel is most important for the government or companies in their country to focus on, **climate change** was the clear front-runner, accounting for 24% of all responses.

This was followed by environmental issues in general, waste management and pollution. In total, environmental considerations were cited in 52% of all responses.

Most important ESG issues for Government or companies to be focussing on (unprompted %)



Base: All survey participants (n=6,475). Coded responses < 3% not shown

Q5. What is the one Environmental, Social or Governance issue that you think is most important for the Government or companies in (insert country) to be focusing on?

Top Three unprompted *ESG Issues* by Country.

Across all ten countries, issues relating to the environment featured in **the top three concerns**.



Australia

1. Climate / weather change / global warming (29%)
2. Pandemic / COVID-19 (11%)
3. Environmental issues (6%)



China

1. Environmental issues (20%)
2. Pollution (general) (16%)
3. Air pollution/carbon emissions/clean air (13%)



Colombia

1. Environmental issues (20%)
2. Corruption / bribery (18%)
3. Employment opportunities (18%)



France

1. Climate / weather change / global warming (24%)
2. Pollution (general) (12%)
3. Environmental issues (10%)



Germany

1. Climate / weather change / global warming (31%)
2. Environmental issues (13%)
3. Equality: gender / income equality / fairness (9%)



Italy

1. Climate / weather change / global warming (25%)
2. Employment opportunities (14%)
3. Environmental issues (14%)



Japan

1. Climate / weather change / global warming (13%)
2. Pandemic / COVID-19 (12%)
3. Environmental issues (8%)



Singapore

1. Climate / weather change / global warming (25%)
2. Waste management e.g. food/plastic (11%)
3. Environmental issues (8%)



UK

1. Climate / weather change / global warming (34%)
2. Waste management e.g. food/plastic (9%)
3. Environmental issues (7%)



USA

1. Climate / weather change / global warming (25%)
2. Environmental issues (8%)
3. Pandemic / COVID-19 (6%)

Base: All survey participants (n= 6,475)

Q5. What is the one Environmental, Social or Governance issue that you think is most important for the Government or companies in (insert country) to be focusing on?

How are we *performing* on ESG?












Governments are generally seen to be lagging the business sector in terms of their response to ESG concerns - however both are clearly perceived to be behind the not-for-profit sector (and in many markets individual citizens).

Views are mixed on which individual businesses or countries are performing well, with well-known consumer brands and northern European countries featuring.

Rating of *ESG Performance* (overall).

When it came to ratings of ESG performance, participants tended to give mid-level ratings of around six on average in terms of the **Government, companies in their country, not for profit organisations and individual people**. Those who said they had a good understanding of what ESG is gave significantly higher ratings.

Not for profit organisations tended to receive the highest average ratings, followed by individual people and then companies. By comparison, the government was often rated the lowest. By country, those in China and Singapore gave the highest ratings of different groups, while those in Colombia and Japan gave the lowest.

Average (out of 10)	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
The national or federal Government	5.5	5.1	7.7	4.0	5.3	5.3	5.5	5.3	4.7	6.6	5.2	5.7
Companies operating in this country	5.7	5.6	7.1	5.0	5.5	5.4	5.5	5.5	5.4	6.2	5.5	6.2
NFPs operating in this country	6.2	6.3	7.1	5.6	5.9	6.3	6.0	6.1	5.4	6.5	6.3	6.8
Individual people in this country	5.7	6.0	7.0	4.9	5.4	5.5	5.6	5.4	5.2	5.9	5.6	6.4

Base: All survey participants who gave a rating between 0 and 10 (n=9,504-9,757)












Q6. Overall, how would you rate the performance of the following groups when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Ratings of Governments' and Companies' Performance.

(THE 3 PILLARS)

Participants were asked to rate the Government and companies in their country on each of the specific pillars of environmental, social and governance. For both groups, **average ratings for social performance was slightly higher than environmental and governance.**

Of note is that when asked to rate these groups at a more granular level i.e. by pillar, the average ratings are lower than the overall ESG rating.

Average (out of 10)	Metric	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
The national / federal Government	Environment	5.2	4.6	7.7	4.2	4.9	4.9	5.2	5.0	4.3	6.3	4.9	5.2
	Social	5.4	5.2	7.6	4.0	5.2	5.2	5.3	5.2	4.2	6.3	5.1	5.3
	Governance	5.1	4.8	7.6	3.5	4.8	4.8	4.9	4.8	3.9	6.5	4.7	5.0
Companies operating in this country	Environment	5.3	5.0	6.7	4.7	5.0	4.9	5.1	5.0	5.2	5.7	5.1	5.4
	Social	5.4	5.4	6.7	4.7	5.2	5.1	5.1	5.1	4.9	5.8	5.4	5.5
	Governance	5.3	5.2	6.6	4.3	5.0	5.1	5.1	5.1	5.0	6.0	5.2	5.4

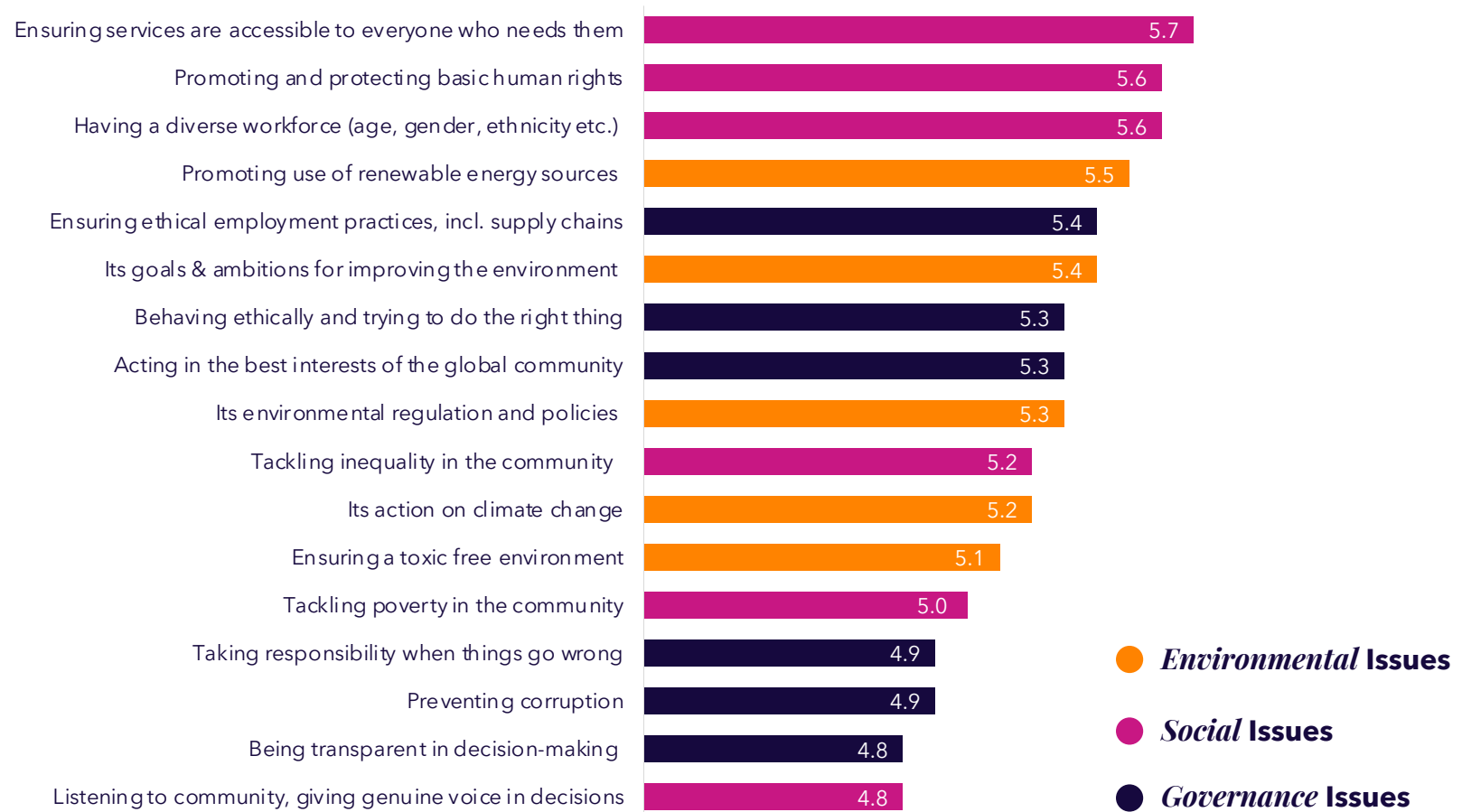
Base: All survey participants who gave a rating between 0 and 10 (n=9,135-9,528)
 Q7. And how would you rate the performance of the following groups on the specific Environment, Social and Governance aspects of ESG?
 Please rate on a scale of 0 - 10 where 0 means very poor and 10 means excellent.

