

The Millennium Poll on Corporate Social Responsibility



Global
Public Opinion
on the
Changing Role
of Companies

© December 1999

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Environics International Ltd.
33 Bloor St. East, Suite 900
Toronto, Canada
M4W 3H1



This report of findings from the Millennium Poll on Corporate Social Responsibility is based on a survey conducted between March and August 1999 of 25,247 citizens worldwide. The study would not have been possible without the commitment and dedicated efforts of our research partners in each participating country (please see list of participating research institutes on page 51).

Introduction

The Millennium Poll on Corporate Social Responsibility is a survey of global public opinion on the role of companies in society.

Economic globalism, political transition and technological transformation are making rapid and fundamental changes in society. Business has emerged as the principal engine of growth and development in the new world order. This is changing the perceived roles and responsibilities of the state, civil society and companies. In this context, society's expectations of corporate behavior are evolving quickly.

This report is based on the results of face-to-face or telephone surveys with representative samples of about 1,000 citizens in each of 23 countries on six continents at varying stages of development. Research was carried out by respected social research institutes in each country between March and August 1999.

The countries studied in this report have been grouped both regionally and by per capita purchasing power to aid in understanding global patterns. The seven regional groupings are Africa including Nigeria and South Africa; Asia including China, India, Indonesia, Japan and Malaysia; Eastern Europe / Central Asia including Kazakhstan, Poland and Russia; Latin America including Argentina, the Dominican Republic, Mexico, Uruguay and Venezuela; the Mediterranean including Italy, Spain and Turkey; North America / Oceania including Australia, Canada and the United States; and Northern Europe including Germany and Great Britain.

There are three roughly equal-sized groups of countries based on their gross domestic product (GDP) per capita (estimated by "purchasing power parity"). The seven countries with high GDP per capita (US\$28,600 – \$19,600) include the United States, Canada, Australia, Japan, Germany, Great Britain and Italy (in decreasing order). The seven countries with medium GDP per capita (US\$15,300 – \$9,000) include Spain, Malaysia, Argentina, Mexico, Uruguay, Poland and Venezuela. The nine countries in the study with low GDP per capita (US\$6,100 – \$1,380) include Turkey, South Africa, Russia, the Dominican Republic, Indonesia, Kazakhstan, China, India and Nigeria.

All figures in the charts and tables in this report are expressed in percentages. Total percentages may not add to 100 because of rounding. In the case of stacked bar charts, white space typically represents the portion of respondents who either answered "don't know" or "other." More detailed tabular results for each question are available to our subscribers on a request basis. Not all questions were fielded in all countries.

Environics International intends to track these and related trends on an annual basis through its Global Issues Monitor survey of 20+ countries beginning in September 2000.

For more information, contact:

Mr. Doug Miller, President
Environics International Ltd.
33 Bloor St. East, Suite 900
Toronto, Canada M4W 3H1
tel: +1.416.920.9010
fax: +1.416.920.3510
doug_miller@environics.ca

Or visit:
<http://www.environics.net/eil>

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Executive Report

Introduction

Economic globalism, political transition and technological transformation are making rapid and fundamental changes in society. Business has emerged as the principal engine of growth and development in the new world order. This is changing the perceived roles and responsibilities of the state, civil society and companies. In this context, society's expectations of corporate behavior are evolving quickly.

Business leaders are working to understand society's fast rising expectations of the role of companies in areas previously seen as responsibilities of the state. Since much of what has come to be called corporate social responsibility has to do with public attitudes and perceptions, Environics International Ltd. launched the Millennium Poll on Corporate Social Responsibility to provide companies with a reliable global measure of society's expectations of them.

With the collaboration of The Prince of Wales Business Leaders Forum in London and The Conference Board in New York, and with the support of our corporate sponsors and subscribers, Environics developed and coordinated a survey on these topics involving representative samples of about 1,000 citizens in each of 23 countries on six continents—a total of just over 25,000 interviews worldwide, conducted between March and August 1999. Each national poll, fielded by a respected local research institute, is accurate to within ± 3 percent, 19 times out of 20.

Environics International intends to track these and related trends on an annual basis through its Global Issues Monitor survey of 20+ countries beginning in September 2000.

Highlights

Interviews with over 25,000 average citizens across 23 countries on six continents reveal that:

- ▼ Citizens in 13 of 23 countries think their country should focus more on social and environmental goals than on economic goals in the first decade of the new millennium.
- ▼ In forming impressions of companies, people around the world focus on corporate citizenship ahead of either brand reputation or financial factors.
- ▼ Two in three citizens want companies to go beyond their historical role of making a profit, paying taxes, employing people and obeying all laws; they want companies to contribute to broader societal goals as well.
- ▼ Actively contributing to charities and community projects does not nearly satisfy people's expectations of corporate social responsibility—there are ten areas of social accountability rated higher by citizens in countries on all continents.
- ▼ Fully half the population in countries surveyed are paying attention to the social behavior of companies.
- ▼ Over one in five consumers report either rewarding or punishing companies in the past year based on their perceived social performance, and almost as many again have considered doing so.
- ▼ Opinion leader analysis indicates that public pressure on companies to play broader roles in society will likely increase significantly over the next few years.

Key Findings

The findings from the Millennium Poll underline the importance of major companies having an active corporate function to address how they can contribute to the social and environmental, as well as the economic agenda of the countries in which they operate.

- The Millennium Poll asked people to describe in their own words how they form impressions of individual companies, allowing two mentions each. One in three mention attributes related to business fundamentals (e.g., financial factors, company size, business strategy or management) and four in ten mention things like brand quality, image or reputation. But, fully one in two mention factors related to a company’s broader responsibilities—labor practices, business ethics, responsibility to society at large, or environmental impacts. This top-of-mind finding, remarkably consistent across all regions of the world, underscores the importance of meeting the broader social expectations of consumers in order to safeguard corporate reputations.

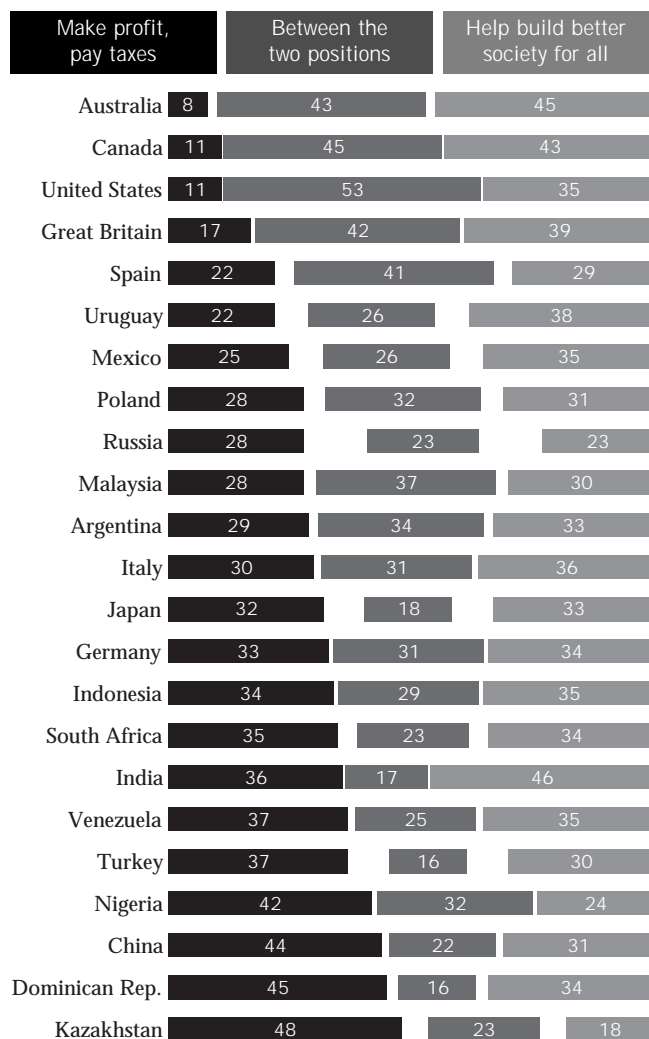
Factors Most Influencing Public Impressions of Individual Companies

Percent of Global Sample / Unprompted



- In most corporate boardrooms, a company’s role in society would likely be defined as “making a profit, paying taxes, employing people and obeying all laws.” The Millennium Poll asked people to choose between this definition and the following: “to exceed all laws, set a higher ethical standard, and help build a better society for all.” They were also given the option of choosing “somewhere between these views.” Majorities of citizens in all but three of the countries surveyed think companies should go beyond the minimum definition of their role in society. This is particularly strong in North America and Australia, and weakest in Russia, Turkey and Kazakhstan. The strength of public opinion wanting companies to go well beyond the traditional business role both explains the mounting social pressures that businesses feel and underlines the importance of companies understanding how best to respond.

Role of Large Companies in Society

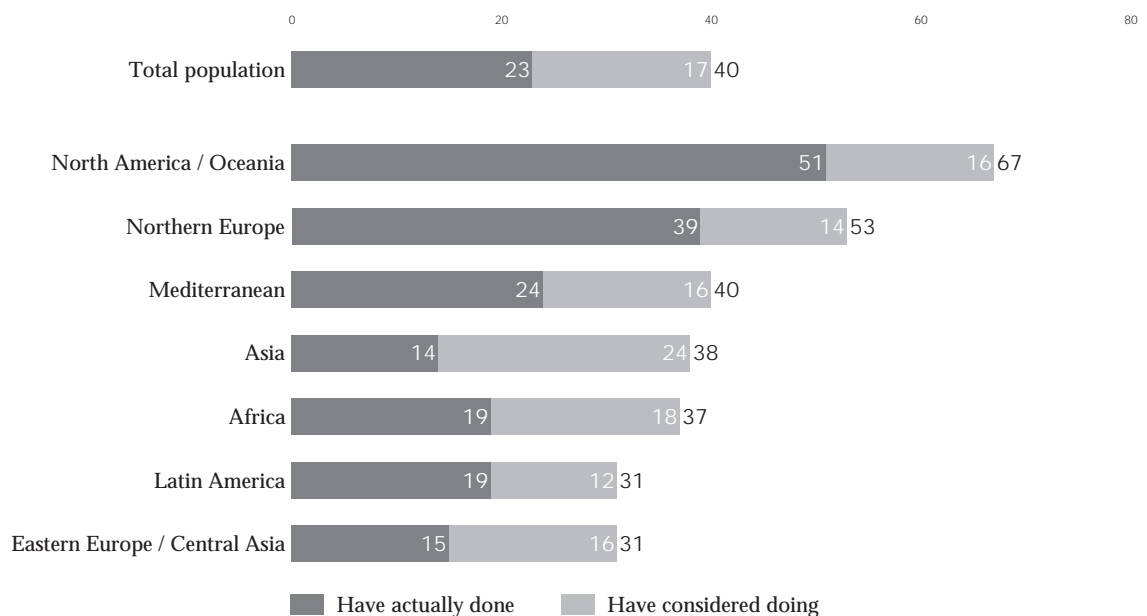


- What areas most define companies’ responsibilities to society? The poll asked to what extent companies should be held responsible for eleven specific aspects, from making a profit to helping solve social problems. While results vary by country, overall findings make it clear that consumers most hold companies accountable for protecting the health and safety of their employees, treating their employees equally, never participating in bribery or corruption, protecting the environment, and never using child labor. To citizens across the world, all these come before making a profit and paying a fair share of taxes. Applying the same high standards wherever they operate in the world is also seen as a significant responsibility of companies operating abroad, while contributing to charities is ranked lowest.

- ▶ Poll results reveal that significant numbers of people in all countries surveyed are paying attention to the issue of corporate responsibility. Fully one in five citizens worldwide report talking “many times” in the past year with friends or family about companies’ behavior. Another one in three say they have discussed this “a few times” in the past year. With fully half of consumers talking about corporate behavior, there is no place for companies to hide on this issue.
- ▶ Another major finding of Environics International’s Millennium Poll is that 40 percent of citizens worldwide have at least thought about punishing a specific company over the past year they viewed as not behaving responsibly. While results vary significantly by continent, globally over one in five report actually avoiding a company’s products or speaking against the company to others. A similar number report having at least considered doing so. This finding reinforces what a number of companies have already found out the hard way—that both corporate reputation and sales are at risk when customers have negative perceptions of a company’s behavior.
- ▶ In order to anticipate likely changes in public views on company responsibilities, Environics identified “informal opinion leaders” from among survey respondents and compared their views with those of the general population. These “opinion leaders” make up 20 percent of the global sample, being those that serve in leadership roles in organizations, regularly speak in public and influence others’ opinions. A comparison of the views and behavior of opinion leaders with those of the general population reveals that opinion leaders are twice as likely to be talking about corporate behavior and significantly more likely to have punished a socially irresponsible company in the past year. These findings suggest that companies will come under even greater public pressure in coming years to deliver on their broader social responsibilities, as the stronger views of opinion leaders become broadly shared.

Regional Differences in Activism on Corporate Social Responsibility

Have Punished a Company Seen as Not Socially Responsible in the Past Year



Corporate Responsibility in the 21st Century

The strength and breadth of the findings from this largest-ever global survey of public expectations of corporations suggests that major companies in the 21st century will be expected to do all of the following:

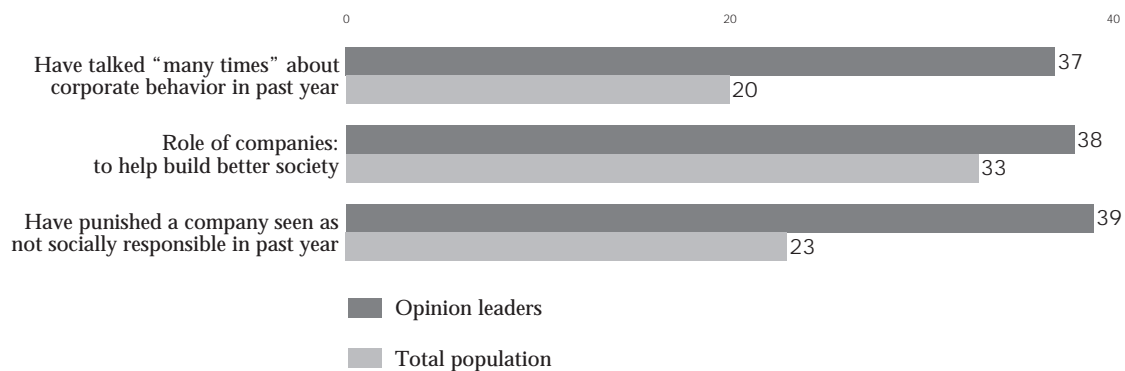
- ▶ Demonstrate their commitment to society’s values and their contribution to society’s social, environmental and economic goals through actions.
- ▶ Fully insulate society from the negative impacts of company operations and its products and services.
- ▶ Share the benefits of company activities with key stakeholders as well as with shareholders.
- ▶ Demonstrate that the company can make more money by doing the right thing, in some cases by reinventing its business strategy. This “doing well by doing good” will reassure stakeholders that the new behavior will outlast mere good intentions.

All this suggests that corporate social responsibility is fast becoming a global expectation that requires a comprehensive corporate response. Companies most experienced with corporate social responsibility find that the only effective response is to go beyond treating it as an “add-on” and to make it a core business value and strategy that is integrated into all aspects of the company from research and development, through sourcing raw materials and producing its products, to the use and disposal of its products.

The strength of the Millennium Poll findings plus the early experiences of leading companies suggest that, in the coming decade, corporate social responsibility is likely to become a new pillar of performance and accountability of successful companies.

Corporate Social Responsibility: A Rising Agenda

Opinion Leaders (20%) vs. Total Global Sample





The background is a faded, light-colored map or chart featuring a grid of latitude and longitude lines. Handwritten in dark ink on the map are several words and numbers: 'JULY 22' at the top left, 'THE BIRD' written vertically in the upper center, 'W' in large letters on the left side, 'S' and 'D' in the middle, '28' in the lower middle, and 'N' and 'E' on the right side. There are also some faint, illegible scribbles and lines across the map.

Detailed Report



Citizens in 13 of 23 countries surveyed think that their country should focus more on social and environmental goals than on economic goals in the next decade.

Most Important National Goal

People were asked to select from a list of five goals the one that should be the most important for their country over the next ten years. In 13 countries the proportion of citizens choosing goals involving crime and conflict, poverty, health care and the environment is greater than those choosing economic goals. Citizens in ten countries consider economic progress and employment growth to be more important than the combination of social and environmental goals.

Across the world, one-half of the people think that addressing social and environmental issues should be the most important goals for their country. About one in seven specifically mention reducing crime, conflict and violence. About one in ten each choose reducing poverty and homelessness, protecting the environment and improving health care and curing diseases. Over four in ten people think that economic progress and job growth are the most important goals.

Economic progress and job growth is the single most important goal in 21 of 23 countries surveyed. It is especially important in countries with low and medium per capita purchasing power, such as Indonesia, Russia, Turkey, Uruguay, Argentina, Spain and Nigeria, where a majority feel this way. Conversely, in Australia, fewer than one in ten believe this to be the most important goal. Americans rank economic growth lowest among the five goals.

Reduction of crime, conflict and violence is the second most important goal globally. Significant proportions of people are concerned about crime and violence in South Africa, Great Britain, Mexico, Poland and the United States. In fact, crime reduction, which was a major issue in the recent South African election is considered to be the most important national goal by 35 percent of South Africans, the highest of all countries. Fewer than one in ten people in Japan, Russia, Canada, China and Uruguay feel crime reduction should be the most important goal.

Addressing poverty and homelessness is of significant concern to people in Canada, Australia and Great Britain, where about two in ten people select it as the most important goal. Only 2 percent of the Japanese people surveyed suggest this goal.

Between 20 and 35 percent of people in Japan, Australia, China and India consider environmental protection and conservation of natural resources to be the most important goal for the next decade. Concern over this issue is lowest in Russia and South Africa, where only 3 percent feel it should be the key goal.

Concern about health care has been at the top of the public agenda in the United States and Canada for several years. Only about 3 percent of people in Indonesia, South Africa and Uruguay believe that health care should be the most important goal.

