Trust in Canada

Edelman Trust
Barometer 2020

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#TrustBarometer
www.edelman.ca/trust-
barometer/trust-barometer-2020

20TH ANNUAL EDELMAN TRUST BAROMETER

Methodology

Online survey in 28 markets

34,000+ respondents total

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

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

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

Gen Z MOE: 28-market = +/- 1.5% (N=4,310)
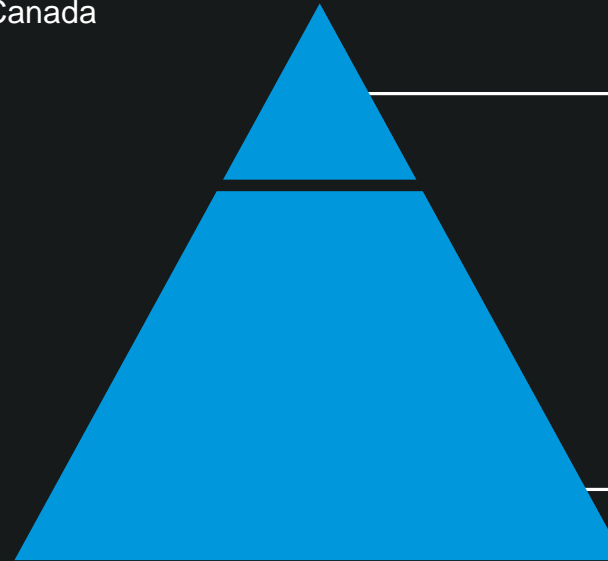Market-specific = +/- 5.3 to 10.5% (N=min 88, varies by market).

General Online Population

1,150 respondents per market;

Ages **18+**

All slides show general online population data unless otherwise noted

1,500 in Canada

2020 Gen Z oversample

250 respondents age **18-24** per market

Informed Public

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

Represents **17%** of total global population

Must meet 4 criteria

▸ Ages **25-64**

▸ College-educated

▸ In top **25%** of household income per age group in each market

▸ Report significant media consumption and engagement in public policy and business news

Mass Population

All population not including informed public

Represents **83%** of total global population

TRUST ESSENTIAL FOR FUTURE SUCCESS

20 years of Edelman research on trust

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

TRUST MATTERS TO…

CONSUMERS

Trusted companies have **stronger consumer buyers and advocates**

EMPLOYEES

Trust **drives workplace recommendations**

INVESTORS

Trusted companies are more likely to **receive institutional investment**

REGULATORS

Trusted companies have **greater license to operate**

RESILIENCE AGAINST RISK

Trusted companies are **more resilient in the face of crisis**

THE MARKET

Trusted companies' stock **outperform their respective sectors**

MEDIA COVERAGE

Trusted companies are **more immune to the media cycle**

20 YEARS OF TRUST

2001	2002	2003	2004	2005	2006	2007	2008	2009	2010
Rising Influence of NGOs	Fall of the Celebrity CEO	Earned Media More Credible Than Advertising	U.S. Companies in Europe Suffer Trust Discount	Trust Shifts from "Authorities" to Peers	A "Person Like Me" Emerges as Credible Spokesperson	Business More Trusted Than Government and Media	Young People Have More Trust in Business	Trust in Business Plummets	Performance and Transparency Essential to Trust

2011	2012	2013	2014	2015	2016	2017	2018	2019	**2020**
Business Must Partner With Government to Regain Trust	Fall of Government	Crisis of Leadership	Business to Lead the Debate for Change	Trust is Essential to Innovation	Growing Inequality of Trust	Trust in Crisis	The Battle for Truth	Trust at Work	**Trust: Competence and Ethics**

CONTINUED DISTRUST

Trust Index

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

12 of 26 markets are distrusters, down 2 from 2019

2019 General population

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

2020 General population

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

Canada ▼ -3

Distrust (1-49) **Neutral** (50-59) **Trust** (60-100)

− 0 +

Change, 2019 to 2020
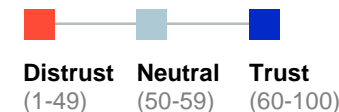
Declines in

Market	Change
Saudi Arabia	-9
UAE	-6
Hong Kong	-5
Canada	-3
U.S.	-2
Australia	-1
S. Africa	-1
U.K.	-1