Governments' performance on specific ESG issues.

Participants were asked to rate their **Government** on specific environmental, governance and social metrics. The average ratings across all countries tended to be between five and six, potentially reflecting a low level of knowledge and understanding of the issues.

The highest performing areas were social issues: ensuring services are accessible, promoting and protecting human rights and having a diverse workforce.

Average performance (out of 10)



Base: All survey participants who gave a rating between 0 and 10 (n=9,527-9,839)
 Q12. How would you rate the performance of the [NATIONALITY] Government on the following things?
 0 = very poor, 10 = excellent

Companies' performance on specific ESG issues.

Participants were asked to rate the **Companies** in their country on specific environmental, governance and social metrics. The average ratings provided for companies was slightly higher than those provided for governments.

The highest performing areas were social issues: ensuring accessibility to products and services, promoting equality and diversity in the workforce and listening to customers and taking their views into account.

Average performance (out of 10)














Base: All survey participants who gave a rating between 0 and 10 (n=9,527-9,839)
 Q13. And how would you rate the performance of companies in general in [INSERT COUNTRY] on the following things
 0 = very poor, 10 = excellent

Environmental Performance Ratings.

Participants were asked to rate their Government and companies in their country on **specific environmental performance metrics**. Across most countries, participants tended to give mid-level ratings between 5 and 6, reflecting a low level of knowledge and understanding of these issues.

Of note is that across most countries participants gave slightly higher ratings of companies compared to their Government.












Average (out of 10)	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA	
Government	Promoting use of renewable energy sources	5.5	5.0	7.8	3.7	5.2	5.3	5.4	5.3	4.8	6.6	5.6	5.9
	Its goals and ambitions for improving the environment	5.4	4.7	8.0	3.6	5.0	5.0	5.2	5.1	4.8	6.7	5.4	5.8
	Its environmental regulation and policies	5.3	4.8	7.7	3.7	5.0	4.9	5.1	5.0	4.6	6.6	5.3	5.7
	Its action on climate change	5.2	4.5	7.9	3.5	4.9	4.8	5.0	4.9	4.6	6.5	5.1	5.6
	Ensuring a toxic free environment	5.1	4.7	7.5	3.3	4.7	4.7	4.8	4.7	5.0	6.5	4.9	5.4
Companies	Actively trying to minimise their environmental impact	5.6	5.5	7.4	4.5	5.2	5.2	5.3	5.3	5.4	6.2	5.6	6.2
	Having responsible waste management practices	5.6	5.6	7.3	4.5	5.3	5.3	5.3	5.3	5.1	6.2	5.6	6.2
	Responsible and sustainable use of natural resources	5.6	5.5	7.3	4.3	5.2	5.1	5.3	5.2	5.2	6.2	5.5	6.2
	Genuinely working towards being carbon neutral	5.5	5.5	7.3	4.3	5.1	5.1	5.1	5.1	5.3	6.1	5.6	6.1
	Taking action on climate change	5.5	5.3	7.3	4.4	5.1	5.1	5.3	5.1	5.1	6.1	5.5	6.0

Base: All survey participants who gave a rating between 0 and 10 (n=9,527-9,839)
 Q12. How would you rate the performance of the [NATIONALITY] Government on the following things?
 Q13. And how would you rate the performance of companies in general in [INSERT COUNTRY] on the following things?
 0 = very poor, 10 = excellent

Social Performance Ratings.

When it came to giving performance ratings on social issues, there was a bit more differentiation across the different metrics. Across the ten countries, the Government was deemed to be performing best when it comes to ensuring services are accessible to everyone who needs them, but rated the lowest when it came to listening to the community and giving them a genuine voice in decisions.

Companies tended to get higher ratings than the Government in each country and performed the strongest in terms of ensuring accessibility to products and services that people require and the lowest when it came to taking an active leadership role in community issues.












Average (out of 10)	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA	
Government	Ensuring services are accessible to everyone who needs them	5.7	5.5	7.7	3.5	5.5	5.6	5.5	5	7.1	5.5	5.8	
	Having a diverse workforce (age, gender, ethnicity etc.)	5.6	5.5	7.8	3.8	5.2	5.5	5.3	5.3	4.7	6.6	5.7	6.3
	Promoting and protecting basic human rights	5.6	5.4	7.7	3.5	5.4	5.7	5.6	5.6	4.9	6.3	5.6	5.7
	Tackling inequality in the community	5.2	5.0	7.5	3.3	4.8	4.6	5.1	4.9	4.6	6.3	4.9	5.5
	Tackling poverty in the community	5.0	4.6	7.9	3.1	4.7	4.2	4.8	4.6	4.5	6.2	4.5	5.3
	Listening to community, giving genuine voice in decisions	4.8	4.4	7.5	3.2	4.3	4.3	4.7	4.4	4.1	6.1	4.3	5.1
Companies	Ensuring accessibility to products/services people require	6.1	6.2	7.6	4.9	5.7	5.7	5.7	5.7	5.8	6.5	6.2	6.6
	Listening to customers and taking their views into account	5.9	5.7	7.5	4.9	5.6	5.4	5.6	5.5	5.6	6.3	5.7	6.3
	Promoting equality and diversity in the workforce	5.9	6.0	7.3	4.6	5.5	5.5	5.5	5.5	5.1	6.2	6.2	6.6
	Behaving responsibly in the communities they operate	5.8	5.8	7.4	4.7	5.4	5.3	5.5	5.4	5.5	6.4	5.8	6.4
	Taking an active leadership role in community issues	5.6	5.7	7.4	4.6	5.2	5.1	5.3	5.2	5.1	6.2	5.3	6.1

Base: All survey participants who gave a rating between 0 and 10 (n=9,527-9,839)
 Q12. How would you rate the performance of the [NATIONALITY] Government on the following things?
 Q13. And how would you rate the performance of companies in general in [INSERT COUNTRY] on the following things?
 0 = very poor, 10 = excellent

Governance Performance Ratings.

Ratings of governments on specific governance issues were the lowest across the three pillars of ESG, with average ratings of around 5 out of 10 for various aspects. The weakest measures were for preventing corruption, taking responsibility when things go wrong and being transparent in decision making.

Company performance on governance issues was slightly higher than it was for government with the highest aspect being ensuring strong risk management practices.