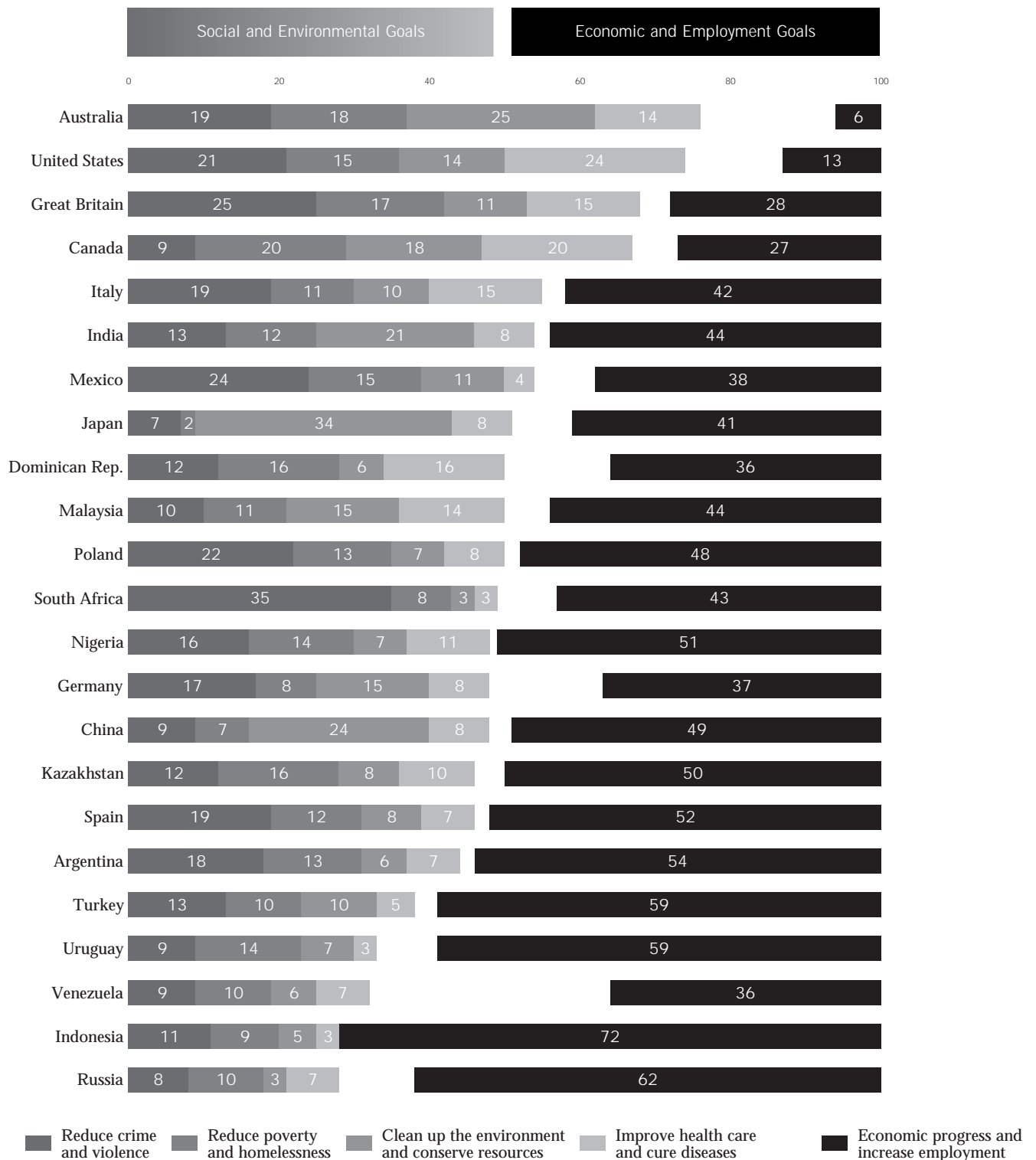
While economic progress is more important in countries with low and medium per capita purchasing power, environmental protection is more important in countries with high GDP per capita.

Most Important National Goals

	Social and environmental	Economic and employment
North America / Oceania		
Australia	75	6
Canada	67	27
United States	74	13
Latin America		
Argentina	44	54
Dominican Republic	50	36
Mexico	54	38
Uruguay	33	59
Venezuela	32	36
Northern Europe		
Germany	48	37
Great Britain	68	28
Mediterranean		
Italy	55	42
Spain	46	52
Turkey	38	59
Eastern Europe / Central Asia		
Kazakhstan	46	50
Poland	50	48
Russia	28	62
Asia		
China	48	49
India	54	44
Indonesia	28	72
Japan	51	41
Malaysia	50	44
Africa		
Nigeria	48	51
South Africa	49	43

Most Important National Goals for the Next Decade

Social / Environmental Versus Economic / Employment Goals



1 As we are about to enter a new century and a new millennium, which of the following do you think should be the most important goal for our country over the next ten years? Should it be...

- 1 Make economic progress and increase employment.
- 2 Reduce crime, conflict and violence.
- 3 Clean up the environment and conserve natural resources.
- 4 Reduce poverty and homelessness.
- 5 Improve health care and cure diseases.



Majorities of people in 19 of the 23 countries surveyed see their governments providing the most important leadership for achieving their national goals. In North America the combination of non-governmental organizations (NGOs) and faith-based organizations (FBOs) is considered more important than governments. People in Germany see key leadership coming from companies and from governments.

Most Important Sources of Leadership

People were asked which of various groups will provide the most important leadership for achieving the most important goals for their country.

In 19 of the 23 countries surveyed, majorities of the population think that governments will provide the most important leadership in the achievement of their national goals. Interestingly, Americans, and to a lesser extent Canadians, think that the combination of non-governmental organizations (NGOs) and faith-based organizations (FBOs) will play the greatest leadership role. Germans see strong leadership roles for both governments and companies.

Across the world, almost two-thirds of the people look to governments to provide the most important leadership in the achievement of key national goals. About one in ten mention a combination of NGOs and FBOs and the same proportion mention companies. Only about one in twenty people mention international bodies like the United Nations.

Government is overwhelmingly viewed as the source of most important leadership everywhere except in North America / Oceania and Northern Europe. Government leadership is considered most important by three-quarters or more of the people in China, Uruguay, Nigeria, the Dominican Republic, Kazakhstan and Argentina.

Companies are more likely to be seen as the most important source of leadership by people in Germany, Japan, Canada, Italy, Spain and the United States, where a minimum of 15 percent feel this way.

Four in ten Americans look to leadership from the NGO / FBO communities. One in three Canadians are of a similar opinion as are one in four Australians, far more than in other countries. In fact, the people in North America and Northern Europe are more likely than those elsewhere to see important leadership coming from a mix of governments, NGOs and companies. People in other regions tend to depend on one source of leadership, namely, government.

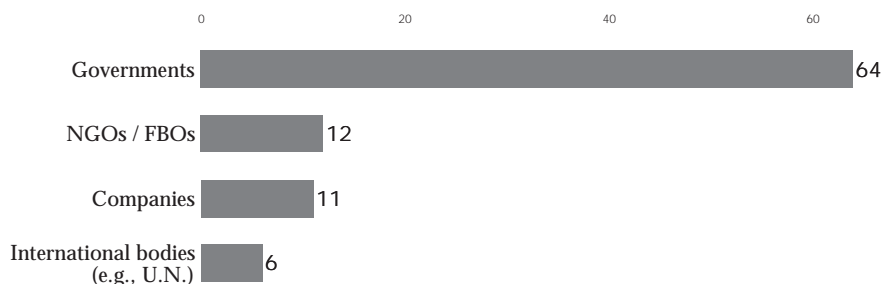
In Germany 16 percent of those surveyed mention international bodies like the United Nations. Interestingly, 12 percent of Americans think religious groups will play the greatest leadership role.

Those focused on economic progress are most likely to look to governments and companies for leadership. Those who think cleaning up the environment is the most important national goal are much less likely to look to governments for leadership, and much more likely to look to non-governmental organizations and international bodies like the United Nations.

Government leadership is much more important in countries with low and medium per capita purchasing power. Higher GDP per capita countries are more inclined to say companies and NGOs / FBOs will play the most important role; however, even in these countries, except for the United States, a plurality think government will be the key leader.

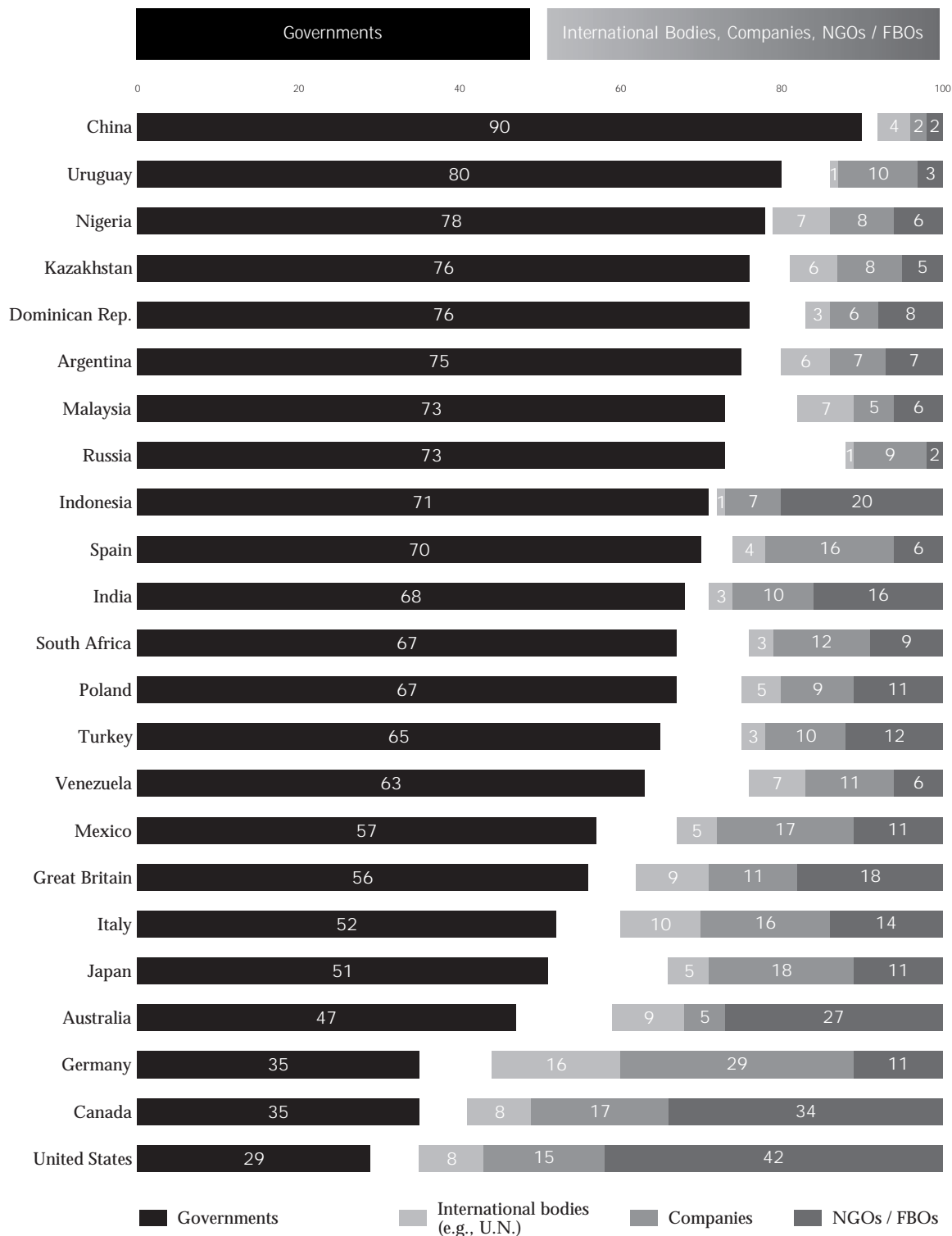
Source of Most Important Leadership for Achieving National Goal

Total Sample of 25,247 Across All 23 Countries



NGOs = non-governmental organizations; FBOs = faith-based organizations

Most Important Source of Leadership



2 Thinking of the goal to [read goal picked in question 1], which of the following groups do you think will provide the most important leadership for achieving this goal in our country? Will it be . . .

- 1 Governments.
- 2 Companies.
- 3 Non-governmental organizations.
- 4 Religious groups.
- 5 International bodies like the United Nations.



Majorities of people in 15 of the 23 countries surveyed think that the trend toward privatization is a positive development.

Attitudes Toward Privatization

People were asked if they felt that the trend toward the privatization of services, such as telephone, water and energy, from government to the private sector was a positive or negative development.

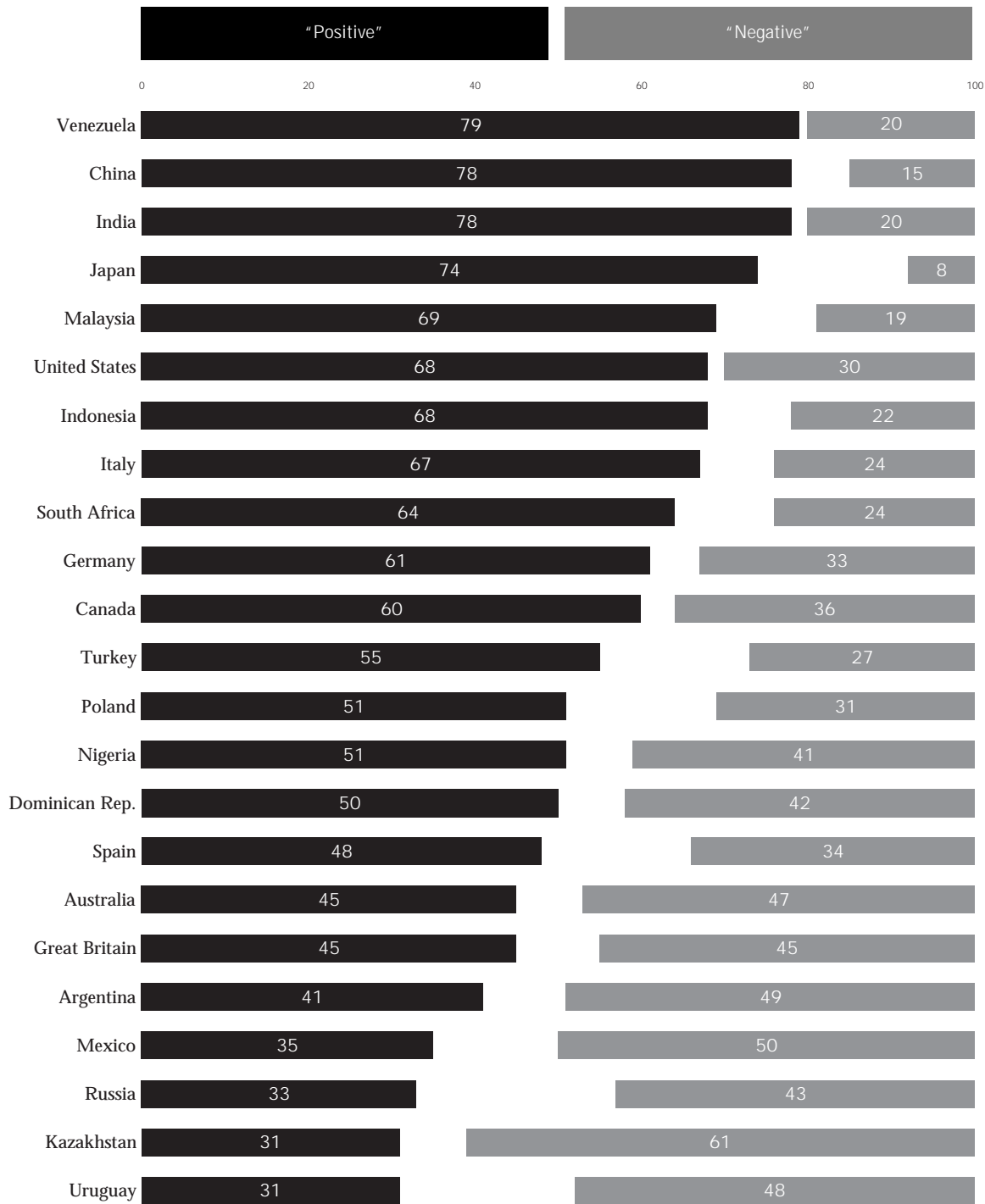
Majorities in 15 of the 23 countries surveyed, as well as a plurality in one other country, think that the trend toward privatization is a positive development. Majorities in two countries and pluralities in five others view privatization negatively.

People in Asian countries, such as China, India, Japan, Malaysia and Indonesia, are much more likely than others to view privatization as a positive development. In fact, more than seven in ten Asians support the trend. Approval is also quite high in Venezuela, the United States, Italy, South Africa, Germany and Canada, where proportions in favor equal or exceed six in ten people. The positive view of privatization is understandable given the extent to which it has already been accomplished successfully in a number of countries.

People in Latin America and Eastern Europe / Central Asia are less likely to view privatization positively. In fact, in Kazakhstan and Mexico, majorities see the trend as a negative development.

Men are more likely than women to view privatization positively. This view is also more prevalent among younger people, those with higher education and income levels and those who live in communities with 100,000 inhabitants or more. People living in the same household with someone who works for a large company are also more inclined to favor privatization.

Privatization of Essential Services: The Public View



3 As you may know, there is an increasing amount of privatization occurring in the world. Services like telephone, water and energy that used to be government-run are now owned and operated by for-profit companies. Do you think the current trend toward privatization is...

- 1 Very positive.
- 2 Somewhat positive.
- 3 Somewhat negative.
- 4 Very negative.



The constellation of factors making up corporate social responsibility are more influential than either brand reputation or financial facts when people form impressions of companies.

Factors in Forming Impressions of Companies

People were asked to describe in their own words what things are most important to them in forming an impression of a particular company. Up to two mentions per respondent were recorded.

The survey finds that while brand image or reputation is the single largest determinant, it is the collection of labor practices, business ethics, environmental practices and other elements of corporate social responsibility that most affect people's perceptions of companies.

Across the world, a plurality of four in ten people say brand image or reputation is the most important factor in forming an impression of a company. Just under three in ten mention the company's labor practices and business ethics. About two in ten each mention financial factors and the company's responsibility to society in general. About one in ten each mention corporate strategy and environmental impacts. Another one in ten did not respond.

When these results are combined into three broad categories, the largest percentage of respondents in 12 countries mention one of the elements of social responsibility (including labor practices, business ethics, environmental practices, etc.) as most influencing their impression of individual companies, while brand reputation comes first in five countries, and business fundamentals in three countries.

Brand quality and reputation is mentioned the most in China. Except for Japan, brand factors are also important in other Asian countries, such as India, Malaysia and Indonesia. In addition, more than four in ten people in Nigeria, the United States, Argentina, Great Britain, Turkey and Kazakhstan volunteer brand reputation as being important.

Within the social responsibility envelope, labor practices and business ethics is the most important factor, mentioned by one-third or more in Uruguay, Indonesia, Nigeria, the United States, Poland and Great Britain. One third of Indonesians view a company's environmental performance as an important factor, while about one-quarter of the people in Japan and Turkey are of the same opinion. The extent to which a company demonstrates its responsibility to the broader society is viewed as important by one-quarter or more of the people in Asian countries, such as Indonesia, China and Japan, as well as in Uruguay.

Within the envelope of business fundamentals, financial factors (including company size, number of jobs and economic contribution) are more likely to be viewed as important in Eastern European and Central Asian countries, such as Poland and Kazakhstan, as well as in Malaysia, Uruguay, Germany, Turkey and Italy. The business strategy and management of a company is seen as particularly important in Malaysia.

Brand reputation is a much more important factor in countries with low per capita purchasing power. It is also more important to younger people, those with middle to high levels of education, and those living in large cities. Those who frequently discuss the ethical and social behavior of companies are more likely than others to consider the labor practices and business ethics of a company as important factors.

Factors Most Influencing Public Impressions of Individual Companies

Percent of Global Sample / Unprompted / Two Mentions



Factors in Forming Impressions of Companies

Percent of Respondents / Unprompted / Two Mentions



4 First, I would like you to think about how you form impressions of particular companies. In your own words, what are the things that matter most to you in forming either a favorable or unfavorable impression of a particular company? Anything else?