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TRUST RISES FOR INFORMED PUBLIC, BUT DROPS IN CANADA

Trust Index

2019 Informed Public

Score	Market
64	Global 26
88	China
84	Saudi Arabia
83	India
83	Indonesia
83	UAE
74	**Canada**
70	Malaysia
69	Singapore
68	Mexico
67	The Netherlands
66	Hong Kong
64	U.K.
61	S. Korea
60	Germany
60	U.S.
59	Australia
59	France
56	Colombia
53	Argentina
53	Italy
53	Japan
53	S. Africa
51	Brazil
48	Ireland
47	Spain
35	Russia

2020 Informed public

Score	Market
65	Global 26
90	China
87	India
82	Indonesia
80	Saudi Arabia
75	UAE
71	Mexico
71	Singapore
68	Australia
68	Malaysia
67	**Canada**
67	The Netherlands
64	Germany
64	Italy
63	France
62	Colombia
60	Argentina
60	Brazil
60	Ireland
59	Spain
57	U.K.
54	Hong Kong
53	Japan
53	U.S.
50	S. Korea
49	S. Africa
41	Russia

Canada: -7

Distrust (1-49) **Neutral** (50-59) **Trust** (60-100)

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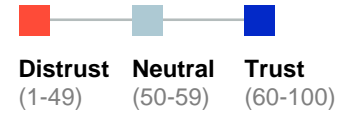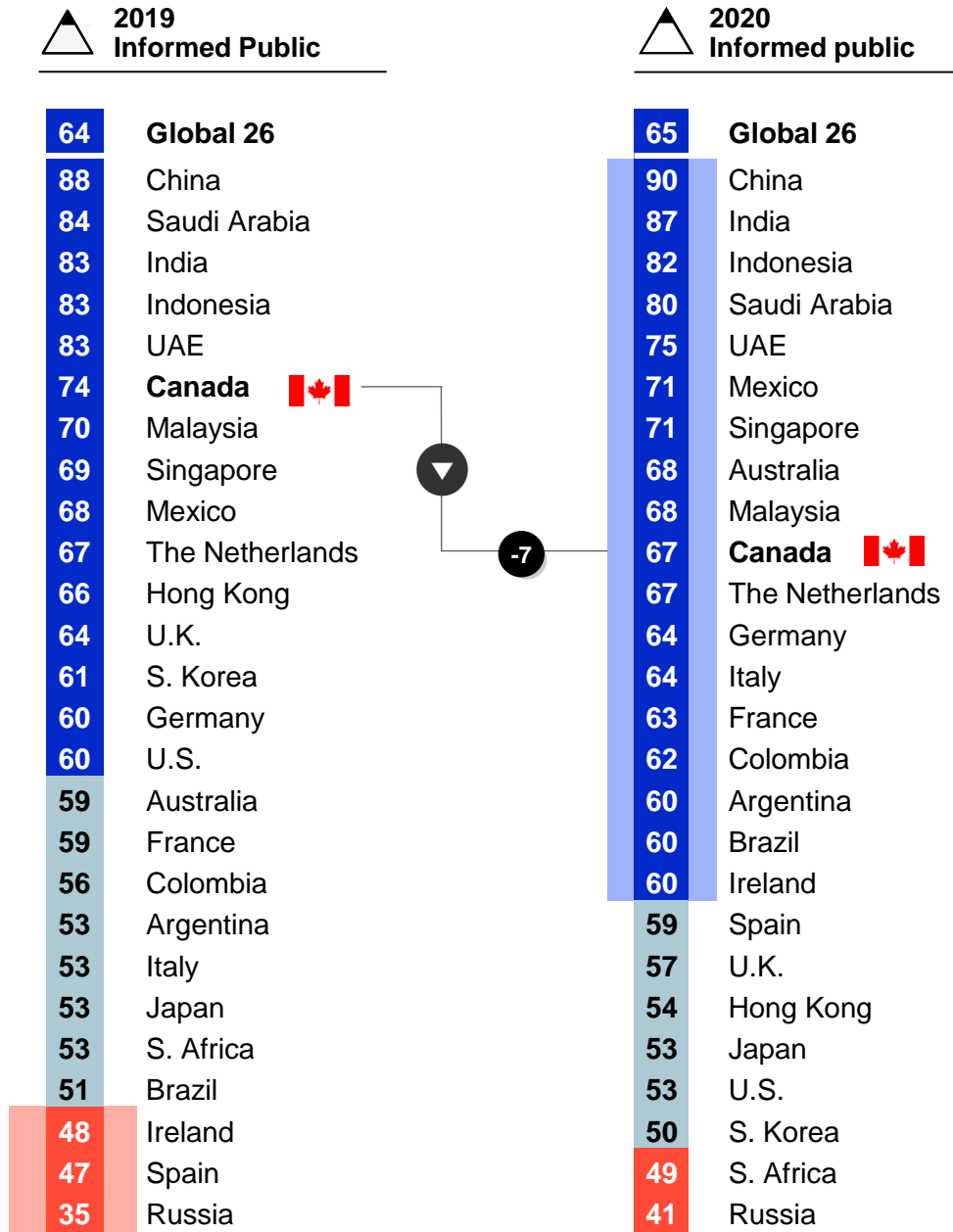
TRUST INEQUALITY PERSISTS IN CANADA