	Average (out of 10)	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
Government	Ensuring ethical employment practices, incl. supply chains	5.4	5.2	7.5	3.5	5.1	5.0	5.1	5.1	4.7	6.5	5.2	5.8
	Acting in the best interests of the global community	5.3	4.8	7.8	3.7	5.1	5.0	5.1	5.0	4.7	6.6	4.9	5.6
	Behaving ethically and trying to do the right thing	5.3	5.0	7.9	3.1	4.9	5.1	5.0	5.0	4.6	6.6	4.9	5.4
	Preventing corruption	4.9	4.7	7.5	2.4	4.7	4.5	4.4	4.5	4.1	7.0	4.5	4.9
	Taking responsibility when things go wrong	4.9	4.4	7.9	3.1	4.6	4.2	4.8	4.5	4.0	6.2	4.2	5.0
	Being transparent in decision-making	4.8	4.5	7.5	2.9	4.5	4.3	4.8	4.5	4.1	6.2	4.3	5.2
Companies	Ensuring strong risk management practices	5.8	6.0	7.3	4.8	5.5	5.2	5.4	5.4	5.2	6.4	6.0	6.4
	Behaving ethically and trying to do the right thing	5.7	5.7	7.5	4.5	5.3	5.4	5.4	5.4	5.4	6.3	5.7	6.1
	Having ethical employment practices, incl. supply chains	5.7	5.7	7.4	4.6	5.3	5.2	5.4	5.3	5.2	6.3	5.7	6.3
	Taking responsibility when things go wrong	5.5	5.4	7.4	4.3	5.2	4.6	5.2	5.0	5.1	6.2	5.3	5.9
	Reporting in a transparent manner	5.5	5.4	7.2	4.4	5.1	4.8	5.2	5.0	5.1	6.1	5.3	5.9

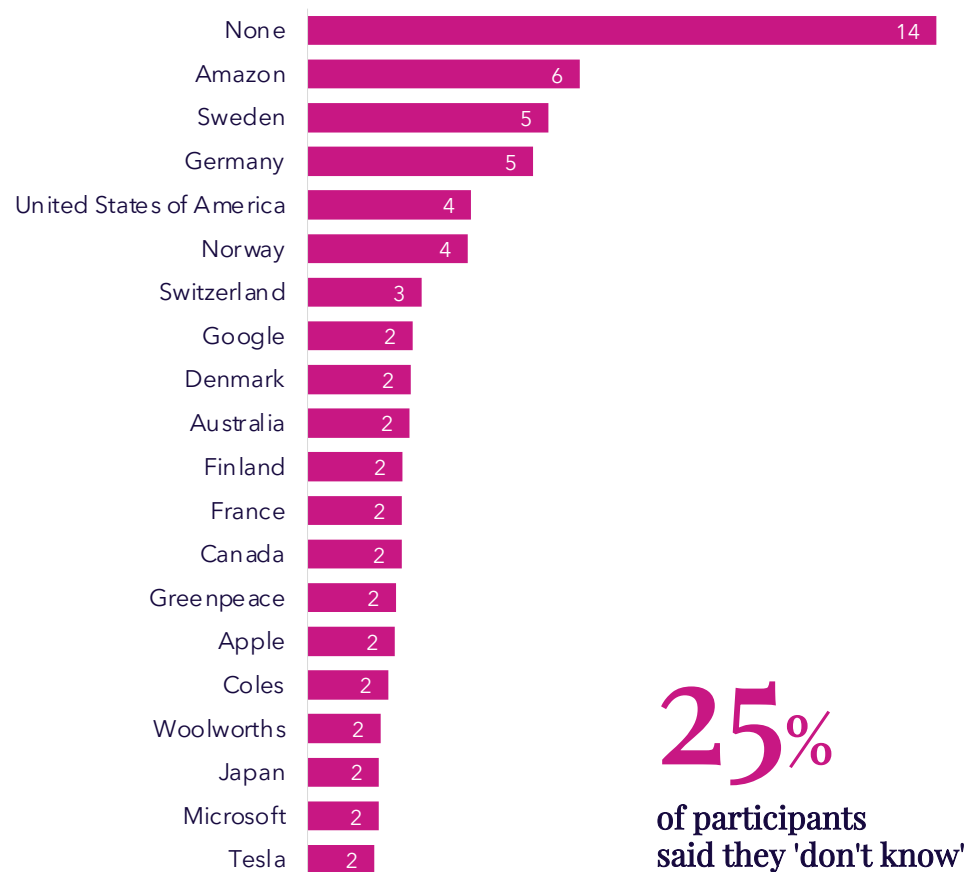
Base: All survey participants who gave a rating between 0 and 10 (n=9,527-9,839)
 Q12. How would you rate the performance of the [NATIONALITY] Government on the following things?
 Q13. And how would you rate the performance of companies in general in [INSERT COUNTRY] on the following things?
 0 = very poor, 10 = excellent

Who is doing *well* in the ESG space (unprompted)?

Participants were asked to say **which individual companies, industries, countries or individuals were doing really well when it comes to ESG issues**. One in four participants said they did not know and 14% said 'none'.

Among those who gave a response, the top mentioned company was Amazon (6%). The top countries that were mentioned were Sweden (5%), Germany (5%), USA (4%) and Norway (4%).

Which individual companies, industries, countries or individuals are doing really well? (% Top mentions)



Base: All survey participants (n=8,121) Excludes China and Japan

Q8. Which individual companies, industries, countries or individuals do you think are doing really well when it comes to Environmental, Social and Governance (ESG) issues? List all that apply

Who is doing *well* in the ESG space (unprompted)?

By country, the top three mentions (after don't know or none) are shown below.



Australia

1. Coles (15%)
2. Woolworths (13%)
3. BHP (7%)
4. Australia (6%)



Italy

1. Amazon (11%)
2. Sweden (7%)
3. Germany (7%)



Colombia

1. Germany (18%)
2. USA (12%)
3. Switzerland (12%)
4. Canada (11%)



Singapore

1. DBS (9%)
2. Singapore (7%)
3. NTUC (5%)
4. Temasek (5%)



France

1. Sweden (11%)
2. EDF (9%)
3. Norway (7%)
4. Amazon (7%)
5. France (7%)



UK

1. Tesco (8%)
2. Amazon (7%)
3. UK (7%)



Germany

1. Sweden (8%)
2. Amazon (7%)
3. Germany (6%)



USA

1. Amazon (14%)
2. USA (12%)
3. Apple (7%)

Base: All survey participants (n=8,121) Excludes China and Japan

Q8. Which individual companies, industries, countries or individuals do you think are doing really well when it comes to Environmental, Social and Governance (ESG) issues? List all that apply

How do different *industries* compare?












The technology, healthcare and education sectors are generally seen as leading the way in ESG response, while mining, chemicals and the airlines lag.

Interestingly, the performance of the banking and finance sector has by far the strongest influence on people's general views of corporate ESG response (followed by the energy, manufacturing and chemical sectors), indicating these issues are the most pressing for individual businesses in these sectors.

Industry Performance Ratings.

When prompted with a list of **industries, technology, healthcare and education and training** received the **highest average ratings** in terms of acting responsibly on ESG issues.

The chemical and mining industries received the lowest ratings overall.

