

# Business and Politics 2024

GSG / SEC Newgate US ESG Monitor

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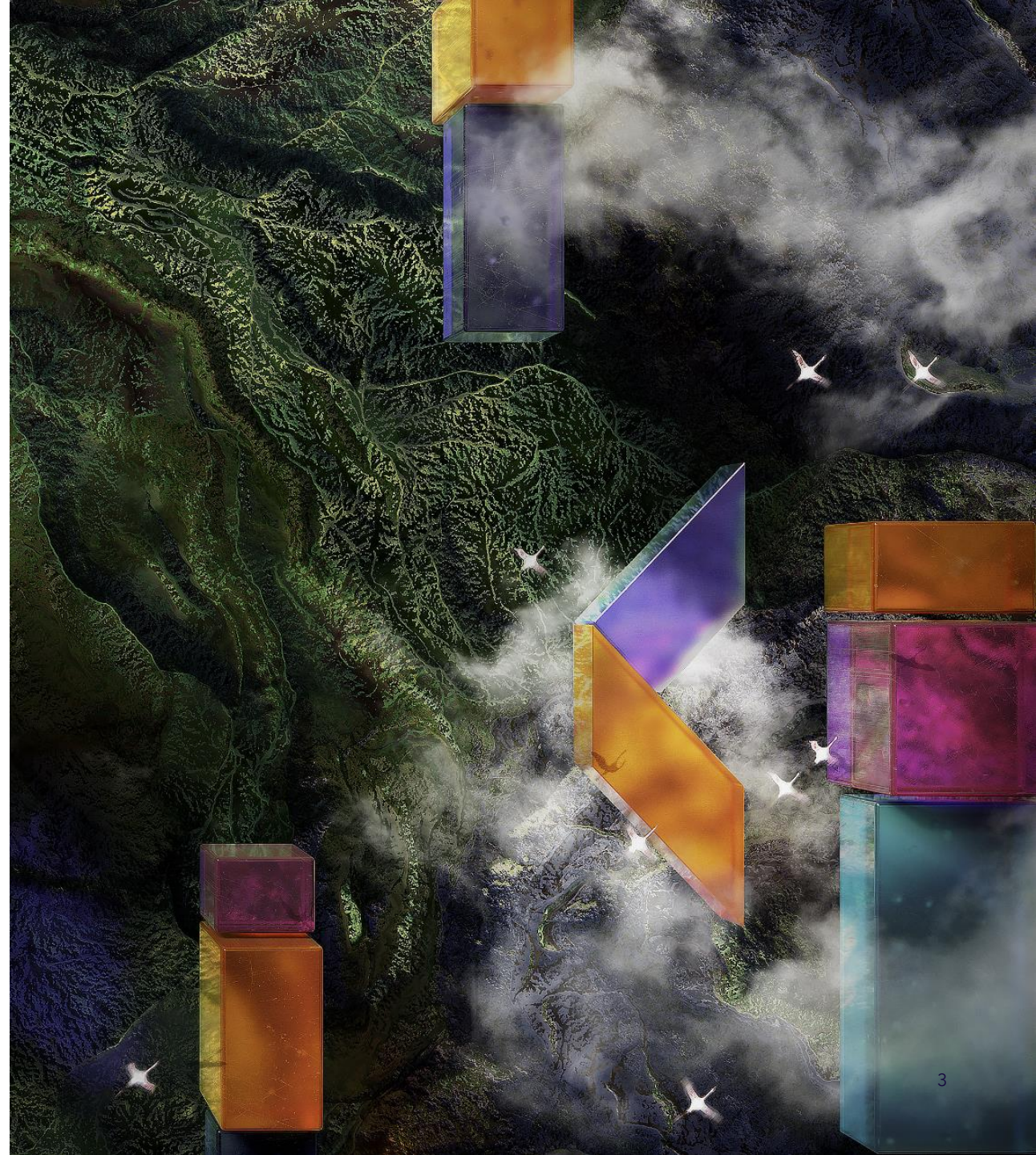
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# Introduction

With increasing public scrutiny, political headwinds, and legal attacks on environmental, social, and governance (ESG) initiatives in the United States, it's imperative companies and organizations have the data and insights to navigate this rapidly evolving landscape.

For nearly a decade, Global Strategy Group has produced an annual report on the state of business and politics in America. This research builds upon that work and incorporates global insights from our partners at SEC Newgate, who operate 43 offices around five continents.

