

Global Report



Edelman Trust Barometer 2020



20th ANNUAL EDELMAN TRUST BAROMETER

Methodology



Online survey in 28 markets

34,000+ respondents total

All fieldwork was conducted between
October 19 and November 18, 2019

28-market global data margin of error: General population +/- 0.6% (N=32,200), informed public +/- 1.2% (N=6,200), mass population +/- 0.6% (26,000+), half-sample global general online population +/- 0.8% (N=16,100).

Market-specific data margin of error: General population +/- 2.9% (N=1,150), informed public +/- 6.9% (N = min 200, varies by market), China and U.S. +/- 4.4% (N=500), mass population +/- 3.0% to 3.6% (N =min 736, varies by market).

Gen Z MOE: 28-market = +/- 1.5% (N=4,310)

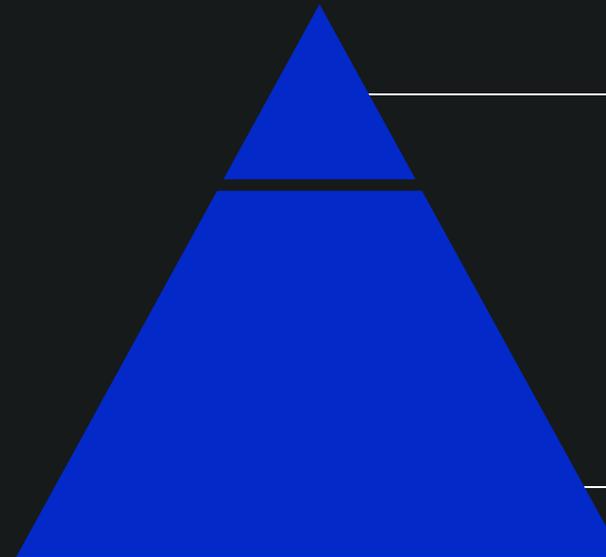
Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

General Online Population

1,150
respondents
per market

Ages
18+

All slides show general
online population data
unless otherwise noted



2020 Gen Z oversample

250 respondents age 18-24 per market

Informed Public

500 respondents in U.S. and China;
200 in all other markets

Represents **17%** of total global population

Must meet 4 criteria

- ▶ Ages **25-64**
- ▶ College-educated
- ▶ In top **25%** of household income per age group in each market
- ▶ Report significant media consumption and engagement in public policy and business news

Mass Population

All population not
including informed public

Represents **83%** of total
global population

TRUST ESSENTIAL FOR FUTURE SUCCESS

20 years of Edelman
research on trust



- 2M+ respondents
- 145 companies
- 80k employee reviews
- Interviews with 50+ business leaders
- 23M measures of trust
- Review of 150+ academic articles and 80+ models of trust
- Trust and stock price analysis for 80 companies



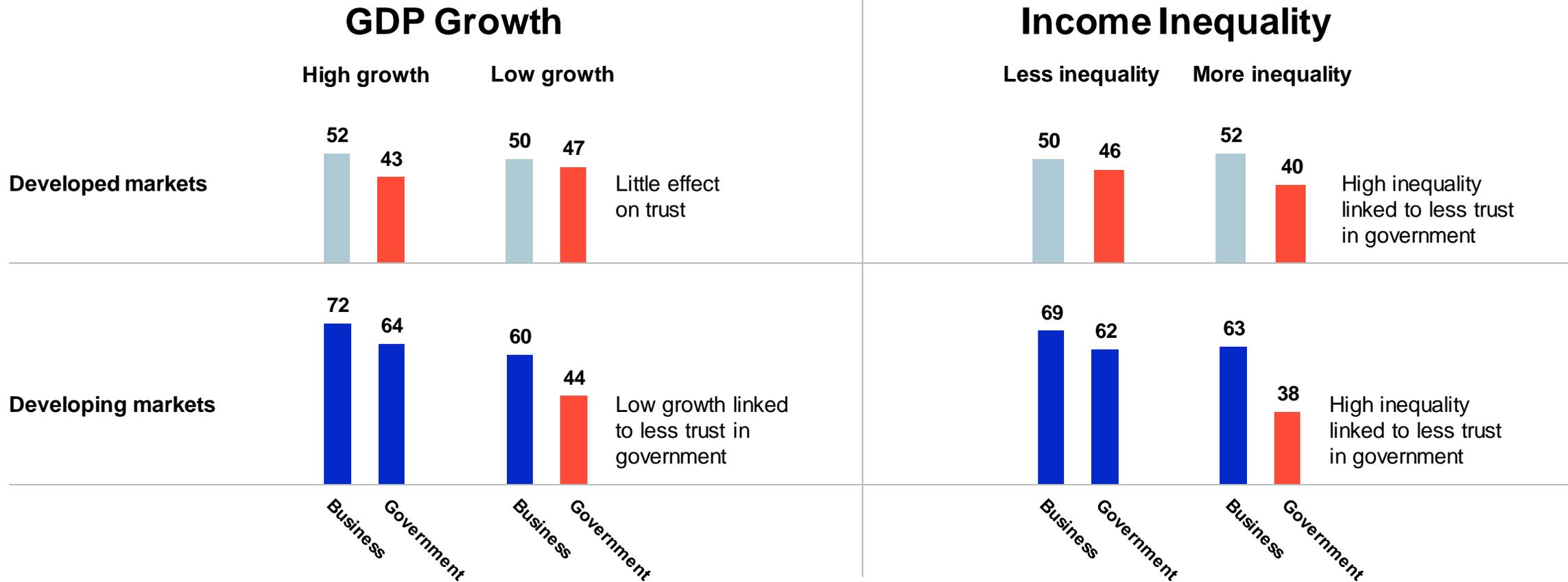
20 YEARS OF TRUST

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Rising Influence of NGOs	Fall of the Celebrity CEO	Earned Media More Credible Than Advertising	U.S. Companies in Europe Suffer Trust Discount	Trust Shifts from "Authorities" to Peers	A "Person Like Me" Emerges as Credible Spokesperson	Business More Trusted Than Government and Media	Young People Have More Trust in Business	Trust in Business Plummet	Performance and Transparency Essential to Trust
2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Business Must Partner With Government to Regain Trust	Fall of Government	Crisis of Leadership	Business to Lead the Debate for Change	Trust is Essential to Innovation	Growing Inequality of Trust	Trust in Crisis	The Battle for Truth	Trust at Work	Trust: Competence and Ethics

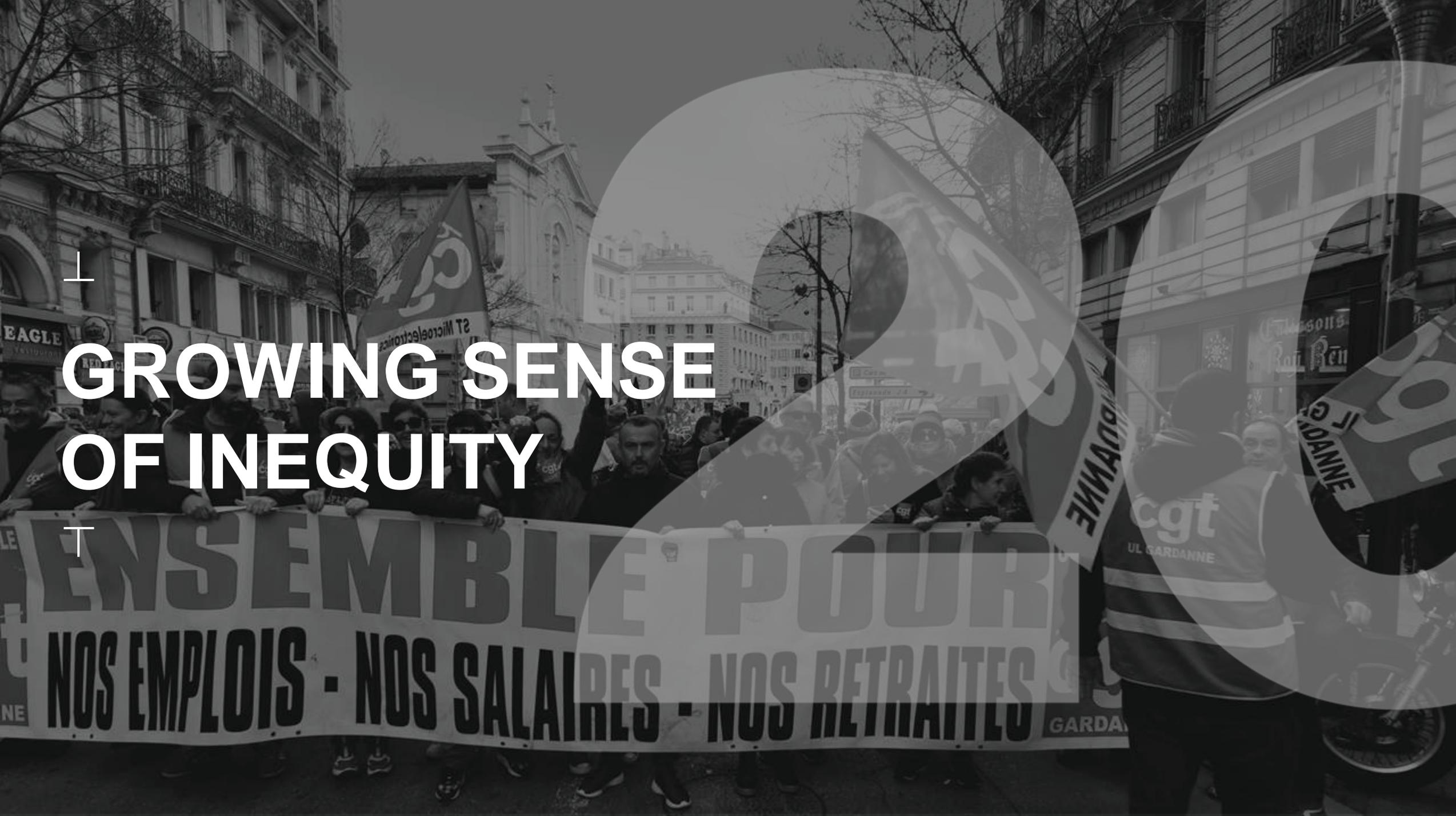
INCOME INEQUALITY NOW AFFECTS TRUST MORE THAN ECONOMIC GROWTH



Percent trust



2020 Edelman Trust Barometer. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General online population, 23-mkt avg., by developed and developing markets. High-growth economies are those with a Q2 2019 GDP of 1.4% or higher. Developing market high-growth economies: China, Colombia, India, Indonesia, Kenya, Malaysia, UAE; low growth economies: Argentina, Brazil, Mexico, Russia, Saudi Arabia, S. Africa, Thailand. Developed market high-growth economies: Australia, Canada, France, Ireland, The Netherlands, Spain, U.S.; low-growth economies: Germany, Hong Kong, Japan, Italy, Singapore, S. Korea, U.K.



┌
**GROWING SENSE
OF INEQUITY**
└

**ENSEMBLE POUR
NOS EMPLOIS - NOS SALAIRES - NOS RETRAITES**

CONTINUED DISTRUST

Trust Index

Global Trust Index increases 1 pt., with increases in 16 of 26 markets measured

12 of 26 markets are distrusters, down 2 from 2019

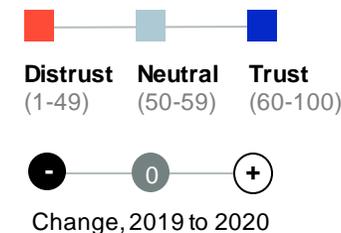
2020 Edelman Trust Barometer. The Trust Index is the average percent trust in NGOs, business, government and media. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 26-mkt avg.

▲ 2019 General population

53	Global 26
79	China
73	Indonesia
72	India
71	UAE
70	Saudi Arabia
62	Singapore
59	Malaysia
58	Mexico
56	Canada
55	Hong Kong
54	The Netherlands
52	Colombia
49	U.S.
48	Australia
46	Argentina
46	Brazil
46	Italy
46	S. Korea
45	S. Africa
44	France
44	Germany
43	U.K.
42	Ireland
40	Spain
39	Japan
29	Russia

▲ 2020 General population

54	Global 26
82	China
79	India
73	Indonesia
65	UAE
62	Mexico
62	Singapore
61	Saudi Arabia
60	Malaysia
57	The Netherlands
53	Canada
53	Colombia
51	Brazil
50	Hong Kong
50	S. Korea
49	Argentina
49	Italy
47	Australia
47	U.S.
46	Germany
45	France
45	Ireland
45	Spain
44	S. Africa
42	Japan
42	U.K.
30	Russia



Declines in



TRUST INEQUALITY SETS NEW RECORDS

Trust Index

Mass population 14 points less trusting

23 markets with double-digit trust gaps

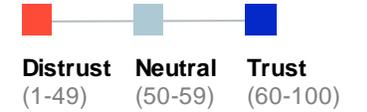
2020 Edelman Trust Barometer. The Trust Index is the average percent trust in NGOs, business, government and media. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. Informed public and mass population, 28-mkt avg.

2020 Informed public

Trust Index	Country
65	Global 28
90	China
87	India
82	Indonesia
80	Saudi Arabia
78	Thailand
75	UAE
71	Mexico
71	Singapore
68	Australia
68	Malaysia
67	Canada
67	The Netherlands
64	Germany
64	Italy
63	France
62	Colombia
60	Argentina
60	Brazil
60	Ireland
59	Spain
58	Kenya
57	U.K.
54	Hong Kong
53	Japan
53	U.S.
50	S. Korea
49	S. Africa
41	Russia

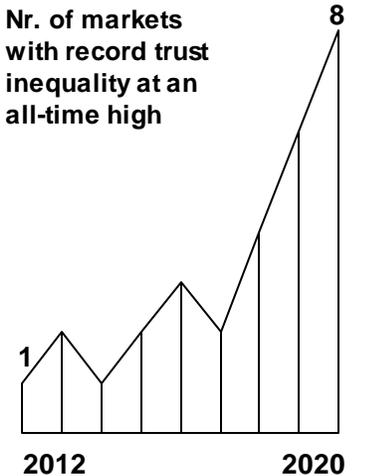
2020 Mass population | Trust gap

Trust Index	Country	Trust Gap
51	Global 28	14
77	China	13
74	India	13
70	Indonesia	12
64	UAE	11
62	Thailand	16
60	Singapore	11
59	Saudi Arabia	21
58	Malaysia	10
58	Mexico	13
57	The Netherlands	10
56	Kenya	2
52	Colombia	10
51	Canada	16
49	Brazil	11
49	Hong Kong	5
49	S. Korea	1
48	Argentina	12
48	Italy	16
45	Australia	23
45	U.S.	8
44	Germany	20
44	S. Africa	5
43	Ireland	17
42	France	21
42	Japan	11
42	Spain	17
42	S. Korea	18
39	U.K.	14
27	Russia	14



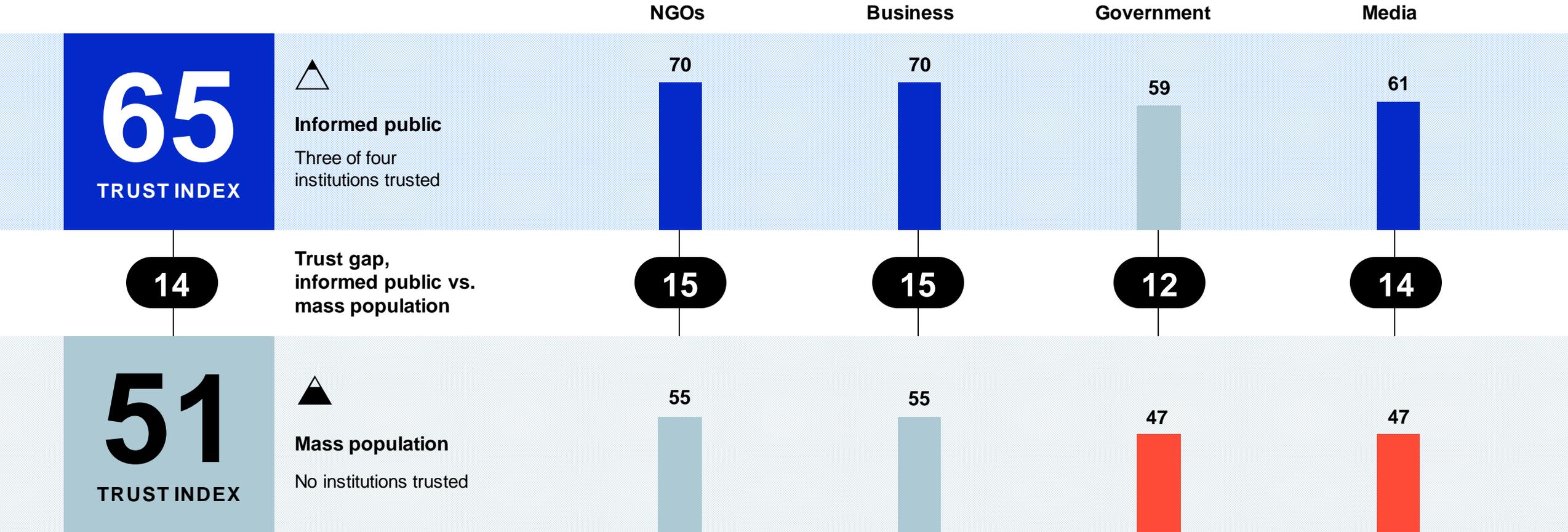
Record trust inequality

Nr. of markets with record trust inequality at an all-time high



TWO DIFFERENT TRUST REALITIES

Percent trust



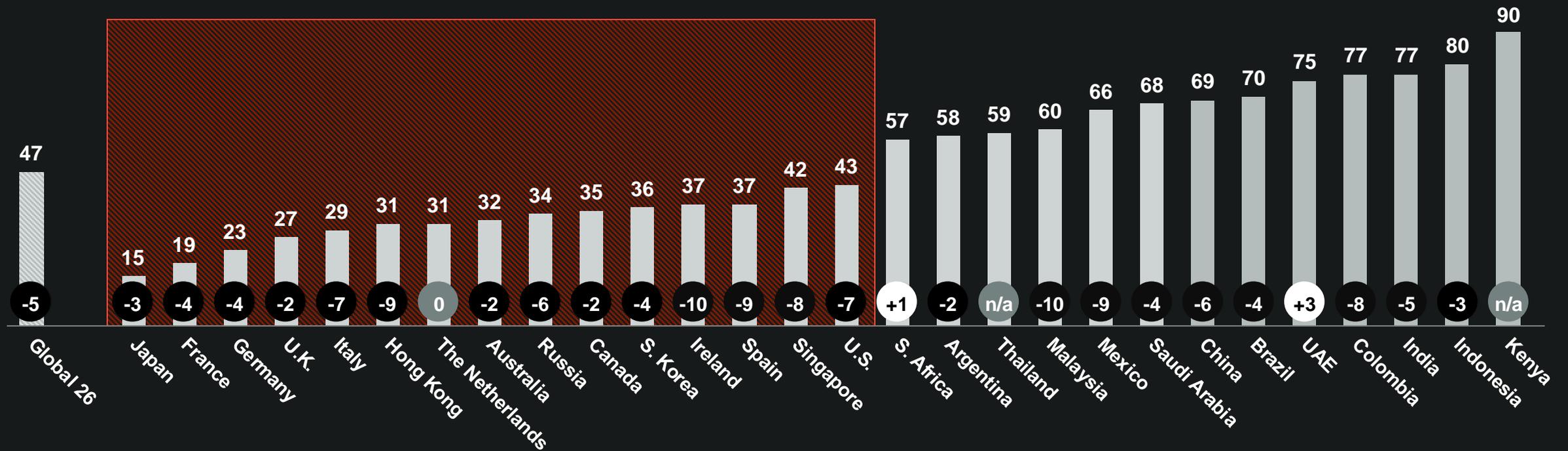
2020 Edelman Trust Barometer. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. Informed public and mass population, 28-mkt avg.