Majorities of people in all but two of the countries surveyed want companies to go beyond their traditional role of making a profit and providing employment to one that includes a number of broader social roles.

Societal Role of Large Companies

The Millennium Poll asked people what they thought the role of large companies should be in society—giving them three choices. The first role was defined as “making a profit, paying taxes and providing employment in ways that obey all laws.” The second role was “to do all this in ways that set higher ethical standards, going beyond what is required by law, and actively helping build a better society for all.” Respondents were also allowed to select a position between these two roles.

Majorities in all but two of the countries surveyed want companies to go beyond the traditional definition of the role of companies, that is, to take on the “socially responsible” definition or an intermediate role between the two. A plurality in one of the others—Turkey—also feel this way. In Kazakhstan, a slight plurality think large companies should focus on making a profit and providing employment.

About one-third of the people across the world think that large companies should focus on their traditional role. A similar proportion believe that large companies should go beyond what is required by law, and actively help to build a better society. Another 30 percent think that companies should operate somewhere between these two positions.

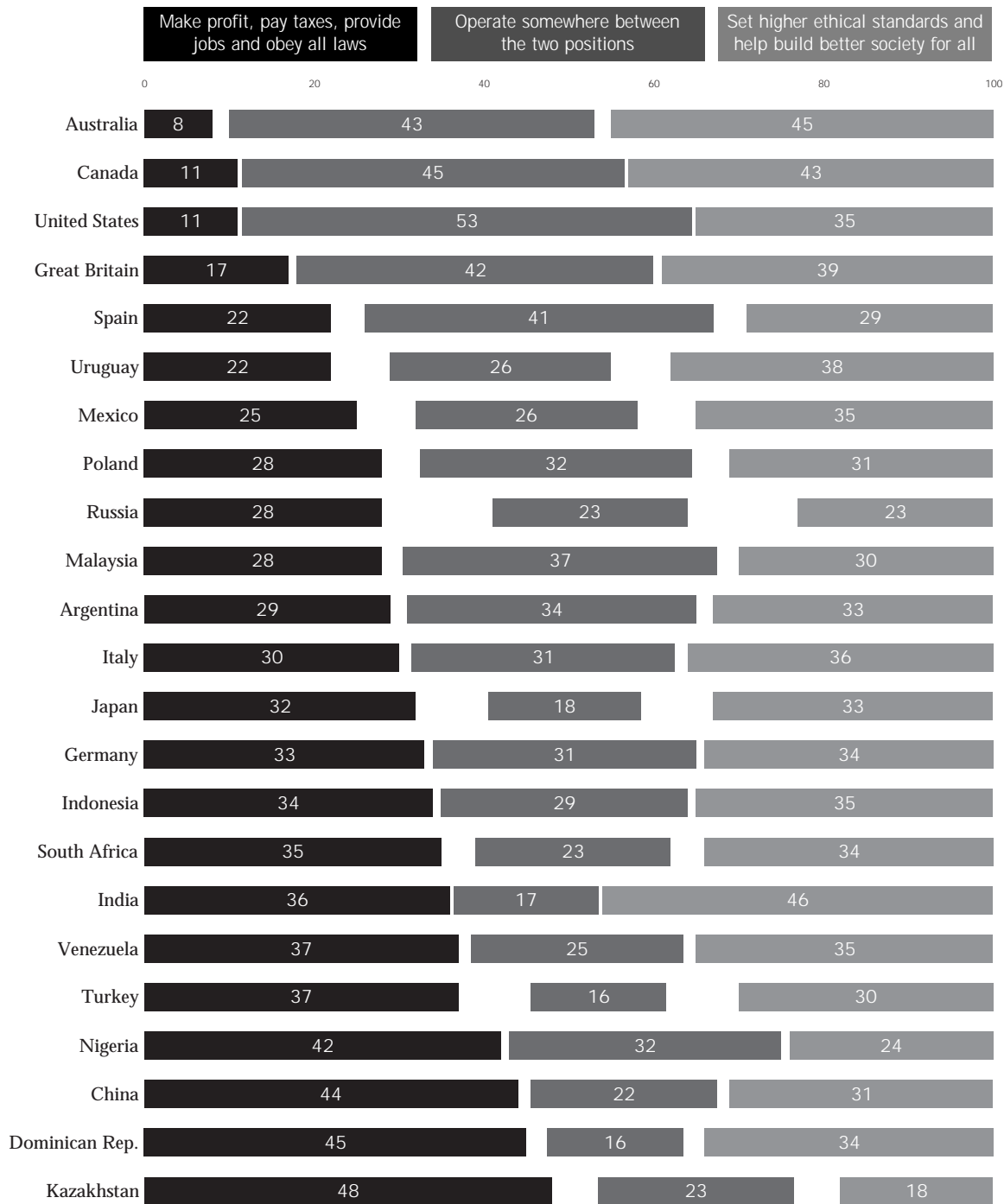
People in countries with low per capita purchasing power are almost twice as likely as those in high GDP per capita countries to believe that companies should retain their traditional role.

The view that companies should go well beyond what is required by law and actively help to build a better society for all is highest in India, where almost one-half feel this way. In other Asian countries, about one-third of the people hold this view, as do over four in ten people in Australia and Canada. A majority of Americans believe that large companies should operate between the two positions, and a further one-third want them to take on the role of full social responsibility.

Men and people of both genders who live in very large metropolitan areas are more likely than others to endorse the traditional role of large companies.

The view that companies should help to build a better society is higher among those with high levels of education. It is also higher among those who frequently discuss the social behavior of companies and those who think that their country’s most important goal should be reducing crime, cleaning up the environment or reducing poverty.

Role of Large Companies in Society



5 People have different views on the role of large companies in society. In your view, should large companies...

- 1 Focus on making a profit, paying taxes and providing employment in ways that obey all laws.
- 2 Do all this in ways that set higher ethical standards, going beyond what is required by law, and actively helping build a better society for all.
- 3 Operate somewhere between these two points of view.



Protecting worker health and safety, treating all employees fairly and ensuring no involvement in bribery or corruption are seen as areas in which large companies have to accept the greatest level of responsibility.

Responsibilities of Large Companies

Respondents were read a list of 11 areas that some people say should be part of the responsibilities of large companies. They were asked to rate the extent to which companies should be held responsible—completely, partially or not at all.

Responses reveal that, in general, people in countries with medium per capita purchasing power are more likely than those in low and high GDP per capita countries to have high expectations of companies in all areas. Japan stands out as the only industrialized country that has lower than average expectations in all of the areas discussed.

About three-quarters of people across all the countries surveyed think that large companies should be held completely responsible for protecting the health and safety

of workers, treating all employees and job applicants fairly and not participating in bribery or corruption.

About seven in ten people expect corporations to be completely responsible for ensuring that their products and operations do not harm the environment and that their operations and suppliers do not use child labor. A similar proportion expect large companies to operate profitably and pay their fair share of taxes.

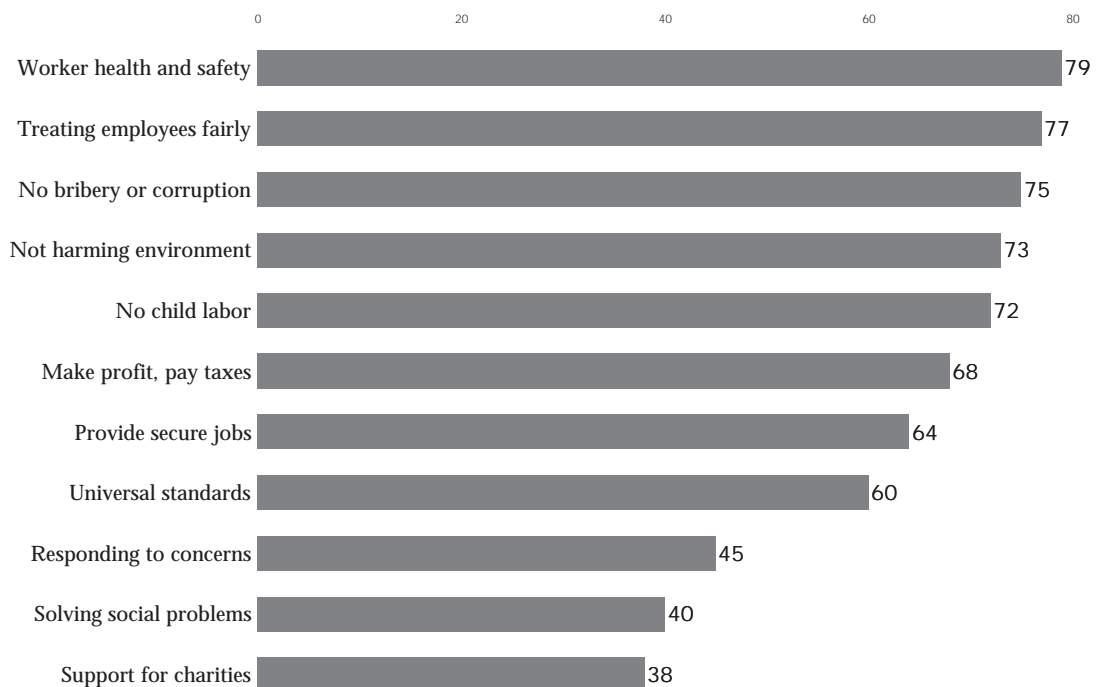
About six in ten people think that companies should be held completely accountable for providing secure, long-term jobs to their employees and for applying the same high standards everywhere they operate in the world.

About four in ten hold companies completely responsible for listening and responding to public concerns, helping solve social problems, and supporting charities and community projects.

People in Spain and Italy are more inclined than average to think that companies should be held completely responsible in all of these areas, while those in Latin America, Eastern Europe and Central Asia feel that way about most areas. Residents of North America and Northern Europe also have high expectations but they do not extend to solving social problems and supporting charities.

Corporate Responsibilities

Global Sample: "Held completely responsible for"



Women, older people of both genders, those who do not work for the private sector and those who frequently discuss the social behavior of companies have high expectations of companies in most areas.

Public opinion about each area is discussed in more detail below.

Protecting Employee Health and Safety

Eight in ten people in the countries surveyed think large companies should be held completely responsible for protecting the health and safety of their workers.

Eight in ten people think companies should be held completely responsible for protecting the health and safety of their workers. High expectations are understandable because employers and unions, especially in industrialized countries, agreed on many health and safety issues a number of years ago.

The proportions of people saying that companies should be held completely responsible are higher in Eastern Europe / Central Asia, the Mediterranean and North America, especially in Kazakhstan, Italy, Spain, the United States and Canada. High proportions feel this way in Argentina, Venezuela, Great Britain and the Dominican Republic. People in Asia and Africa, especially in Nigeria, Indonesia and Japan, are least likely to believe that corporations should be held completely responsible for worker health and safety, but even in these countries, six in ten or more agree with this view.

Treating All Employees Fairly

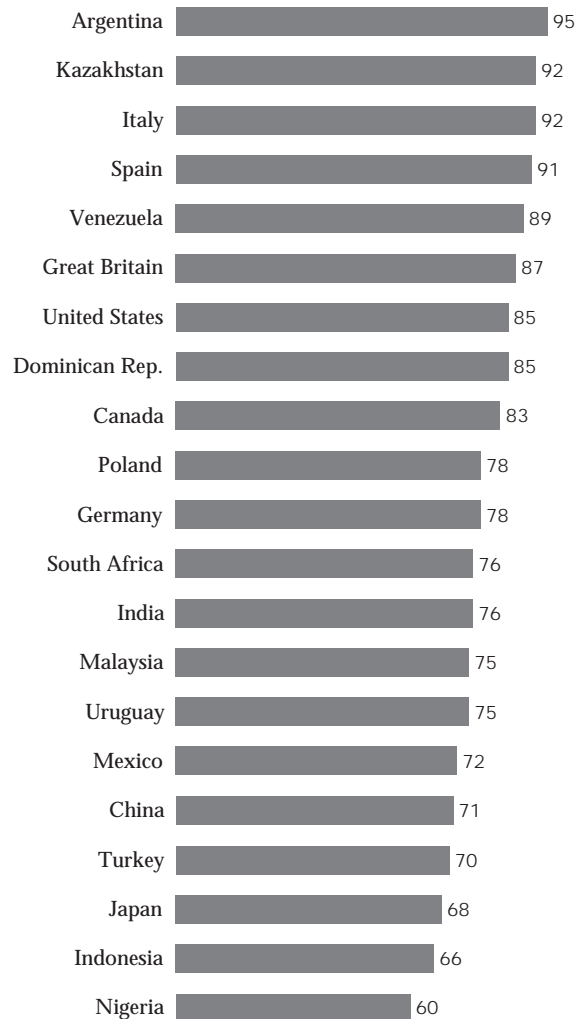
More than three-quarters of the people across the countries surveyed say companies should be held completely responsible for treating all employees and job applicants fairly.

Across the countries surveyed, more than three-quarters of the people say that companies should be held completely responsible for treating all employees and job applicants fairly, regardless of gender, race, religion or sexual orientation.

The proportion who say that companies should be held completely responsible in this area is higher in countries in the Mediterranean and Latin America, such as Argentina, Venezuela, Spain, Italy and the

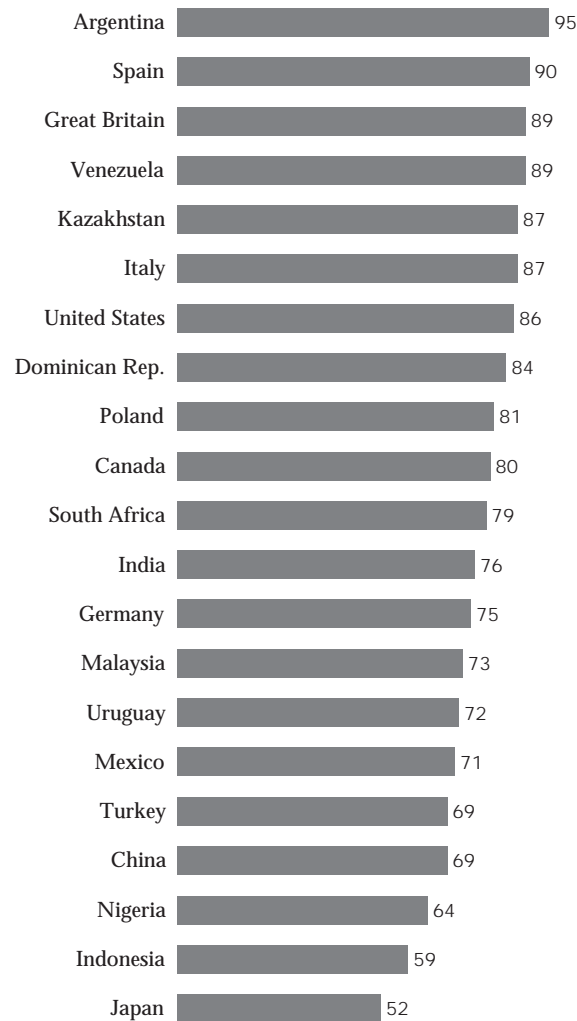
Worker Health and Safety

“Held completely responsible for”



Fair Treatment for Employees

“Held completely responsible for”



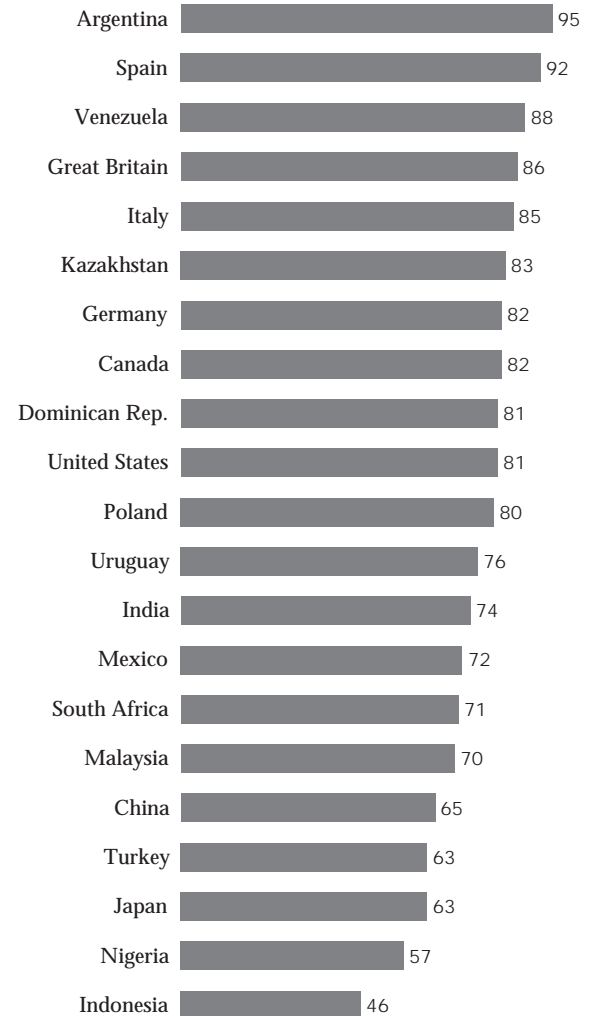
Dominican Republic, where about nine in ten people agree with this position. Similar levels of agreement are also found in Great Britain, Kazakhstan and the United States. The proportion agreeing with this view is lowest in Asia and Africa, particularly in Japan, Indonesia and Nigeria. However, even in these countries more than one-half agree.

Avoiding Bribery and Corruption

Three-quarters of the people across the countries surveyed think that companies should be held completely responsible for ensuring that they do not participate in bribery or corruption.

No Bribery or Corruption

“Held completely responsible for”



Three-quarters of respondents say companies should be held completely responsible for ensuring that they do not participate in bribery or corruption. People in countries with medium and high per capita purchasing power are much more likely to expect a high degree of corporate responsibility.

Over eight in ten people in Argentina, Spain, Venezuela, Great Britain, Italy, Kazakhstan, Canada, Germany, the Dominican Republic and the United States believe that companies should be held completely responsible for avoiding bribery and corruption. On the other hand, people in Asia and Africa are much less likely to hold companies accountable. Fewer than five in ten people in Indonesia agree that corporate responsibility for bribery and corruption should fall completely on companies.