Trust index, Canada
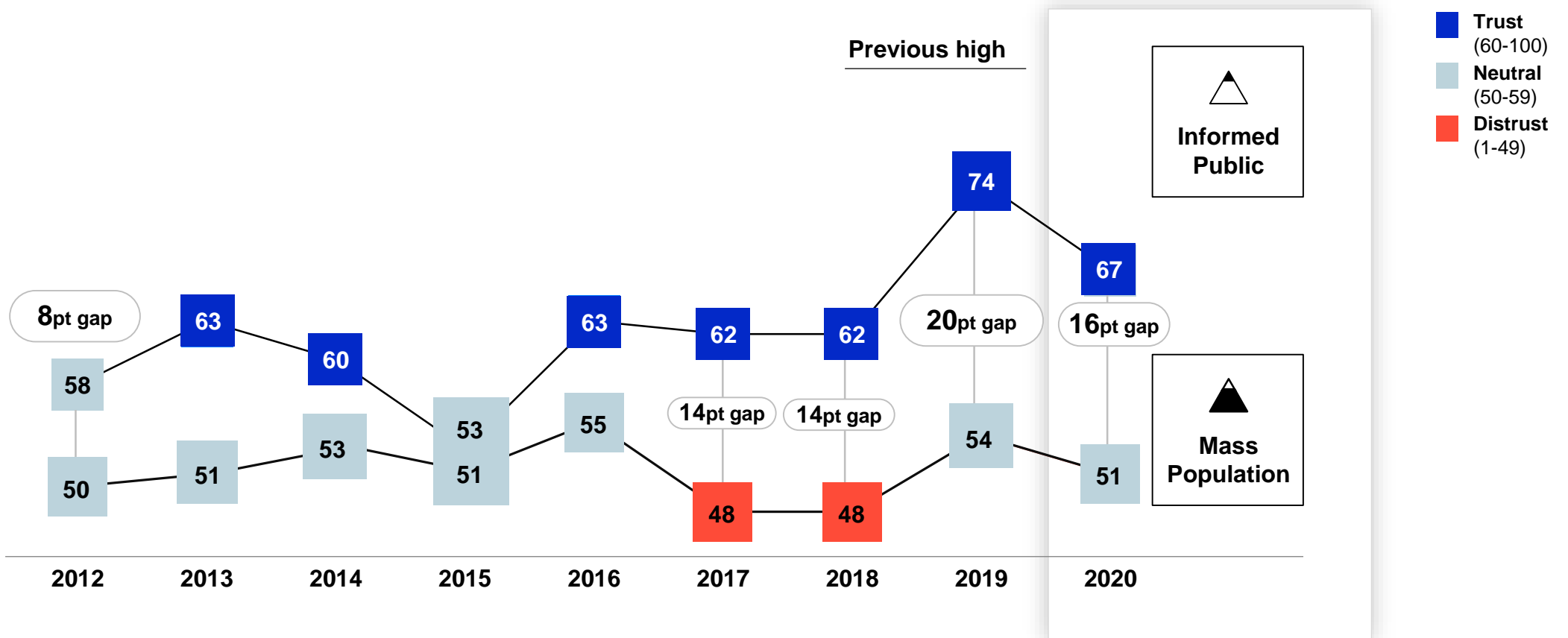
Previous high

	Trust (60-100)
	Neutral (50-59)
	Distrust (1-49)