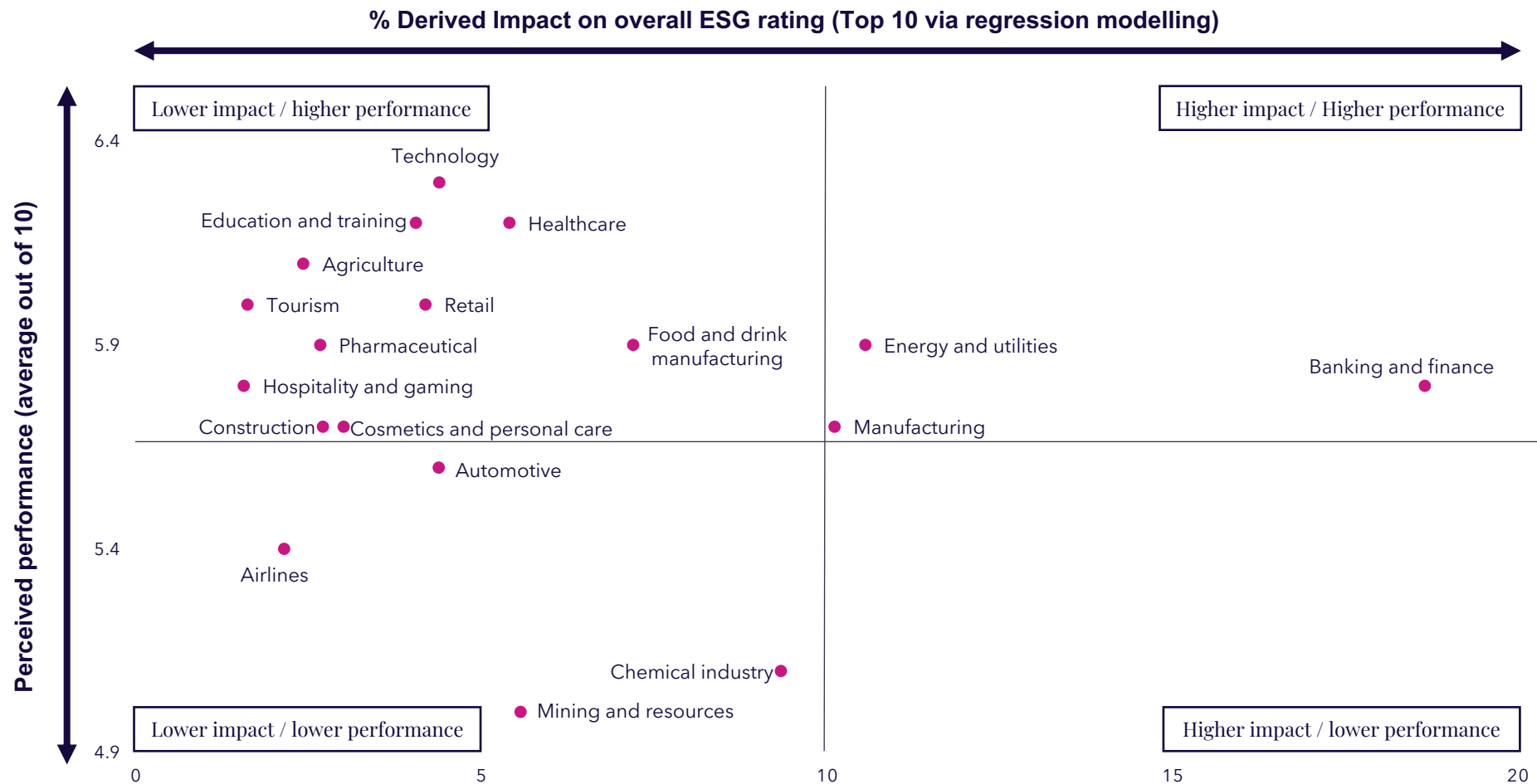
Average (out of 10)	Total	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
Technology	6.3	6.3	7.9	5.6	5.6	5.9	6.3	6.0	6.3	6.5	6.0	6.8
Healthcare	6.2	6.5	7.4	4.7	6.1	5.9	6.1	6.0	5.8	6.8	6.3	6.7
Education and training	6.2	6.4	7.4	5.1	5.9	5.8	6.0	5.9	5.6	6.7	6.2	6.5
Agriculture	6.1	6.3	7.4	5.6	5.5	5.6	6.1	5.8	5.9	6.3	5.9	6.7
Tourism	6.0	6.0	7.4	5.6	5.5	5.2	6.3	5.6	5.5	6.2	5.6	6.4
Retail	6.0	6.0	7.3	5.1	5.5	5.7	6.2	5.8	5.6	6.1	5.6	6.5
Food and drink manufacturing	5.9	5.8	7.1	5.2	5.1	5.7	6.1	5.6	5.9	6.1	5.6	6.5
Pharmaceutical	5.9	5.9	7.1	5.2	5.4	5.0	5.8	5.4	6.0	6.4	5.8	6.3
Energy and utilities	5.9	5.5	7.4	4.9	5.5	5.5	5.9	5.6	5.7	6.3	5.5	6.4
Banking and finance	5.8	5.6	7.5	4.9	5.3	5.2	5.6	5.4	5.5	6.6	5.7	6.4
Hospitality and gaming	5.8	5.3	6.7	5.3	5.6	5.1	6.0	5.5	5.5	6.2	5.4	6.5
Manufacturing	5.7	5.6	7.2	4.9	4.8	5.4	5.9	5.4	5.8	6.0	5.4	6.3
Construction	5.7	5.5	7.0	5.1	5.4	5.3	5.6	5.4	5.4	5.8	5.4	6.3
Cosmetics and personal care	5.7	5.4	6.9	5.0	5.2	5.2	5.8	5.4	5.7	5.9	5.2	6.3
Automotive	5.6	5.4	6.9	4.8	5.0	4.9	5.8	5.3	6.1	5.8	5.3	6.2
Airlines	5.4	5.3	7.4	5.1	4.5	4.2	5.1	4.6	5.7	6.0	4.6	6.0
Chemical industry	5.1	4.9	6.4	4.5	4.3	4.4	5.0	4.6	5.7	5.7	4.9	5.6
Mining and resources	5.0	4.8	6.5	3.7	4.4	4.6	5.1	4.7	5.3	5.5	4.6	5.7

Base: All survey participants who gave a rating between 0 and 10 (n=9,258-9,586)
 Q11. How would you rate the performance of the following industries operating in [INSERT COUNTRY] when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Industries driving ‘Company’ rating.

Driver analysis reveals that **certain industry sectors have a stronger influence on shaping general community perceptions on company ESG performance than others.** Banking and finance has the strongest influence on community perceptions, followed by energy and utilities, manufacturing and the chemical industries.

This means the greatest potential to improve perceptions of the corporate sector overall lies in improving how these particular industries are perceived.



Base: All survey participants who gave a rating between 0 and 10 (n=9,135-9,528)

Q6. Overall, how would you rate the performance of the following groups when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Q11. How would you rate the performance of the following industries operating in [INSERT COUNTRY] when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

What *actions* do people think should be taken to *improve ESG* *performance?*

The public has strong expectations that companies take responsibility for their supply chains and do the right thing by their employees.

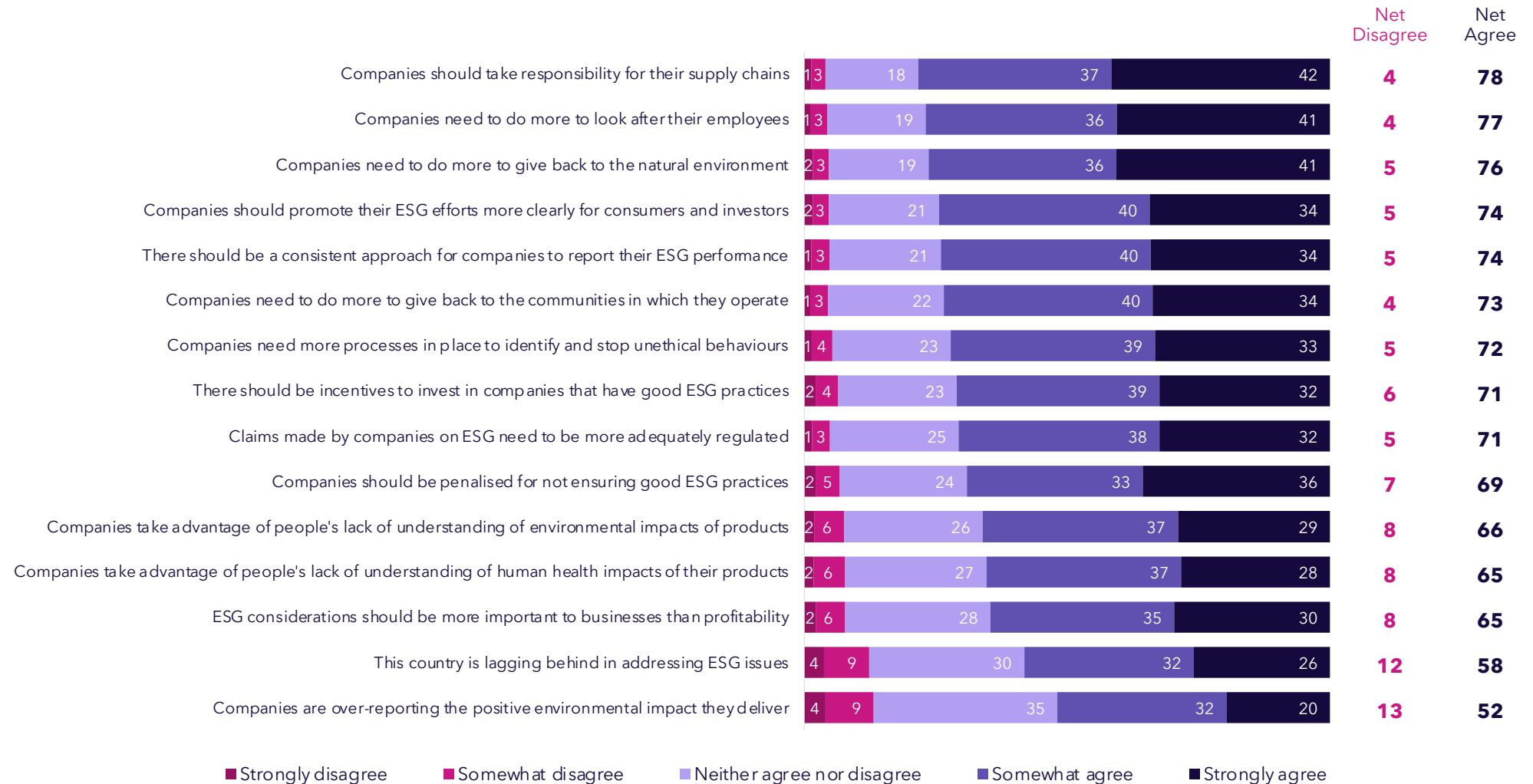
They are actively looking for more quality and consistent information to help build their understanding of how corporates and governments are performing on ESG.