Protecting the Environment

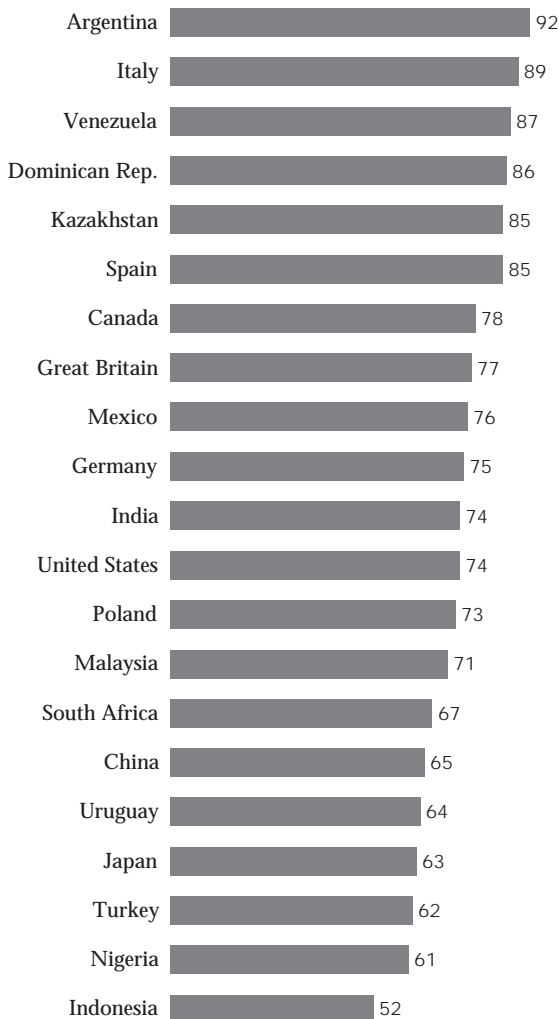
More than seven in ten people think that companies should be held completely responsible for ensuring that their products and operations do not harm the environment.

More than seven in ten people in the countries surveyed say companies should be held completely responsible for ensuring that their products and operations do not harm the environment.

Nine in ten people in Argentina, Italy, Venezuela, the Dominican Republic, Kazakhstan and Spain believe that companies should be held completely responsible for environmental performance. Interestingly, the proportions holding this view in wealthier countries, such as the United States, Germany, Canada and Great Britain are slightly lower, perhaps reflecting the view that environmental responsibility extends beyond the corporate sector to other parts of society.

Not Harming Environment

“Held completely responsible for”



Proportions of people believing in strict corporate responsibility are lower in Indonesia, Nigeria, Turkey, Japan, Uruguay and China, but they still represent majorities.

Avoiding Child Labor

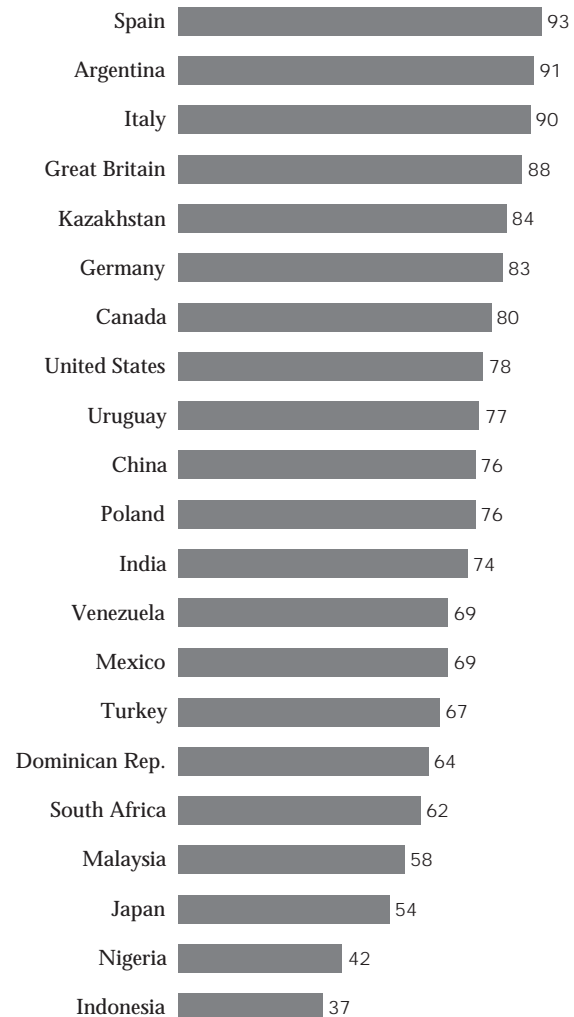
More than seven in ten citizens in the countries surveyed think that companies should be held completely responsible for ensuring that their operations and suppliers do not use child labor.

More than seven in ten people think that companies should be held completely responsible for ensuring that their operations and suppliers do not use child labor. This view is more prevalent in countries with medium and high per capita purchasing power.

In Spain, Argentina, Italy, Great Britain, Kazakhstan and Germany, more than eight in ten people think that

No Child Labor

“Held completely responsible for”



companies should be held completely responsible for avoiding the use of child labor. The proportion holding the same view is also higher than average in Canada, the United States and Uruguay. Conversely, fewer than four in ten people in Indonesia and only six in ten in Malaysia believe in complete corporate responsibility for child labor. Moreover, in Japan, the economic engine of Asia and headquarters of many of its multinational companies, only half of the people hold companies completely responsible on this issue. The gap in expectations between Asia and much of the rest of the world on child labor will likely continue to be an issue between large companies and the public.

People aged 45 and older are more inclined to believe in complete corporate responsibility for avoiding child labor. Also, those with higher incomes, those living in cities up to one million inhabitants and those not working for the private sector are slightly more likely to think this way.

Operating Profitably and Paying Taxes

More than two-thirds of people worldwide believe that companies should be held completely responsible for operating profitably and paying their fair share of taxes.

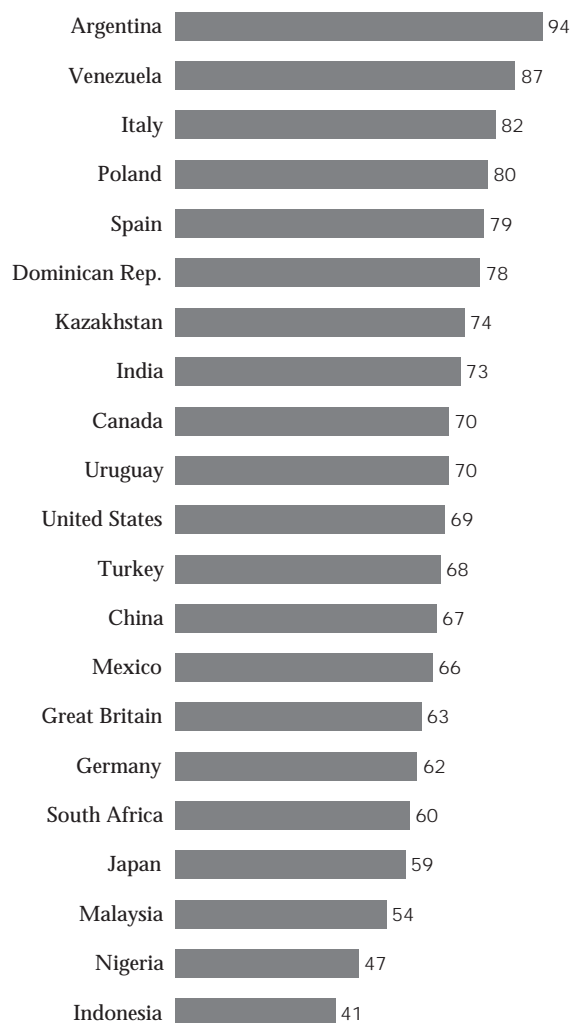
Across the countries surveyed, more than two-thirds of citizens say companies should be held completely responsible for operating profitably and paying their fair share of taxes. This view is higher in countries with medium per capita purchasing power.

At least eight in ten people in Argentina, Venezuela, Italy and Poland think that companies should be held completely responsible for operating profitably and paying their fair share of taxes. Other countries with high proportions of people holding this view include Spain, the Dominican Republic, Kazakhstan and India. One reason for such high levels of accountability may be that people in these countries are relying on the corporate sector for much needed wealth creation.

Consistent with responses regarding other areas of responsibility, the proportions of people believing in complete corporate responsibility for operating profitably and paying taxes are much lower in Asia and Africa, especially Indonesia and Nigeria (less than a majority), but also in Malaysia, Japan and South Africa. Older people and those with higher incomes are more likely to think that companies should be held completely responsible for earning profits and paying taxes.

Make Profit, Pay Taxes

“Held completely responsible for”



Providing Long-Term Employment

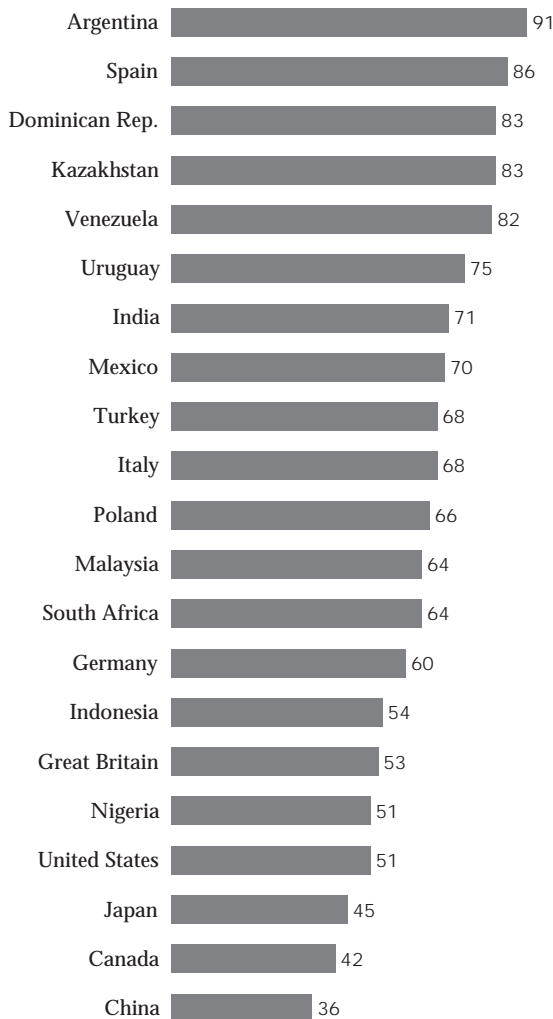
Nearly two-thirds of people in the countries surveyed think that companies should be held completely responsible for providing secure, long-term jobs to their employees.

Just under two-thirds of citizens think companies should be held completely responsible for providing secure, long-term jobs to their employees. People in countries with medium per capita purchasing power are more likely to have high expectations in this area.

The proportion of people who think that companies should be held completely accountable for long-term

Provide Secure Jobs

“Held completely responsible for”



employment is higher in Latin American countries, such as Argentina, Venezuela and the Dominican Republic, where more than eight in ten feel this way. Similar proportions are also found in Spain and Kazakhstan.

People in North America and Asia are less likely to hold corporations totally responsible for long-term employment. Only four or five in ten people in China, Canada, Japan, the United States and Indonesia feel this way. Nigeria and Great Britain have correspondingly low proportions. Years of corporate restructuring in North America and more recently elsewhere have probably caused people to lower their expectations in this area.

Those who never discuss corporate ethics are more likely to want companies held completely responsible for providing long-term employment.

Applying Universal Standards

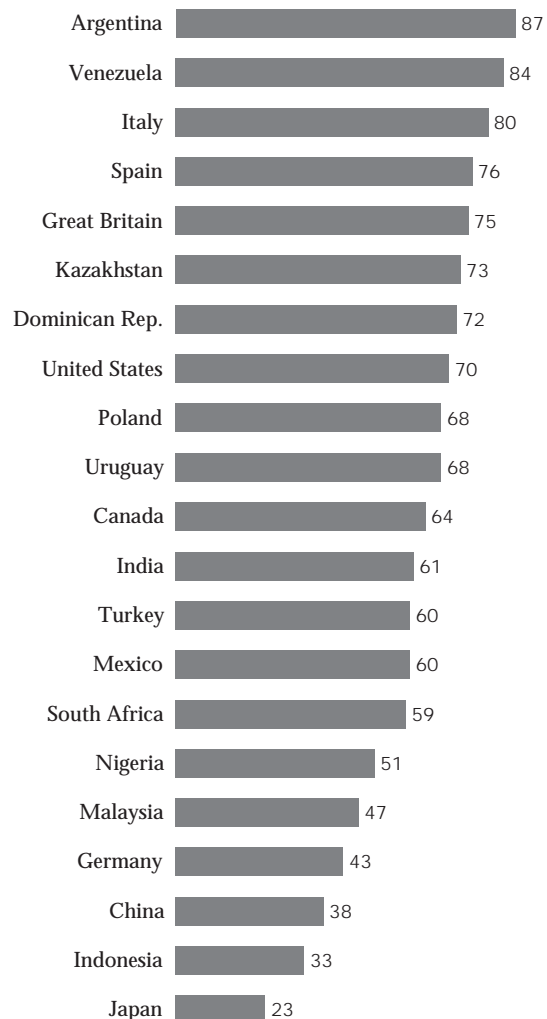
Six in ten people think that companies should be held completely responsible for applying the same high standards everywhere they operate in the world.

Six in ten citizens in the countries surveyed think that companies should be held completely responsible for applying the same high standards everywhere they operate.

The proportion who say companies should be held completely responsible for applying the same high standards globally is higher in Latin America, the Mediterranean and Eastern Europe / Central Asia. At least seven in ten people in Argentina, Venezuela, Italy, Spain, Kazakhstan and the Dominican Republic agree

Applying Universal Standards

“Held completely responsible for”



with this view. Similar proportions in Great Britain and the United States also agree.

Interestingly, only two in ten people in Japan and four in ten in Germany, both headquarters to many multinationals, think that large companies should have to apply the same high standards globally. Fewer than five in ten people in Indonesia, China and Malaysia insist on high global standards.

Responding to Public Concerns

Except for in Latin America and the Mediterranean, fewer than one-half of the people surveyed say that companies should be held completely responsible for listening and responding openly to public views and concerns.

Fewer than one-half of the citizens in the countries surveyed think that companies should be held completely responsible for listening and responding openly to public views and concerns.

At least six in ten people in Venezuela, Argentina and the Dominican Republic believe in complete corporate responsibility for open public consultation. However, in Asian countries, such as Indonesia, Japan and China, a maximum of three in ten people hold this view. People in Poland, Germany and Nigeria are also less likely to think that corporations should be held completely accountable for consulting with the public.

Helping Solve Social Problems

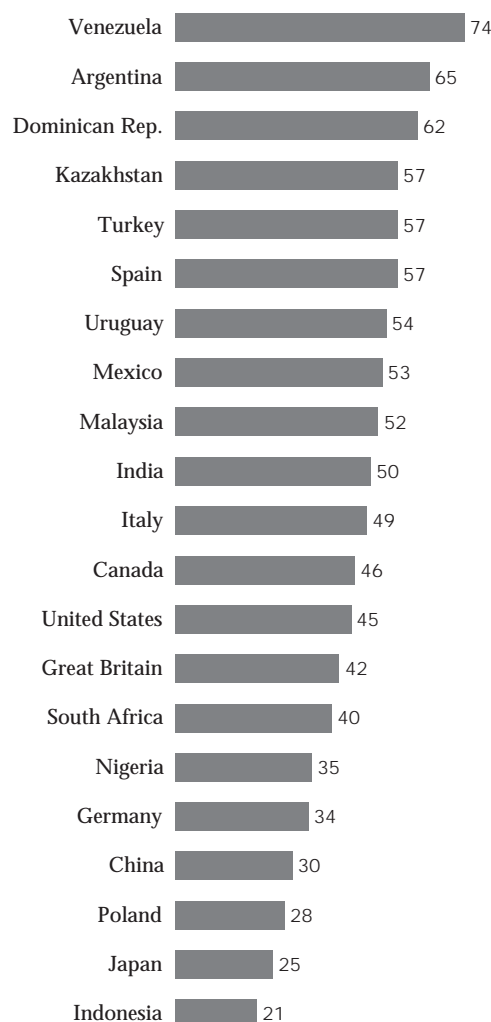
Four in ten citizens think that companies should be held completely responsible for helping solve social problems like crime, poverty and lack of education.

In the countries surveyed, four in ten people say large companies should be held completely responsible for helping solve social problems like crime, poverty and lack of education. This view is much more prevalent in countries with medium rather than high per capita purchasing power.

The proportion of people who say that companies should be held completely responsible for helping solve social problems is higher in Latin American

Responding to Public Concerns

“Held completely responsible for”

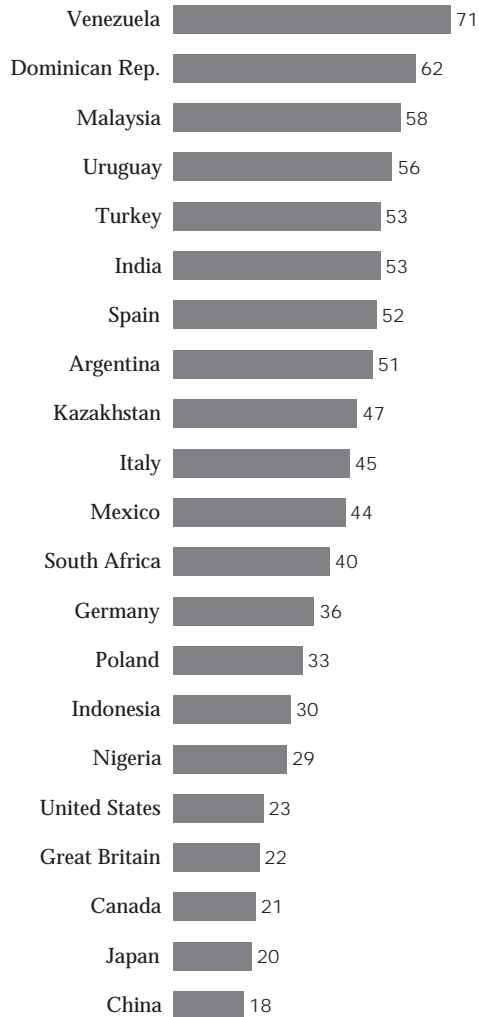


and Mediterranean countries, such as Venezuela, the Dominican Republic, Uruguay, Turkey, Spain and Argentina, where at least five in ten people are of this opinion. Similar proportions in Malaysia and India also believe in total corporate responsibility in this area. Conversely, only about two in ten in China, Japan, Canada, Great Britain and the United States agree with this position.

People with low and medium levels of education and those with lower incomes are more likely to say that companies should be held completely responsible for helping solve social problems.

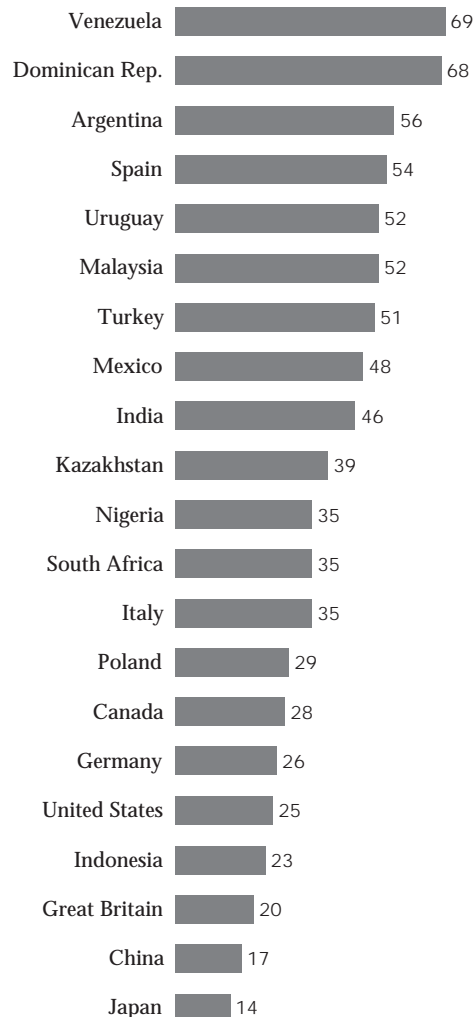
Solving Social Problems

“Held completely responsible for”



Support for Charities

“Held completely responsible for”



Supporting Charities

Just under four in ten citizens think that companies should be held completely responsible for supporting charities and community projects.