PESSIMISTIC ABOUT ECONOMIC PROSPECTS

Percent who believe they and their families will be better off in five years' time

○ - ○ 0 ○ + Change, 2019 to 2020

Majority pessimistic in 15 of 28 markets

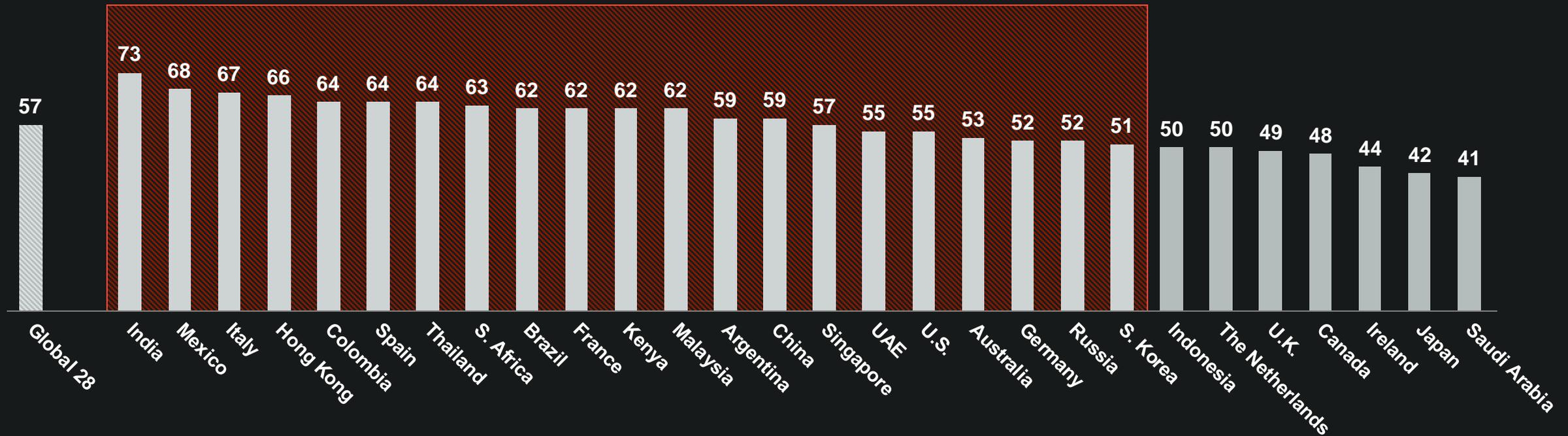


FEAR BEING LEFT BEHIND

Percent who are worried

I worry about people like me **losing the respect and dignity** I once enjoyed in this country

Majority share concern in 21 of 28 markets



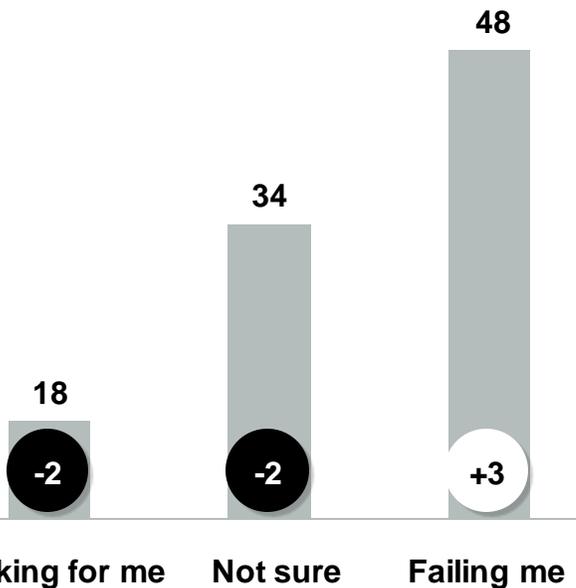
CAPITALISM UNDER FIRE

Percent who agree



How true is this for you?

Sense of injustice	74
Desire for change	73
Lack of confidence	66
Lack of hope	26



The system is...

Capitalism as it exists today
**does more harm than
good in the world**

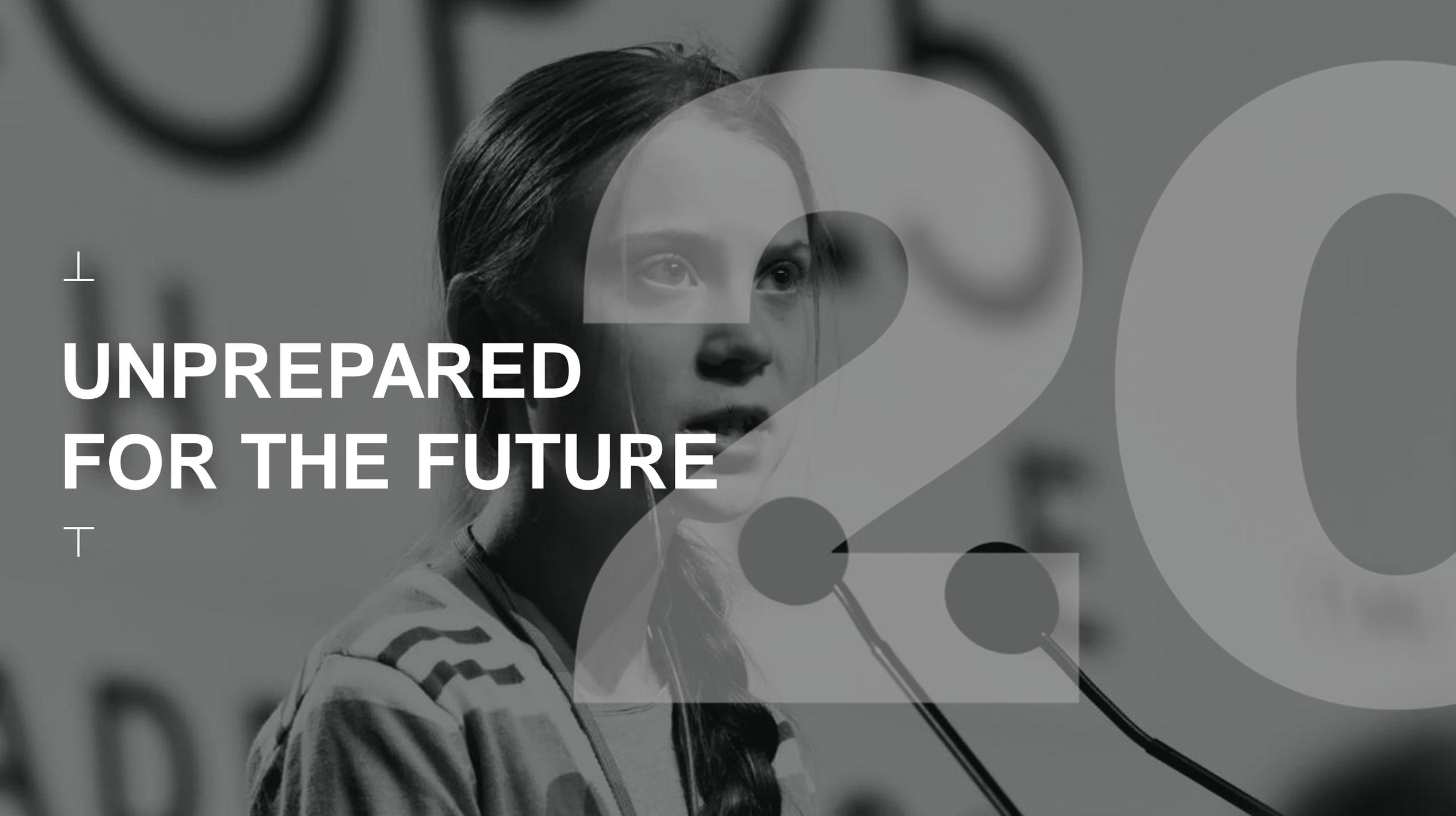
⊥
56%

2020 Edelman Trust Barometer. "System failing" measure. For full details on how the "system failing" measure was calculated, please refer to the Technical Appendix. POP_MDC. Below is a list of statements. For each one, please rate how true you believe that statement is. 9-point scale; top 4 box, true. General population, 26-mkt avg. Sense of injustice is an average of POP_MDC/1,2,3,8; Desire for change is POP_MDC/9; Lack of confidence is POP_MDC/10; Lack of hope is an average of POP_MDC/18,19,20 [reverse scored]. TMA_SIE_SHV. Please indicate how much you agree or disagree with the following statements. 9-point scale; top 4 box, agree. Question asked of half of the sample. General population, 28-mkt avg.

⊥

UNPREPARED FOR THE FUTURE

⊥



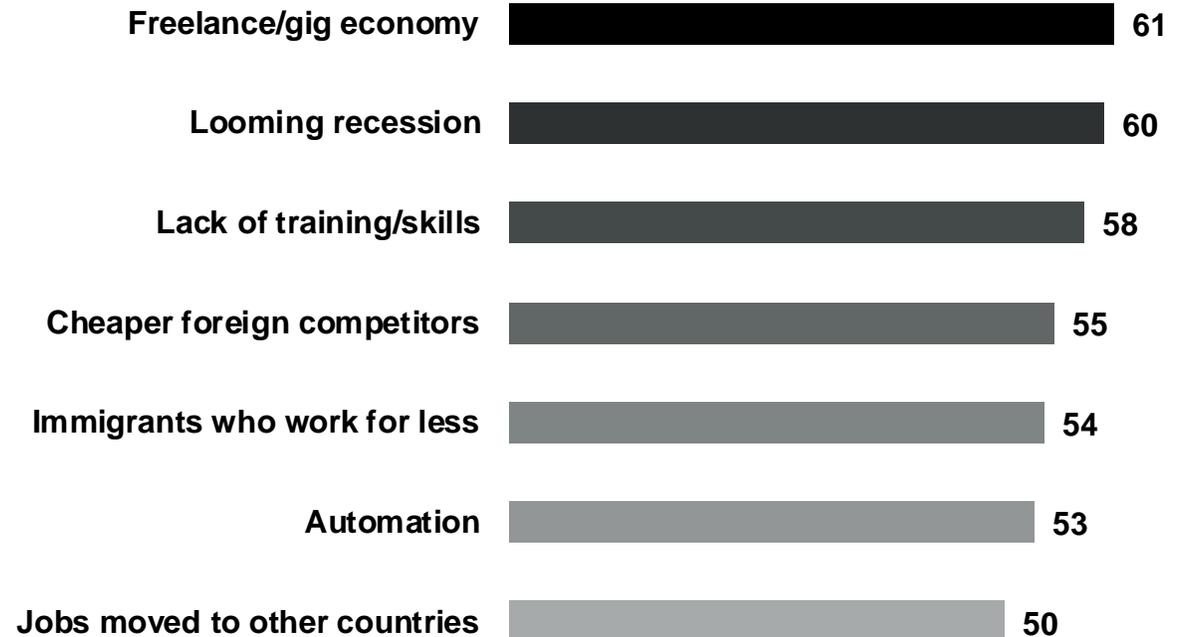
WORRY ABOUT THE FUTURE OF WORK

Percent of employees who worry about job loss due to each issue

I worry about **losing my job**
due to one or more of these causes

⊥

83%



WORRY TECHNOLOGY IS OUT OF CONTROL

Percent who agree

The pace of change in technology is **too fast**

I worry technology will make it impossible to know if **what people are seeing or hearing is real**

Government **does not understand emerging technologies** enough to regulate them effectively

⊥
61%

⊥
66%

⊥
61%

Trust in technology 2019-2020

Global 26

-4

Largest declines in:

France

-10

Canada, Italy, Russia, Singapore

-8

U.S.

-7

Australia

-6

2020 Edelman Trust Barometer. CNG_POC. For the statements below, please think about the pace of development and change in society today and select the response that most accurately represents your opinion. 9-point scale; top 4 box, fast. 28-mkt avg. ATT_MED_AGR. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement. 9-point scale; top 4 box, agree. 28-mkt avg. PER_GOV. How well do you feel the government is currently doing each of the following? 5-point scale; bottom 3 box, not doing well (data excludes DK responses). 25-mkt avg. (data not collected in China, Russia, and Thailand). TRU_IND. Please indicate how much you trust businesses in each of the following industries to do what is right. 9-point scale; top 4 box, trust. 26-mkt avg. All questions asked of half of the sample among the general population.

WORRY ABOUT QUALITY INFORMATION

Percent who agree

The media I use are **contaminated with untrustworthy information**

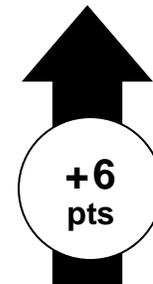


57%

I worry about false information or **fake news being used as a weapon**



76%



Change,
2018 to 2020

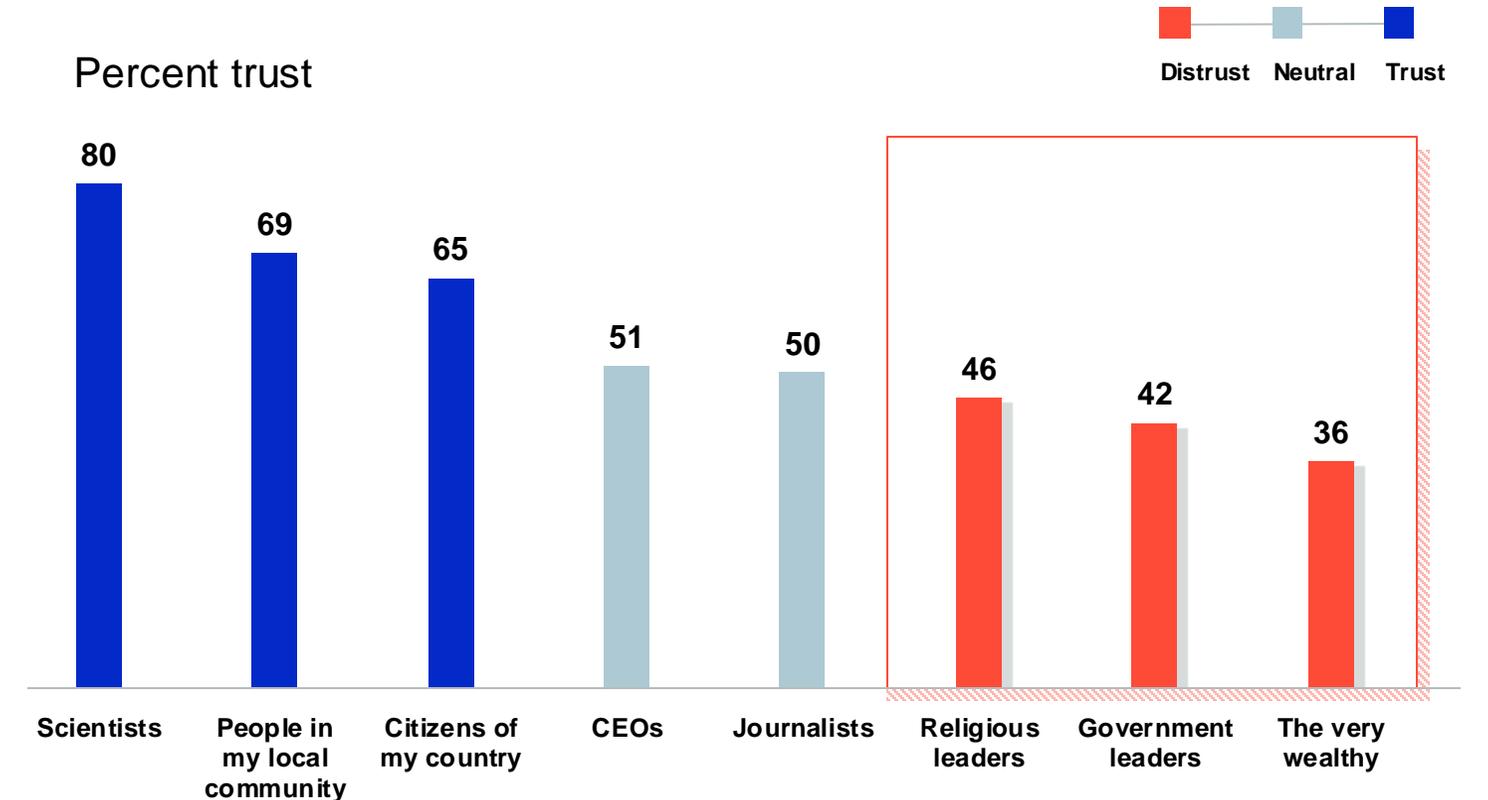
SOCIETAL LEADERS NOT TRUSTED TO ADDRESS CHALLENGES

“

I do not have confidence that our current leaders will be able to successfully **address our country's challenges**

”