In this year's Business and Politics Report, we examine how the United States compares to other countries when it comes to public sentiment research on ESG, an analysis of what the public and stakeholders expect of the companies they engage with, risks in the current political environment, and recommendations about how to communicate effectively about ESG.



# Summary of key insights

## Our data finds that...

- 1 Most Americans remain unfamiliar with the term ESG. However, when it's explained ESG is popular.
- 2 Even as extremist Republicans work to generate political backlash to ESG, its underlying initiatives remain important to Americans.
- 3 Many Americans wouldn't hesitate to divest from companies found to be acting unethically.
- 4 Most Americans want stakeholders like employees and customers (not just shareholders) to drive business decisions.
- 5 Pursuing ESG remains a smart strategy for companies in America, especially relating to issues that employees and customers care about.



These findings come amidst a backdrop of political backlash to ESG, especially in the lead-up to the 2024 presidential election in the U.S.

# Background & methodology

For the fourth year running, SEC Newgate has conducted an international survey to better understand perceptions around ESG issues.

We conducted a 15-minute online survey of **14,352 people** across **14 countries and territories**.

Participants were sourced from global panel provider PureProfile, with the survey translated and completed in-language where appropriate. Fieldwork was conducted between July 4 -19, 2024.

Quotas were set by age, gender, and location to ensure a nationally representative sample of citizens aged 18+, and the final results were weighted by the actual age and gender proportions within each country or territory. For the 'total' results, each country is given equal weighting.

Country / Territory n=	2024	2023	2022	2021
Australia	1,034	1,015	1,003	1,000
(NEW IN 2024) Brazil	1,019	NA	NA	NA
Colombia	1,028	1,001	1,018	1,039
France	1,043	1,005	1,000	1,010
Germany	1,009	1,005	1,003	1,014
(NEW IN 2024) Greece	1,056	NA	NA	NA
Hong Kong SAR (HK SAR)	1,027	1,002	1,004	NA
Italy	1,013	1,002	1,005	1,006
Poland	1,007	1,009	1,000	NA
Singapore	1,022	1,010	1,008	1,027
Spain	1,028	1,008	NA	NA
United Arab Emirates (UAE)	1,017	1,002	1,009	NA
United Kingdom (UK)	1,036	1,009	1,006	1,017
United States of America (USA)	1,013	1,012	1,001	1,031

## Other methodological notes to keep in mind

1. Survey questions and sample sizes are shown at the bottom of each page. Unless otherwise specified, questions were asked of all participants.
2. Results may not always total 100% due to rounding or questions allowing multiple-responses.

# How we defined ESG in this study

**The issue of terminology in a study like this is fraught with difficulty, and we're aware that the term ESG has particular connotations in different countries.**

We investigated the use of different terms in focus groups in 2022 but found similar issues or limitations with other phrases. For example, many felt the term sustainability referred primarily to actions that protect the environment.

On balance, most liked the use of ESG as a framework for companies to use to hold themselves to account on the issues that matter most to the community.

**After asking participants whether they had heard of the term ESG, which we said stands for 'Environmental, Social, and Governance,' they were shown the text below.**

As you may already know, the term "ESG" refers to standards, policies and practices that organizations have in relation to **Environmental, Social, and Governance** issues.

Some examples of these issues include:

## Environmental

Action on climate change, use of natural resources, waste management, pollution, toxin free environments and the preservation of habitats and living creatures.

## Social

Human rights, working conditions, health and safety, social equality, diversity and inclusion, contributing to the local community, speaking out on social or political issues.