Attitudes to ESG.

A large majority of respondents agreed that **companies should take responsibility for their supply chains, and that they need to do more to look after their employees and to give back to the natural environment.**












There was strong agreement that companies should promote their ESG efforts more clearly and that there should be a consistent approach for reporting ESG performance.

Attitudes to ESG issues (%)



Base: All survey participants (n=10,203)
Q15. To what extent do you agree or disagree with the following statements?

Attitudes to ESG by Country.

	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
NET Somewhat or Strongly Agree (%)											
Companies should take responsibility for their supply chains	81	86	88	78	71	82	77	60	81	80	76
Companies need to do more to look after their employees	75	86	90	77	70	82	76	59	80	73	78
Companies need to do more to give back to the natural environment	74	85	89	79	73	81	77	58	78	76	74
Companies should promote their ESG efforts more clearly for consumers and investors	74	84	86	72	68	81	73	56	76	74	73
There should be a consistent approach for companies to report their ESG performance	75	77	88	73	68	77	73	55	77	78	73
Companies need to do more to give back to the communities in which they operate	71	78	88	74	66	78	73	55	78	72	73
Companies need more processes in place to identify and stop unethical behaviours	73	82	89	75	57	68	67	51	79	74	73
There should be incentives to invest in companies that have good ESG practices	69	84	86	72	62	76	70	49	74	68	70
Claims made by companies on ESG need to be more adequately regulated	71	82	84	71	56	74	67	47	76	74	70
Companies should be penalised for not ensuring good ESG practices	67	79	87	75	59	78	71	40	70	71	66
Companies generally take advantage of people's lack of understanding of the environmental impacts of their products	66	71	84	67	62	71	67	44	64	65	66
Companies generally take advantage of people's lack of understanding of the human health impacts of their products	67	71	84	67	63	68	66	40	64	65	65
ESG considerations should be more important to businesses than profitability	60	70	79	73	60	71	68	42	65	60	65
This country is lagging behind in addressing ESG issues	58	39	77	60	59	76	65	52	49	48	62
Companies are over-reporting the positive environmental impact they deliver	53	62	46	61	45	50	62	34	57	55	56

Base: All survey participants (n=10,203)
Q15. To what extent do you agree or disagree with the following statements?

What *actions* will people take based on their *ESG beliefs*?

A company's ESG performance is now driving consumer purchase decisions and, increasingly activism, including warning others against using a company or product, or discussing their behaviour on social media.

Note however that, despite most saying ESG is an important consideration, willingness to pay for ESG performance for a range of different products and services was quite limited. Most are willing to pay something, but not a great deal. Others see it as an expected cost of doing business.

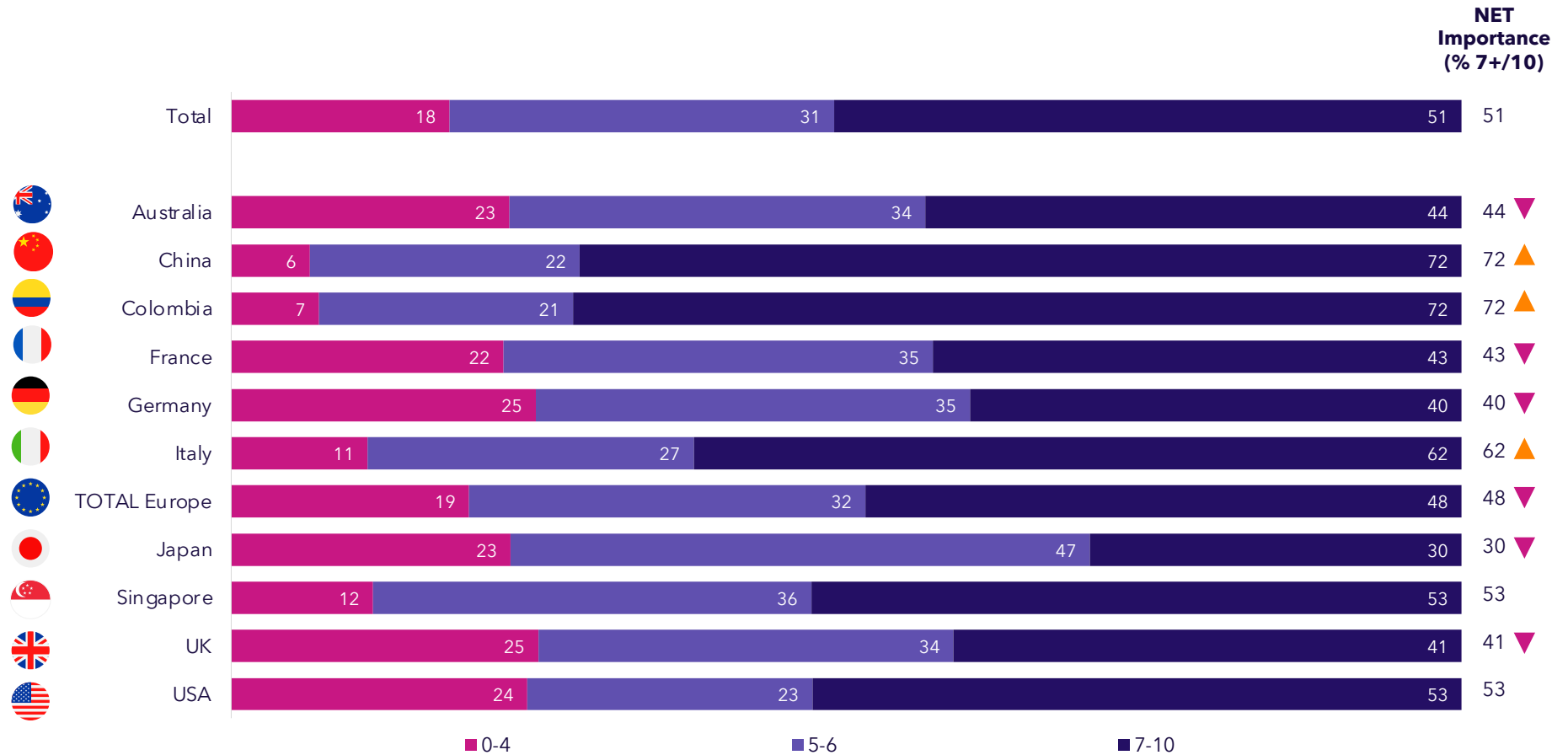
Companies that actively promote their ESG efforts will be rewarded.