66%



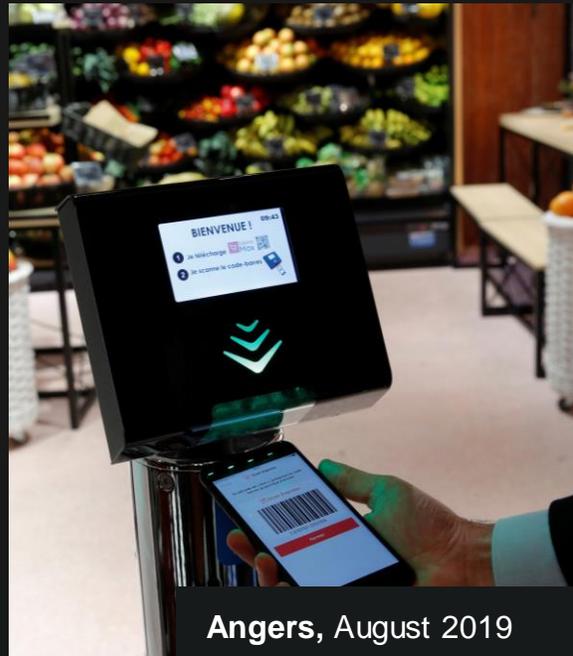
TAKING THE FUTURE INTO THEIR OWN HANDS

Climate Change



Paris, February 2019
Students protest to draw attention to climate change

Automation



Angers, August 2019
Unions protest a Géant automated supermarket

Income Inequality

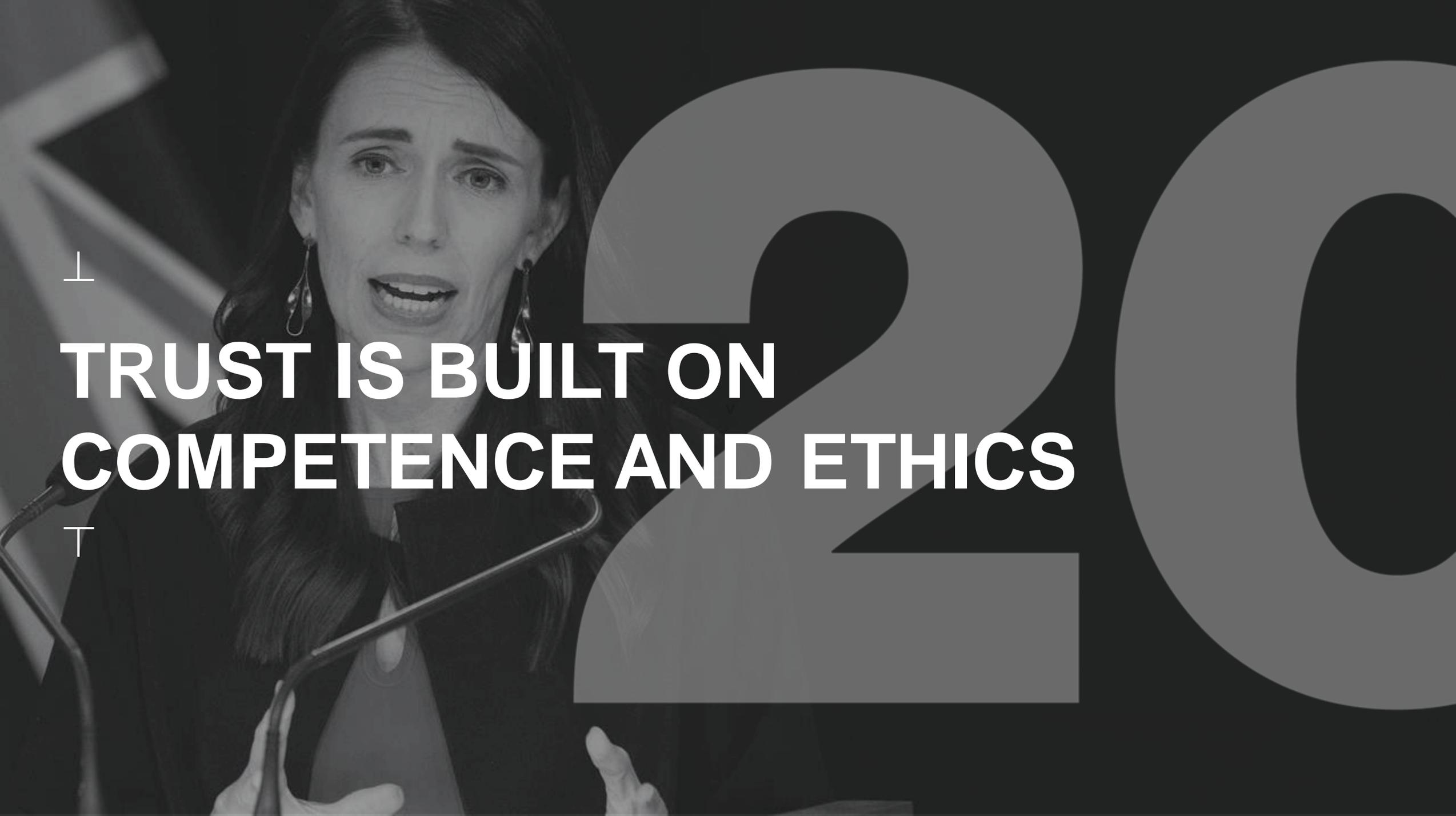


London, November 2019
McDonald's employees protest for higher wages

#MeToo



Oregon, December 2019
Nike employees protest company's treatment of women



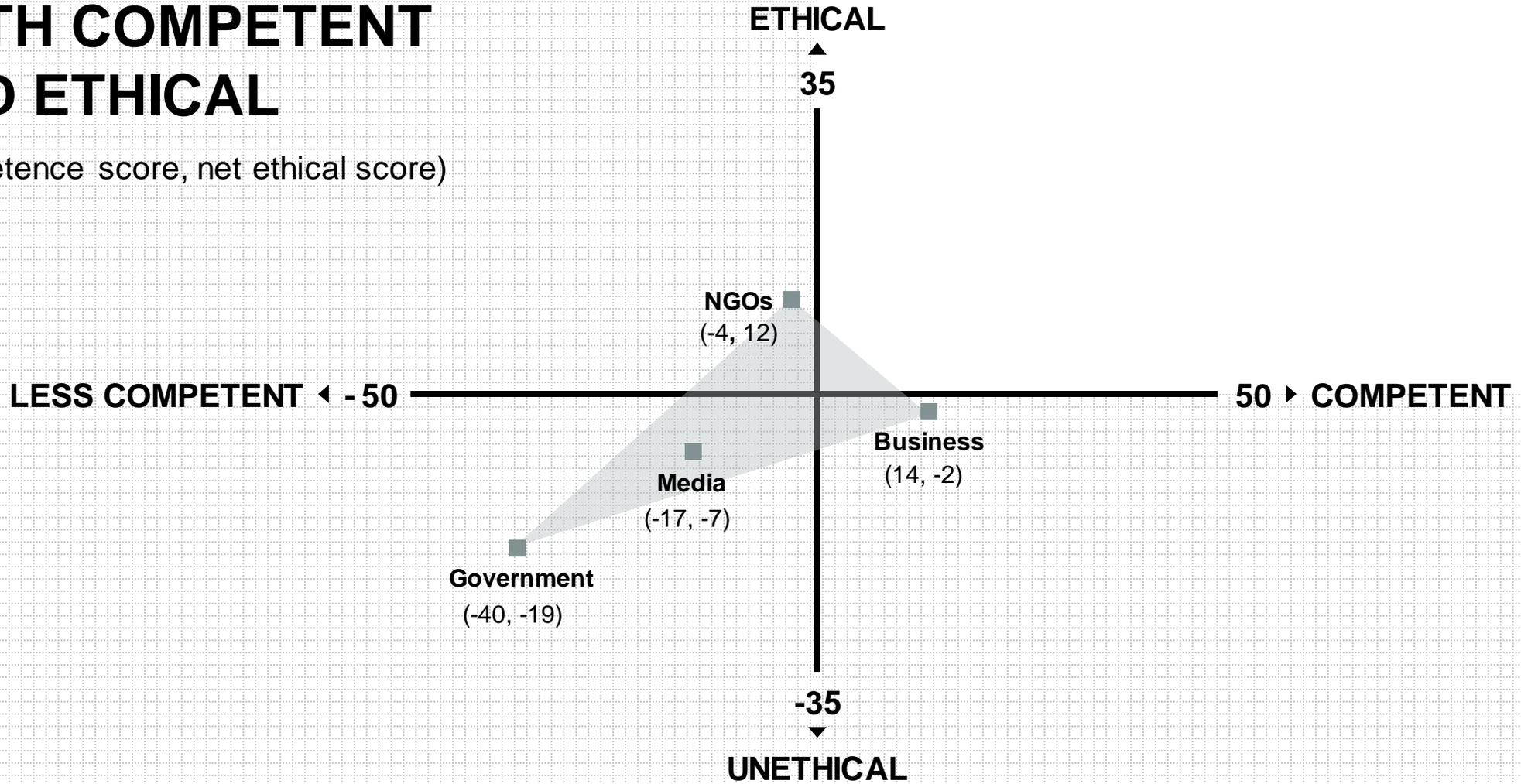
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TRUST IS BUILT ON COMPETENCE AND ETHICS

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NO INSTITUTION SEEN AS BOTH COMPETENT AND ETHICAL

(Competence score, net ethical score)

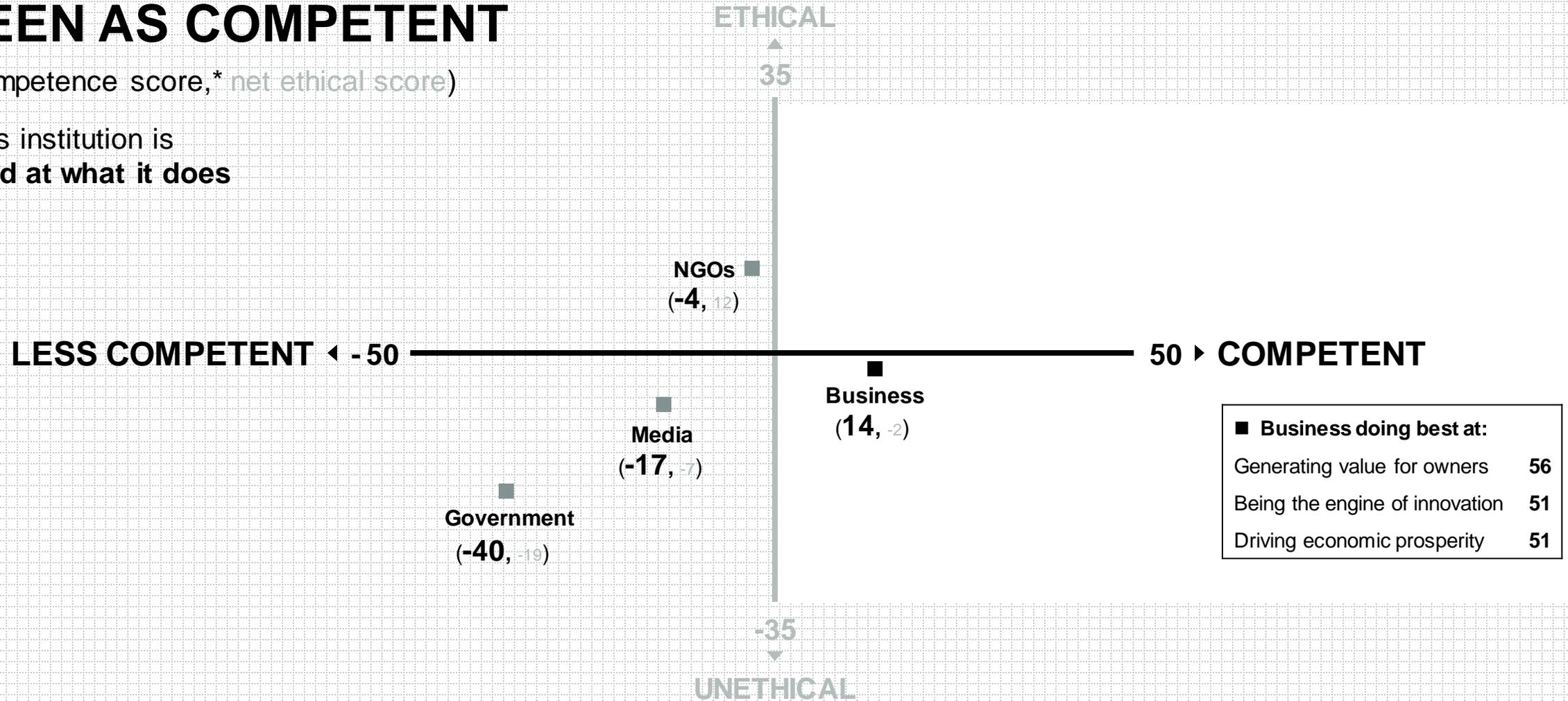


2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D_[INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

ONLY BUSINESS SEEN AS COMPETENT

(Competence score,* net ethical score)

*This institution is good at what it does



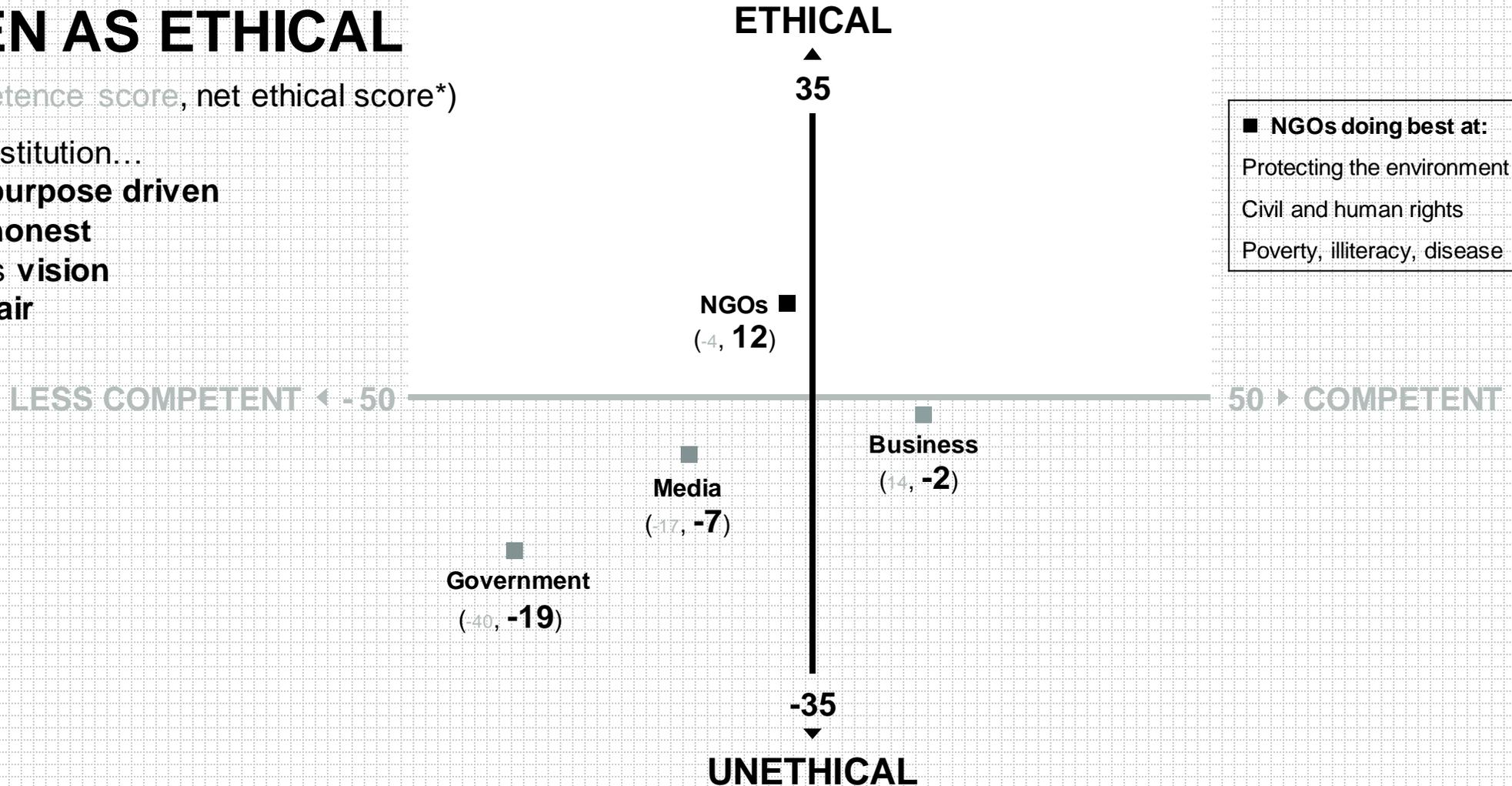
2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D_[INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. PER_GOV. How well do you feel government is currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half of the sample. General population, 25-mktavg. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

ONLY NGOS SEEN AS ETHICAL

(Competence score, net ethical score*)

*This institution...

- Is **purpose driven**
- Is **honest**
- Has **vision**
- Is **fair**



■ NGOs doing best at:	
Protecting the environment	48
Civil and human rights	47
Poverty, illiteracy, disease	45

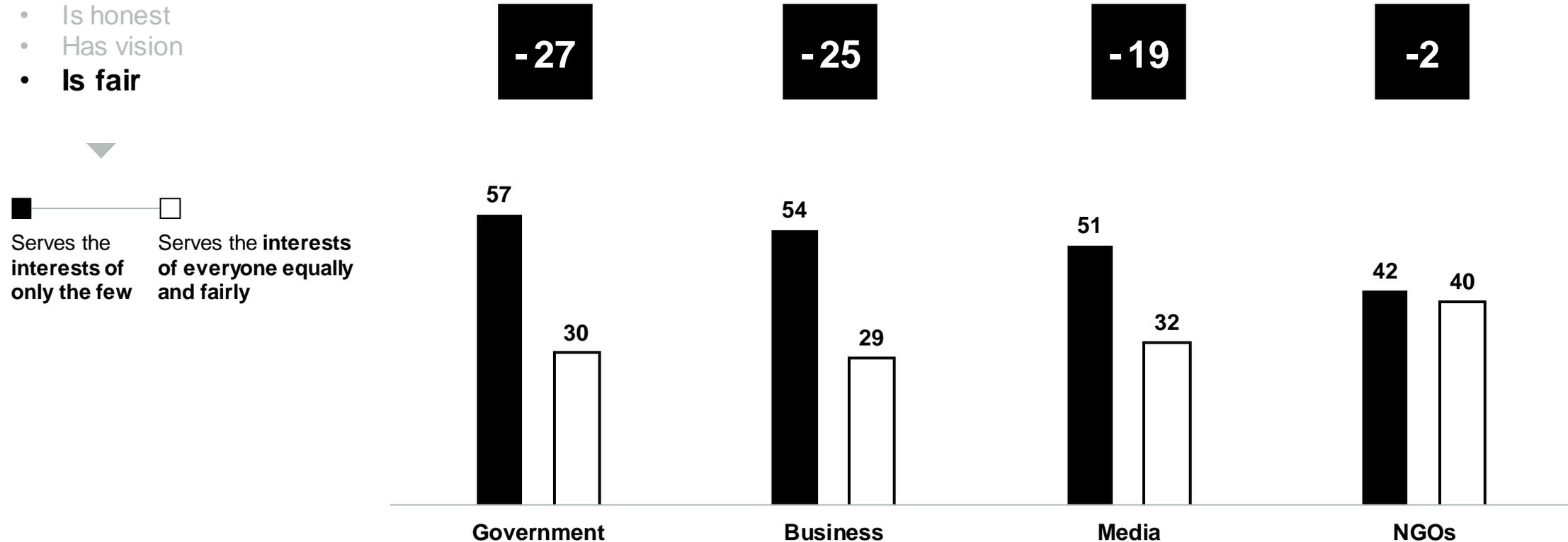
2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half the sample. The competence score is a net based on TRU_3D_[INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. PER_NGO. How well do you feel NGOs are currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

INSTITUTIONS SEEN AS UNFAIR

Percent who cite each as a reason they trust or distrust each institution

This institution...

- Is purpose-driven
- Is honest
- Has vision
- **Is fair**



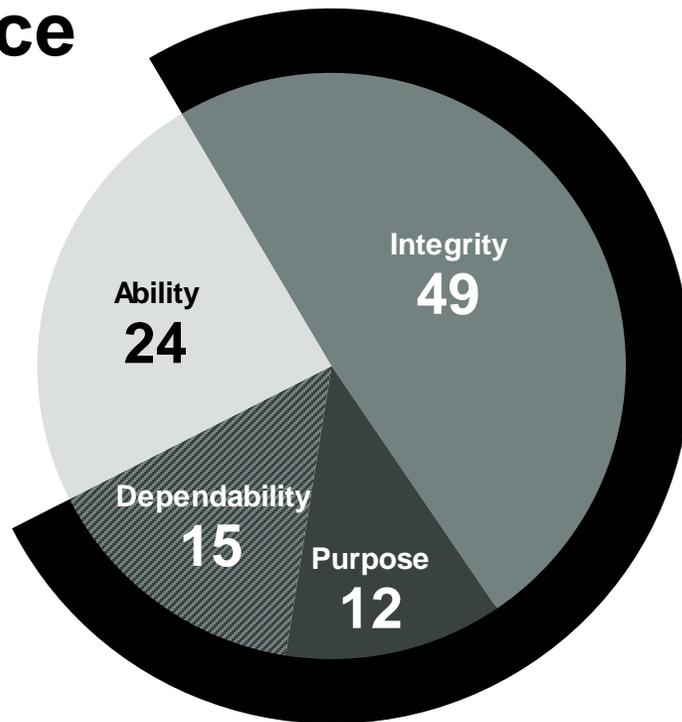
2020 Edelman Trust Barometer. Net scores represent positive responses minus negative responses to the following questions: [INSTITUTION]_PER_DIM. In thinking about why you do or do not trust [institution], please specify where you think they fall on the scale between the two opposing descriptions. 11 -point scale; top 5 box, positive; bottom 5 box, negative. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

ETHICAL DRIVERS 3X MORE IMPORTANT TO COMPANY TRUST THAN COMPETENCE

Percent of predictable variance in trust explained by each dimension

Competence

24%



Ethics

76%

Washington, August 2019

The Business Roundtable redefines the purpose of a corporation



Biarritz, August 2019

Business for Inclusive Growth (B4IG) coalition forms to address inequality and diversity

New York, September 2019

Coalition of business, civil society and UN leaders pledge to set climate targets to 1.5°C



New York, January 2020

BlackRock shifts investment strategy to focus on sustainability



Business
Roundtable

2020

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BUSINESS: CATALYST FOR CHANGE

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SERVE THE INTERESTS OF ALL STAKEHOLDERS

Percent who ranked each group as most important



+ **87%**

Stakeholders, not shareholders, are most important to long-term company success

Percent who agree

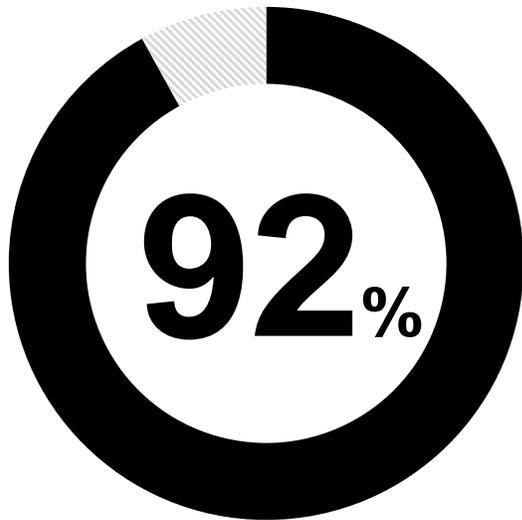
73%

a company can take actions that both increase profits and improve conditions in communities where it operates

