Edelman Trust Barometer at a glance

<table>
<thead>
<tr>
<th>Feature</th>
<th>Details</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tenth edition</td>
<td></td>
</tr>
<tr>
<td>4,475 people in 20 countries on 5 continents</td>
<td></td>
</tr>
<tr>
<td>Ages 25 to 64</td>
<td></td>
</tr>
<tr>
<td>College-educated</td>
<td></td>
</tr>
<tr>
<td>In top 25% of household income per age group in each country</td>
<td></td>
</tr>
<tr>
<td>Report significant media consumption and engagement in business news and public policy</td>
<td></td>
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</tbody>
</table>
A decade of insights from the Edelman Trust Barometer

<table>
<thead>
<tr>
<th>Year</th>
<th>Key Insight</th>
</tr>
</thead>
<tbody>
<tr>
<td>2001</td>
<td>Rising Influence of NGOs</td>
</tr>
<tr>
<td>2002</td>
<td>Fall of the celebrity CEO</td>
</tr>
<tr>
<td>2003</td>
<td>Earned media more credible than advertising</td>
</tr>
<tr>
<td>2004</td>
<td>U.S. companies in Europe suffer trust discount</td>
</tr>
<tr>
<td>2005</td>
<td>Trust shifts from “authorities” to peers</td>
</tr>
<tr>
<td>2006</td>
<td>“A person like me” is most credible spokesperson</td>
</tr>
<tr>
<td>2007</td>
<td>Business more trusted than government and media</td>
</tr>
<tr>
<td>2008</td>
<td>Young influencers have more trust in business</td>
</tr>
</tbody>
</table>
What a difference a year-and-a-half makes

May 14, 2007

January 19, 2009
2008: A year unlike any other

Dow Jones Industrial Average: Jan 1, 2008 – Dec 15, 2008
“Every financial system depends on trust... We are in a full-blown crisis because investors and financial managers—the people who run banks, investment banks, hedge funds, insurance companies—have lost that trust.”

– Robert J. Samuelson, *Newsweek*
A10. [Business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". (Top 4 Box) Informed publics 35-64 (global 18 countries, excluding Australia, Indonesia)
The Trust Divide

Trust in business <50% among 25-to-64-year-olds
Trust in business >50% among 25-to-64-year-olds
Globally, younger and older informed publics now trust business equally
Big drops among younger cohort in US, France, South Korea

% who trust business to do what is right

<table>
<thead>
<tr>
<th>Institution</th>
<th>25-34</th>
<th>35-64</th>
</tr>
</thead>
<tbody>
<tr>
<td>Global</td>
<td>51%</td>
<td>50%</td>
</tr>
<tr>
<td>Russia</td>
<td>70%</td>
<td>45%</td>
</tr>
<tr>
<td>Italy</td>
<td>78%</td>
<td>65%</td>
</tr>
<tr>
<td>Mexico</td>
<td>58%</td>
<td>60%</td>
</tr>
<tr>
<td>India</td>
<td>51%</td>
<td>48%</td>
</tr>
<tr>
<td>Poland</td>
<td>47%</td>
<td>39%</td>
</tr>
<tr>
<td>Sweden</td>
<td>54%</td>
<td>46%</td>
</tr>
<tr>
<td>Canada</td>
<td>51%</td>
<td>36%</td>
</tr>
<tr>
<td>Australia</td>
<td>45%</td>
<td>33%</td>
</tr>
<tr>
<td>Germany</td>
<td>48%</td>
<td>29%</td>
</tr>
<tr>
<td>France</td>
<td>46%</td>
<td>45%</td>
</tr>
<tr>
<td>UK</td>
<td>64%</td>
<td>64%</td>
</tr>
<tr>
<td>Japan</td>
<td>3%</td>
<td>40%</td>
</tr>
<tr>
<td>Spain</td>
<td>69%</td>
<td>64%</td>
</tr>
<tr>
<td>Brazil</td>
<td>38%</td>
<td>62%</td>
</tr>
<tr>
<td>US</td>
<td>60%</td>
<td>56%</td>
</tr>
<tr>
<td>Netherlands</td>
<td>71%</td>
<td>59%</td>
</tr>
<tr>
<td>Ireland</td>
<td>68%</td>
<td>56%</td>
</tr>
<tr>
<td>China</td>
<td>45%</td>
<td>32%</td>
</tr>
<tr>
<td>Indonesia</td>
<td>52%</td>
<td>32%</td>
</tr>
<tr>
<td>South Korea</td>
<td>52%</td>
<td>32%</td>
</tr>
</tbody>
</table>

A10. [Business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". (Top 4 Box) Informed publics 35-64 (global 18 countries, excluding Australia, Indonesia)
A60 Thinking about everything you have read, seen, or heard about business in the last year, in general, do you trust corporations a lot less, a little less, the same, a little more, or a lot more than you did at the same time last year? (Bottom 2 Box: Trust less) 25-64 Informed publics in 20 countries
In U.S., trust in business at lowest level, including post-Enron

![Diagram showing trust in business with data points from 2001 to 2009.]