Importance of ESG issues in consumer choice.

One in two people from across the ten countries say that **ESG issues have a high level of influence on their decision to purchase products or services from specific companies** (51% gave a rating of seven or more out of ten).

As with their interest in ESG issues, those from China (72%), Colombia (72%) and Italy (62%) were more likely to say that ESG issues have a high level of influence when purchasing products or services.

Importance of ESG issues in influencing purchase decisions (%)



Base: All survey participants (n=10,203)
 Q10. In your day-to-day life how important are ESG issues in influencing whether you decide to purchase products or services from specific companies? 0=not at all important, 10=extremely important

Level of *activism* on ESG Issues.

Participants reported taking a variety of actions on ESG issues, with almost half reporting that they **avoided using a product or service** because they disagreed with the company's practices and a third

saying they had stopped following a person or company on social media after they behaved in a way they didn't like or agree with.

Actions taken on ESG issues in the past two years (% yes)














64%

have done one or more of these (3 on average)

Base: All survey participants (n=10,203)
Q17. In the past two years, have you done any of the following things?

Level of *activism* on ESG Issues by Country.

Participants from China and Colombia were most likely to take action on a range of different issues, while those in Japan were least likely.

Yes (%)	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
Avoided using product/service (didn't like company's practices)	45	60	67	44	44	51	46	22	39	39	42
Stopped following individual/company on social media after they behaved in a way you didn't like or agree with	36	54	66	29	31	38	33	11	33	25	35
Warned others against using company because of their behaviour	33	44	56	30	30	36	32	5	27	26	35
Discussed a company's behaviour online or on social media	21	48	43	21	20	26	22	9	19	20	31
Signed a petition on an ESG issue	23	16	25	24	20	24	23	5	15	23	27
Invested in shares because you like the company's practices	17	35	16	15	18	17	17	12	28	13	25
Attended a protest or demonstration	10	9	33	19	15	18	17	3	10	9	18
Contacted the media about a particular issue or complaint	10	25	20	10	15	14	13	5	14	9	17
Quit your job because you didn't like the company's practices	12	21	21	12	10	11	11	5	17	9	19
Sold shares because you didn't like the company's practices	9	30	8	9	12	10	10	7	18	7	17
Spoken with local member of parliament / government representative about an ESG issue that was important to you	11	17	17	11	10	11	11	5	14	11	19
Organised a petition	5	16	31	11	9	9	10	3	11	7	16
Contacted an ombudsman about a particular ESG issue	9	17	13	8	7	9	8	4	13	6	17
Organised a protest or demonstration	5	10	8	7	7	8	7	4	10	6	14

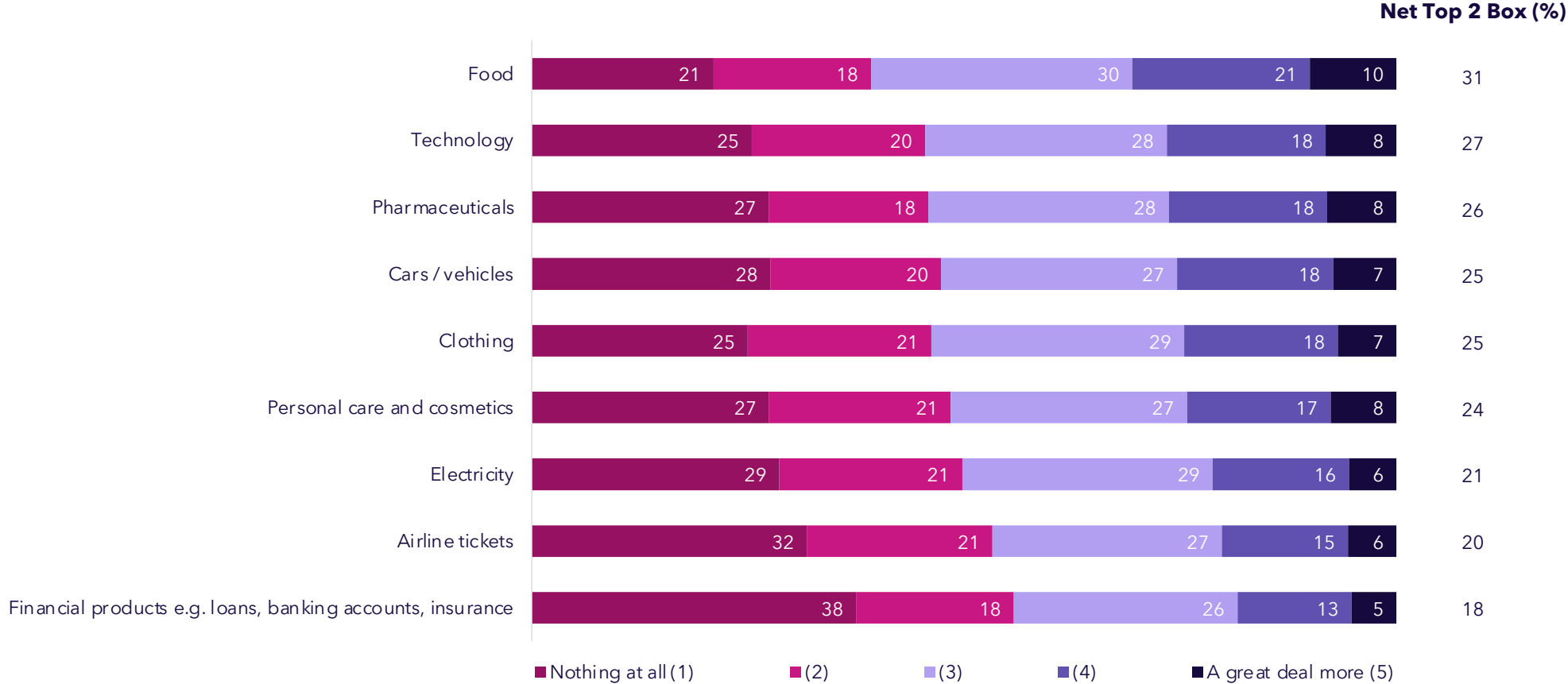
Base: All survey participants (n=10,203)
Q17. In the past two years, have you done any of the following things?

Willingness to pay for higher ESG performance.

We included an attitudinal question about willingness to pay for higher ESG performance. Most are willing to pay a bit more but not a great deal more.

They were most likely to say they'd pay more for food and technology, and less likely to say they'd pay more for financial products, airline tickets and electricity.

How much more people would be willing to pay if provider was doing the right thing in terms of ESG (%)



Base: All survey participants (n=10,203)
 Q14. How much more would you be willing to pay, if anything, for the following products and services if you knew the provider was doing the right thing in terms of Environmental, Social and Governance (ESG) issues? SLIDER SCALE RANGING FROM NOTHING AT ALL TO A GREAT DEAL MORE

Willingness to pay for higher ESG performance.

Willingness to pay varied considerably by country.

Those in China, Colombia, Singapore and the USA were much more likely to say they would pay more for various products and services if they knew the provider was doing the right thing in terms of ESG issues.