CEOS MUST LEAD

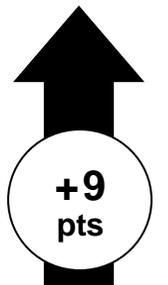
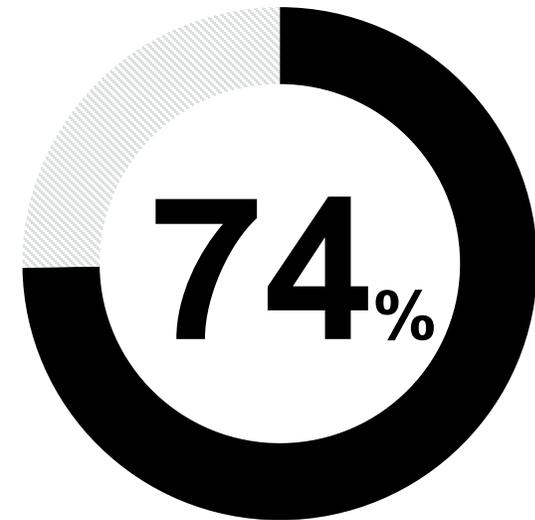
Percent who agree

It is important that **my employer's CEO speak out** on one or more of these issues



Training for jobs of the future	84
Automation's impact on jobs	81
Ethical use of tech	81
Income inequality	78
Diversity	77
Climate change	73
Immigration	62

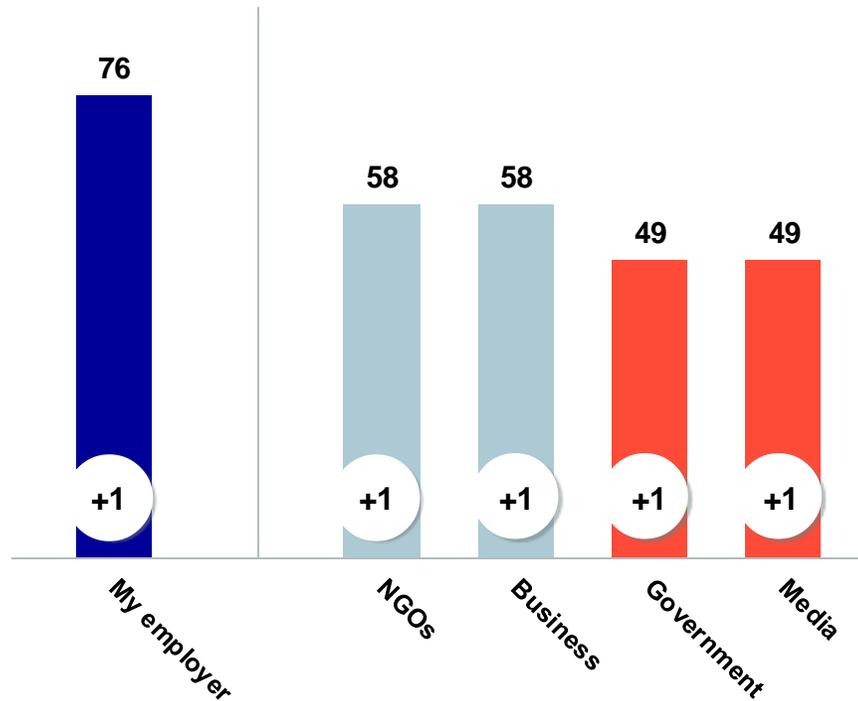
CEOs should take the lead on change rather than waiting for government to impose it



Change,
2018 to 2020

TRUST IS LOCAL: EMPLOYEES EXPECT TO BE HEARD

Percent trust  | 
 Change, 2019 to 2020 Distrust Neutral Trust



Percent of employees who expect each from a prospective employer

73%

Opportunity to **shape the future** of society

73%

Employees **included in planning**

2020 Edelman Trust Barometer. EMP_IMP. When considering an organization as a potential place of employment, how important is each of the following to you in deciding whether or not you would accept a job offer there? 3-point scale; sum of codes 1 and 2, important. Question asked of those who are an employee (Q43/1). TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is. 9-point scale; top 4 box, trust. "Your employer" asked of those who are an employee (Q43/1). General population, 26-mkt avg.

CONSUMERS EXPECT BRANDS TO ACT

Percent of customers who are belief-driven buyers

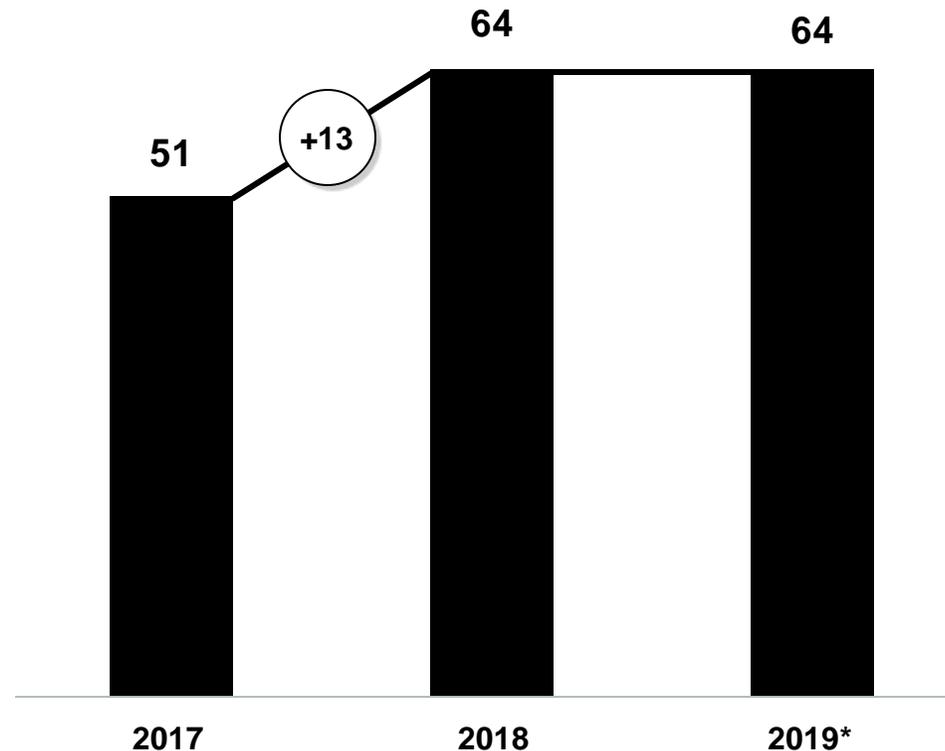
Change, 2017 to 2018

Brand Democracy

I believe brands can be a powerful force for change.

I expect them to represent me and solve societal problems.

My wallet is my vote.



Belief-driven buyers:

- choose
- switch
- avoid
- boycott

a brand based on its stand on societal issues

2018 Edelman Earned Brand. Belief-driven buying segments. 8-mkt avg. Belief-driven buyers choose, switch, avoid or boycott a brand based on its stand on societal issues.

*2019 Edelman Trust Barometer Special Report: In Brands We Trust? Mobile Survey. Belief-driven buying segments. 8-mkt avg. See Technical Appendix for a detailed explanation of how the Belief-driven buying score was calculated.

OVERCOME SKEPTICISM THROUGH ACTION

Percent who agree

 Business **has a duty** to do this  I trust business **will do this**

Retrain employees
affected by automation
or innovation



Pay everyone a decent wage, even if that means
I must pay more



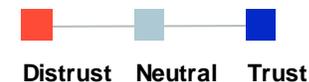
PARTNERSHIP BETWEEN BUSINESS AND GOVERNMENT ESSENTIAL ON JOBS

Percent who say each institution is the one they trust most to address each challenge



ADDRESSING GREATEST FAILURES GETS EVERY INSTITUTION TO TRUST

Percent who think each institution is doing well/very well on the issue, and the potential trust gains associated with doing each well



NGOs	
Transparency about funding	35
Expose corruption	35
Avoid becoming politicized	35
Partner with government	38
Partner with business	38

Business	
Partner with NGOs	33
Jobs that pay a decent wage	35
Partner with government	37
Deal fairly with suppliers	40
Contribute to communities	41

Government	
Reduce partisanship	26
Partner with NGOs	30
Community-level problems	31
Social services for the poor	34
Partner with business	34

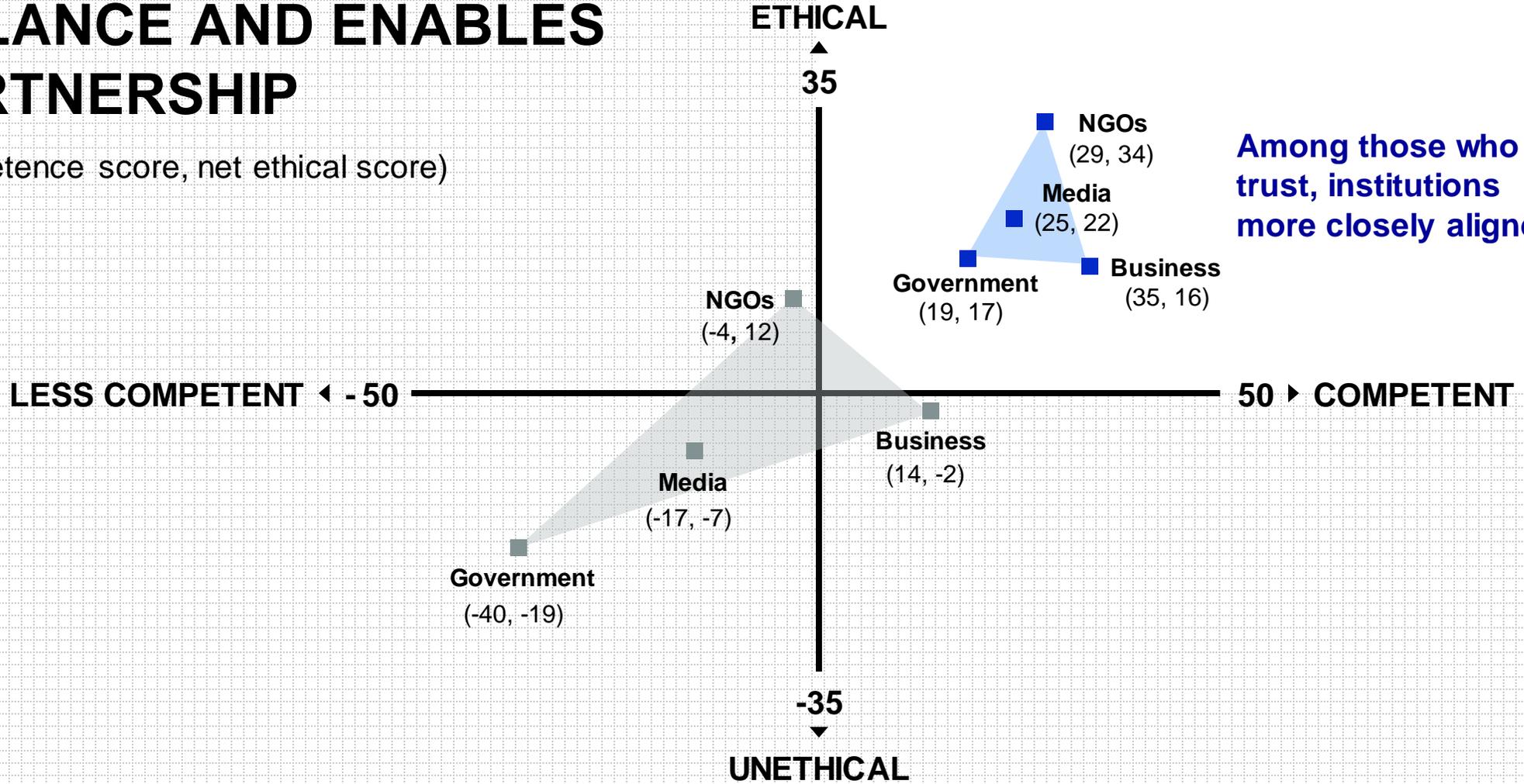
Media	
Keep social media clean	34
Being objective	35
Information quality	38
Important vs sensationalized	38
Differentiate opinion and fact	39



2020 Edelman Trust Barometer. Regression analysis. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. PER_[INSTITUTION]. How well do you feel [institution] is currently doing each of the following? 5-point scale; top 2 box, doing well. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. For a full explanation of how this data was calculated, please see the Technical Appendix.

TRUST RESTORES BALANCE AND ENABLES PARTNERSHIP

(Competence score, net ethical score)

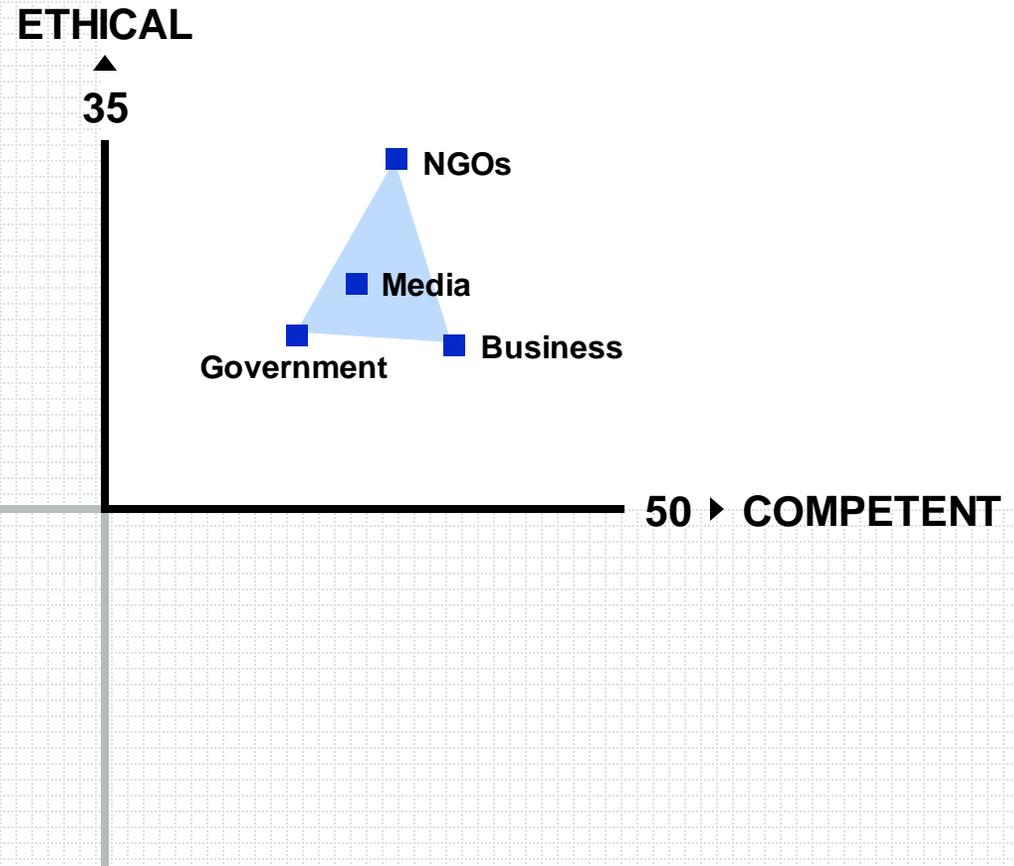


Among those who trust, institutions more closely aligned

2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D_[INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand. Data for blue triangle is among those who trust each institution (TRU_INS top 4 box, trust). For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

BUILDING TRUST FOR THE FUTURE

- Pay fair wages
- Focus on education and retraining
- Embrace an all-stakeholders model
- Partner across institutions



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**SUPPLEMENTAL
DATA**

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3. Modeling trust

4. Trust and information

5. Societal issues

6. Employee expectations

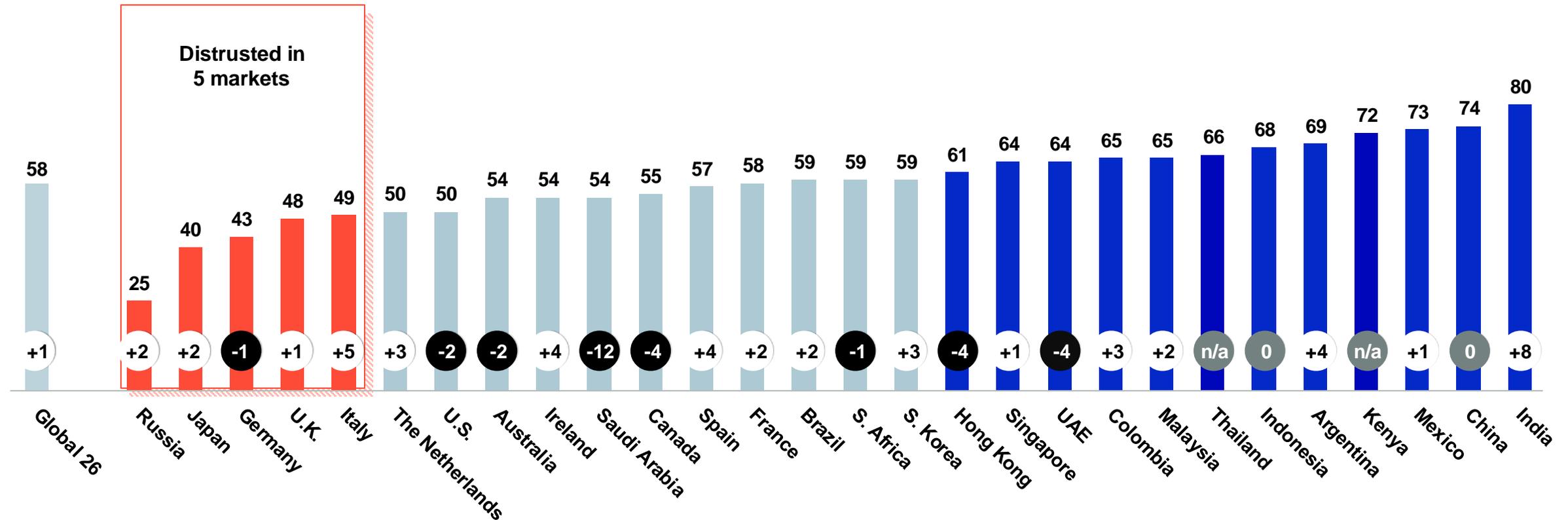
⊥

Institutions: Trust and Performance

⊥

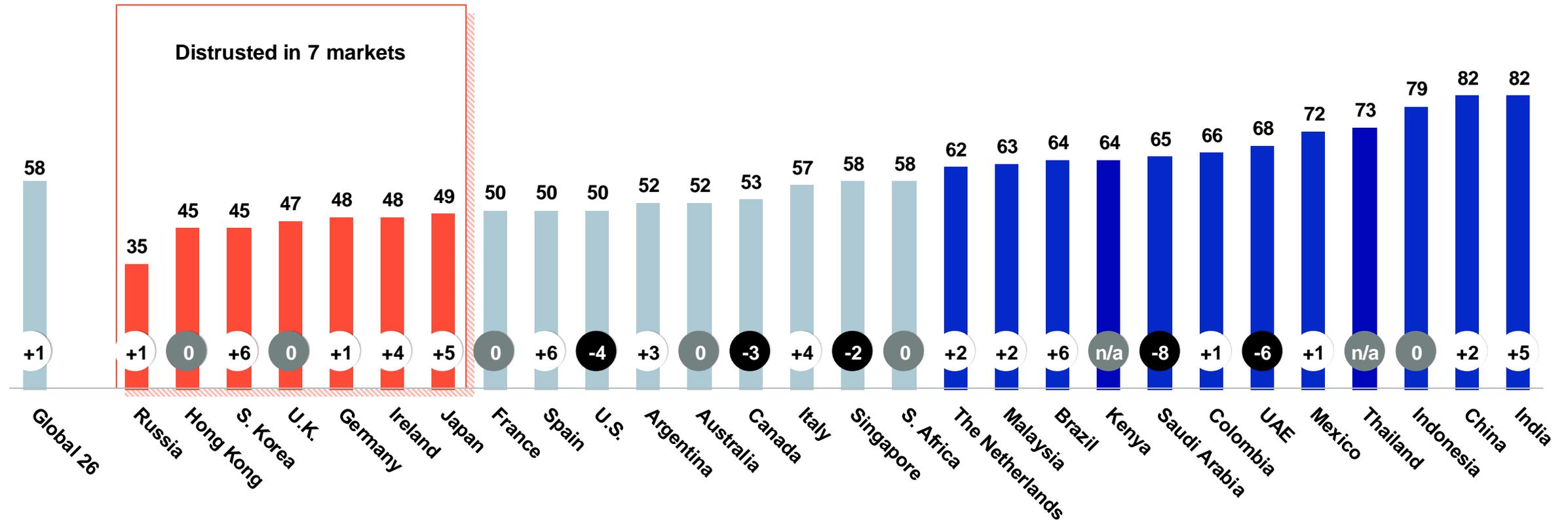
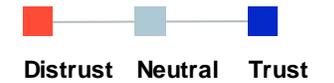
TRUST IN NGOS INCREASES IN 16 OF 26 MARKETS