Slightly fewer than four in ten people say that companies should be held completely responsible for supporting charities and community projects. This view is much more prevalent in countries with medium rather than high GDP per capita.

People in Latin America are much more likely than others to think that companies should be held completely responsible for supporting charities and community projects. Seven in ten residents in Venezuela and the Dominican Republic and at least five in ten in Argentina

and Uruguay hold this view. Similar proportions of people in Spain, Malaysia and Turkey feel that companies should be responsible for supporting charities.

Asians feel much differently, with fewer than two in ten in Japan and China, and only slightly more in Indonesia, holding large companies completely responsible for supporting charities. Interestingly, in spite of the publicity surrounding corporate benevolence, fewer than three in ten Northern Europeans and North Americans believe that corporations should be totally responsible for supporting charities and community projects.

Residents of very large cities and those with low and medium levels of education and income are more likely to believe that companies should be completely responsible for supporting charities and community projects.



A majority of people think that their large national companies are doing a good or excellent job on corporate social responsibility. Slightly fewer have the same view of large American, Japanese and European companies.

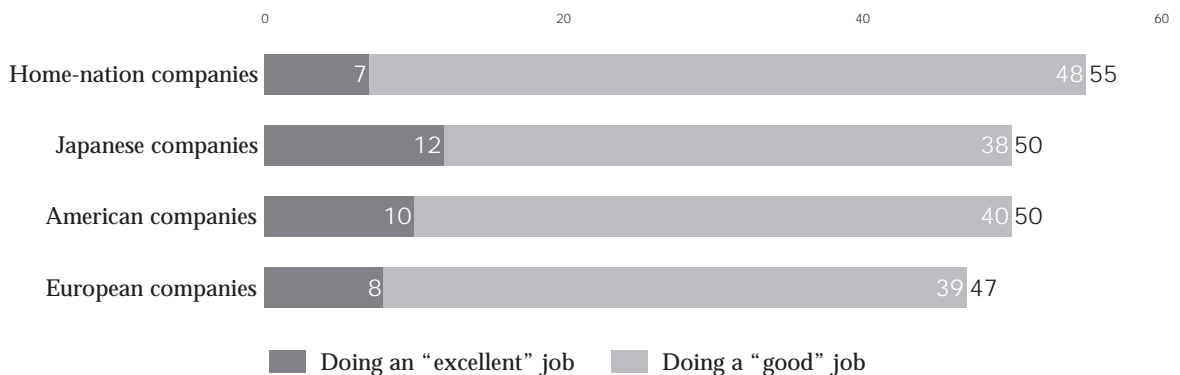
Rating Companies on Corporate Social Responsibility

People were asked to assess the performance of large companies in fulfilling their responsibilities to society. Companies included those headquartered in the country being surveyed and those with headquarters in the United States, Europe and Japan.

Nearly six in ten people think that their large national (or home-nation) companies are doing a good or excellent job in fulfilling their social responsibilities. One-half of respondents give the same rating to American and Japanese companies, while slightly fewer than one-half give this rating to European companies.

Demographically, younger people, those with medium or high levels of education and those who work for large for-profit companies are more inclined than others to rate all of these companies more positively. Men are more likely than women to rate foreign companies more positively.

Fulfilling Corporate Responsibilities to Society
Relative Rating of Large Companies of Different National Origin



National Companies

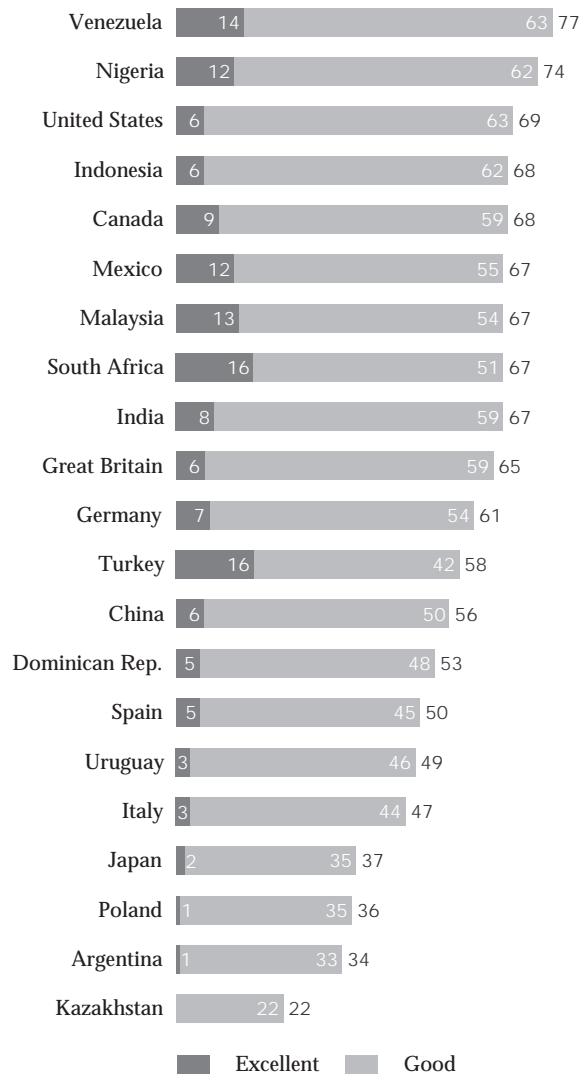
Ratings for national companies are highest in Africa and North America, where seven in ten people say they are doing a good or excellent job fulfilling their responsibilities to society. Eight in ten Venezuelans and seven in ten people in Nigeria, the United States, Canada and Indonesia rate their large national companies positively.

People in Germany, Canada, the United States, South Africa and Great Britain are more likely than others to rate their own large companies more positively than those headquartered elsewhere.

Conversely, fewer than four in ten people in Kazakhstan, Argentina, Poland and Japan give their large companies good or excellent ratings. Moreover, people in Kazakhstan, Turkey and Argentina are more likely to rate their large home-based companies lower than those based in other countries.

Home-Nation Companies

Doing an “Excellent” or “Good” Job



American Companies

People in Africa and North America, especially Americans, are more likely to approve of U.S. companies. In fact, seven in ten Americans rate their large corporations as good or excellent. Similar proportions of Nigerians and Indonesians award the same ratings to U.S. companies.

On the other hand, large U.S. companies are rated harshly by people in Eastern Europe and Central Asia. Only one-third of the people in Japan give U.S. companies positive ratings, but they judge their own national companies equally harshly.

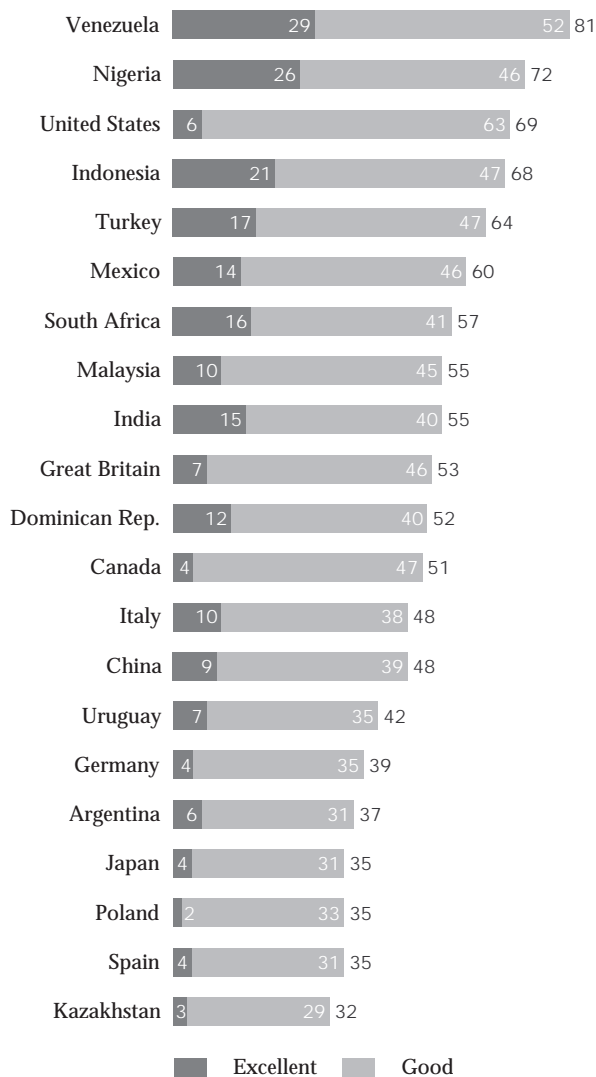
Japanese Companies

Strongest ratings come from Asian and African respondents, such as those in Indonesia, Malaysia and Nigeria, where about six in ten offer positive marks. Japanese companies receive higher ratings than large national companies from people in Indonesia, Kazakhstan and Turkey.

Only four in ten people in Spain and Germany believe that Japanese companies do a good or excellent job on social responsibility. This is similar to what the Japanese themselves think.

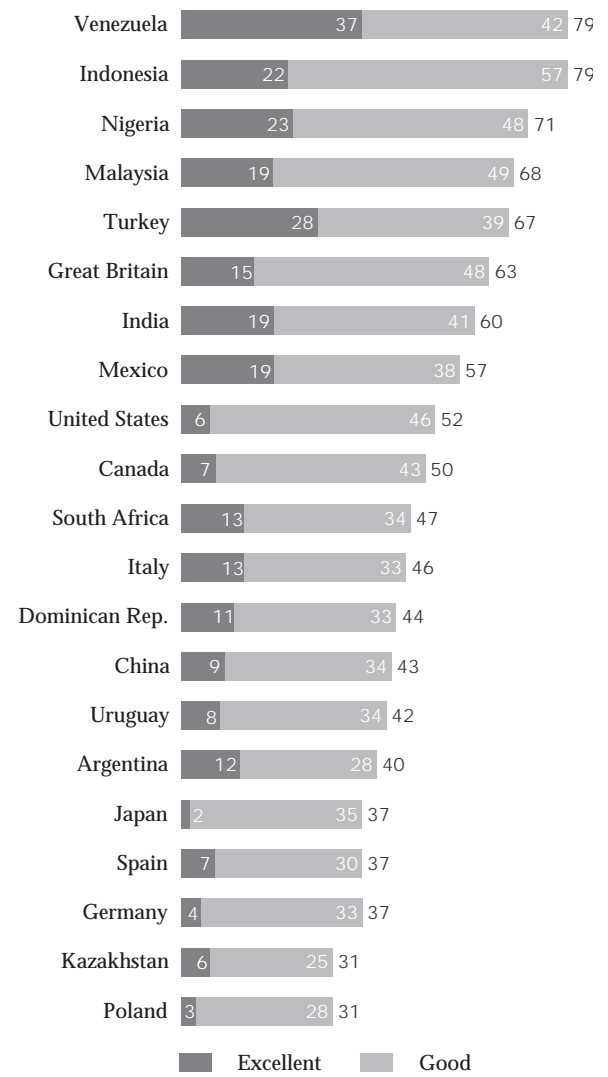
American Companies

Doing an "Excellent" or "Good" Job



Japanese Companies

Doing an "Excellent" or "Good" Job



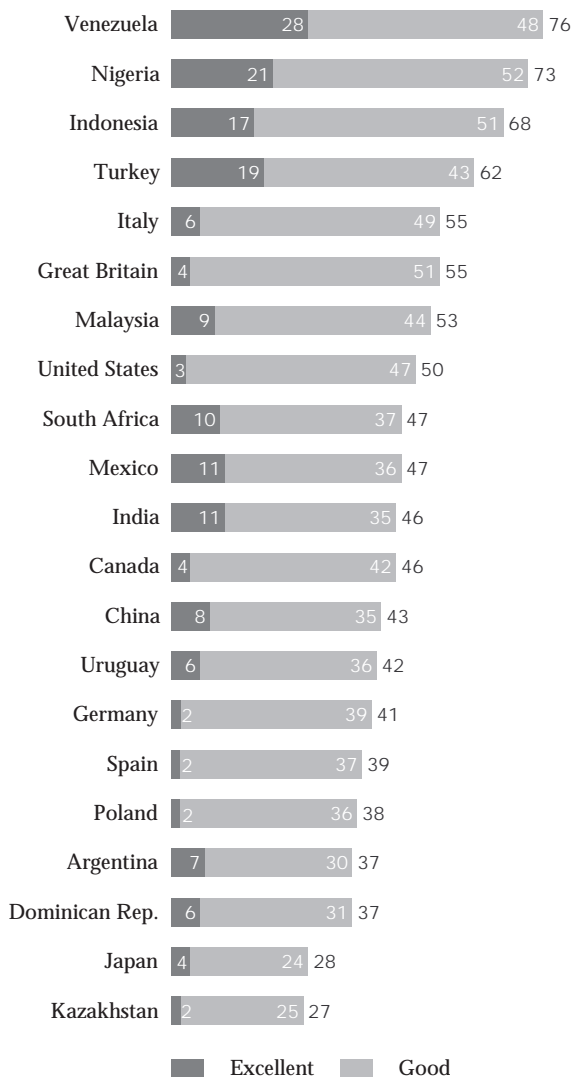
European Companies

Highest ratings for European companies come from people in Venezuela, Nigeria and Indonesia, where about seven in ten people give them excellent or good scores. Other countries more likely to approve are Turkey, Italy, Great Britain and Malaysia.

People in Italy, Kazakhstan and Turkey feel that European companies are superior to their large national firms. Germans are more likely to rate their national companies higher than other European companies.

European Companies

Doing an "Excellent" or "Good" Job





One in two citizens say that they have discussed the ethical or social behavior of companies with their family or friends during the past year. One in five have done this frequently.

Discussion of Corporate Behavior

People were asked how frequently they have discussed the ethical or social behavior of companies with friends or family in the past year.

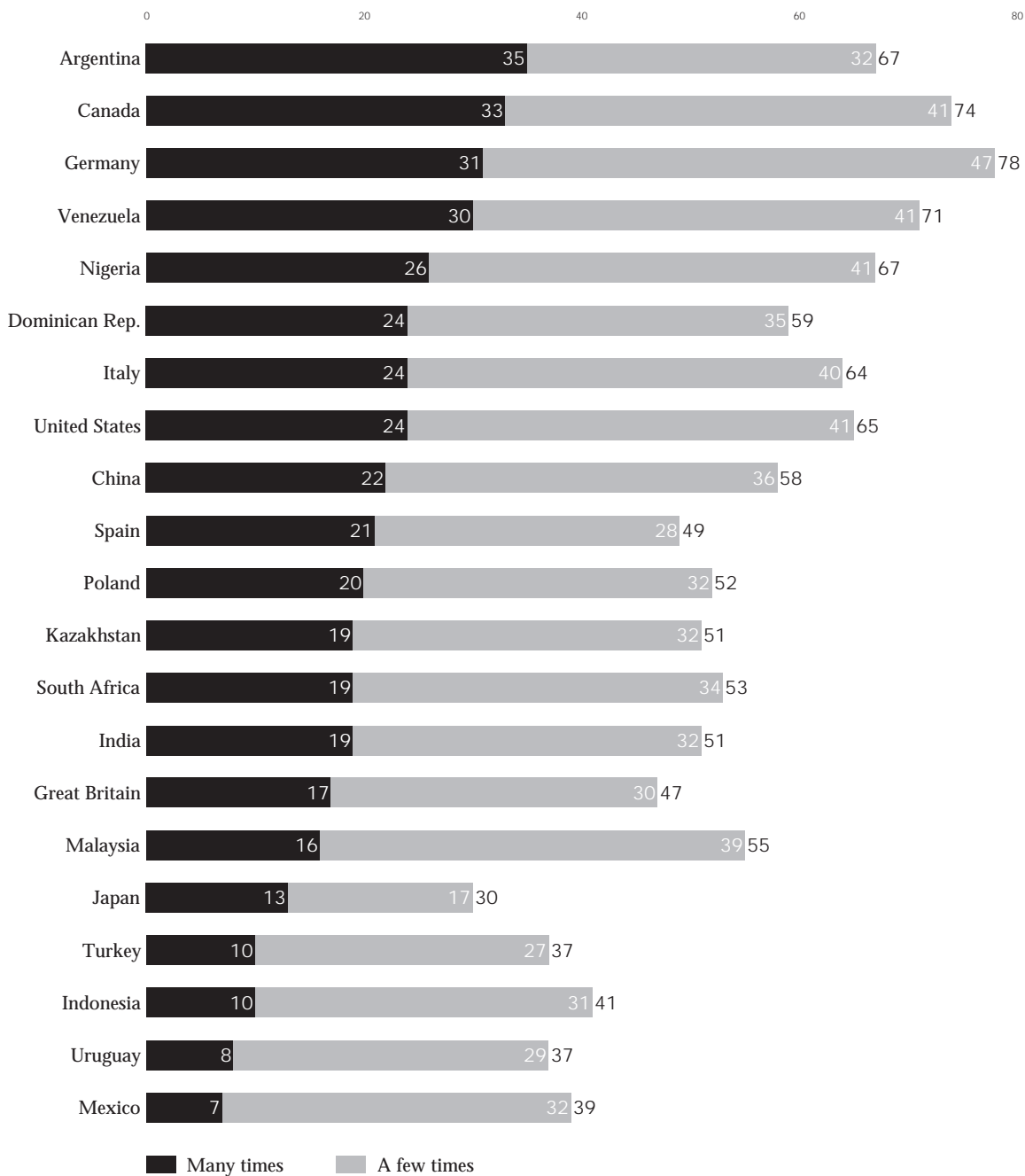
Across the countries surveyed, one in two people report that they have discussed the social behavior of companies at least a few times, not including the one in seven who say they have on one occasion in the past year. Moreover, one in five have done this frequently. More than one-quarter of the respondents report having never discussed this subject in the past year.

At least three in ten people in Argentina, Canada, Germany and Venezuela have discussed corporate social behavior many times in the past year. More than two in ten in the United States, Nigeria and Italy have done the same. At the other end of the spectrum are Mexico, Uruguay, Indonesia, Turkey and Japan, where only about one in ten have discussed the issue frequently.

People in countries with high per capita purchasing power are more inclined than those in countries with low and medium per capita purchasing power to discuss corporate ethics frequently.

Discussion of corporate ethics is more likely among men than women, and among those with high levels of education and income. It is also more likely among those who work for large for-profit companies.

Have Discussed Ethical or Social Behavior of Companies



8 Over the past year, how frequently, if at all, have you discussed the ethical or social behavior of companies with your friends or family members?