NET Top 2 Box (%)	 Australia	 China	 Colombia	 France	 Germany	 Italy	 TOTAL Europe	 Japan	 Singapore	 UK	 USA
Food	21	58	48	21	25	25	24	14	35	19	39
Technology	15	58	38	14	16	18	16	20	33	16	37
Pharmaceuticals	15	50	42	16	16	24	18	19	33	16	34
Cars / vehicles	17	42	32	17	18	20	18	23	27	19	37
Clothing	18	41	34	16	24	20	20	11	25	20	35
Personal care and cosmetics	17	40	34	16	19	22	19	13	27	20	35
Electricity	13	42	28	12	14	15	14	12	26	14	36
Airline tickets	13	31	24	12	17	16	15	16	25	17	30
Financial products e.g. loans, accounts, insurance	12	39	22	9	10	12	10	10	24	13	32

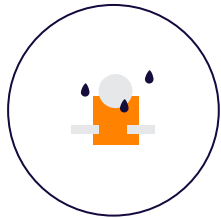
Base: All survey participants (n=10,203)

Q14. How much more would you be willing to pay, if anything, for the following products and services if you knew the provider was doing the right thing in terms of Environmental, Social and Governance (ESG) issues? SLIDER SCALE RANGING FROM NOTHING AT ALL TO A GREAT DEAL MORE

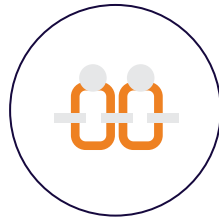
What would make people *boycott products and services?*

Participants were asked what ESG related actions or issues would genuinely make them stop or avoid using a company's products or services.

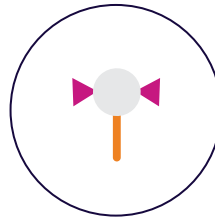
Qualitative analysis of the verbatim responses revealed the top ten key themes outlined below.



Poor working conditions / underpayment



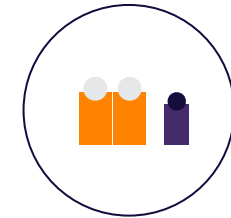
Slave labour



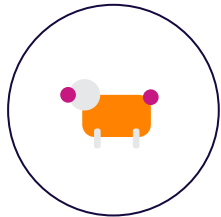
Child labour



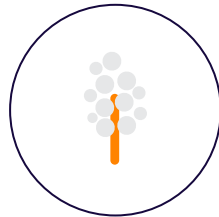
Corruption / unethical practices



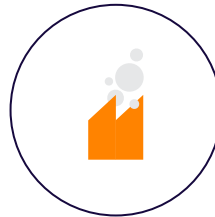
Discrimination



Animal cruelty / testing



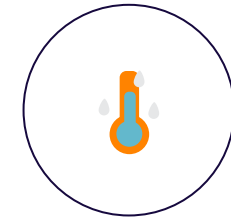
Environmental harm



Pollution



Lack of recycling / single use plastics



Lack of action on climate change

What sort of *response* will really move the dial?

Regression analysis shows that governments wishing to positively shape voter perception of their ESG response need to primarily act on governance concerns such as transparency and behaving ethically; while environmental policy, such as taking action on climate change, is only marginally less influential.

Meanwhile, for business, environmental responsibility must clearly be the highest priority, strongly outweighing governance and social considerations. Specifically, responsible use of natural resources and genuinely working to be carbon neutral will have a powerful impact.



Drivers of Overall *ESG ratings*.

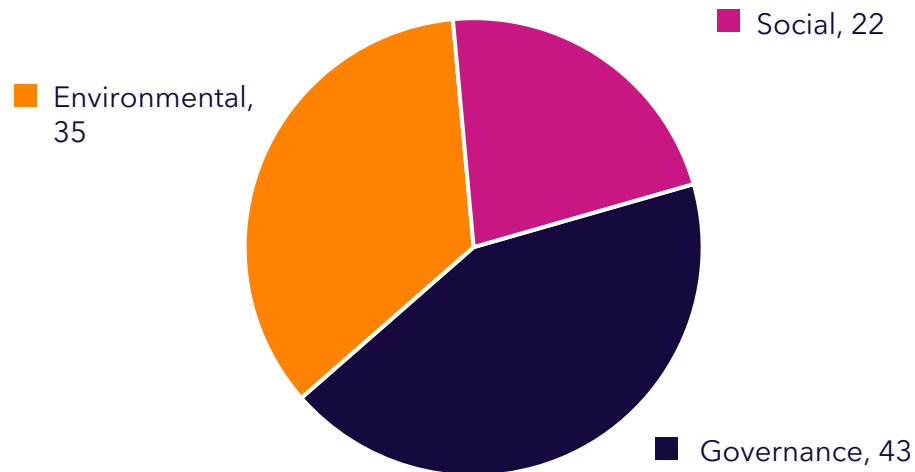
(THE 3 PILLARS)

A driver analysis was conducted to understand the extent to which various factors are influencing overall ESG ratings. The first model, shown here, looks at the impact (i.e. the derived importance) that the three separate pillars of E, S and G have on overall ESG ratings of governments and companies.

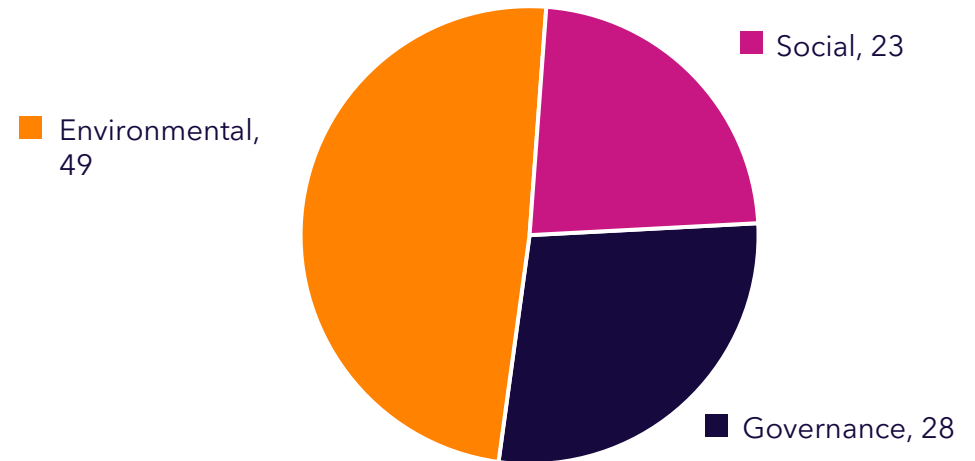
When rating the national or federal government of their country, performance in governance (a derived importance score of 43%) is the most important issue, closely followed by environmental performance (35%). This was fairly consistent at an individual country level, although in Australia and China, a higher importance was placed on environmental performance, whilst in Germany, higher importance was placed on environmental and social performance.

When rating companies in their country, the most important pillar is environmental performance (with an impact score of 49%). This was consistent across all ten countries with the exception of Japan where governance issues had the highest impact on overall ESG ratings of companies.

National or Federal Government
(Importance Score %)



Companies
(Importance Score %)



Base: All survey participants who gave a rating between 0 and 10 (n=9,135-9,528)

Q6. Overall, how would you rate the performance of the following groups when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Q7. And how would you rate the performance of the following groups on the specific Environment, Social and Governance aspects of ESG?