**US**
- 2001: 32%
- 2002: 35%
- 2003: 41%
- 2004: 51%
- 2005: 48%
- 2006: 49%
- 2007: 53%
- 2008: 58%
- 2009: 38%

**UK/France/Germany**
- 2001: 30%
- 2002: 35%
- 2003: 40%
- 2004: 40%
- 2005: 36%
- 2006: 38%
- 2007: 34%
- 2008: 36%
- 2009: 36%

20 point drop

**U.S. is the new Europe**

A10. [Business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". (Top 4 Box) Informed publics 35-64 in the United States and UK/France/Germany.
Trust in government did not rise to offset lower trust in business

A8. [Government in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." (Top 4 Box) Informed publics 35-64 (global 18 countries, excluding Australia, Indonesia)
Business still more trusted than government in 13 of 20 countries

A 8, 10. [Government in general, business in general TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." (Top 4 Box) Informed publics 35-64 (global 20 countries, including Australia, Indonesia)

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A8-11. [TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you trust that institution to do what is right. Please use a nine-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." The higher the number, the more you TRUST them to do what is right. (Top 4 Box) Informed publics 35-64 (global 20 countries)
Technology remains most trusted industry sector globally

<table>
<thead>
<tr>
<th>Industry</th>
<th>2009</th>
<th>2008</th>
</tr>
</thead>
<tbody>
<tr>
<td>Technology</td>
<td>76%</td>
<td>77%</td>
</tr>
<tr>
<td>Biotech/life sciences</td>
<td>66%</td>
<td>65%</td>
</tr>
<tr>
<td>Health care industry</td>
<td>57%</td>
<td>61%</td>
</tr>
<tr>
<td>Automotive</td>
<td>57%</td>
<td>62%</td>
</tr>
<tr>
<td>CPG manufacturers</td>
<td>55%</td>
<td>55%</td>
</tr>
<tr>
<td>Energy</td>
<td>55%</td>
<td>57%</td>
</tr>
<tr>
<td>Retail</td>
<td>55%</td>
<td>59%</td>
</tr>
<tr>
<td>Food</td>
<td>55%</td>
<td>55%</td>
</tr>
<tr>
<td>Pharmaceuticals</td>
<td>N/A</td>
<td>53%</td>
</tr>
<tr>
<td>Entertainment</td>
<td>50%</td>
<td>53%</td>
</tr>
<tr>
<td>Banks</td>
<td>45%</td>
<td>56%</td>
</tr>
<tr>
<td>Media companies</td>
<td>42%</td>
<td>46%</td>
</tr>
<tr>
<td>Insurance</td>
<td>40%</td>
<td>45%</td>
</tr>
</tbody>
</table>
In U.S., trust in every industry declined

Banks and automotive led the way

A25-37. [TRACKING] Now I would like to focus on your trust in different industry sectors. Please tell me how much you TRUST businesses in each of the following industries to do what is right. Again, please use a nine-point scale, where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL." (Top 4 Box) Informed publics 35-64 in the United States
In the U.K., France, and Germany, trust in automotive, energy, banks, and media companies fell.

A25-37. [TRACKING] Now I would like to focus on your trust in different industry sectors. Please tell me how much you TRUST businesses in each of the following industries to do what is right. Again, please use a nine-point scale where one means that you “DO NOT TRUST THEM AT ALL” and nine means that you “TRUST THEM A GREAT DEAL.” (Top 4 Box) Informed publics 35-64
In emerging economies, industries that suffer in West remain trusted.
Companies headquartered in Sweden, Germany, and Canada remain most trusted; companies in China and Russia trusted the least.
Lack of Trust Triggers Call for Government Intervention

“...our problem is not just a deficit of dollars. It’s a deficit of accountability...a deficit of trust.”

– Barack Obama
By a 3:1 margin, informed publics agree government should impose stricter regulations and greater control over business across all industries.

Agree, 65%
Disagree, 22%
Neither agree nor disagree, 12%
Don't know, 1%

F146. The recent credit crisis and government bail-outs have led to debates on how much governments should intervene to regulate industry or nationalize companies to restore public trust. Please tell me how strongly you agree or disagree that your government should in the future impose stricter regulations and greater control over business across all industry sectors. (Informed publics 25-64 in 20 countries)
Four Global Issues:
Who Is Responsible for Causing and Solving?