Percent trust in NGOs



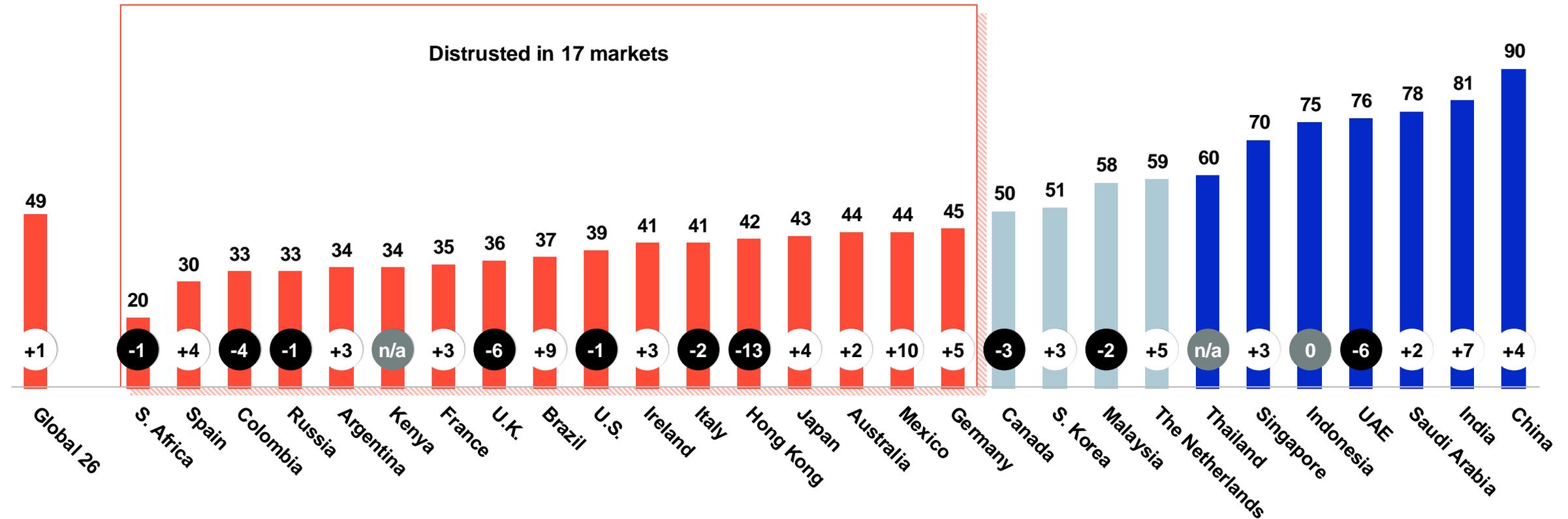
TRUST IN BUSINESS INCREASES IN 15 OF 26 MARKETS

Percent trust in business



TRUST IN GOVERNMENT INCREASES IN 15 OF 26 MARKETS

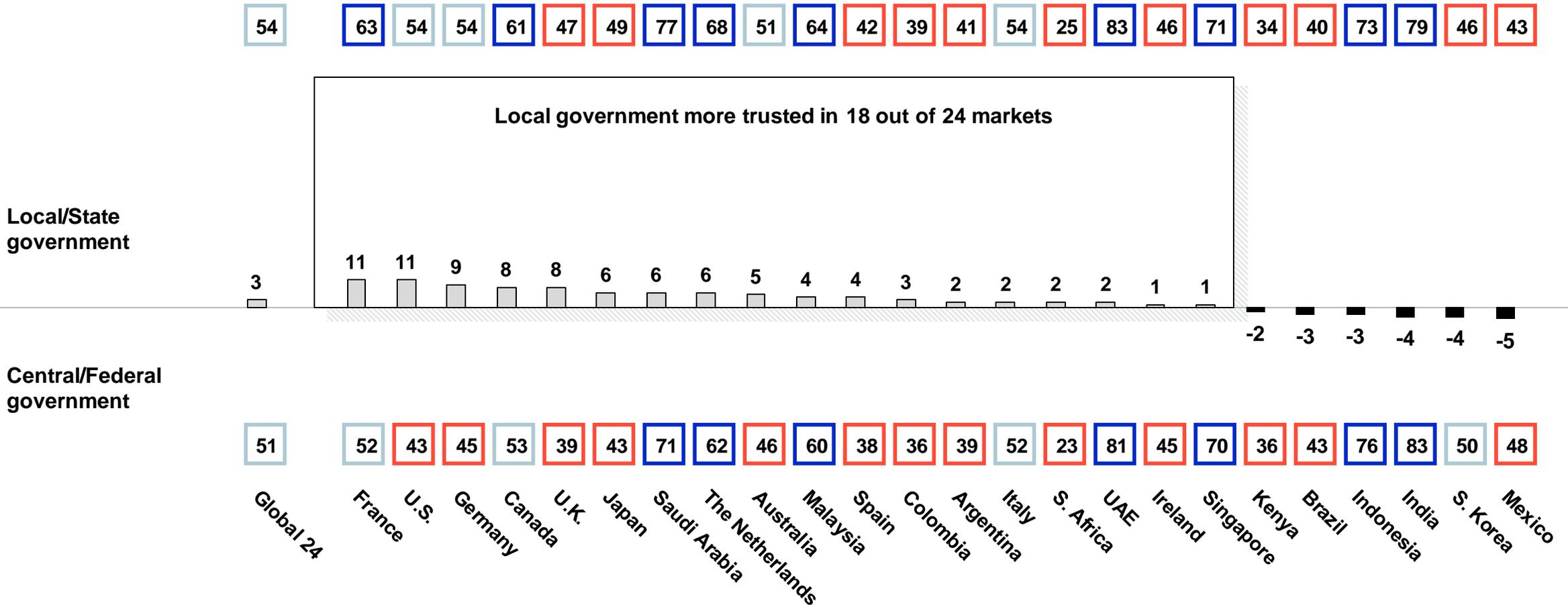
Percent trust in government



MORE TRUST IN LOCAL GOVERNMENT

Percentage point gap between trust in local/state government and central/federal government

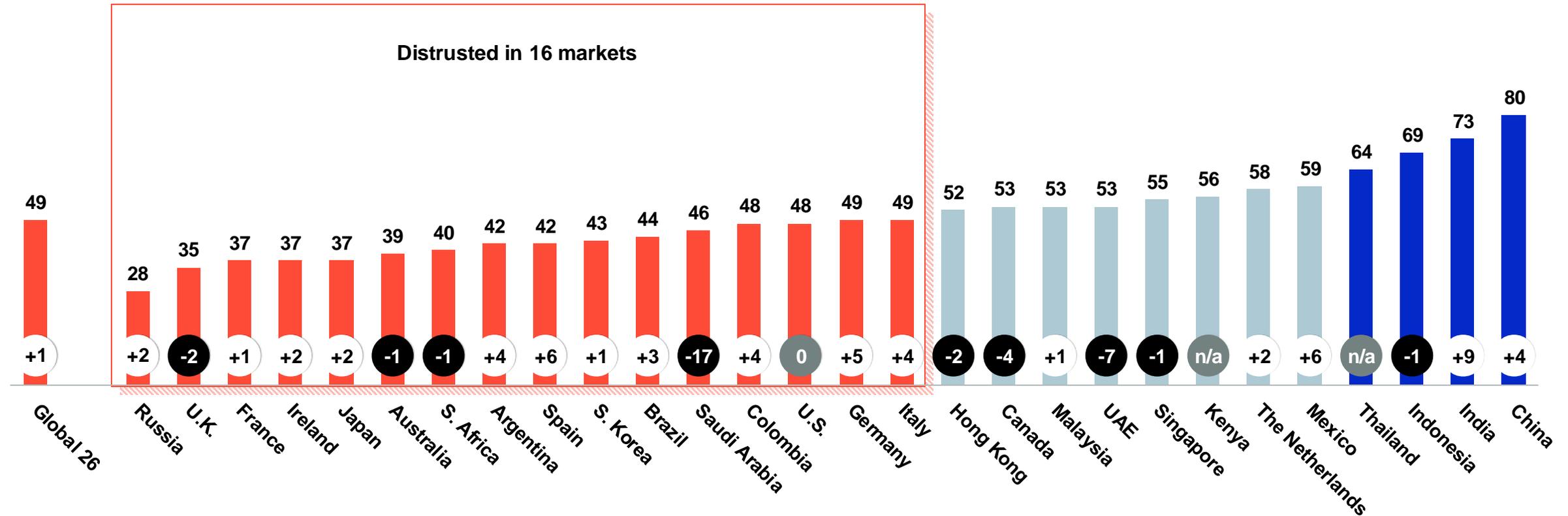
Distrust Neutral Trust



2020 Edelman Trust Barometer. TRU_INS. [Central/federal government and your local/state government] Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 24-mkt avg. Data not collected in China, Hong Kong, Russia and Thailand.

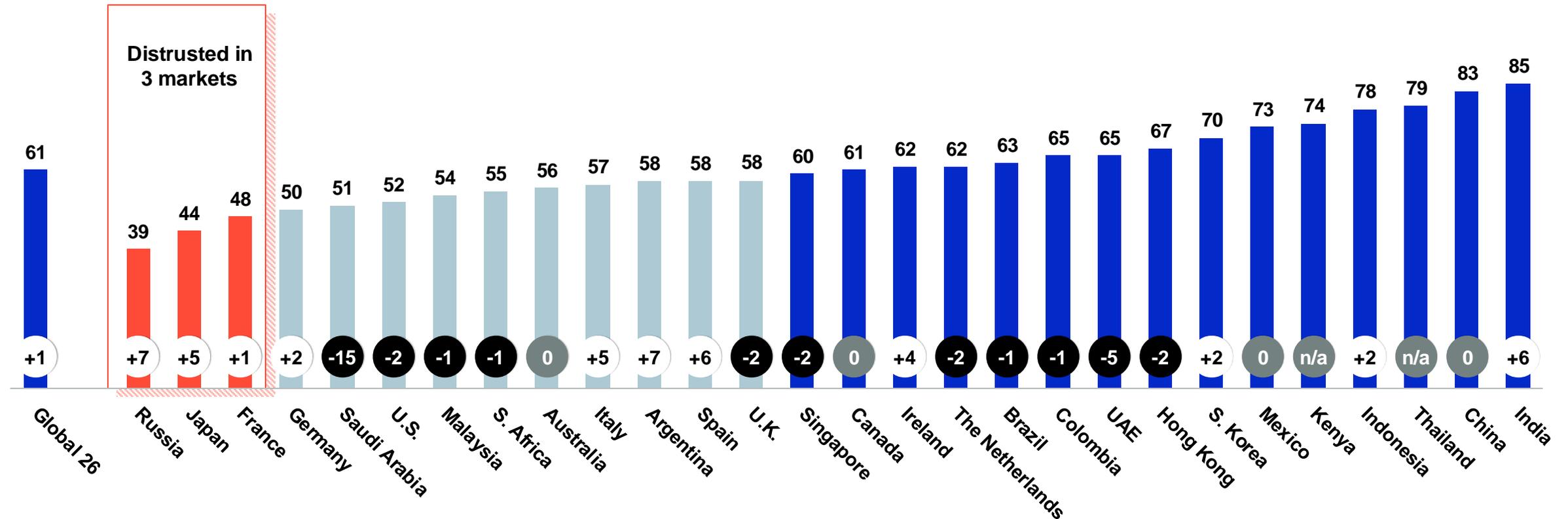
TRUST IN MEDIA RISES, IN 16 OF 26 MARKETS

Percent trust in media



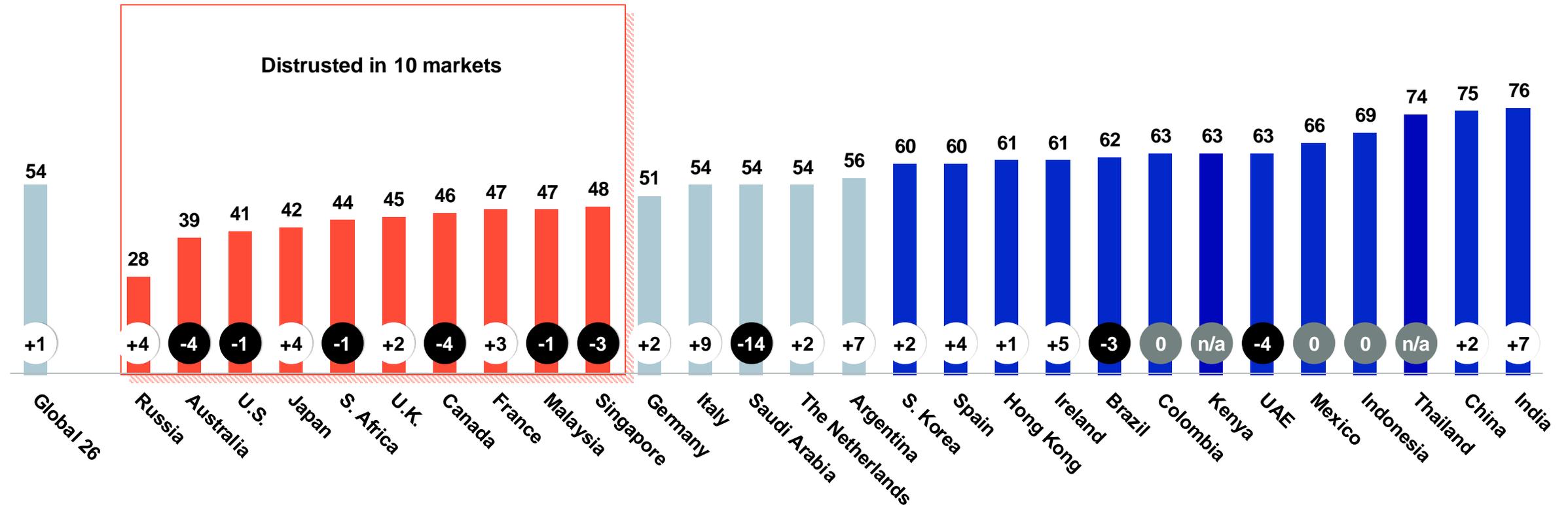
TRUST IN THE UNITED NATIONS INCREASES IN 11 OF 26 MARKETS

Percent trust in the United Nations



TRUST IN THE EUROPEAN UNION INCREASES IN 14 OF 26 MARKETS

Percent trust in the European Union



INSTITUTIONAL PERFORMANCE

Percent who think each institution is doing well/very well on the issue

Strength > 50%

Weakness < 50%

NGOs	
Protect the environment	48
Protect civil and human rights	47
Poverty, illiteracy, disease	45
Educate people for good decisions	44
Community-level problems	43
Global-level problems	42
Set goals with regular public updates	40
Partner with business	38
Partner with government	38
Avoid becoming politicized	35
Expose corruption	35
Transparency about funding	35

Business	
Generate value for owners	56
Engine of innovation	51
Drive economic prosperity	51
Meet customer expectations	47
Diversity in the workplace	42
Sustainable business practices	42
Invest in employee training	42
Contribute to communities	41
Deal fairly with suppliers	40
Partner with government	37
Jobs that pay a decent wage	35
Partner with NGOs	33

Government	
International alliances, defense	43
Safe and modern infrastructure	41
Maintain law and order	38
Protect civil and human rights	38
Balance national interests and international engagement	37
Education	37
Regulate emerging tech	37
Partner with business	34
Social services for the poor	34
Community-level problems	31
Partner with NGOs	30
Reduce partisanship	26

Media	
Covering national news	61
Covering international news	57
Covering local news	57
Enough journalists	53
Information for good decisions	44
Let people be heard	43
Exposing corruption	42
Differentiate opinion and fact	39
Important vs sensationalized	38
Information quality	38
Being objective	35
Keep social media clean	34

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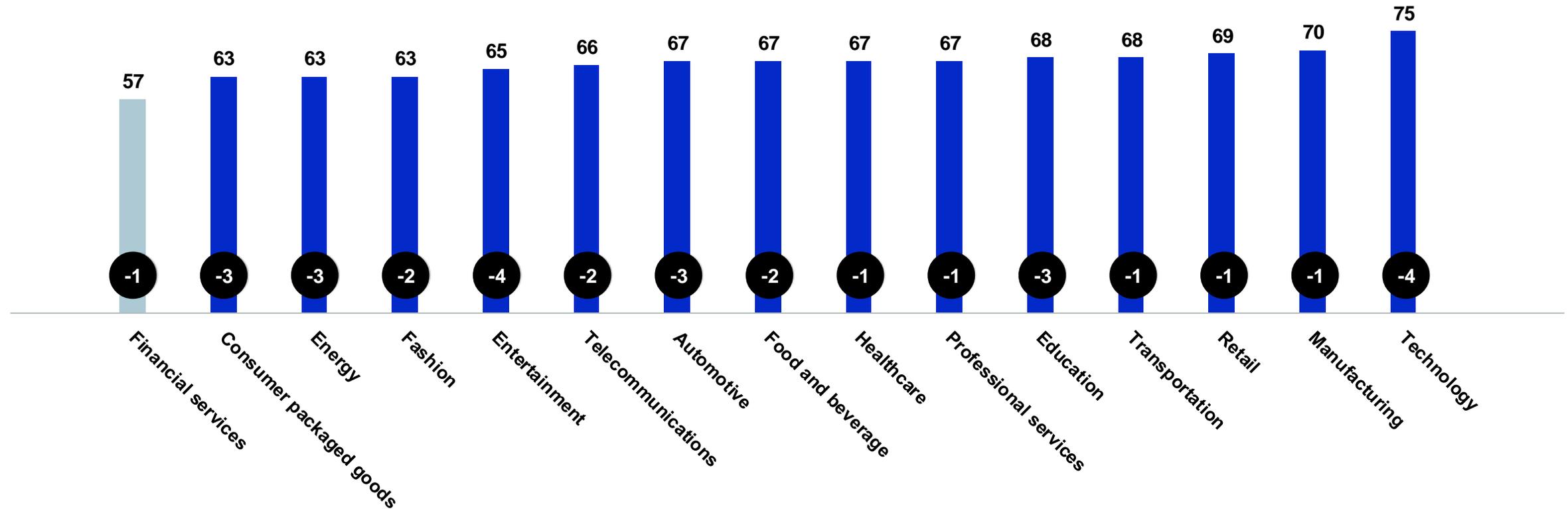
Trust in Business in Detail