## Governance

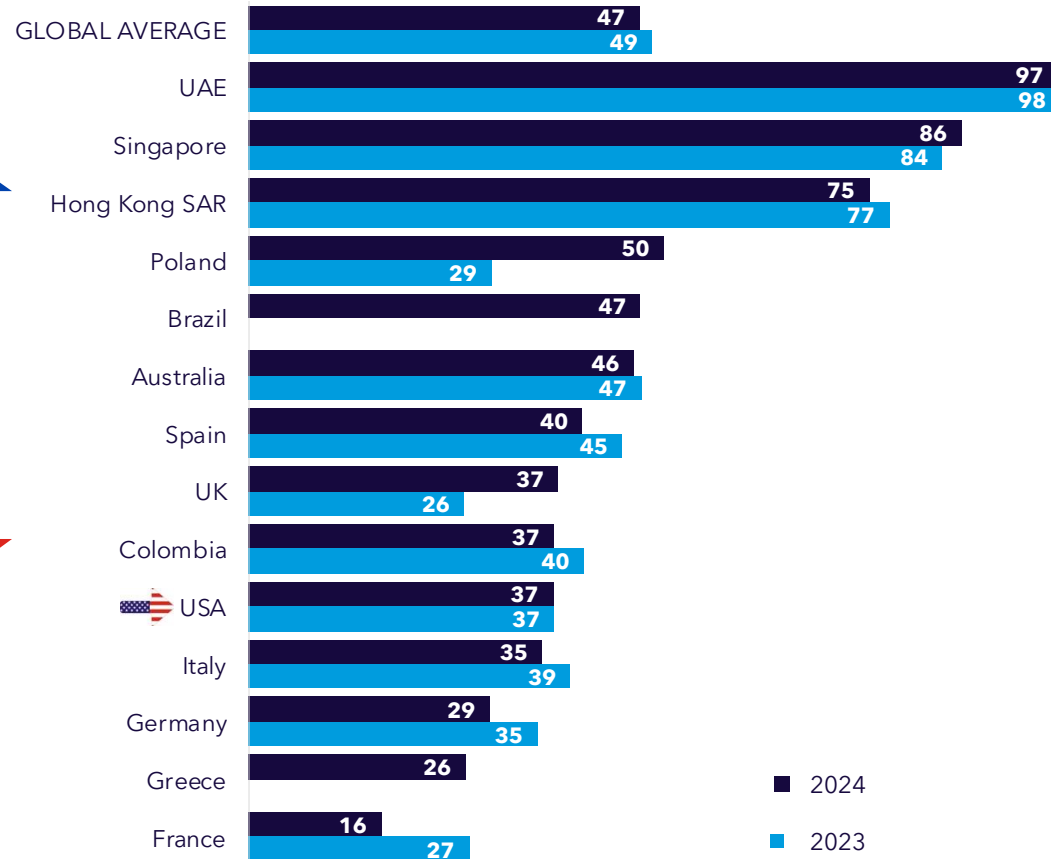
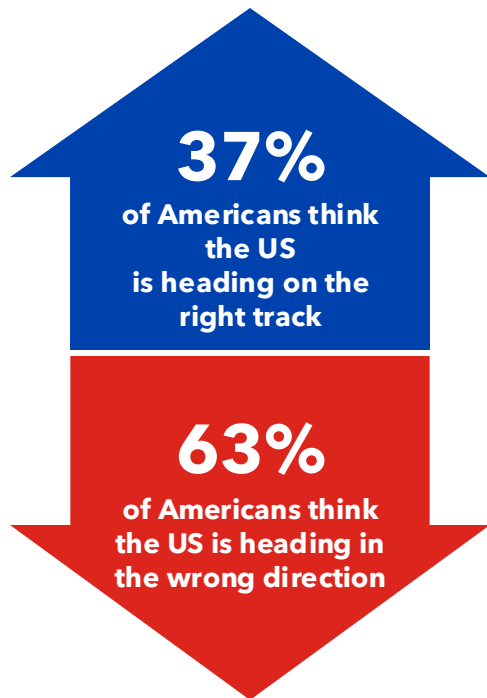
Ethical standards, transparent reporting, responsible policies and procedures, board diversity, data protection and privacy, risk management, etc.



# Survey Findings

## Perceived direction country/territory is heading in

Those who feel their country is on the right track...



Q1. Overall, do you think that things in INSERT COUNTRY are heading on the right track or in the wrong direction?

## Americans' pessimism about the direction of the country is higher than the global average.

In America, 63% reported thinking that the country is on the wrong track, indicating a pervasive negative sentiment, likely driven by economic concerns – particularly the cost of living.

Levels of optimism are similar to 2023 in about half of the countries surveyed, while there are significant increases in the UK and Poland, and a stark decline in France.

\* Note all chart measurements are in percentages.

