Edelman Trust Barometer 2021

Special Report: Institutional Investors



Building ESG trust with investors is an uphill battle.

86% of U.S. investors believe that companies frequently overstate or exaggerate their ESG progress when disclosing results, and 72% of investors globally don't believe companies will achieve their ESG or DEI commitments.



Investors expect a rise in ESG-related litigation.

94% of U.S. investors anticipate more litigation as a result of companies not delivering on ESG promises.



Investors are pushing for climate action.

94% of U.S. investors expect companies to establish and communicate a net zero plan – however, 92% of U.S. investors are concerned companies are not effectively executing on these pledges.



Investors believe that employee activism signals a healthy workplace culture.

86% of U.S. investors say a workplace culture that fosters employee empowerment is important for building trust. 74% of global investors believe employee activism is indicative of a healthy workplace culture.



Investors hold the Board accountable for company culture.

71% of U.S. investors think it is important for the Board of Directors to be held accountable for maintaining a positive company culture.



Investors believe aggressive measures of activism lead to change.

95% of U.S. investors are interested in taking an activist approach to investing, and 74% indicate they would take aggressive activist measures. 94% of U.S. investors proactively approach activists with ideas for effecting change.



Environment and board structure are top activist issues in the U.S.

Over 75% of U.S. investors are likely to engage shareholder activism on eco efficiency of a company's operations, environmental impact of supply chain, and greenhouse emissions. 81% are likely to engage on board structure.



Retail investors are emerging as the next disruptor.

87% of U.S. investors agree that conversations taking place within online communities influence investment decisions and 89% of U.S. investors believe 'Meme Stocks' represent a targeted attack against institutional investors.