Informed Public

Mass Population

8pt gap

| 2012 | 2013 | 2014 | 2015 | 2016 | 2017 | 2018 | 2019 | 2020 |

58 / 50 — 63 — 60 — 63 / 62 / 62 / 74 / 67

53 / 53 / 55 — 54 / 51

51 / 53 / 51 — 48 / 48

14pt gap **14**pt gap **20**pt gap **16**pt gap

TWO DIFFERENT TRUST REALITIES

Per cent trust in Canada

Distrust Neutral Trust

	NGOs	Business	Government	Media

Informed public
All four institutions trusted

NGOs	Business	Government	Media
76 — 75	73 — 64	73 — 64	72 — 64
2019 2020	2019 2020	2019 2020	2019 2020

Trust gap, informed public vs. mass population

22	13	15	12

Mass population
No institutions trusted

NGOs	Business	Government	Media
56 — 53	53 — 51	50 — 49	55 — 52
2019 2020	2019 2020	2019 2020	2019 2020

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STRONG SENSE OF INJUSTICE; LACK OF CONFIDENCE IN THE SYSTEM

Per cent in Canada who agree

- — 0 — + Change, 2019 to 2020

How true is this for you?

Sense of injustice	**74**
Desire for change	**69**
Lack of confidence	**65**
Lack of hope	**30**

53

32

15

-1 -3 +4

The system is...   **Working for me**   **Not sure**   **Failing me**
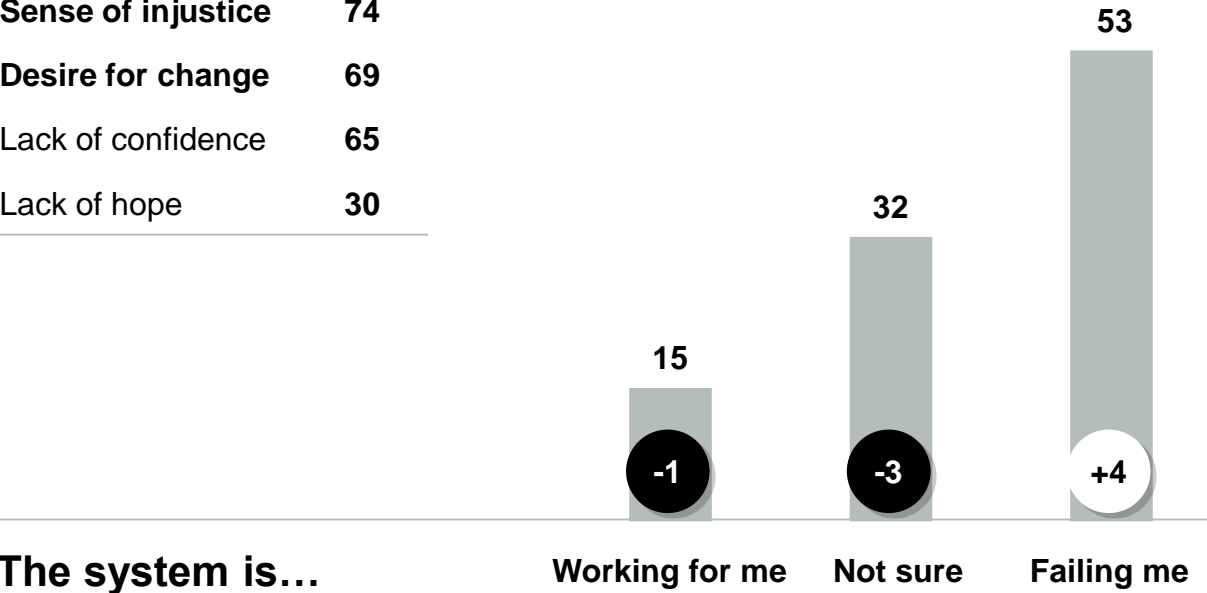
Capitalism as it exists today **does more harm than good in the world**