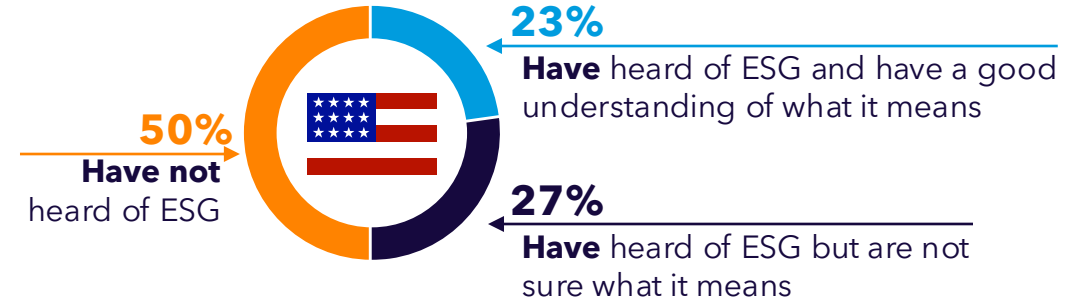
# Half of Americans don't know what ESG is, and among older populations the figure climbs to more than 60%, exposing a generational gap in the understanding of this term.

Global salience of the term "ESG" remains very low. Only a little over half of respondents have heard of it - but most are unsure of what it is. Only one in five people out of all the countries surveyed felt they had a good understanding of ESG.

Consistent with last year's findings and other publicly available research, half of all Americans report either having heard of ESG and having a good understanding of ESG or having heard of ESG but not knowing what it means. In contrast, the other half of all Americans report not having heard of ESG.

The vast majority of Americans (62%) who reported being unfamiliar with ESG were over the age of 50, indicating a significant generational split.

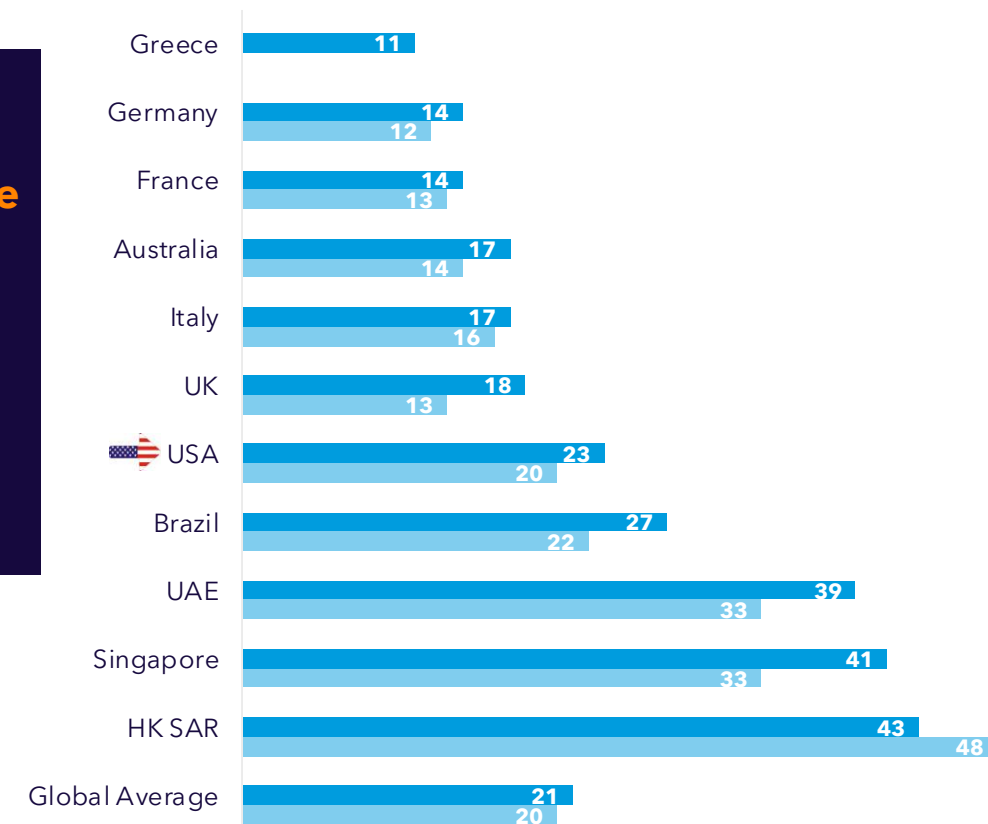
## Awareness and understanding of ESG



### Global Perspective

Have heard of ESG and have a good understanding of what it means (%)

■ 2024 ■ 2023



For more information and to explore how we can work together to enhance your company's reputation and ESG impact, please contact [esgmonitor@secnewgate.com](mailto:esgmonitor@secnewgate.com)



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2024 Research Findings

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