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TRUST DECLINES ACROSS SECTORS, LED BY TECHNOLOGY AND ENTERTAINMENT



Percent trust in each sector



INDUSTRY SECTORS OVER TIME

Percent trust in each sector



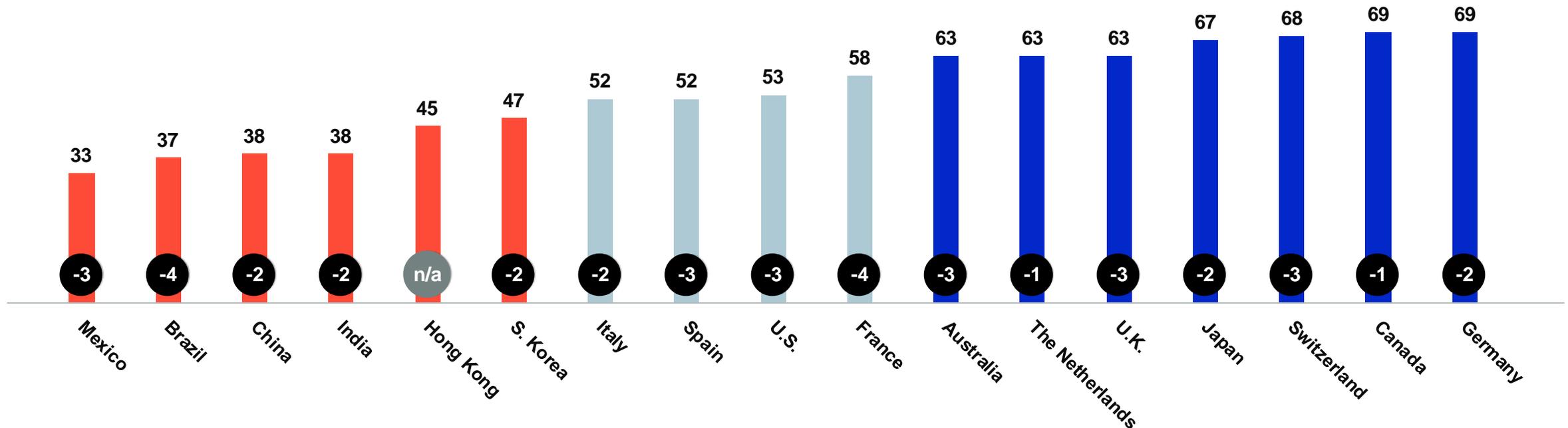
Industry	2012	2013	2014	2015	2016	2017	2018	2019	2020	8yr. Trend
Technology	77	74	77	74	75	76	75	78	75	-2
Automotive	63	66	70	67	61	66	62	69	67	+4
Food and beverage	64	65	66	64	65	68	64	68	67	+3
Healthcare	-	-	-	-	64	67	65	68	67	n/a
Telecommunications	59	62	62	60	61	64	64	67	65	+6
Entertainment	-	63	66	64	65	65	63	68	64	n/a
Energy	54	58	58	57	59	63	63	65	63	+9
Consumer packaged goods	58	61	62	61	62	64	61	65	62	+4
Financial services	44	48	49	49	53	55	55	57	56	+12

TRUST DECLINES FOR ALL COUNTRY BRANDS

Trust in companies headquartered in each market

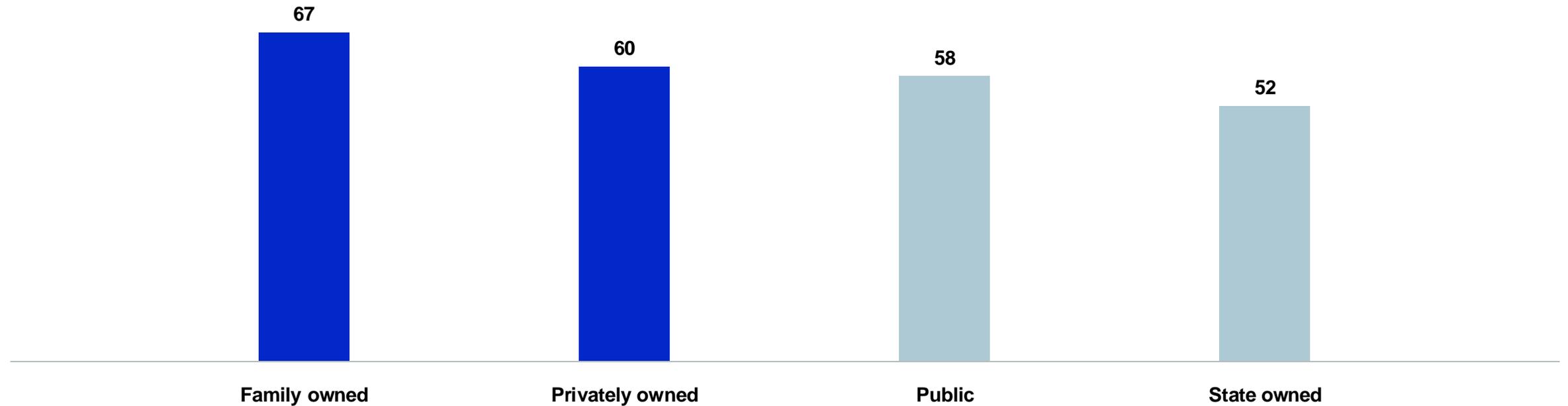
Change, 2019 to 2020

Distrust Neutral Trust



FAMILY BUSINESS MOST TRUSTED

Percent trust in each sector



⊥

Modeling Trust

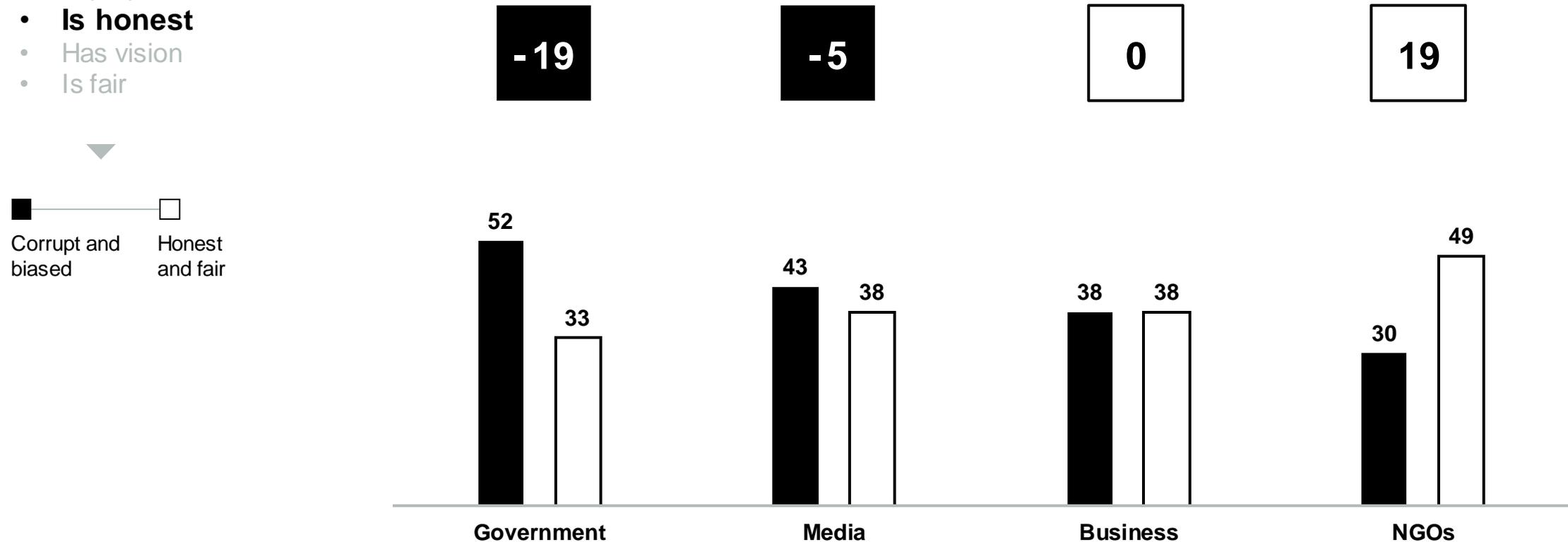
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INSTITUTIONS SEEN AS LACKING HONESTY

Percent who cite each as a reason they trust or distrust each institution

This institution...

- Is purpose-driven
- **Is honest**
- Has vision
- Is fair

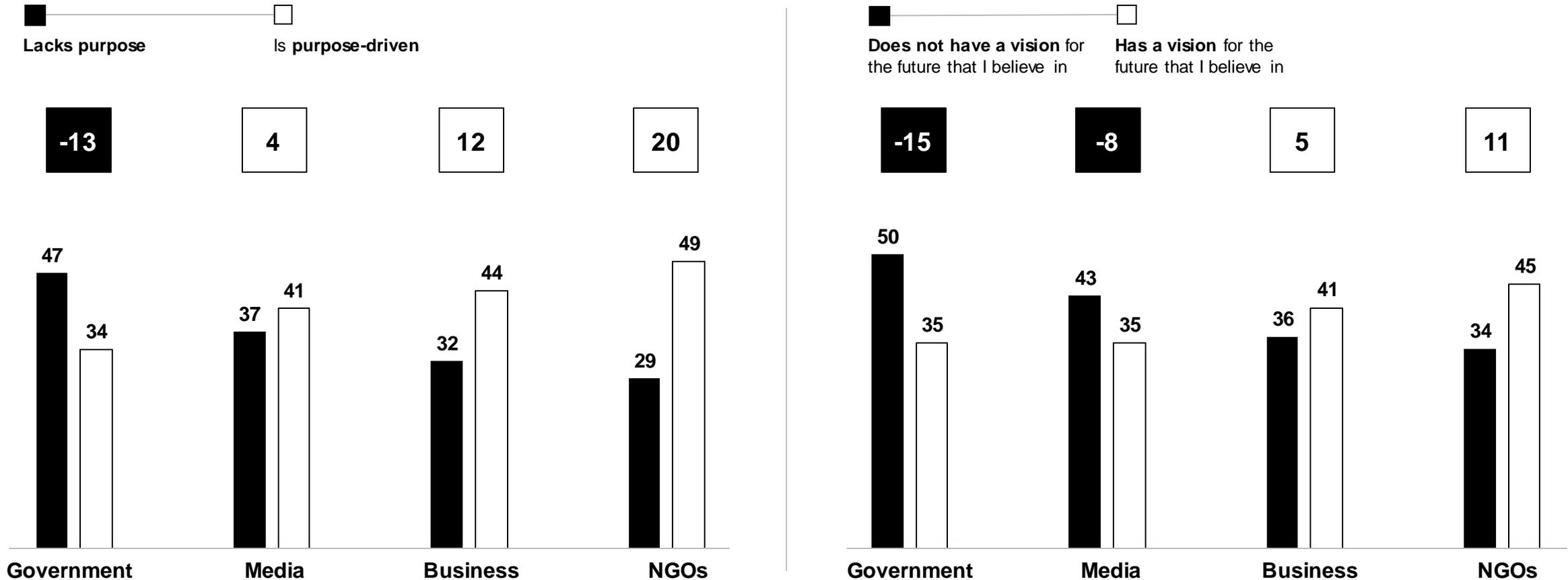


2020 Edelman Trust Barometer. Net scores represent positive responses minus negative responses to the following questions: [INSTITUTION]_PER_DIM. In thinking about why you do or do not trust [institution], please specify where you think they fall on the scale between the two opposing descriptions. 11 -point scale; top 5 box, positive; bottom 5 box, negative. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

INSTITUTIONS SEEN AS LACKING A VISION AND PURPOSE FOR THE FUTURE

Percent who cite each as a reason they trust or distrust each institution

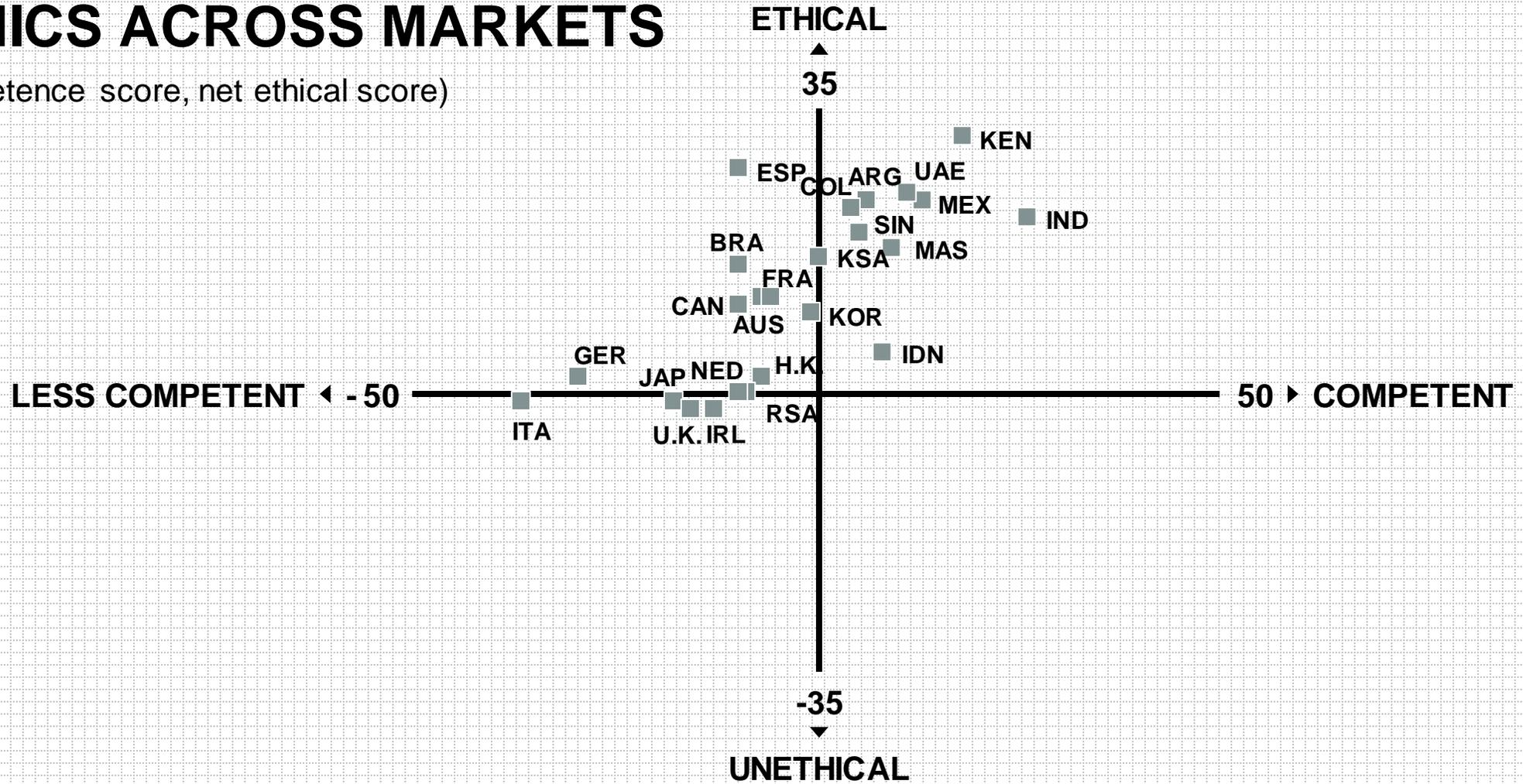
- This institution...
- **Is purpose-driven**
 - Is honest
 - **Has vision**
 - Is fair



2020 Edelman Trust Barometer. Net scores represent positive responses minus negative responses to the following questions: [INSTITUTION]_PER_DIM. In thinking about why you do or do not trust [institution], please specify where you think they fall on the scale between the two opposing descriptions. 11 -point scale; top 5 box, positive; bottom 5 box, negative. Question asked of half of the sample. General population, 25-mkt avg. Data not collected in China, Russia and Thailand.

NGOS: COMPETENCE AND ETHICS ACROSS MARKETS

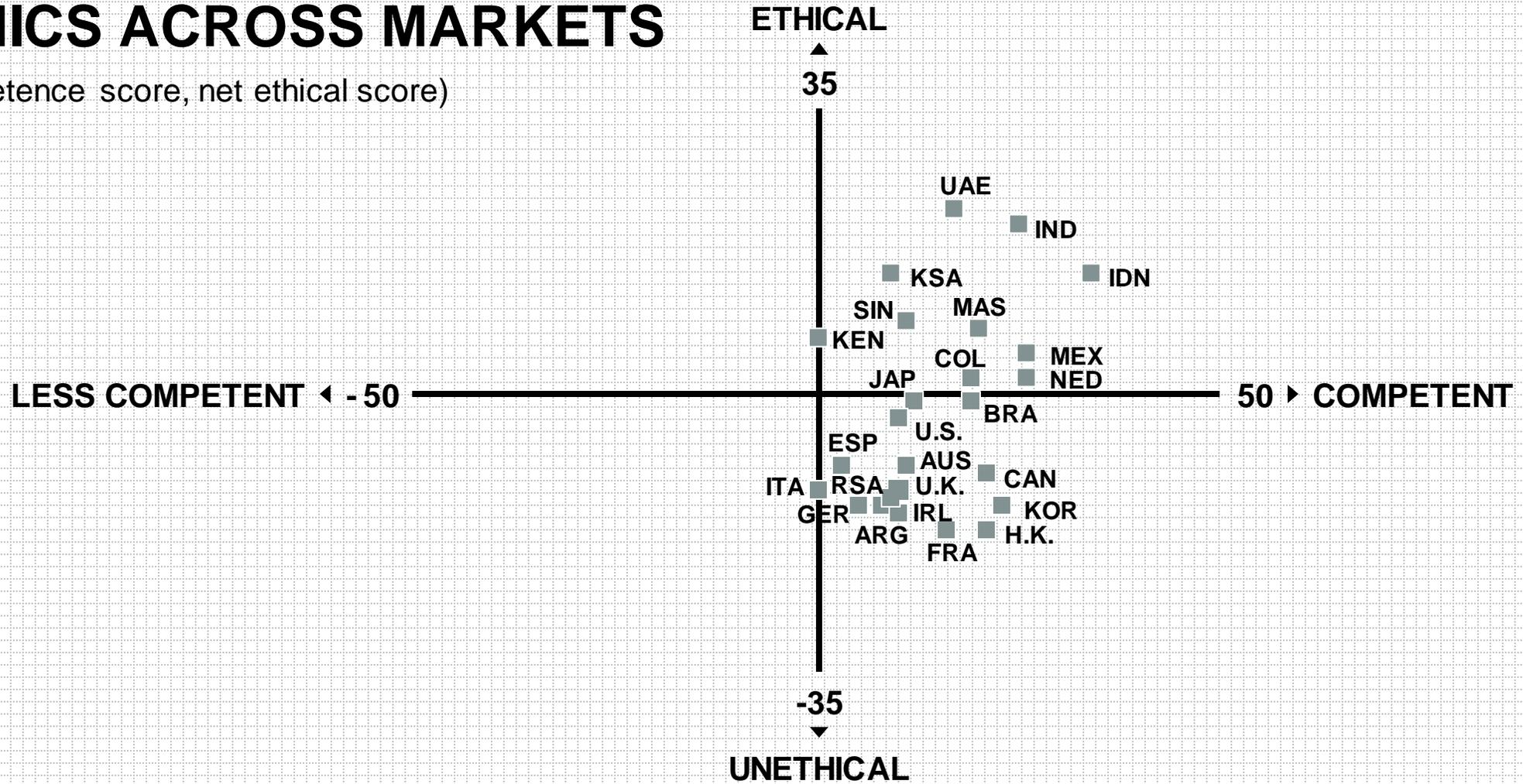
(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D [INSTITUTION] r1. Depending on the question it was either asked of the full or half of the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