- Financial Credit Crisis
- Energy Costs
- Global Warming
- Access to Affordable Healthcare
Government and business share responsibility for causing global issues

E. 119-120, E124-125, 129-130, 134-135. Now thinking about (energy costs, financial credit crisis, global warming, affordable healthcare), please tell me how responsible you think each of the following entities are for contributing to (global issue)? TOP 4 BOX 25-64 informed publics in 20 countries
Government held most responsible for solving these issues

Despite being most trusted institution globally, NGOs not considered most responsible for solutions

E138. And which ONE entity do you think should be MOST responsible for (solving each global issue)?
Informed publics 25-64 in 20 countries
Business has lost ability to lead unilaterally
Must partner with others to solve global issues

E139. Thinking about the role that business should play in helping to solve global issues such as energy costs, the financial credit crisis, global warming, or access to affordable healthcare, which of these following three statements is closest to your view? Business has to partner with governments and advocacy groups to solve these global issues, it cannot do it alone; OR Business should focus on what they themselves can do on these global issues, whether or not governments or others partner with them; OR Business should not play a part in helping to solve these global issues (Informed publics 25-64 in 20 countries)
Who Can We Trust?
Trust in Information Sources and Spokespeople Declines Across the Board

“Under the circumstances, I am tendering my resignation….I am now prepared to subject myself to the laws of the land and face the consequences thereof.”

– Ramalinga Raju, former chairman, Satyam Computers
Trust wanes for traditional information sources
Ranking stays consistent

C95-98, 103. [TRACKING] Now I’m going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company— is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries
Trust in digital channels down but still important
Internet search engines most trusted

C95-110. [TRACKING] Now I'm going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries
Trust in corporate channels also down
Employees most trusted source

Corporate communications such as press releases, reports and emails
A company’s own website
Corporate or product advertising

C99-101, 109, 110. [TRACKING] Now I'm going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 35-64 in 18 countries
Experts, peers, and employees top 2009 list of credible sources

- Stock or industry analyst reports: 48%
- Articles in business magazines: 44%
- Conversations with company employees: 40%
- Conversations with friends/peers: 40%
- News coverage on the radio: 38%
- Television news coverage: 36%
- Internet search engines: 35%
- Articles in newspapers: 34%
- Live communication such as a CEO: 29%
- Wikipedia or web portals: 29%
- Corporate communications: 27%
- A company’s own Web site: 24%
- Business Blogs: 20%
- Personal or non-business blogs: 17%
- Social networking sites: 16%
- Corporate or product advertising: 13%

C95-98,103. [TRACKING] Now I’m going to read you a list of places where you might get information about a company. Please tell me how credible you believe each one of them is as a source of information about the company—is it extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box), Informed publics ages 25-64 in 20 countries
CEO credibility hits new low globally
Driven by drops in North America and Europe

D112-118. [TRACKING] Now I’m going to read you a list of people. In general, when forming an opinion of a company, if you heard information about a company from that person, how credible would the information be--extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box) Informed Publics 35-64 in 18 countries
Trust in nearly every spokesperson down
Academics, industry experts most credible

D112-118. [TRACKING] Now I’m going to read you a list of people. In general, when forming an opinion of a company, if you heard information about a company from that person, how credible would the information be—extremely credible, very credible, somewhat credible, or not credible at all? (Top 2 Box) Informed publics 35-64 in 18 countries
Informed publics need information from multiple sources, multiple voices

And need to hear it 3-5 times to believe it

C111. Think about everything you see or hear every day about companies, whether it is positive or negative. How many times in general do you need to hear something about a specific company to believe that the information is likely to be true? Please give me a number.

25-64 Informed publics
The Business Case for Trust
Reputation, Sales, and License to Operate Driven by Trust and Transparency

“Trust is the cornerstone for the survival of an enterprise and a society.”

– China Daily
Communication and trust as important to reputation as value for money

- Offers high quality products or services: 94%
- Is a company that treats its employees well: 93%
- Communicates frequently and honestly on its business: 91%
- Is a company I trust: 91%
- Gives value for money: 91%
- Stays within the spirit and the letter of the law in [country]: 90%
- Has a strong financial future: 90%
- Has senior leadership that can be trusted: 89%
- Has a strong commitment to protect the environment: 87%
- Is an innovator of new products, services or ideas: 87%
- Creates and keeps jobs in your area: 86%
- Commits time, money and resources to the greater public good: 85%

B62-73. When you think of good and responsible companies, how important is each of the following factors to the overall reputation of the company? Please use a nine-point scale where one means that factor is “not at all important” and nine means it is “extremely important” to overall reputation. (Top 4 Box) 25-64 Informed publics in 20 countries
Through personal action, trust has tangible benefits