⊥

47%

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PESSIMISM ABOUT ECONOMIC PROSPECTS

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

(-)——(0)——(+) Change, 2019 to 2020

Majority pessimistic in 15 of 28 markets

Market	Value	Change
Global 26	47	-5
Japan	15	-3
France	19	-4
Germany	23	-4
U.K.	27	-2
Italy	29	-7
Hong Kong	31	-9
The Netherlands	31	0
Australia	32	-2
Russia	34	-6
Canada	35	-2
S. Korea	36	-4
Ireland	37	-10
Spain	37	-9
Singapore	42	-8
U.S.	43	-7
S. Africa	57	+1
Argentina	58	-2
Thailand	59	n/a
Malaysia	60	-10
Mexico	66	-9
Saudi Arabia	68	-4
China	69	-6
Brazil	70	-4
UAE	75	+3
Colombia	77	-8
India	77	-5
Indonesia	80	-3
Kenya	90	n/a

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WORRY ABOUT THE FUTURE OF WORK

Per cent of employees in Canada who worry about job loss due to each issue

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

⊥

76%

Freelance/gig economy	56
Lack of training/skills	50
Looming recession	49
Automation	45
Immigrants who work for less	43
Cheaper foreign competitors	42
Jobs moved to other countries	36
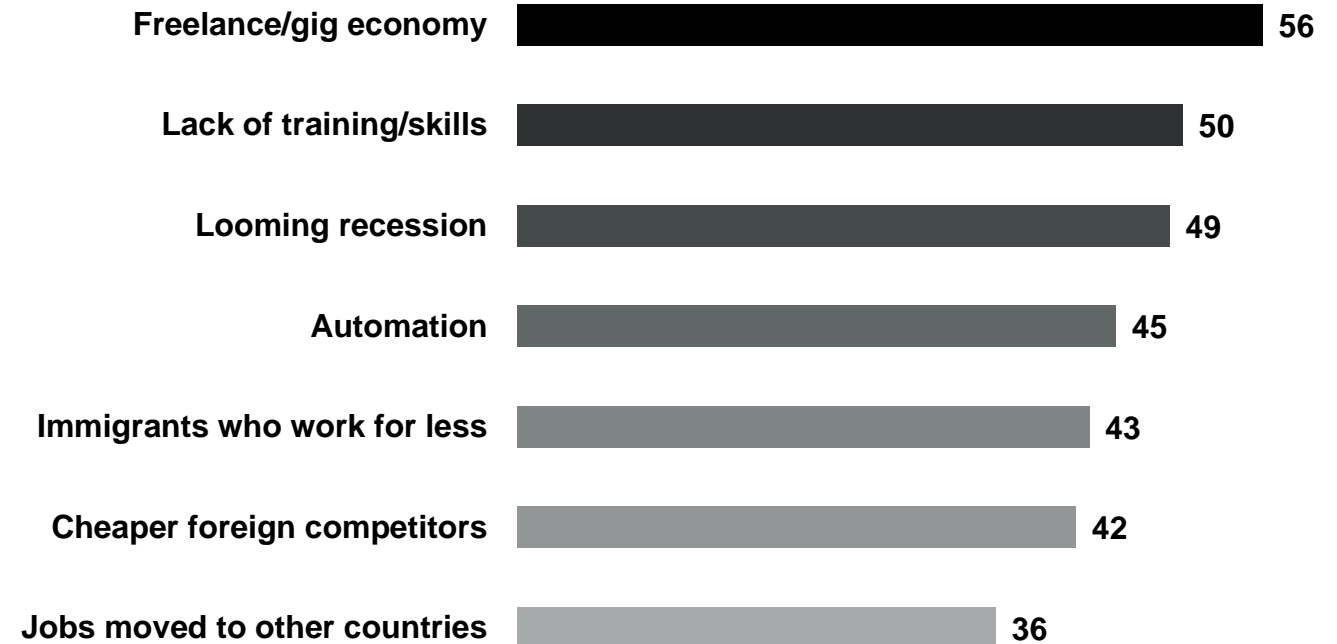
TRUST DECLINES ACROSS SECTORS