BUSINESS: COMPETENCE AND ETHICS ACROSS MARKETS

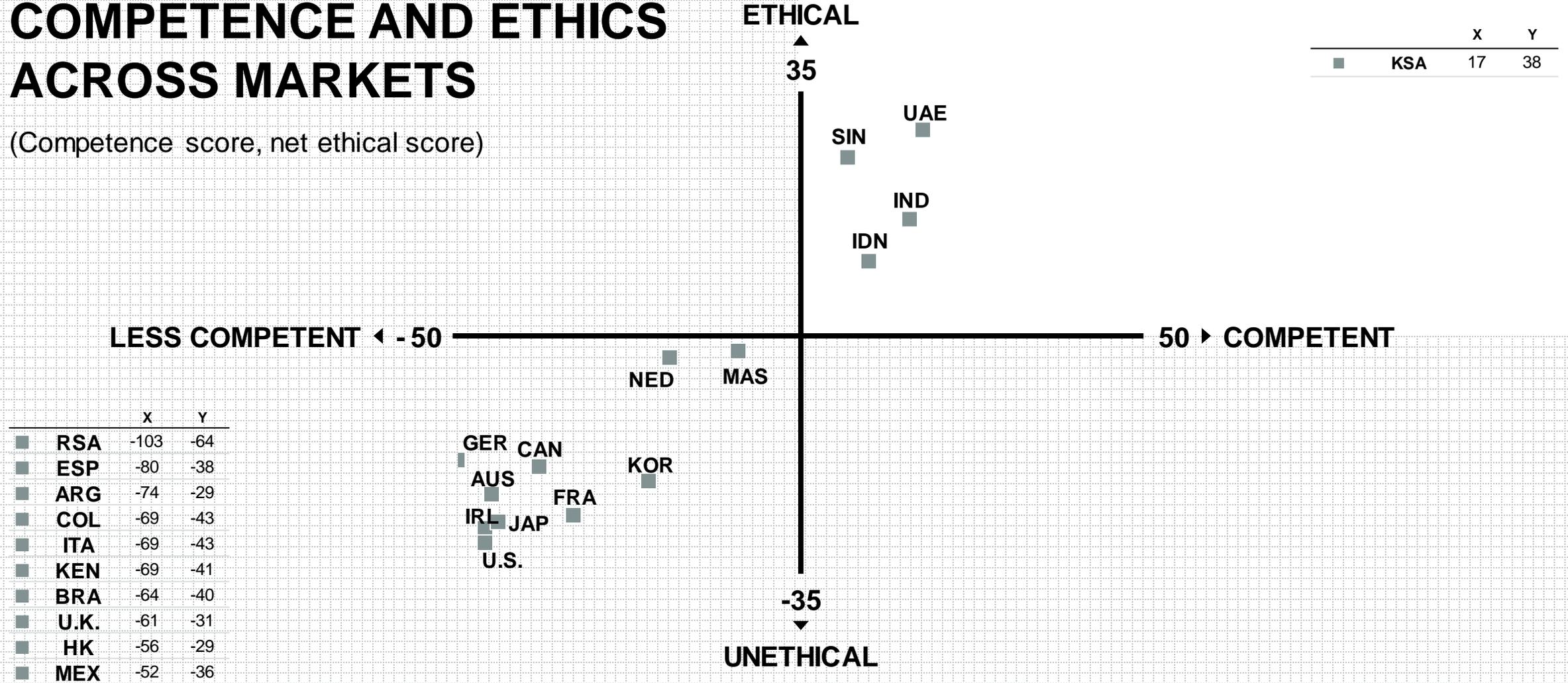
(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D [INSTITUTION] r1. Depending on the question it was either asked of the full or half the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

GOVERNMENT: COMPETENCE AND ETHICS ACROSS MARKETS

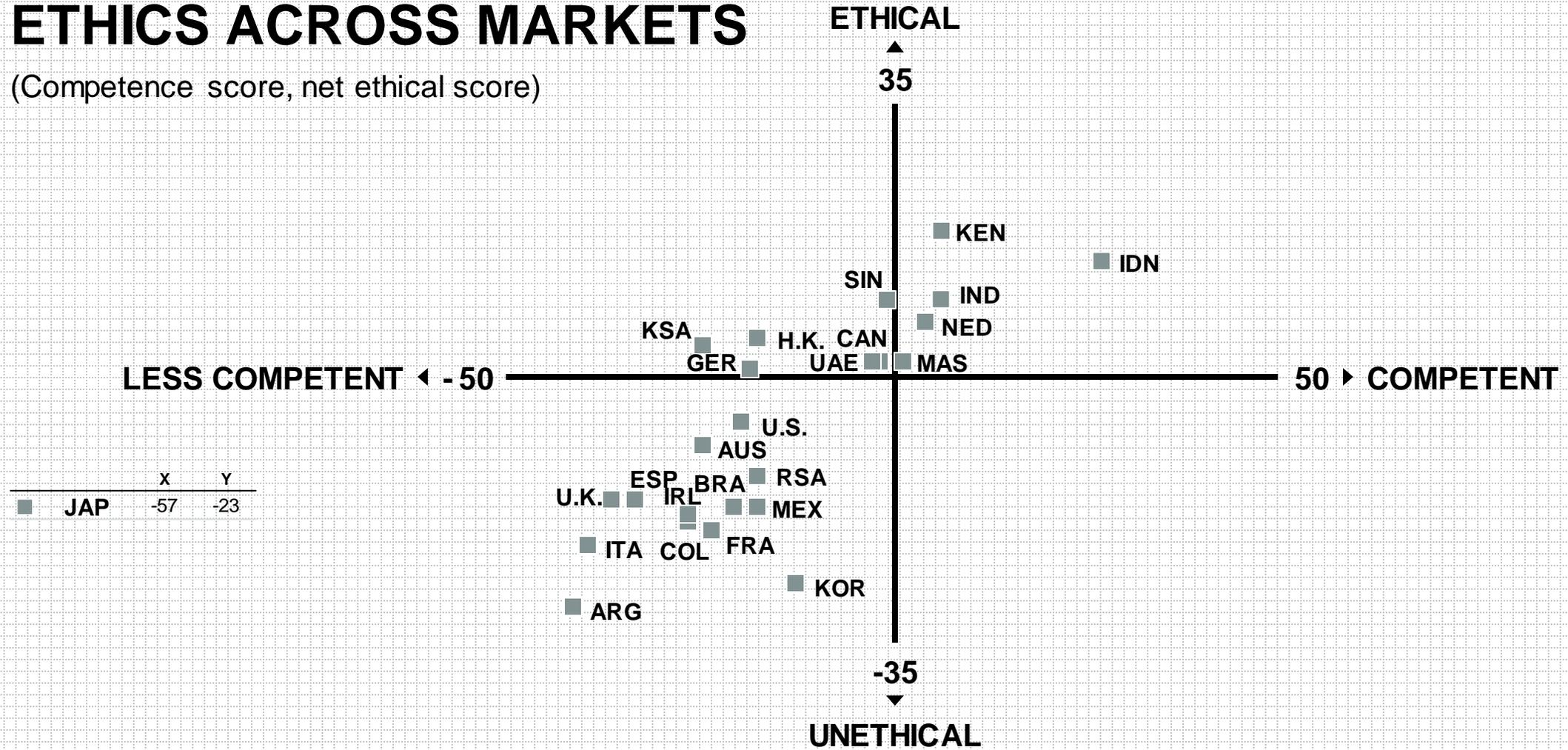
(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D [INSTITUTION] r1. Depending on the question it was either asked of the full of half the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

MEDIA: COMPETENCE AND ETHICS ACROSS MARKETS

(Competence score, net ethical score)



2020 Edelman Trust Barometer. The ethical scores are averages of nets based on [INSTITUTION]_PER_DIM r1-r4. Question asked of half of the sample. The competence score is a net based on TRU_3D [INSTITUTION] r1. Depending on the question it was either asked of the full or half of the sample. General population, by market. Data not collected in China, Russia and Thailand. For full details regarding how this data was calculated and plotted, please see the Technical Appendix.

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Trust and Information

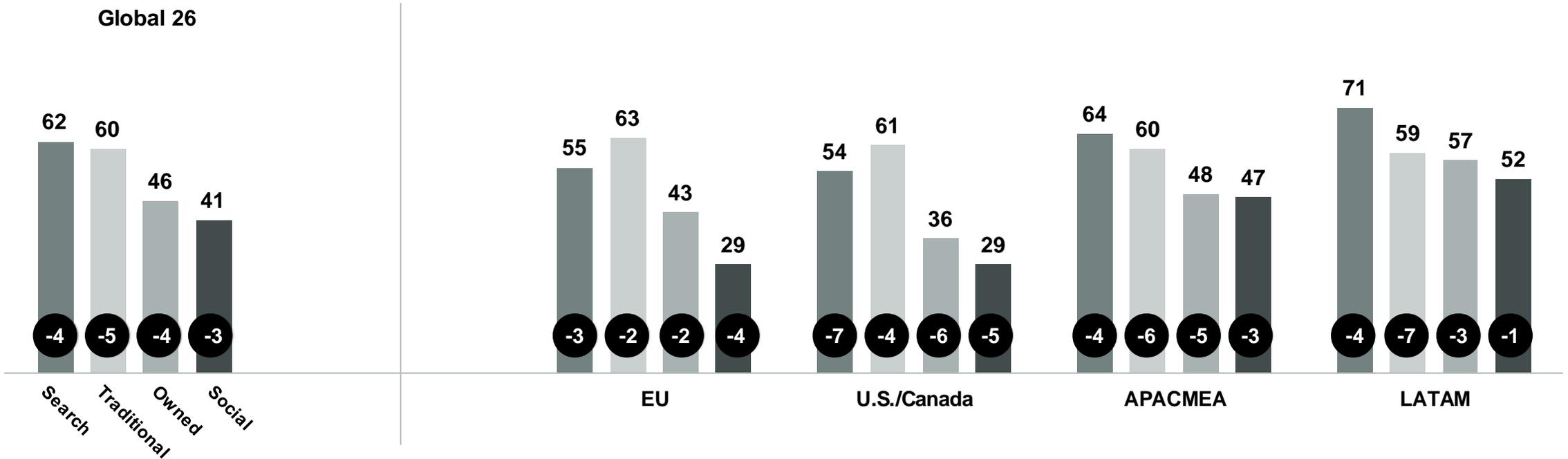
⊥

CHAMPION RELIABLE SOURCES

Percent who trust each source of news

Search Traditional media Owned media Social media

Change, 2019 to 2020



TRADITIONAL MEDIA AND SEARCH ENGINES MOST TRUSTED

Percent trust in each source for general news and information



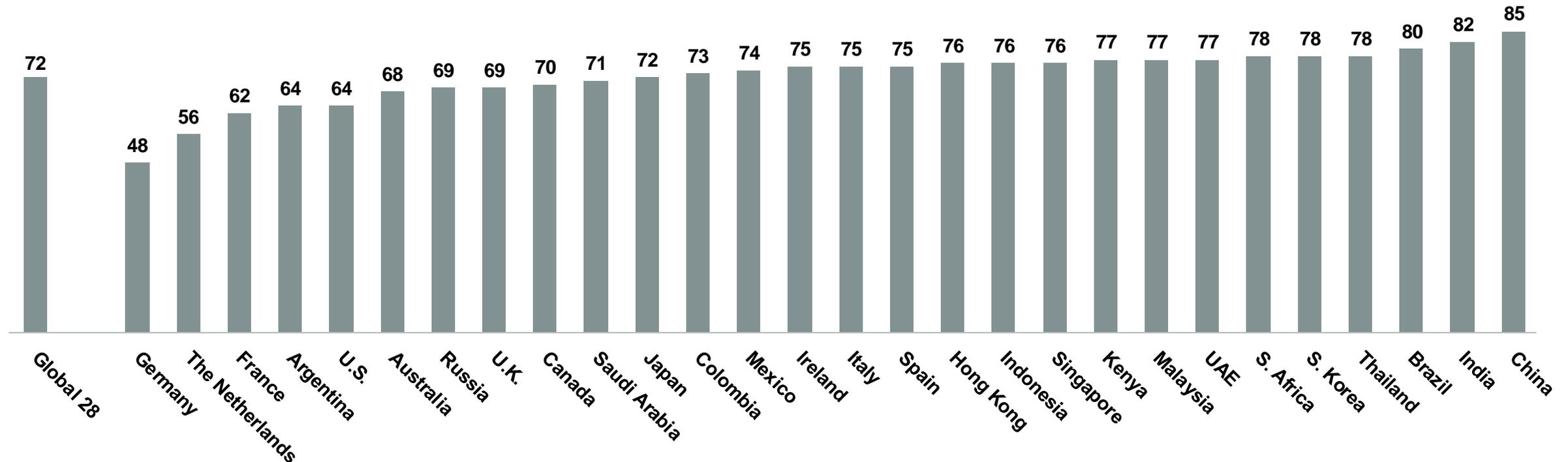
2020 Edelman Trust Barometer. COM_MCL. When looking for general news and information, how much would you trust each type of source for general news and information? 9-point scale; top 4 box, trust. Question asked of half of the sample. General population, 23-mkt avg.

*From 2012-2015, "Online Search Engines" were included as a media type. In 2016, this was changed to "Search Engines."

ADVERTISERS HELD ACCOUNTABLE FOR FAKE NEWS

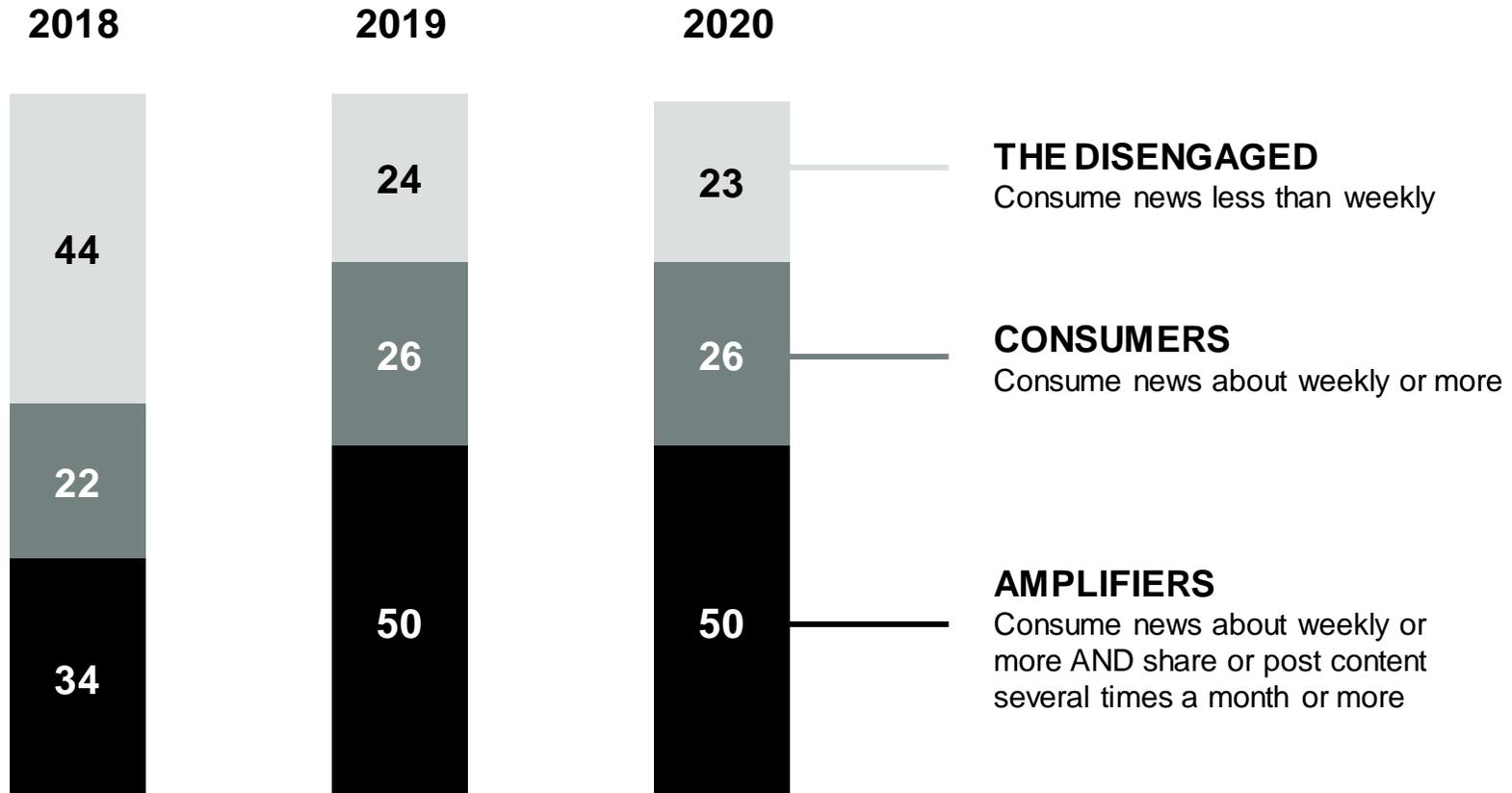
Percent who agree

Companies **should stop advertising with any media platform** that fails to prevent the spread of fake news and false information



CONTINUED ENGAGEMENT WITH NEWS

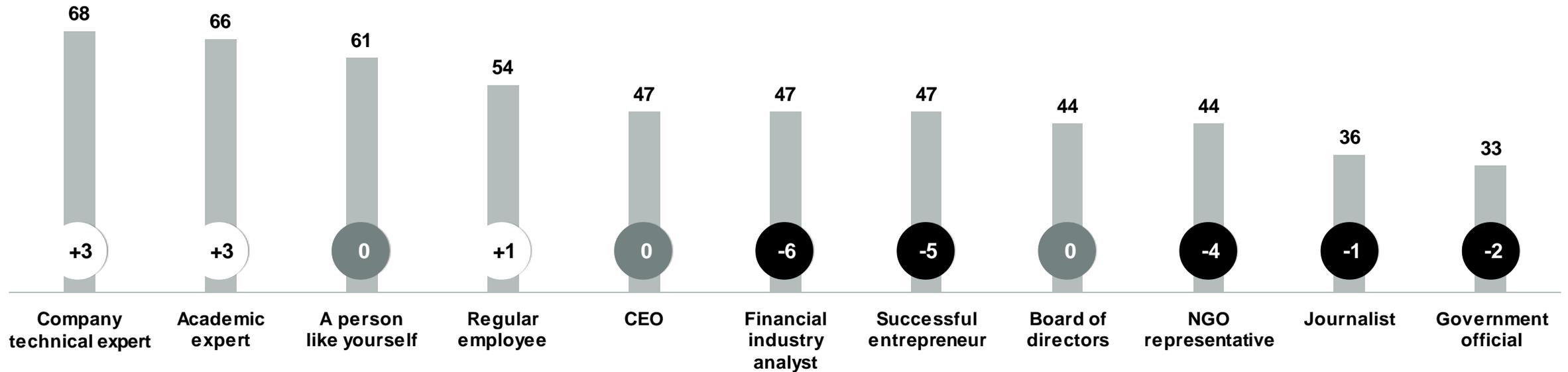
How often do you engage in the following activities related to news and information?



EXPERTS AND PEERS MOST CREDIBLE

Percent who rate each source as very/extremely credible


 Change, 2019 to 2020



2020 Edelman Trust Barometer. CRE_PPL. Below is a list of people. In general, when forming an opinion of a company, if you heard information about a company from each person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all. 4-point scale; top 2 box, credible. Spokespeople asked of half of the sample. General population, 26-mkt avg.