- 1 Many times.
- 2 A few times.
- 3 At least once.
- 4 Not at all.



One in two citizens across the world are able to name specific companies that they perceive as being more socially responsible than others. Six of the ten most frequently mentioned companies are American. All of the top ten are prominent in consumer markets.

Most Socially Responsible Companies

When asked to name a large company that comes to mind as fulfilling its responsibilities to society better than others, one in two people across the world are able to do so. Four in ten people are unable to name a specific company and a further one in ten do not think that any one company is doing a better job than others.

Coca Cola is the only company that is mentioned by more than one in ten people globally. The next most frequently mentioned company, McDonald's, is named by 4 percent, still an impressive proportion for a top-of-mind response. Sony, Toyota, Nike and Procter & Gamble are each mentioned by 3 percent of respondents. Unilever, IBM, Volkswagen AG and Shell are each mentioned by 2 percent of the respondents, while BP Amoco, Reebok and The Body Shop each receive mention by 1 percent of those surveyed. About three in ten name some other company.

Of the top ten most mentioned companies, six are American, two are Japanese and two are European. All of the ten companies sell products that have high visibility in consumer markets.

Nine in ten Africans are able to name a specific company, most notably Coca Cola and Nike. Residents in Latin America, the Mediterranean and Eastern Europe / Central Asia are less inclined to name a specific company.

Coca Cola

Coca Cola is mentioned by more than three in ten people in Nigeria and South Africa and by about two in ten in China, Venezuela and Uruguay. Interestingly, only 1 percent of Americans mention Coca Cola. Similarly low proportions in Japan and Northern Europe name Coca Cola.

McDonald's

McDonald's is more likely to be mentioned in Turkey, China and Malaysia, where one in ten residents do so. The company is also well regarded by people in South Africa, Indonesia and Uruguay.

Other Companies

Sony is named by 14 percent of Indonesians, and less frequently by people in Turkey, Kazakhstan and Malaysia. Toyota is mentioned by 15 percent of Indonesians, and less frequently by people in Turkey and Nigeria. Over one-third of South African respondents mention Nike. Procter & Gamble is most often named by Kazakhstani and Chinese respondents, 16 percent and 12 percent respectively.

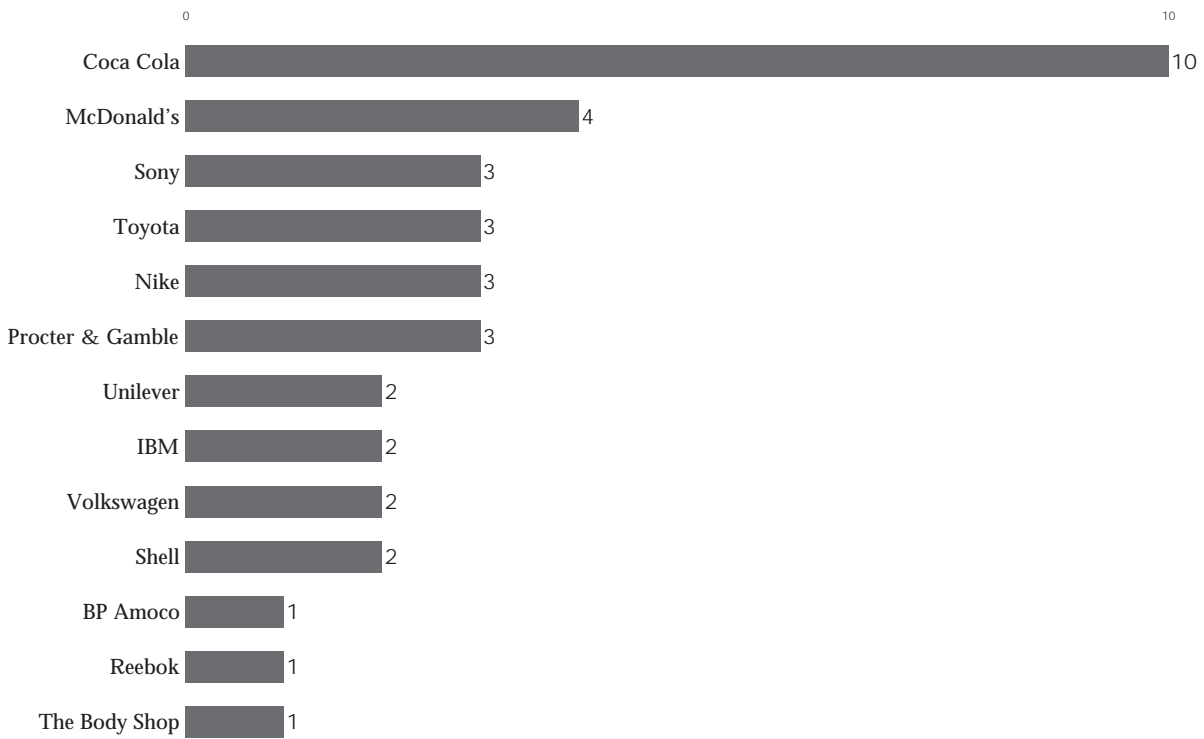
Unilever is mentioned by 14 percent of Indonesians. IBM is well regarded by people in South Africa, Turkey and the United States. Volkswagen, the only car manufacturer named, is mentioned frequently by Germans and Mexicans. Shell is most frequently named by Nigerians and Malaysians, while rival BP Amoco is mentioned by South Africans.

Interestingly, more than one in two people in Japan, the Dominican Republic, Poland, Uruguay and Italy cannot name a specific company that they see as being socially responsible.

Younger people, rural dwellers and those with lower incomes are more likely than others to name Coca Cola.

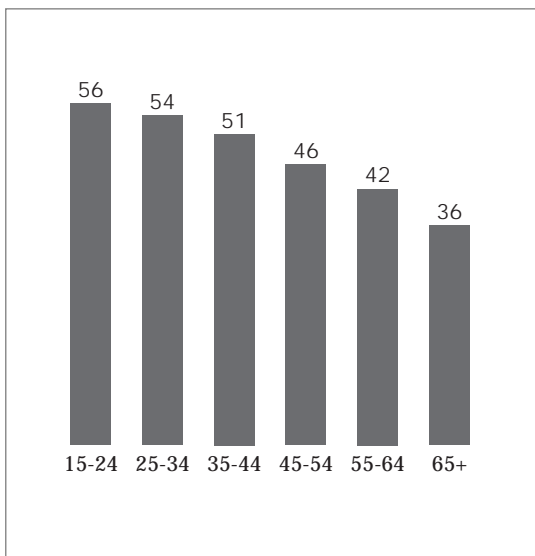
Companies Seen as Most Socially Responsible

Open-Ended Responses Across All Countries (n=25,000, All Mentions)

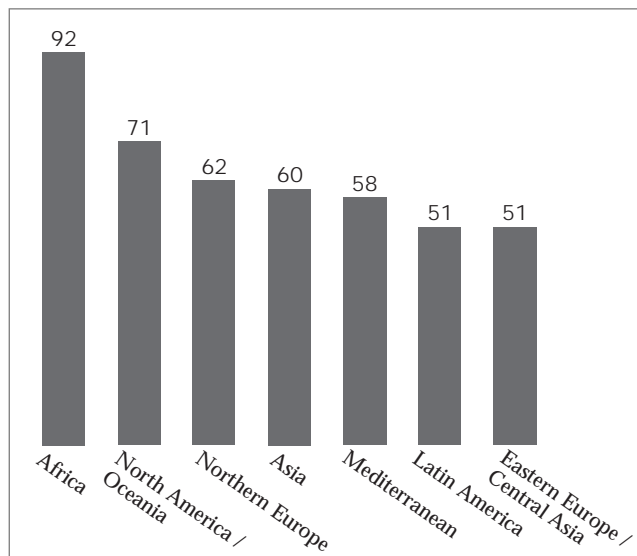


Percent Naming a Specific Company

By Age



By Region



9 Please name a specific large company that comes to mind as fulfilling its responsibilities to society better than others. Can you name another?



One-quarter of citizens surveyed have rewarded a socially responsible company by either buying its products or speaking positively about the company to others in the past year.

Rewarded Socially Responsible Companies

People were asked if, over the past year, they have considered rewarding a socially responsible company either by buying its products or speaking positively about the company to others.

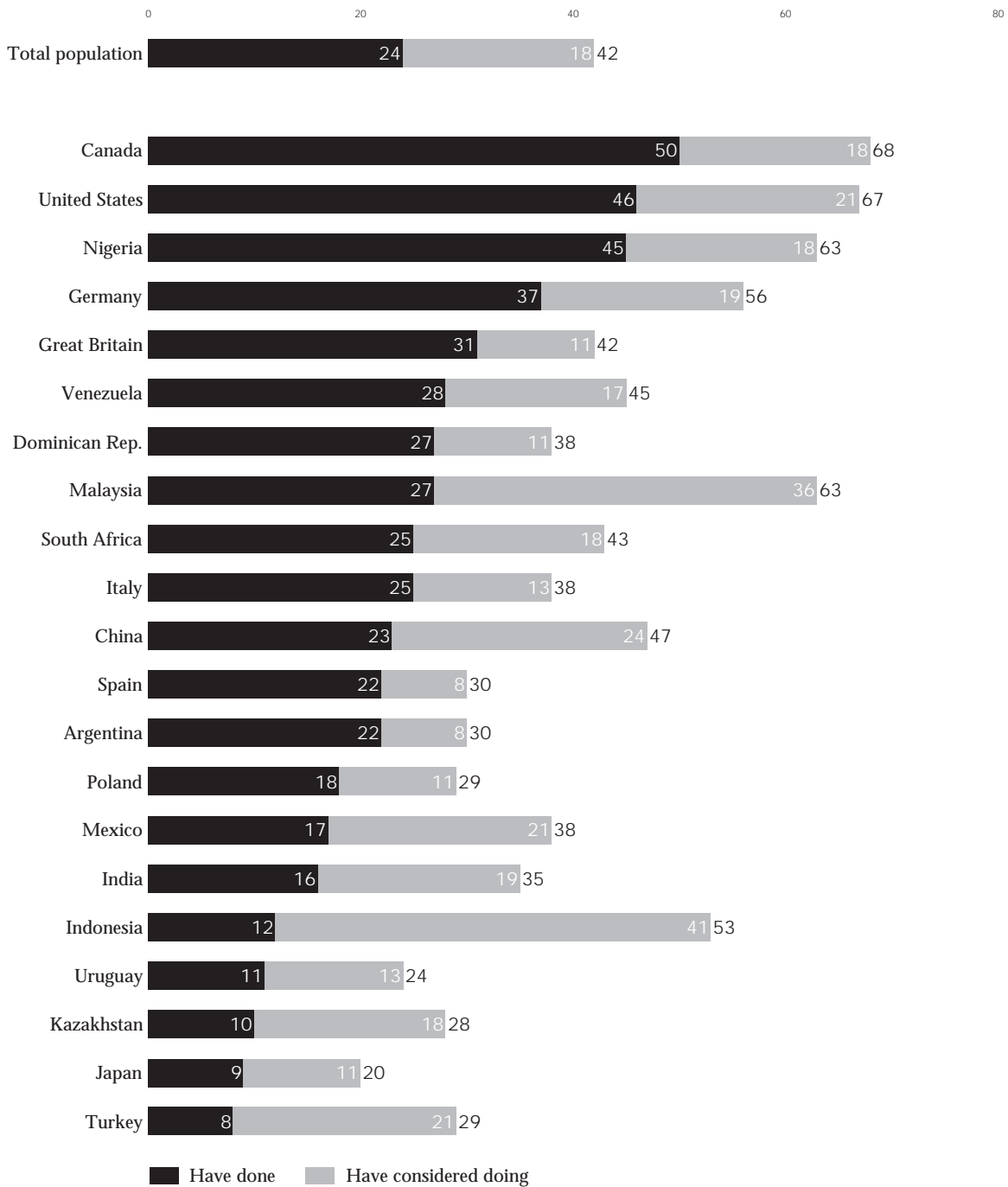
One in four citizens, primarily in high GDP per capita countries, say that they have actually taken one of these actions. Another two in ten say that they have considered taking such actions, while one-half state that they have not considered taking any action.

Fully one in two Canadians and Americans have actually rewarded a socially responsible company in the past year. More than three in ten people in Germany and Great Britain and over four in ten in Nigeria have done the same.

In many low GDP per capita countries, such as Turkey, Kazakhstan and Indonesia, only about one in ten have rewarded socially responsible companies. Among high GDP per capita countries, Japan is the only one where fewer than one in ten have taken such action.

People with higher levels of education and income are more inclined to reward a responsible company. So are those who live in smaller communities and who work for large, private sector companies.

Rewarding Companies Seen as Socially Responsible



10 Over the past year, have you considered rewarding a socially responsible company by either buying its products or speaking positively about the company to others? Would you say you have...

- 1 Not considered doing this.
- 2 Considered this, but didn't actually do it.
- 3 You have actually done this in the past year.



One-quarter of the people surveyed have punished a company that they consider not socially responsible by either refusing to buy its products or speaking critically of the company.

Punished Companies for Not Being Socially Responsible

People were asked if, over the past year, they have considered punishing a company they see as not being socially responsible by either refusing to buy its products or speaking critically about the company to others.

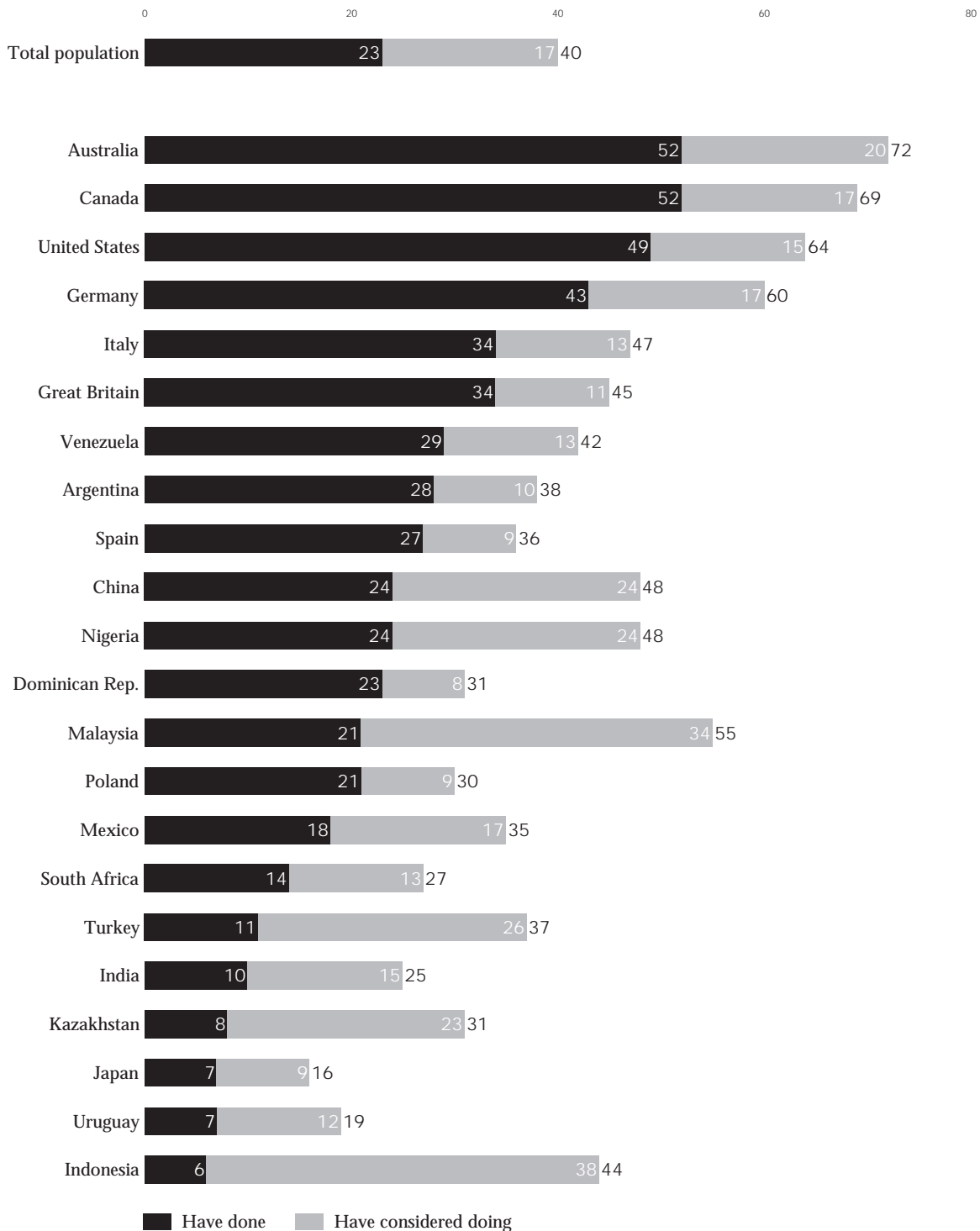
One in four citizens, especially those in high GDP per capita countries, say they have actually taken one of these actions and a further two in ten say they have considered doing so. More than one-half of the people state that they have not considered any action. These findings are similar to those in the question regarding rewarding responsible companies. In other words, people are as likely to reward a responsible company as they are to punish an irresponsible company.

People in North America and Oceania are much more likely than others to punish companies that they judge as not being socially responsible. One-half of the people in Australia, Canada and the United States actually punished such companies in the past year. More than three in ten Germans, Britons and Italians did the same.

People in Asia, Eastern Europe and Central Asia are among the least likely to have punished companies. One in ten or fewer in Indonesia, Japan, India and Kazakhstan have taken such actions. Low levels of action are also likely in Uruguay, Turkey and South Africa. Interestingly, although the proportion of people in Asia who have actually taken action is very low, nearly one-quarter of the people in the region considered doing so, indicating a strong degree of latent activism.

The demographic analysis of responses to this question is very similar to that on rewarding responsible companies. Largely, it is the same people either rewarding or punishing companies depending on perceptions of their social responsibility.

Punished Companies Seen as Not Socially Responsible



11 In the past year, have you considered punishing a company you see as not socially responsible by either refusing to buy its products or speaking critically about the company to others? Would you say you have...

- 1 Not considered doing this.
- 2 Considered this, but didn't actually do it.
- 3 You have actually done this in the past year.



This section discusses important findings for each region. In particular, the section focuses on the extent to which regional public opinion is significantly different from global findings. Important intra-regional differences are also noted.

Regional Analysis

Africa

Nearly one-half of Africans think that making economic progress should be the most important goal for the next decade. One-quarter of Africans, the highest of any region, believe that reducing crime, conflict and violence should be the top goal. At least seven in ten Africans think that governments will provide the most important leadership for achieving national goals. Two-thirds of South Africans think privatization is a positive trend, but four in ten Nigerians view it negatively.

Almost one-half of Africans, among the highest proportions anywhere, mention brand quality or reputation as being most influential in forming an impression of a particular company. One-third of Africans mention labor practices and business ethics as most important in this regard.

Four in ten Africans, more people than in any other region, believe that companies should focus on making a profit, paying taxes and providing employment, rather than taking on broader social responsibilities. Africans, especially Nigerians, are less likely than others to think that companies should be held completely responsible for performance in any of the areas of social responsibility surveyed.