### Personal actions taken with trusted and distrusted companies

<table>
<thead>
<tr>
<th>Action</th>
<th>Trusted (%)</th>
<th>Distrusted (%)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Refused to buy their products/services</td>
<td>77%</td>
<td>91%</td>
</tr>
<tr>
<td>Criticized them to a friend or colleague</td>
<td>72%</td>
<td>76%</td>
</tr>
<tr>
<td>Chose to buy their products/services</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Recommended them to a friend or colleague</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Paid a premium for their products/services</td>
<td></td>
<td>55%</td>
</tr>
<tr>
<td>Shared positive company opinions/experiences online</td>
<td></td>
<td>42%</td>
</tr>
<tr>
<td>Sold shares</td>
<td>17%</td>
<td>26%</td>
</tr>
<tr>
<td>Bought shares</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

B74-78 Thinking back over the past 12 months, have you taken any of the following actions in relation to companies that you trust? Please answer yes or no to each action.
B79-82. Still thinking about the past 12 months, have you taken any of the following actions in relation to companies that you do not trust? Please answer yes or no to each action. Informed publics 25-64 in 20 countries
"I understand your disappointment, your anger. This situation is perfectly unacceptable."

– Daniel Bouton, former CEO of Société Générale
Trust in US business in general

Enron, the dot-com bust and September 11


“... an economy is a society of trust and faith. A recession is a mental event, and every recession has its own unique spirit. This recession was caused by deep imbalances and is propelled by a cascade of fundamental insecurities.”

—David Brooks, New York Times

A10. Business in General [TRACKING] I am going to read you a list of institutions. For each one, please tell me how much you TRUST that institution to do what is right. Please use a 9-point scale where one means that you "DO NOT TRUST THEM AT ALL" and nine means that you "TRUST THEM A GREAT DEAL". (Top 4 Box) Informed Publics 35-64 in the US
What We Have Learned

Diminished trust impedes business license to operate

Regulation ≠ abdication

A public company serves shareholders and society

Partnership is the solution
# Public Engagement: A Strategy for Changing Policy and Communication

<table>
<thead>
<tr>
<th>Private Sector Diplomacy</th>
<th>Mutual Social Responsibility</th>
</tr>
</thead>
<tbody>
<tr>
<td>Shared Sacrifice</td>
<td>Continuous Conversation</td>
</tr>
</tbody>
</table>
Private Sector Diplomacy

Shape policy on world’s most pressing problems, including ones that don’t concern company’s industry

Partner with government, NGOs to drive decision-making and set strategy on major societal issues

“…Come together—government, NGOs and business—in new approach to solving big problems facing our country. … This can work.”

– H. Lee Scott, Jr.,
President and CEO, Wal-Mart
Mutual Social Responsibility

Benefit society and the bottom line

Integrate approaches to societal problems into products and services

Involve employees and customers in decisions and actions about company’s social responsibility

Starbucks invites customers to partner as a force for good
Shared Sacrifice

Set collaborative tone for company: we’re all in this together

Equitable compensation (executive pay cuts, bonus forfeiting) sends powerful message

Communicate with employees, welcome their voices

“Heavy equipment maker Caterpillar Inc announced in late December it would cut executive pay in half, and many salaried employees would see cuts of as much as 15 percent.”

– Wall Street Journal
Continuous Conversation

Be agile and “of the moment”

Inform, don’t control the conversation

Say... then do as you say

Johnson & Johnson among first companies to join public conversation on health
The 2009 Edelman Trust Barometer is the firm’s 10th trust and credibility survey.

The survey was produced by research firm StrategyOne. The survey consisted of 30-minute telephone interviews conducted in November – December 2008. For the first time, the survey sampled two different age groups concurrently (25-34 and 35-64).

For more information on the Edelman Trust Barometer and to view past results, please visit www.edelman.com/trust.
# Methodology

## 10th Edelman Trust Barometer

<table>
<thead>
<tr>
<th>Global Reach</th>
<th>20 countries on five continents</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sample Size</td>
<td>N=4475 Total</td>
</tr>
<tr>
<td></td>
<td>N=3400 age 35-64 (20 countries)</td>
</tr>
<tr>
<td></td>
<td>N=1075 age 25-34 (20 countries)</td>
</tr>
<tr>
<td>Audience Profile</td>
<td>Informed Publics (same as 2008)</td>
</tr>
<tr>
<td></td>
<td>• College-educated</td>
</tr>
<tr>
<td></td>
<td>• In top 25% of household income per age group in each country</td>
</tr>
<tr>
<td></td>
<td>• Reported significant media consumption and engagement in business news and public policy</td>
</tr>
<tr>
<td>Field Dates</td>
<td>Nov 5 - Dec 14, 2008 (post-U.S. election)</td>
</tr>
</tbody>
</table>