



5 Key Insights from the American Public to Help Companies and Investors Lead Through Increasing Attacks on ESG and ‘Woke’ Companies

In December 2022, JUST Capital and polling partner The Harris Poll, in collaboration with Omidyar Network and The Ford Foundation, embarked on a qualitative research effort wherein we held eight small group discussions, broken into Republican, Democrat, Independent, and young Americans (ages 18-24) to ensure diversity of voices across key demographics. We asked more than 40 focus group participants to consider if and how companies should align with the principles of stakeholder capitalism, as the dialogue on “woke” companies and ESG investing continues to intensify.

Explore our five key takeaways from these conversations.

1. With great power comes great responsibility.

All focus group participants agreed that America’s largest companies have outsize influence – both positive and negative – on society and that this is felt particularly among their workers, their customers, and the communities where they operate. They also believe that companies should do their best to make a positive impact on society.

2. There is trust. But only with action.

We heard notable skepticism around whether companies could be trusted to actually do the right thing by their various stakeholders. Specifically, there was a lot of discussion around companies’ tendency to offer words before deeds, and that any trust must be earned through action that can be seen and experienced.

3. Stakeholder Capitalism > Shareholder Primacy

We presented participants with two operational models of business and asked which model they preferred:

Company A	Company B
has a “shareholders focus” where it only focuses on serving the interests of its investors or shareholders, with a big focus on profitability and returns.	focuses on serving not just its shareholders, but also its other stakeholders such as employees, customers, communities, and the environment.

Participants overwhelmingly chose the second, stakeholder-focused model as the preferred option. We heard positive assessments of the stakeholder model across all demographics, including across party lines, with Republican-only and Independent-only groups preferring this model.

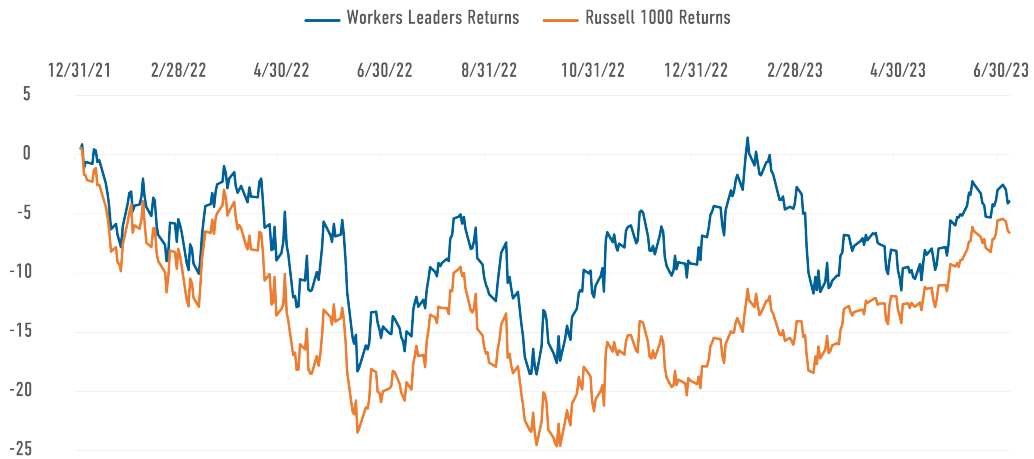
4. Whatever we call ESG, it’s a better way of investing.

When polled for awareness, only a few participants said they had heard of the term “ESG.” Many on both sides of the aisle agreed that considering non-financial metrics is part-and-parcel of a sound investment strategy and prefer to let financial service providers use their expertise to make decisions when it comes to what factors to evaluate and where to make investments.

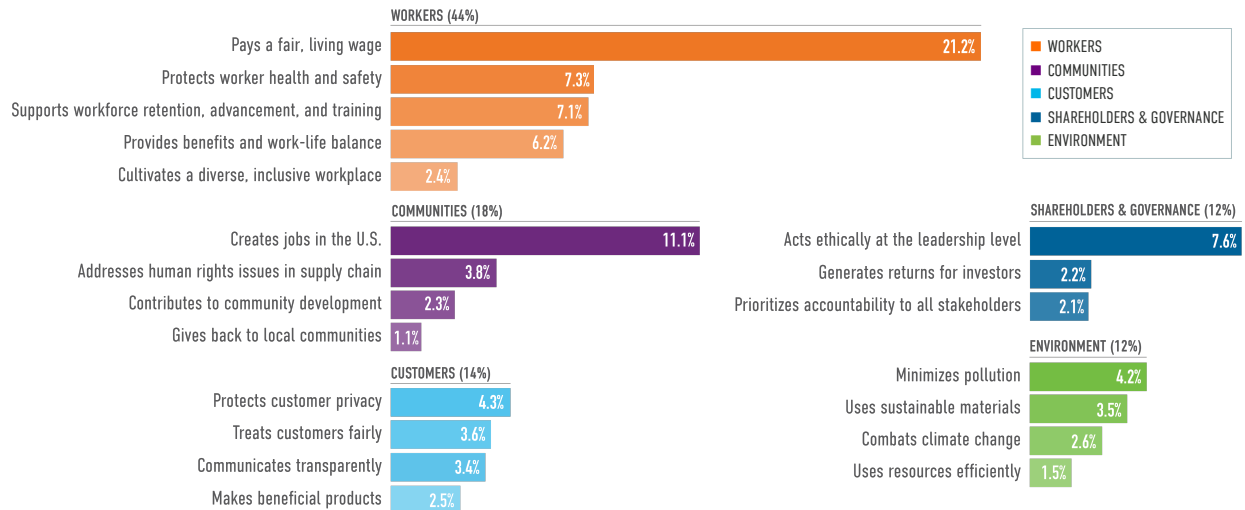
5. Investing in workers cuts through the noise and demonstrates leadership.

In every group, worker issues were top-mentioned as a way to positively impact society, including by increasing pay, as well as by providing benefits packages, time off and mental health benefits. With inflation and cost of living the two most referenced issues on the minds of respondents, they rallied around the message that now is the time to invest in the American worker.

Workers Leaders vs. Russell 1000 Benchmark



2022 Priority Issues by Stakeholder



2022 Annual Survey: Priorities by Demographic

Overall	Stakeholders	Black	Hispanic	White	Republican	Democrat	Low-wage	Women	Under 30	65 plus	Active Investors	Higher Priority
1	Workers	1	1	1	1	1	1	1	1	1	1	1
2	Communities	2	2	2	2	2	2	2	2	3	2	2
3	Customers	3	3	3	3	4	3	3	4	4	3	4
4	Shareholders	4	5	4	4	5	5	5	5	2	4	5
5	Environment	5	4	5	5	3	4	4	3	5	5	Lower Priority

Overall	Top 5 Issues	Black	Hispanic	White	Republican	Democrat	Low-wage	Women	Under 30	65 plus	Active Investors	Higher Priority
1	Pays a fair, living wage	1	1	1	1	1	1	1	1	1	1	1
2	Creates jobs in the U.S.	2	2	2	2	2	2	2	3	3	2	2
3	Acts ethically at the leadership level	4	8	3	4	4	5	5	5	2	3	4
4	Protects worker health and safety	3	4	4	5	3	3	3	2	5	5	5
5	Supports workforce retention, advancement, and training	5	3	5	3	6	4	4	6	4	4	Lower Priority