Africans are more likely than others to have positive views of national and foreign multinationals with regard to social responsibilities. Seven in ten Nigerians give excellent or good ratings to all of these types of companies, much higher than ratings given by South Africans. More than one-quarter of Nigerians say that they have discussed the social behavior of companies many times over the past year.

Four in ten residents of Nigeria and South Africa, far more than for any other region, mention Coca Cola as a company fulfilling its social responsibilities better

than others. More than one-third of South Africans name Nike, while Nigerians are more likely to name Unilever and Shell.

Africans, especially Nigerians, are more likely to have rewarded a socially responsible company by either buying its products or speaking positively about the company to others. But they are among the least likely to have punished a company for poor social performance.

Asia

Half of Asians think that making economic progress should be the most important national goal for the next decade. With the exception of those in Indonesia, Asians are more likely than others to believe that cleaning up the environment should be the most important goal, but only one in five feel this way. While Asians overwhelmingly look to governments for leadership, they are the most likely to think that the trend toward privatization is positive.

Except for the Japanese, Asians are among the most likely to mention brand quality or reputation as influencing them the most in forming an impression of a particular company. At the same time, Asians are more likely than others to mention corporate responsibility to the broader society as an important factor in forming an impression. Residents of this region, especially the Chinese, are among the most likely to think that companies should focus on financial performance, rather than help to build a better society. Over four in ten Indians believe companies should focus on helping to build a better society.

Asians, especially the Japanese, are less likely than others to think companies should be held completely responsible for performance in any of the areas of social responsibility surveyed.

People in India, Indonesia and Malaysia are more likely than others to have positive views of their national companies' performance on social responsibility issues; however, the Japanese are among the least positive about their own companies.

Asians, especially Indonesians and Japanese, are less likely than others to have discussed corporate social behavior.

Named by one-quarter of Chinese, Coca Cola is mentioned most in this region as a particularly socially responsible company. Nearly three in ten Indonesians name Unilever. Asians are more likely than others to mention Unilever, Toyota, Sony and McDonald's. Interestingly, eight in ten people in Japan are unable to name a specific company that is doing a superior job on social responsibility.

Asians are among the least likely to have either rewarded or punished a company for its performance in areas of social responsibility. Only about one in ten in Japan, Indonesia and India report taking either action.

Eastern Europe / Central Asia

Given the severe economic dislocations in recent years, it is understandable that Eastern Europeans and Central Asians are among the most likely to think that making economic progress should be the most important goal for their country. For important leadership, more than seven in ten Eastern Europeans and Central Asians look to governments. Residents of this region, especially in Kazakhstan, are among the most critical of the trend toward privatization.

Eastern Europeans and Central Asians are more likely than others to mention financial factors as being most important in forming their impression of a particular company. Accordingly, people here are among the most likely to think that companies should focus on financial performance, rather than social issues.

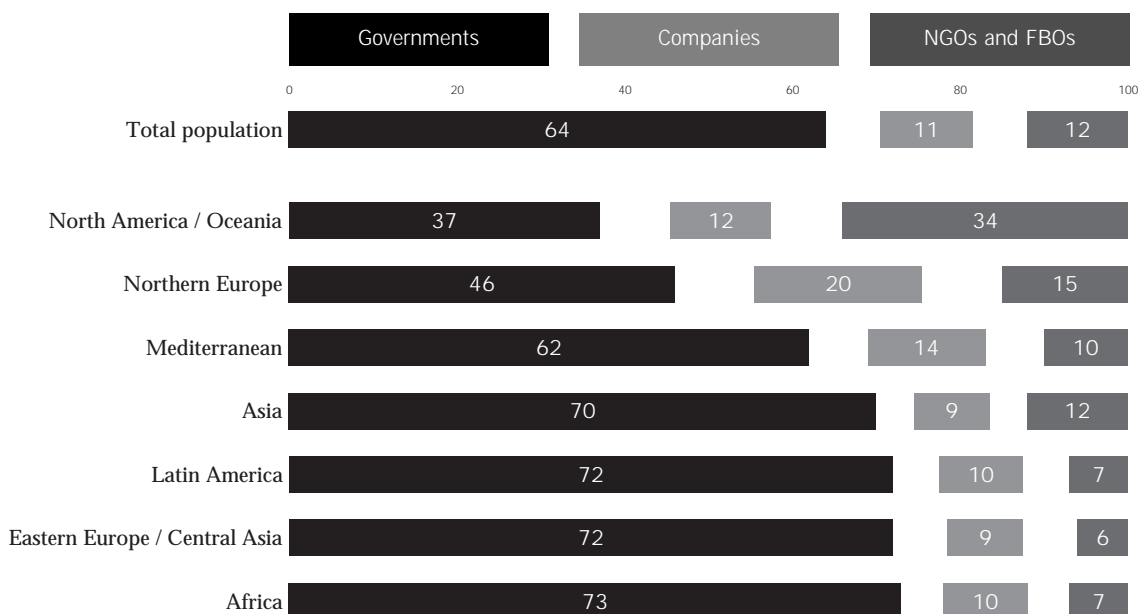
Notwithstanding the focus on financial performance, Eastern Europeans and Central Asians are more likely than others to have high expectations of companies in all of the areas of responsibility, except for crime reduction, charitable giving and consulting with the public.

Highly critical of national companies, four in ten people in this region say they are doing a very poor or poor job in fulfilling their responsibilities to society. This view of their large national companies may partly account for their disapproval of privatization.

Eastern Europeans and Central Asians, in particular Poles, are less likely than others to be able to name a socially responsible company. Fewer than two in ten residents have either rewarded or punished a company for its social performance.

Source of Most Important Leadership for Reaching National Goal

By Region



Latin America

Nearly one in two Latin Americans think economic progress and employment growth should be the most important national goals for the next decade. Mexicans are more likely than others to think that their country should address crime, conflict and violence. Latin Americans are among the most likely to look to governments for important leadership, with more than seven in ten feeling this way. People in the region are among the most critical of the trend toward privatization.

Latin Americans focus less than others on brand quality or reputation and more on social responsibilities when forming an impression of a particular company. Residents of Uruguay are much more likely to be swayed by a company's labor practices and business ethics.

Slightly more than one-third of Latin Americans think that companies should actively help to build a better society rather than focus solely on financial performance.

Latin Americans are much more likely to think that companies should be held completely responsible for supporting charities, providing long-term employment, consulting with the public and applying high global standards. Nine in ten residents of Argentina think that companies should be held completely responsible for avoiding the use of child labor.

Residents of Argentina are less likely than others to give positive ratings to any large companies—foreign or national—in the area of social responsibility, and are the most critical of their own national companies.

Argentineans are much more likely than others to report having discussed corporate social behavior frequently. Among the least likely to be able to name a socially responsible company, Latin Americans, and especially Uruguayans, are less likely to say that they have either rewarded or punished a company for its social performance.

Mediterranean

Citizens of the Mediterranean are among the most likely to think that economic progress should be the most important goal over the next decade, with five in ten feeling this way. More than six in ten people in Spain and Turkey believe that governments will provide the most important leadership in achieving key national goals. With nearly six in ten favoring the

trend toward privatization, people in this region have views similar to their Northern European neighbors.

Citizens of the Mediterranean are among the most likely to use economic factors in forming their impression of a particular company and less inclined than others to mention brand quality or reputation in this regard.

People in this region are less likely than Northern Europeans to think that companies should go beyond making a profit, but they are more likely to think so than people in Eastern Europe and Central Asia.

Citizens of the Mediterranean are more likely than others to have high expectations of companies in all areas of social responsibility surveyed. Compared with people in Northern Europe, those in the Mediterranean are more likely to hold companies completely responsible for providing long-term employment, operating profitably and paying taxes, solving social problems, supporting charities, consulting with the public and applying high standards globally.

In general, people in this region rate the social performance of their large national companies equivalent to foreign corporations. However, Spaniards are more inclined to view national companies more favorably than foreign firms.

Turks are much less likely than others to spend time discussing corporate social behavior. Citizens of the Mediterranean are among the least likely to be able to name specific socially responsible companies. Compared with other regions, people in the Mediterranean, especially Turks, are less inclined to reward companies for good social performance.

In summary, there appear to be significant differences in public opinion between people in Turkey and those in Spain and Italy. Not surprisingly, public opinion in the two latter countries seems more closely aligned with opinion in Northern Europe.

North America / Oceania

Rather than economic progress, residents of North America and Oceania are most likely to think improving health care and curing diseases should be the most important national goal for the next decade. Reducing poverty and homelessness is important to Canadians, while crime reduction is significant to Americans. Australians are much more likely than others to see environmental cleanup as a key national goal.

Residents of North America and Oceania are also the most inclined to think non-governmental organizations will provide the most important leadership in attaining these goals. This region is unique in seeing a balanced sourcing of leadership from governments, NGOs / FBOs and business. Except for Australians, people in this region are more likely than most others to think that the current trend toward privatization is a positive development.

North Americans are among the most likely to consider both a company's brand reputation and a company's ethics as the most important factors in forming an impression of the company. People here are much less likely than others to regard economic attributes as the most important.

Residents of North America and Oceania are the most likely to feel that companies should go beyond profit making and help to build a better society. North Americans are more likely than others to hold companies completely accountable for worker health and safety, corruption, child labor, using high global standards and treating employees fairly. Conversely, they are less likely to hold companies responsible for providing long-term jobs, solving social problems and supporting charities.

North Americans are more likely than others to think that their national companies are doing a good job fulfilling their social responsibilities. Americans are much more inclined than Canadians to approve of U.S.

companies. North Americans are the most likely to say they have frequently discussed a company's ethics. North Americans are more likely than others to be able to name a socially responsible company; however, unlike in other regions, no one company is mentioned by a significant proportion of respondents. The most frequently mentioned company, IBM, is named by only 5 percent of the people.

People in this region are most likely to say they have rewarded and punished companies based on their social performance. In fact, five in ten people in this region have taken each of these actions in the past year.

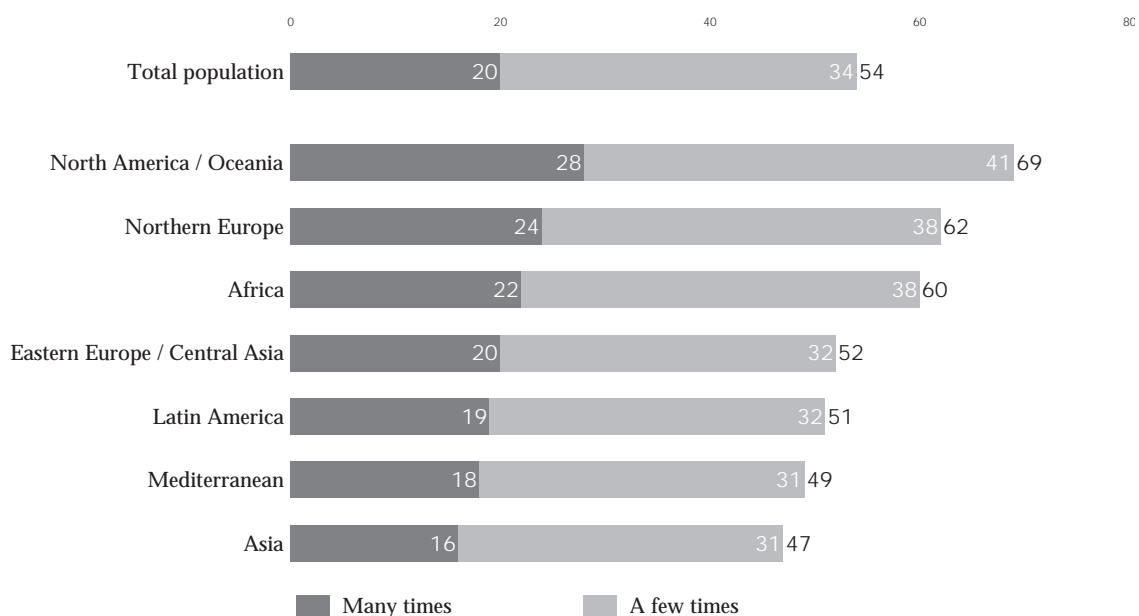
Northern Europe

Northern Europeans are less likely than others to think that economic progress should be the most important goal for their country. Less likely than others to think that governments will provide the most important leadership, Northern Europeans, in particular Germans, are more inclined to look to business. People here are also more likely than many others to believe that NGOs and international bodies will be important sources of leadership.

Germans are much more positive than the British about the trend toward privatization, but Northern Europeans, in general, are no more likely than others to express a positive view on this issue.

Regional Differences in Attentiveness to Corporate Social Responsibility

Have Discussed With Family / Friends Over the Past Year



Regional Analysis

Northern Europeans are less likely to mention brand quality or reputation as the most important factors in forming an impression about a particular company. Germans are more inclined to emphasize economic factors, labor practices and business ethics.

More likely than many others to feel that companies should go beyond profit making, over one-third of Northern Europeans endorse companies taking an intermediate position between their traditional role and that of full social responsibility.

Northern Europeans are more likely than others to feel that companies should be held completely responsible for avoiding child labor and corruption and treating employees fairly. The British are also more inclined to think that companies should be responsible for applying the same high standards globally. On the other hand, Northern Europeans are less likely to think that companies should be responsible in a number of areas, especially supporting charities and solving social problems.

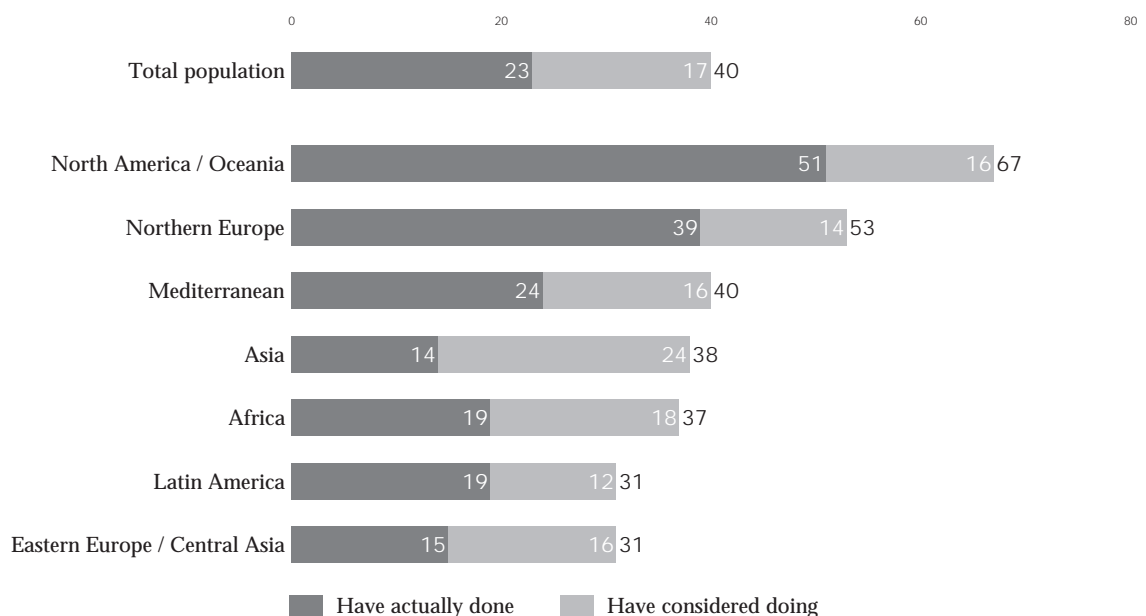
Northern Europeans, in particular Germans, are more likely than others to rate national companies positively in terms of fulfilling their responsibilities to society. Germans are more likely than others to have frequently discussed the ethical or social behavior of companies. Northern Europeans are far less likely than others to mention the companies named by those in other regions as

being socially responsible, especially American companies. This is consistent with Europeans' relatively unfavorable views on the social performance of large foreign companies.

Northern Europeans are more likely than others to say that they have both rewarded and punished companies based on their social performance.

Regional Differences in Activism on Corporate Social Responsibility

Have Punished a Company Seen as Not Socially Responsible in the Past Year



Per Capita Purchasing Power

This section looks at general trends in terms of how public opinion varies according to the degree of purchasing power per capita (i.e., low GDP per capita, medium GDP per capita and high GDP per capita) in each country. In many instances, the most significant differences can be explained not so much by geographical region, as by per capita purchasing power. (Please see “Introduction” section for specific countries included in each grouping.)

People living in countries with low and medium per capita purchasing power are the most inclined to think that making economic progress should be the most important goal for their country over the next decade. On the other hand, those living in countries with high per capita purchasing power are more likely to think that cleaning up the environment and improving health care should be the most important goals.

Residents of countries with low and medium per capita purchasing power are much more likely to think governments will provide the most important leadership for achieving these goals, whereas those in countries with high per capita purchasing power are more inclined to look to companies and non-governmental organizations. Citizens in countries with high per capita purchasing power are more likely to think the current trend toward privatization is positive; those in low GDP per capita countries are more critical.

People living in countries with low per capita purchasing power are much more likely to feel that companies should focus on making a profit rather than addressing broader social issues. In forming an impression about a particular company, however, people living in countries with low and medium per capita purchasing power are more likely to be influenced by how responsible the company is to society in general.

Interestingly, those living in medium GDP per capita countries are more likely than others to think companies should be held completely responsible in virtually all of the areas surveyed. Those in high GDP per capita countries are also more likely to hold companies completely responsible, but in fewer areas, namely, child labor, worker health and safety, the environment, corruption and the fair treatment of employees.

People in countries with medium per capita purchasing power are less likely to believe that their national companies are doing a good job on social performance. Residents of countries with low per capita purchasing power are more inclined than others to feel that large American, European and Japanese companies are doing a good job on social responsibility. Citizens of countries with high per capita purchasing power are more likely to report having discussed corporate ethics with friends or family members many times in the past year.

Those living in countries with low per capita purchasing power are much more likely to be able to name responsible companies. In doing so, they are more likely than others to name Coca Cola, Nike, Procter & Gamble and Unilever. People in countries with high per capita purchasing power are more likely to have both rewarded and punished companies based on their social performance.



In this section, Environics analyzes public opinion according to a number of demographic factors. The analysis compares responses given by people from different points along the spectrum for each factor; for example, the analysis compares the opinions of those with low levels of education to those with medium and high levels of education.

Demographic Analysis

Education

In general, education levels are a good indicator of public opinion regarding the role that companies should play in society. Those with higher levels of education in general are more positive toward companies. They are also more likely to discuss the social behavior of companies and to act on their impressions.

People with higher levels of education are more likely to think that making economic progress and cleaning up the environment should be the most important goals for their country over the next decade. Those with less education are more inclined to think that improving health care and curing diseases should be the most important goal.

Less inclined to think governments will provide the most important leadership, those with more education

are more likely to look to companies and non-governmental organizations and religious groups. They are also more likely to think that the current trend toward privatization is a positive development.