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Societal Issues

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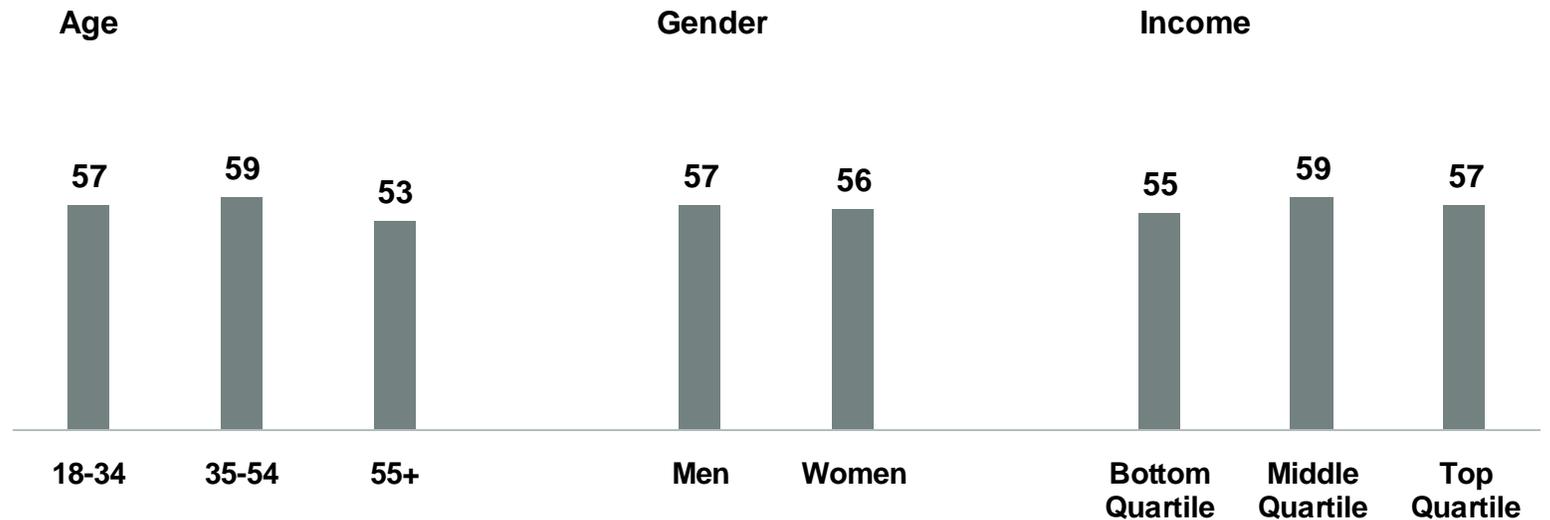
CAPITALISM IN QUESTION ACROSS GENERATIONS, GENDERS AND INCOME GROUPS

Percent who agree

Capitalism as it exists today **does more harm than good in the world**



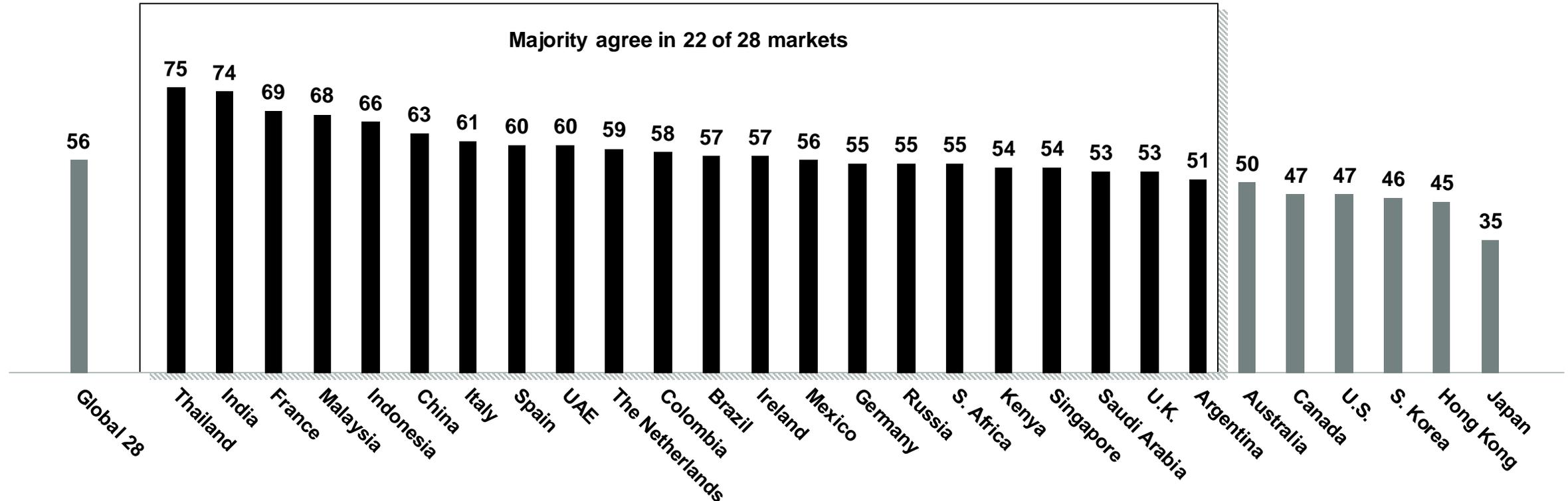
56%



CAPITALISM IN QUESTION AROUND THE WORLD

Percent who agree

Capitalism as it exists today **does more harm than good** in the world



JOB LOSS

Percent who are worried about losing their job due to each reason

- Highest job loss worry in each market
- Second-highest job loss worry
- Third-highest job loss worry

	Gig-economy	Looming recession	Lack of training/skills	Foreign competitors	Immigration	Automation	Job moved abroad
Argentina	61	65	57	55	54	51	46
Australia	60	51	51	49	48	45	41
Brazil	64	67	68	56	52	58	54
Canada	56	49	50	42	43	45	36
China	65	62	67	59	56	63	59
Colombia	74	74	69	69	74	65	60
France	65	54	54	51	52	55	49
Germany	51	45	43	42	41	40	46
Hong Kong	60	52	58	46	49	50	44
India	82	80	81	79	80	77	77
Indonesia	61	58	61	58	56	57	52
Ireland	57	55	50	45	42	39	40
Italy	60	64	55	57	53	51	70
Japan	44	37	45	38	44	38	40
Kenya	64	64	63	58	49	52	49
Malaysia	70	71	67	73	71	69	61
Mexico	71	71	67	64	59	60	59
Russia	49	60	49	38	43	34	27
Saudi Arabia	47	48	44	46	45	41	44
Singapore	67	67	66	64	67	59	60
S. Africa	61	70	63	53	55	51	45
S. Korea	60	69	57	58	50	63	44
Spain	68	66	65	62	58	57	58
Thailand	68	76	67	66	67	65	60
The Netherlands	49	34	38	36	38	35	29
UAE	62	65	63	62	64	59	59
U.K.	53	52	49	46	44	46	43
U.S.	55	49	51	42	47	46	40

2020 Edelman Trust Barometer. POP_EMO. Some people say they worry about many things while others say they have few concerns. We are interested in what you worry about. Specifically, how much do you worry about each of the following? 9-point scale; top 4 box, worried. General population, 28-mkt avg, among those who are employed (Q43/1).

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TECHNICAL APPENDIX

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3. Markets covered and languages used

4. How we measured belief in the system

5. How we plotted the institutional competence and ethics scores

6. How we measured the importance of competence and ethics in determining trust in a company

7. How we measured belief-driven buying

8. How we calculated the trust gains associated with improved institutional performance

20th ANNUAL EDELMAN TRUST BAROMETER

Methodology



Online survey in 28 markets

34,000+ respondents total

All fieldwork was conducted between
October 19 and November 18, 2019

28-market global data margin of error: General population +/- 0.6% (N=32,200), informed public +/- 1.2% (N=6,200), mass population +/- 0.6% (26,000+), half-sample global general online population +/- 0.8% (N=16,100).

Market-specific data margin of error: General population +/- 2.9% (N=1,150), informed public +/- 6.9% (N = min 200, varies by market), China and U.S. +/- 4.4% (N=500), mass population +/- 3.0% to 3.6% (N =min 736, varies by market).

Gen Z MOE: 28-market = +/- 1.5% (N=4,310)

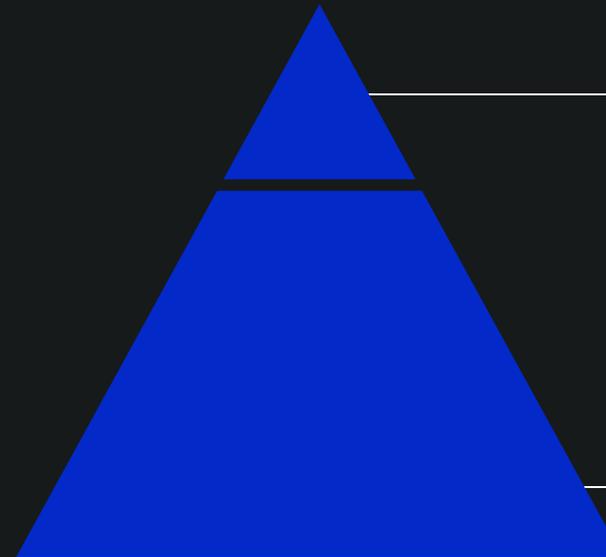
Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

General Online Population

1,150
respondents
per market

Ages
18+

All slides show general
online population data
unless otherwise noted



2020 Gen Z oversample

250 respondents age 18-24 per market

Informed Public

500 respondents in U.S. and China;
200 in all other markets

Represents **17%** of total global population

Must meet 4 criteria

- ▶ Ages **25-64**
- ▶ College-educated
- ▶ In top **25%** of household income per age group in each market
- ▶ Report significant media consumption and engagement in public policy and business news

Mass Population

All population not
including informed public

Represents **83%** of total
global population

2020 EDELMAN TRUST BAROMETER

SAMPLE SIZE, QUOTAS AND MARGIN OF ERROR

	General Population			Informed Public		
	Sample Size*	Quotas Set On**	Margin of Error	Sample Size*	Quotas Set On***	Margin of Error
Global	32,200	Age, Gender, Region	+/- 0.6% total sample +/- 0.8% half sample	6200	Age, Education, Gender, Income	+/- 1.2% total sample +/- 1.8% split sample
China and U.S.	1,150	Age, Gender, Region	+/- 2.9% total sample +/- 4.1% half sample	500	Age, Education, Gender, Income	+/- 4.4% total sample +/- 6.2% split sample
All other markets	1,150	Age, Gender, Region	+/- 2.9% total sample +/- 4.1% half sample	200	Age, Education, Gender, Income	+/- 6.9% total sample +/- 9.8% split sample

NOTE: Questions that afforded respondents the opportunity to criticize their government were not asked in China, Russia and Thailand.

* Some questions were asked of only half of the sample. Please refer to the footnotes on each slide for details.

** In the U.K. and U.S. there were additional quotas on ethnicity.

*** In the UAE and Saudi Arabia there were additional quotas on nationality.

2020 EDELMAN TRUST BAROMETER

LANGUAGES AND INTERNET PENETRATION BY MARKET

The Edelman Trust Barometer is an online survey. In developed markets, a nationally-representative online sample closely mirrors the general population. In markets with lower levels of internet penetration, a nationally-representative online sample will be more affluent, educated and urban than the general population.

	Languages	Internet Penetration*
Global	-	59%
Argentina	Localized Spanish	93%
Australia	English	87%
Brazil	Portuguese	71%
Canada	English & French Canadian	93%
China	Simplified Chinese	60%
Colombia	Localized Spanish	63%
France	French	92%
Germany	German	96%
Hong Kong	English & Traditional Chinese	89%

	Languages	Internet Penetration*
India	English & Hindi	41%
Indonesia	Indonesian	64%
Ireland	English	92%
Italy	Italian	93%
Kenya	English & Swahili	90%
Japan	Japanese	94%
Malaysia	Malay	81%
Mexico	Localized Spanish	65%
Russia	Russian	81%
Saudi Arabia	English & Arabic	93%

	Languages	Internet Penetration*
Singapore	English & Simplified Chinese	88%
South Africa	English & Afrikaans	56%
South Korea	Korean	96%
Spain	Spanish	93%
Thailand	Thai	82%
The Netherlands	English & Dutch	96%
UAE	English & Arabic	98%
U.K.	English	95%
U.S.	English	89%

*Data source: <http://www.internetworldstats.com/stats.htm>

2020 EDELMAN TRUST BAROMETER

HOW WE MEASURED BELIEF IN THE SYSTEM

Four dimensions were examined to determine whether or not respondents believe the system is failing them:

- 1) A **sense of injustice** stemming from the perception that society's elites have co-opted the system to their own advantage at the expense of regular people,
- 2) A **lack of hope** that the future will be better for you and your family,
- 3) A **lack of confidence** in the leaders of societal institutions to solve the country's problems, and
- 4) A **desire for** forceful reformers in positions of power that are capable of bringing about much-needed **change**.

Overall scores were calculated by taking the average of the nine item scores.

Respondents were categorized into one of three segments based their mean score:

- Those who averaged 6.00 or higher believe the **system is failing** them
- Those who averaged between 5.00 and 5.99 were labelled as **uncertain**
- Those who averaged less than 5.00 believe the **system is working**

Respondents were asked:

For each one, please rate how **true** you believe that statement is using a nine-point scale where one means it is "**not at all true**" and nine means it is "**completely true**".

Sense of Injustice Items

"The elites who run our institutions are out of touch with regular people" *POP_MDCr8*

"The elites who run our institutions are indifferent to the will of the people" *POP_MDCr1*

"As regular people struggle just to pay their bills, the elites are getting richer than they deserve" *POP_MDCr2*

"The system is biased against regular people and in favor of the rich and powerful" *POP_MDCr3*

Lack of Hope Items

"My hard work will be rewarded" (reverse scored) *POP_MDCr18*

"My children will have a better life than I do" (reverse scored) *POP_MDCr19*

"The country is moving in the right direction" (reverse scored) *POP_MDCr20*

Lack of Confidence Items

"I do not have confidence that our current leaders will be able to address our country's challenges" *POP_MDCr10*

Desire for Change Items

"We need forceful reformers in positions of power to bring about much-needed change" *POP_MDCr9*

2020 EDELMAN TRUST BAROMETER

HOW WE PLOTTED THE INSTITUTIONAL COMPETENCE AND ETHICS SCORES

The competence score (the x-axis of the plot): An institution’s competence score is a net of the top 3 box (AGREE) minus the bottom 3 box (DISAGREE) responses to the question “To what extent do you agree with the following statement? *[INSTITUTION] in general is good at what it does*”. The resulting net score was then subtracted by 50 so that the dividing line between more competent and less competent institutions crossed the Y-axis at zero.

The net ethical score (the y-axis of the plot): The ethics dimension is defined by four separate items. For each item, a net score was calculated by taking the top 5 box percentage representing a positive ethical perception minus the bottom 5 box percentage representing a negative ethical perception. The Y-axis value is an average across those 4 net scores. Scores higher than zero indicate an institution that is perceived as ethical.

Respondents were asked:

In thinking about why you do or do not trust [INSTITUTION], please specify where you think they fall on the scale between the two opposing descriptions. *(Please use the slider to indicate where you think [INSTITUTION] falls between the two extreme end points of each scale.)*

DIMENSION	ETHICAL PERCEPTION	UNETHICAL PERCEPTION
Purpose-Driven	Highly effective agent of positive change	Completely ineffective agent of positive change
Honest	Honest and fair	Corrupt and biased
Vision	Has a vision for the future that I believe in	Does not have a vision for the future that I believe in
Fairness	Serves the interests of everyone equally and fairly	Serves the interests of only certain groups of people

The plot of trusted institutions: The version of the plot under conditions of trust (the smaller blue triangle) was calculated in exactly the same way as described above. The only difference was that the competence and ethics scores were calculated only among those who said they trusted that institution to do what is right (i.e., they gave that institution a top 4-box rating on the general trust question).

EDELMAN TRUST MANAGEMENT

HOW WE MEASURED THE IMPORTANCE OF COMPETENCE AND ETHICS IN DETERMINING TRUST IN A COMPANY

The data used was collected across the 12 monthly waves of the 2019 Edelman Trust Management brand tracking study conducted in Germany, the U.K. and the U.S among 23,000+ respondents. For this analysis, we looked at 40 global companies that were common across all three markets.

For each company, respondents were asked whether they trusted it or not to do what is right. They were then asked to evaluate each company across the four trust subdimensions – ability, integrity, dependability and purpose. Ability defined the competence dimension while integrity, dependability and purpose were rolled up to define the ethics dimension.

An ANOVA was performed to measure the proportion of the variance in company trust each of the four subdimensions explained. The data shown on the slide represents the percentage of the total variance explained by all four subdimensions together accounted for by each of the individual subdimensions separately.

Respondents were asked:

Please indicate to what extent you agree or disagree with the following statements using a nine-point scale where one means it is “**disagree strongly**” and nine means it is “**agree strongly**”.

COMPETENCE DIMENSION:

ABILITY: [COMPANY] is good at what it does

ETHICS DIMENSION:

INTEGRITY: [COMPANY] is honest

DEPENDABILITY: [COMPANY] keeps its promises

PURPOSE: [COMPANY] is trying hard to have a positive impact on society

2019 EDELMAN TRUST BAROMETER SPECIAL REPORT: IN BRANDS WE TRUST

HOW WE MEASURED BELIEF-DRIVEN BUYING

We classified respondents into three **belief-driven buyer segments** based on their responses to the scale questions:

- 1) **Leaders:** Have strongly-held, passionate beliefs. The brands they buy are one important way they express those beliefs.
- 2) **Joiners:** Depending on the issue and the brand, they will change their buying behavior based on the brand's stand.
- 3) **Spectators:** Rarely buy on belief or punish brands that take a stand.

Respondents were categorized into one of the three segments based their overall mean score across the six scale items:

- Those who averaged 6.00 or higher were categorized as **Leaders**
- Those who averaged between 5.00 and 5.99 were categorized as **Joiners**
- Those who averaged less than 5.00 were categorized as **Spectators**

Respondents were asked:

Please indicate how much you agree or disagree with the following statements using a nine-point scale where one means it is “**disagree strongly**” and nine means it is “**agree strongly**”.

- Even if a company makes the product that I like most, I will not buy it if I disagree with the company's stand on important social issues
- I have bought a brand for the first time for the sole reason that I appreciated its position on a controversial societal or political issue
- I have stopped buying one brand and started buying another because I liked the politics of one more than the other
- I have strong opinions about many societal and political issues. The brands I choose to buy and not buy are one important way I express those opinions
- If a brand offers the best price on a product, I will buy it even if I disagree with the company's stand on controversial social or political issues [reversed scored]
- I have stopped buying a brand solely because it remained silent on a controversial societal or political issue that I believed it had an obligation to publicly address

2020 EDELMAN TRUST BAROMETER

HOW WE CALCULATED THE TRUST GAINS ASSOCIATED WITH IMPROVED PERFORMANCE

Respondents were asked to evaluate the performance of each of the four institutions against 12 expectations. These performance scores were then used to predict trust in the institution using a regression analysis. The results of regression allowed us to identify the percentage point lift in trust associated with the institution doing each individual behavior well or very well.

Next, we looked at the percentage of respondents who currently rate an institution as doing a given behavior well, identifying the five behaviors each of the institutions scored the lowest on.

For each of these five behaviors that the regression determined were significant predictors of trust, we subtracted the percentage of people who currently felt the institution was doing them well from 100%. This gave us a measure of the unrealized potential for performance gain. That percentage was then multiplied by the percentage point lift in trust associated with every respondent rating the institution as doing that behavior well. This yielded an unrealized trust gain for that behavior. These unrealized trust gains were added up across the five behaviors to yield an overall trust gain associated with the institution successfully addressing its five biggest challenges.

Respondents were asked:

How well do you feel [INST] is currently doing each of the following? Please indicate your answer using the 5-point scale below where 1 means the institution is “failing at this” and 5 means the institution is “doing this very well”

Example List of Business Behaviors

1. Driving the economic prosperity of our country
2. Being an engine of innovation and scientific advancement
3. Ensuring that there are plenty of good job opportunities available that pay a decent wage
4. Contributing to the improvement of the communities in which they do business
5. Fostering diversity, inclusion, dignity and mutual respect in the workplace
6. Meeting and exceeding their customers' expectations
7. Investing in their employees' professional development, including offering training and education that helps them develop new skills for a rapidly changing world
8. Forging strong working partnerships with government to develop solutions to our country's problems
9. Forging strong working partnerships with NGOs to develop solutions to our country's problems
10. Dealing fairly and ethically with their partners and suppliers
11. Generating long-term financial benefits and value for their owners and shareholders
12. Embracing sustainable practices across their business

2020 EDELMAN TRUST BAROMETER TEAM



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