Per cent trust in each sector in Canada

Change, 2019 to 2020

Distrust Neutral Trust

Sector	Value	Change
Fashion	51	-8
Telecommunications	52	-10
Financial services	56	-8
Consumer packaged goods	57	-11
Energy	58	-5
Automotive	60	-5
Entertainment	61	-7
Retail	64	-7
Food and beverage	66	-7
Manufacturing	66	-5
Professional services	67	-4
Technology	68	-8
Transportation	68	-3
Healthcare	69	-3
Education	70	-4
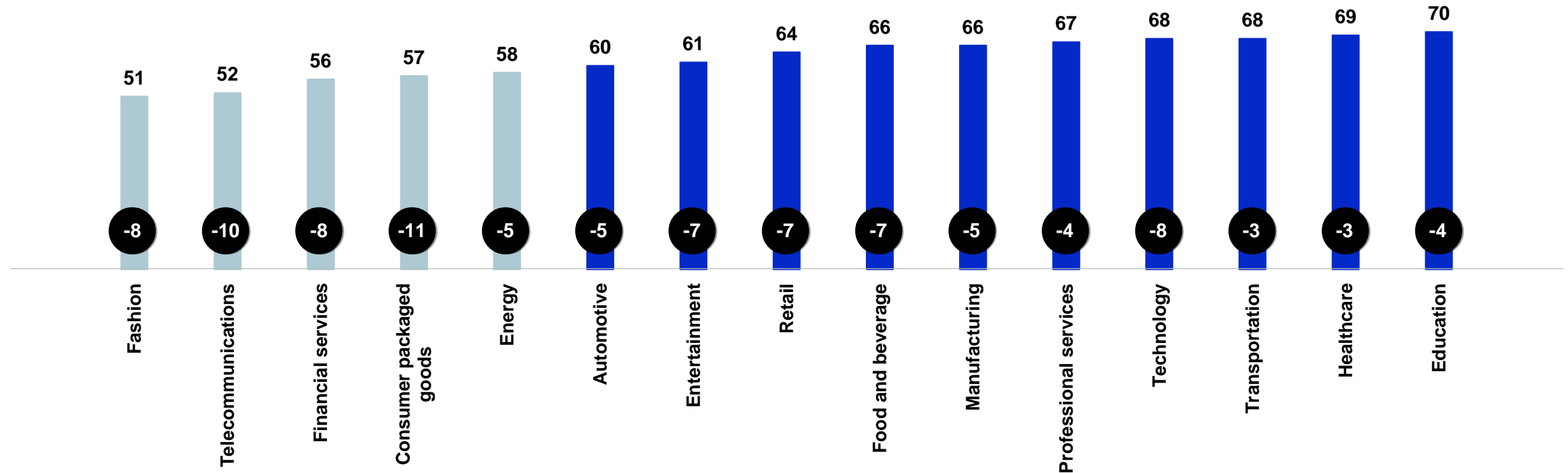
WORRY TECHNOLOGY IS OUT OF CONTROL

Per cent in Canada who agree

The pace of change in technology is **too fast**	Government **does not understand emerging technologies** enough to regulate them effectively	I worry technology will make it impossible to know if **what people are seeing or hearing is real**
⊥	⊥	⊥
62%	**65**%	**66**%