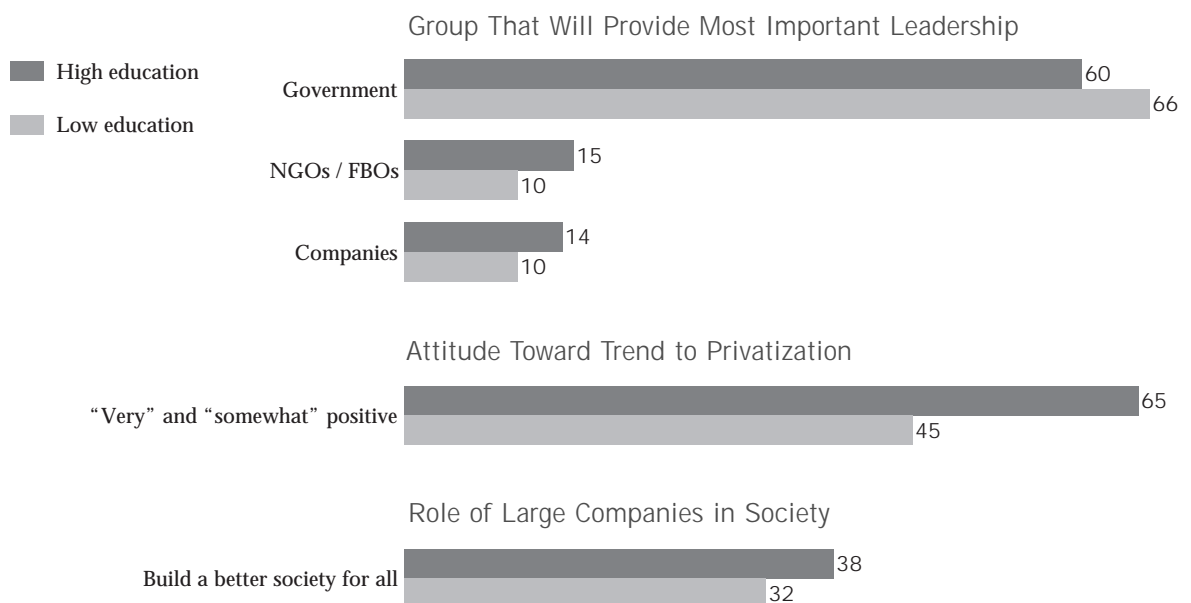
People with higher education are more likely to mention brand reputation as the most important factor in forming an impression of a company. They are also more likely to believe that companies should go beyond their traditional role and either actively help build a better society or operate somewhere in between the two roles.

Those with less education are more likely to think that companies should be held completely responsible for providing long-term jobs, helping solve social problems and supporting charities.

Those with higher education are more positive toward both national and foreign companies with regards to fulfilling their social responsibilities. Those with higher education are more likely to say that they have discussed the ethical behavior of companies frequently over the past year.

People with higher education are not only more likely to name a particularly responsible company, they are also more likely to name a broader variety of companies. Those with higher education are more likely to have rewarded or punished companies for their performance in fulfilling social responsibilities.

Public Opinion by Education Level



Income

Those with higher incomes are more likely to think cleaning up the environment should be the most important goal for their country. While those with higher incomes are more likely to think that privatization is a positive development, lower income earners tend to view it negatively. Higher income earners are more likely to think that companies should be held completely responsible for not using child labor, ensuring no bribery or corruption and treating all employees fairly. Lower income earners tend to emphasize solving social problems and supporting charities.

When rating companies on their performance in addressing social responsibilities, higher income earners are more likely to favor large European companies. When asked to name socially responsible companies, they are less likely to name front-runner Coca Cola and more likely to name a broader variety of companies. More inclined than others to discuss corporate ethics, those with higher incomes are also more likely to both reward and punish companies based on their social performance.

Gender

Men are more likely than women to think that economic progress should be the most important goal for their country. They are also more inclined to believe that privatization is a positive development. More likely to consider financial factors in forming an impression of a company, men are also more inclined to think companies should focus on making a profit rather than on helping to build a better society.

Women are more likely to think companies should be held completely responsible for a number of issues, namely, providing long-term jobs, helping solve social problems, ensuring no harm to the environment, supporting charities, consulting with the public and treating all employees fairly.

When rating companies on social performance, men are more likely than women to be critical of large national companies. Men are more likely to say that they have frequently discussed the social behavior of companies over the past year.

Age

Less likely to think that making economic progress should be the most important goal for their country, those aged 65 and older are more inclined to focus on improving health care. Younger people are more likely to favor the trend toward privatization. They are also more likely to say that brand quality or reputation is most important when they form an impression of a company.

Older people are more likely than others to think that companies should be held completely responsible for performance on a variety of social aspects.

When rating companies on their social performance, younger people are more positive than others toward both national and foreign companies. More likely to be able to name socially responsible companies, younger people are more inclined to mention Coca Cola.

Community Size

Environics frequently observes significant differences between the views of people living in major urban centers and those living in smaller communities and rural areas. Because only urban areas were sampled in five of the countries included in the Millennium Poll, readers should keep in mind that findings in these countries may be different from what would be observed with nationally representative samples. (Please see the Methodology section of this report for sample details for each country.)

Those living in large urban centers are more likely to think that making economic progress should be the most important goal for their country, while those in rural areas are more inclined to focus on reducing crime and violence. Residents of large urban centers are more likely to look to governments for leadership. The trend toward privatization is more likely to be seen as a negative development by those in smaller communities.

People in large cities are more likely than average to think that companies should focus on financial performance. However, they are also more likely to think that companies should be held completely responsible for helping to solve social problems and supporting charities. When rating companies on fulfilling their social responsibilities, those living in large cities are more critical of national companies, but more positive toward Japanese companies.

More likely to be able to name a socially responsible company, rural dwellers are more inclined to mention Coca Cola and Nike. Those living in very large urban centers are less likely to say that they have either rewarded or punished a company based on its social performance.

Household Includes Employee of Large Company

In general, Environics finds that those who live in a household that includes an employee of a large company tend to be more positive toward companies. They are also more likely to discuss the ethical and social behavior of companies and to actually reward and punish companies accordingly. Those who live in a household where no one works for the private sector are more inclined to have higher expectations of companies.

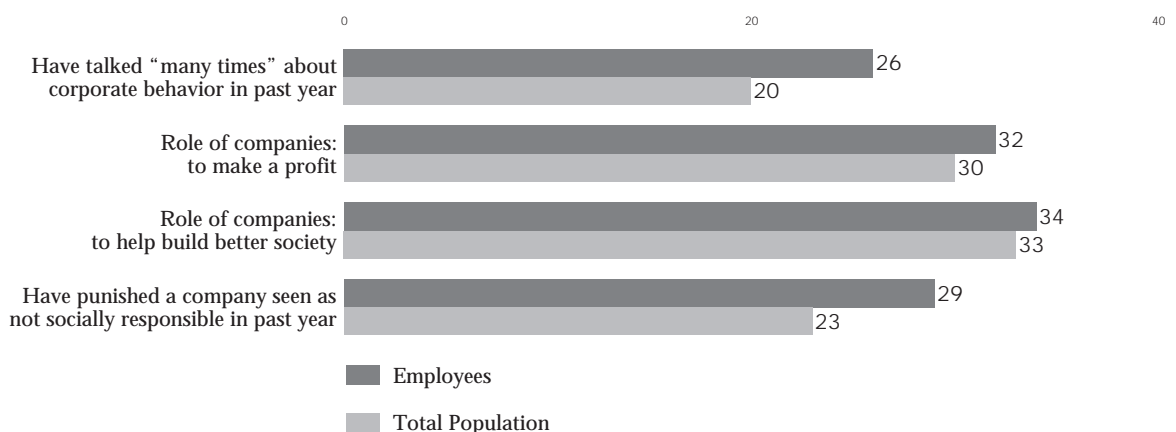
People in a household that includes an employee of a large company are more likely than others to think that the current trend toward privatization is a positive development. Those who live in a household where no one works for the private sector are more inclined to think that companies should be held completely responsible for nearly all of the social aspects mentioned in the survey.

When asked to rate companies on their social performance, those who live with an employee of a large company are more likely than others to give positive ratings to both national and foreign companies.

People living with an employee of a large company are more likely to report having discussed corporate social behavior on many occasions. They are also more inclined to be able to name especially responsible companies and to say that they have rewarded responsible companies and punished those that are not responsible.

Corporate Social Responsibility: Importance of Internal Audiences

Households of Employees of Large Companies (18%) vs. Total Population



Discussed Ethical and Social Behavior of Companies

The survey finds that those who frequently discuss the ethical or social behavior of companies are not only more likely to be critical of companies, but they are also more likely to report having acted on their impressions of them.

Rather than look to governments, those who frequently discuss corporate social behavior are slightly more likely to think that non-governmental organizations will provide the most important leadership in achieving national goals. They are also more likely to consider labor practices and business ethics the most important factors in forming an impression of a company. Those who discuss corporate ethics are more likely to take the view that companies should go beyond their traditional role and actively help to build a better society.

Those who discuss corporate ethics are more likely to think that companies should be held completely responsible for environmental performance. However, they are ambivalent about a number of other areas of social responsibility. When rating companies on social performance, they are more critical than others of both national and foreign companies. People who discuss corporate social behavior are more likely to say that they have both rewarded and punished companies based on their social performance.

Men overall and both men and women with high levels of education and income pay most attention to the social behavior of companies.



Opinion Leader Typology

While the views of the general population are critical, especially when dealing with political and consumer issues, it is also instructive to understand the sometimes differing views of those individuals within the general population who tend to influence the opinions of others. It is well established that these “informal opinion leaders” often have more impact on general public views than do the formal leaders of a society. Therefore, monitoring the views of these informal opinion leaders helps to predict coming majority views of the general population.

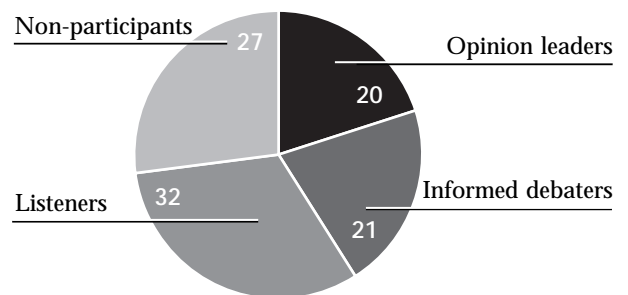
Environics has developed a proprietary opinion leader typology, based on an analysis of responses to a bank of questions fielded to all respondents of our global surveys. The series of questions draws from Environics’ past research as well as social research literature and includes strength-of-personality questions, self-reported measures of issues engagement, as well as questions aimed at identifying individuals who have formal leadership positions or speak in public. Responses are analyzed using factor and cluster analysis techniques to yield four typologies of people based on their engagement with public policy issues and their influence on the views of others.

The segment identified as “Opinion Leaders” make up 20 percent of the global population. This represents people who serve in leadership roles in organizations, regularly speak in public and influence others’ opinion.

In order to anticipate likely future changes in public views on the role of companies and their social responsibilities, Environics applied its opinion leader typology to identify opinion leaders from among respondents to the Millennium Poll and compared their views with those of the general population.

A comparison of the views and behaviors of opinion leaders with those of the general population reveals that opinion leaders are twice as likely to be talking frequently about corporate behavior and significantly more likely to have punished a socially irresponsible company in the past year. These findings suggest that companies will come under even greater public pressure in coming years to deliver on their broader social responsibilities.

Environics’ Opinion Leader Typology



A detailed comparison of the views of opinion leaders with those of all respondents yields the following insights:

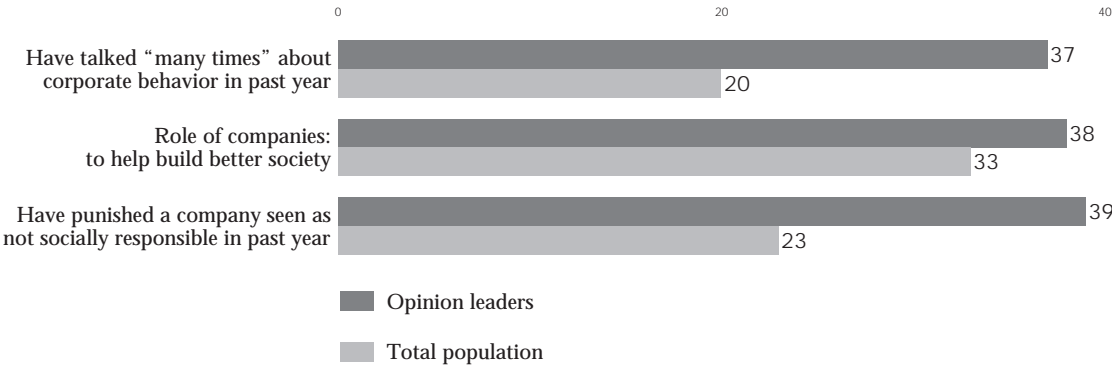
- ▶ Opinion leaders are less inclined to look to governments for leadership. They are somewhat more likely to mention both companies and NGOs as important sources of leadership, perhaps foreshadowing a future shift in public expectations toward the latter groups.
- ▶ Opinion leaders are more inclined to believe that privatization is a positive development. This view is consistent with their belief that government will be a decreasing source of leadership.
- ▶ Nearly four in ten opinion leaders believe that companies should go well beyond their traditional economic role and actively help to build a better society—compared with three in ten of the total population. However, opinion leaders are less likely than others to think that companies should be held completely responsible in two areas, namely, solving social problems and providing long-term jobs.

- ▶ When asked to rate companies on fulfilling their responsibilities to society, opinion leaders are more likely than others to give high ratings to both national and foreign companies.
- ▶ Nearly four in ten opinion leaders have frequently discussed corporate social behavior with friends and family, compared with only two in ten in the total population. They are also more likely to be able to name responsible companies.
- ▶ Opinion leaders are more likely to say they have both rewarded and punished companies according to their social performance. In fact, four in ten say they have rewarded or punished a company through purchase decisions or in discussion. Only about two in ten of the total population report having done so.

These findings indicate that companies will likely feel increasing pressure to become more socially responsible and will be increasingly rewarded or punished by consumers depending on how they respond to these changing expectations.

Corporate Social Responsibility: A Rising Agenda

Opinion Leaders (20%) vs. Total Global Sample





The findings of the 1999 Millennium Poll survey are based on the results of face-to-face or telephone interviews with representative samples of about 1,000 citizens in each of 23 countries on all six continents. The total global sample is 25,247.

Methodology

The following table gives a more detailed description of the methodologies used in each of the 23 countries.

Country	Sample Size (Unweighted)	Field Dates	Sample Frame	Survey Methodology	Type of Sample
Argentina	1,001	Apr 1 - 20, 1999	18 years and older	Face-to-face	Urban ¹
Australia	1,000	Jul 31 - Aug 16, 1999	18 years and older	Telephone	Nation-wide
Canada	1,512	Mar 31 - Apr 17, 1999	18 years and older	Telephone	Nation-wide
China	1,817	Apr 9 - 16, 1999	18 years and older	Face-to-face	Urban ²
Dominican Republic	501	Apr 29 - 30, 1999	18 years and older	Face-to-face	Nation-wide
Germany	1,000	Apr 16 - May 17, 1999	15 years and older	Telephone	Nation-wide
Great Britain	919	May 7 - 10, 1999	15 years and older	Face-to-face	Nation-wide
India	1,000	Apr 1 - 20, 1999	15 years and older	Face-to-face	Urban ³
Indonesia	1,007	Apr 11 - 27, 1999	15 years and older	Face-to-face	Urban ⁴
Italy	1,019	May 19 - 26, 1999	18 years and older	Telephone	Nation-wide
Japan	1,379	Apr 9 - 12, 1999	20 years and older	Face-to-face	Nation-wide
Kazakhstan	1,031	Mar 1 - 20, 1999	18 years and older	Face-to-face	Nation-wide
Malaysia	1,036	Apr 16 - 18, 1999	18 years and older	Telephone	Nation-wide
Mexico	1,277	Apr 20 - 30, 1999	18 years and older	Face-to-face	Nation-wide
Nigeria	1,100	Apr 19 - 24, 1999	15 years and older	Face-to-face	Nation-wide
Poland	994	Apr 16 - 19, 1999	15 years and older	Face-to-face	Nation-wide
Russia	1,054	Mar 20 - 29, 1999	18 years and older	Face-to-face	Nation-wide
Spain	1,000	Apr 15 - 30, 1999	15 years and older	Face-to-face	Nation-wide
South Africa	2,000	May 10 - June 10, 1999	16 years and older	Face-to-face	Urban ⁵
Turkey	1,200	Apr 2 - 19, 1999	15 years and older	Face-to-face	Nation-wide
United States	1,000	Jul 7 - 18, 1999	18 years and older	Telephone	Nation-wide
Uruguay	900	May 11 - 25, 1999	18 years and older	Face-to-face	Nation-wide
Venezuela	500	Aug 23 - 27, 1999	18 years and older	Face-to-face	Nation-wide

¹ In Argentina the survey was conducted in Capital Federal, Gran Buenos Aires, Cordoba, Rosario, Mendoza and Mar del Plata, representing 44% of the total population.

² In China, the survey was conducted in Beijing, Shanghai, Guangzhou, Zhengzhou, Wuhan, Hangzhou, Shenyang, Chengdu and Shenzhen, representing 25% of the population.

³ In India, the survey was conducted in Bombay, Delhi, Calcutta and Madras, representing 22% of the total population.

⁴ In Indonesia, the survey was conducted in Jakarta and Surabaya, representing 6% of the total population.

⁵ In South Africa, the survey was conducted in Gauteng, Durban, Pietermaritzburg, Bloemfontein, Port Elizabeth, East London and Cape Town, representing 37% of the total population.

Environics International Ltd. would like to gratefully acknowledge the substantive

contribution of each of our research partners in undertaking this international study.

We are honored to be associated with this network of respected social research institutes.

Research Partners

The following table provides the names of the research institutes that conducted the fieldwork in their country for the 1999 Millennium Poll survey.

Country	Research Institute	Location
Argentina	MORI Argentina	Buenos Aires
Australia	Market Attitude Research Services Pty. Ltd.	Sydney
Canada	Environics Research Group Ltd.	Toronto
China	Survey & Statistics Institute	Beijing
Dominican Republic	Sigma Dos Dominican Republic	Santo Domingo
Germany	RI*QUESTA GmbH	Buerstadt
Great Britain	Market & Opinion Research International Ltd. (MORI)	London
India	ORG-MARG	Bombay
Indonesia	Frank Small and Assoc.	Jakarta
Italy	EURISKO Group	Milan
Japan	Central Research Services, Inc.	Tokyo
Kazakhstan	Agency BRIF	Almaty
Malaysia	Taylor Nelson Sofres Malaysia	Kuala Lumpur
Mexico	MORI Mexico	Mexico City
Nigeria	Market Trends, Nigeria Ltd.	Lagos
Poland	Demoskop	Warsaw
Russia	CESSI	Moscow
Spain	Quota Union	Madrid
South Africa	Markinor	Johannesburg
Turkey	YONTEM Research & Consultancy	Istanbul
United States	NFO Research, Inc.	Greenwich
Uruguay	Equipos/MORI	Montevideo
Venezuela	Sigma Dos Venezuela	Caracas