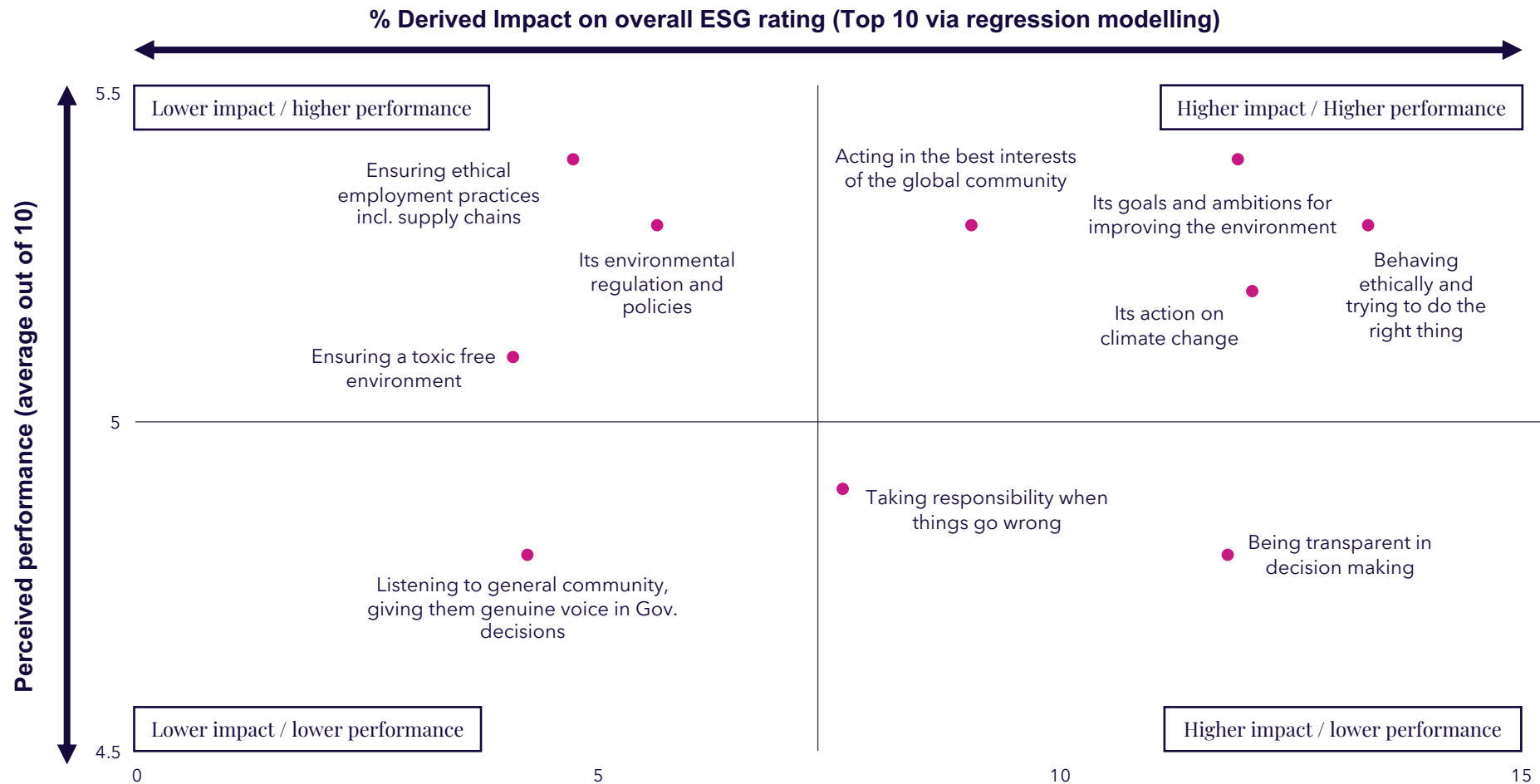
Please rate on a scale of 0 - 10 where 0 means very poor and 10 means excellent. If you are really not sure, type in 99

Factors driving overall ESG ratings of *Government*.

A driver analysis was also conducted to understand the extent to which the specific ESG metrics drive overall ratings of government.

The chart below shows the derived importance (or impact) of each metric against the perceived performance (average out of ten).

The results show that ratings are largely driven by aspects such as 'behaving ethically and trying to do the right thing', 'taking action on climate change' and 'improving the environment'. A key area for improvement is 'transparency in decision making' given it has a relatively high impact score, but a relatively lower performance score.



Base: All survey participants who gave a rating between 0 and 10 (n=9,135-9,528)

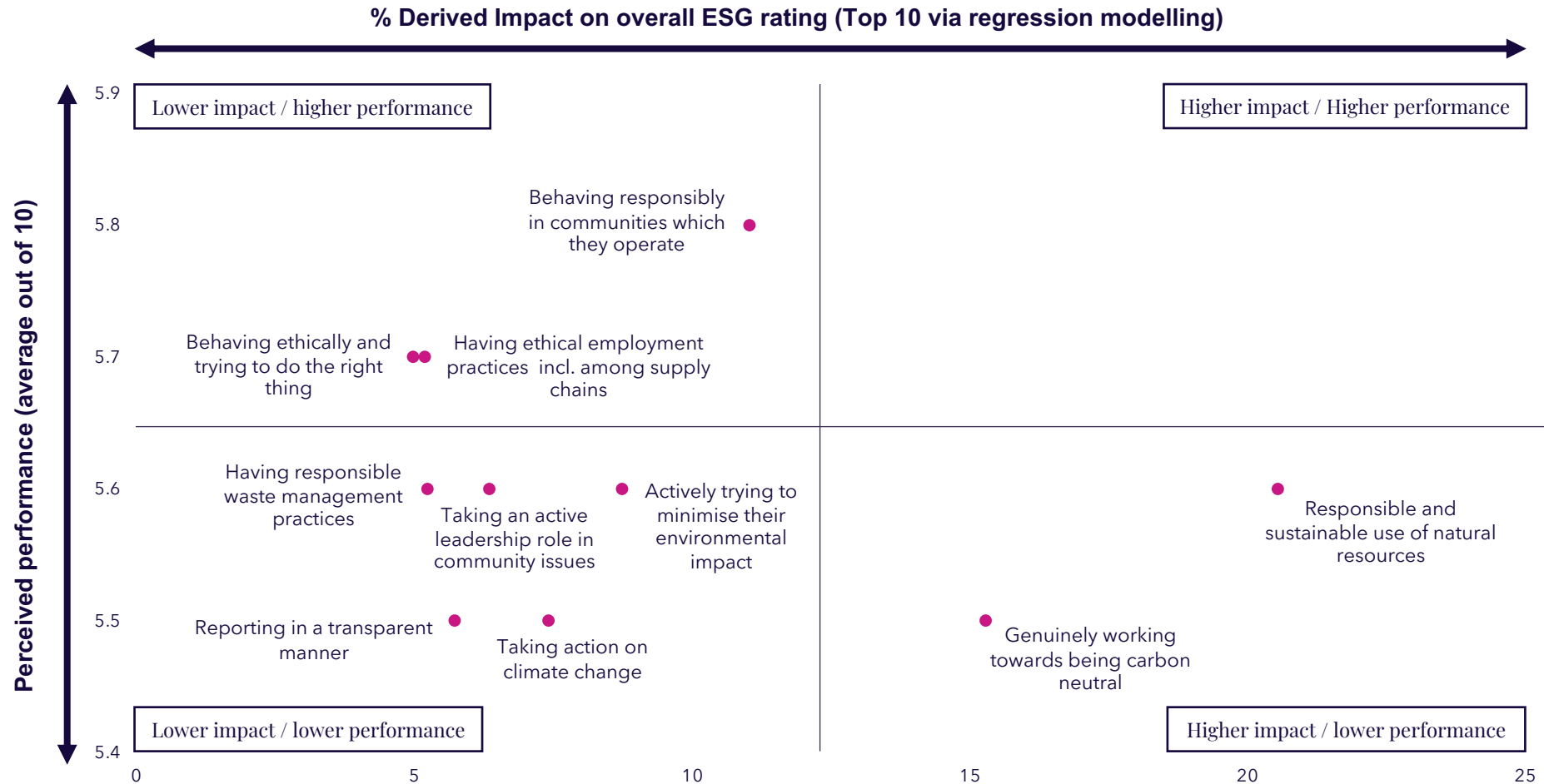
Q6. Overall, how would you rate the performance of the following groups when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Q12. How would you rate the performance of the [NATIONALITY] Government on the following things?

Factors driving overall ESG ratings of *Companies*.

For companies, overall ESG ratings are largely driven by environmental aspects such as **responsible and sustainable use of natural resources and genuinely working towards being carbon neutral**.

These factors also have relatively lower performance ratings and should be considered primary areas for improvement.



Base: All survey participants who gave a rating between 0 and 10 (n=9,135-9,528)

Q6. Overall, how would you rate the performance of the following groups when it comes to acting responsibly on Environmental, Social and Governance (ESG) issues?

Q13. And how would you rate the performance of companies in general in [INSERT COUNTRY] on the following things?



Thank you.

Want to know more?

esgmonitor@secnewgate.com