TRUST IN NEWS AND INFORMATION SOURCES DECLINES

Per cent trust in each source for general news and information in Canada

SOCIETAL LEADERS NOT TRUSTED TO ADDRESS CHALLENGES

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

65%

Per cent trust in Canada

Distrust · Neutral · Trust

Scientists	People in my local community	Citizens of my country	Journalists	CEOs	Government leaders	Religious leaders	The very wealthy
83	78	72	58	42	42	40	33
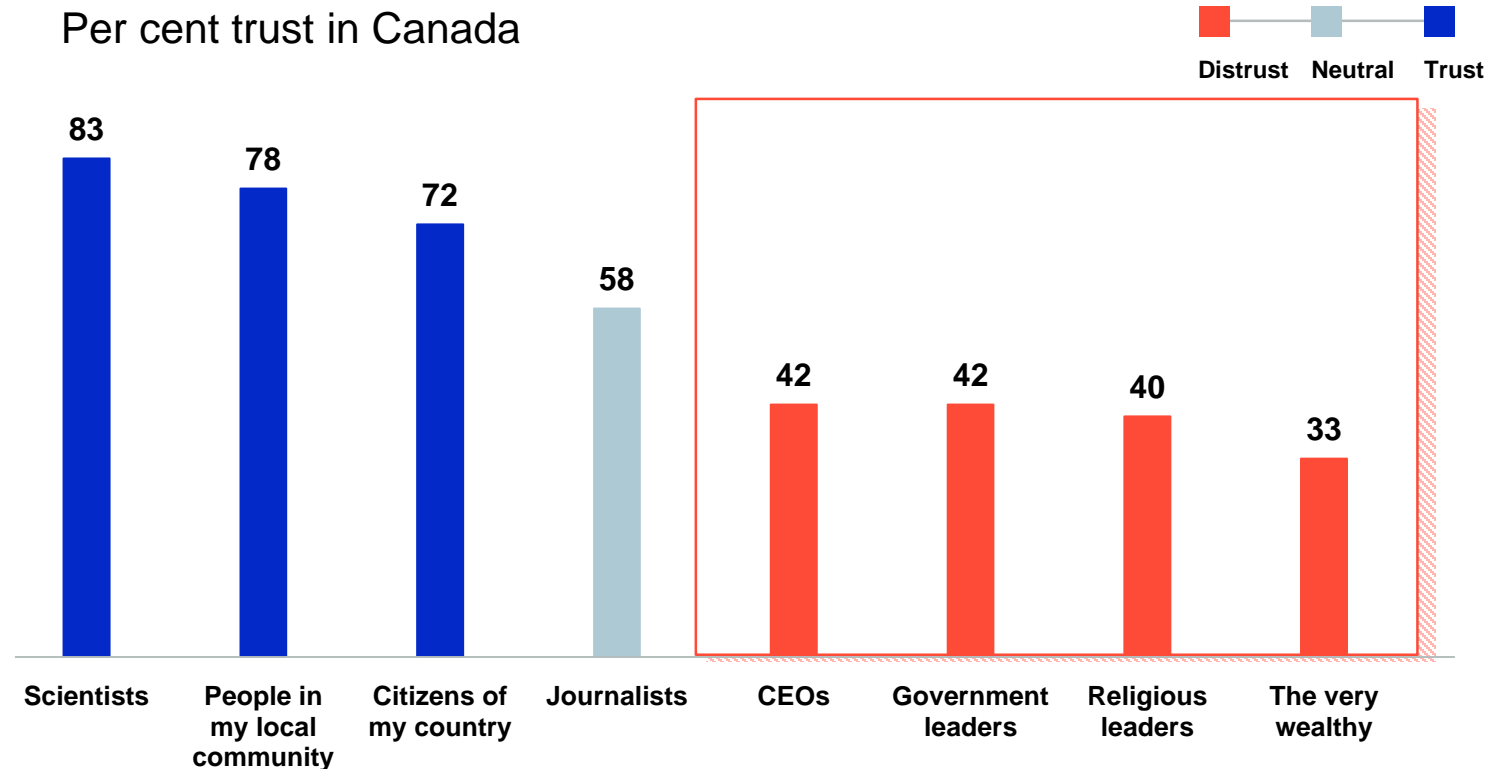
TRUST IS BUILT ON COMPETENCE AND ETHICS

20

NO INSTITUTION SEEN AS BOTH COMPETENT AND ETHICAL
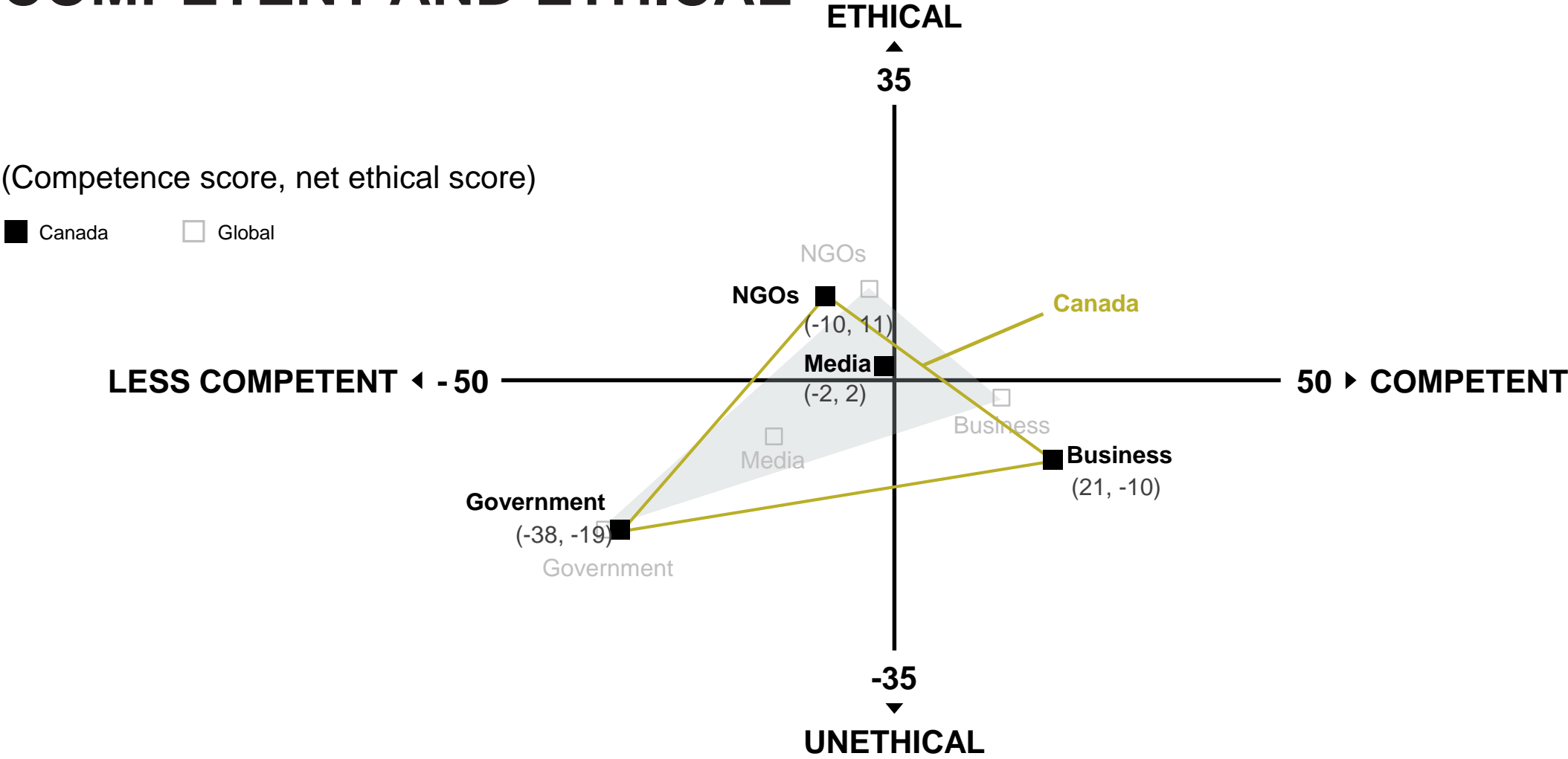
ETHICAL

35

(Competence score, net ethical score)

■ Canada   □ Global

NGOs

NGOs ■
(-10, 11)

Canada

Media ■
(-2, 2)

LESS COMPETENT ◄ - 50   50 ► COMPETENT

Business

Business ■
(21, -10)

Media □

Government
(-38, -19) ■

Government

-35

UNETHICAL

WHEN IT COMES TO TRUST, ETHICS IS IN THE DRIVER'S SEAT

Per cent of predictable variance in trust explained by each dimension

Competence

24%

Ethics

76%

Integrity
49

Ability
24

Dependability
15

Purpose
12
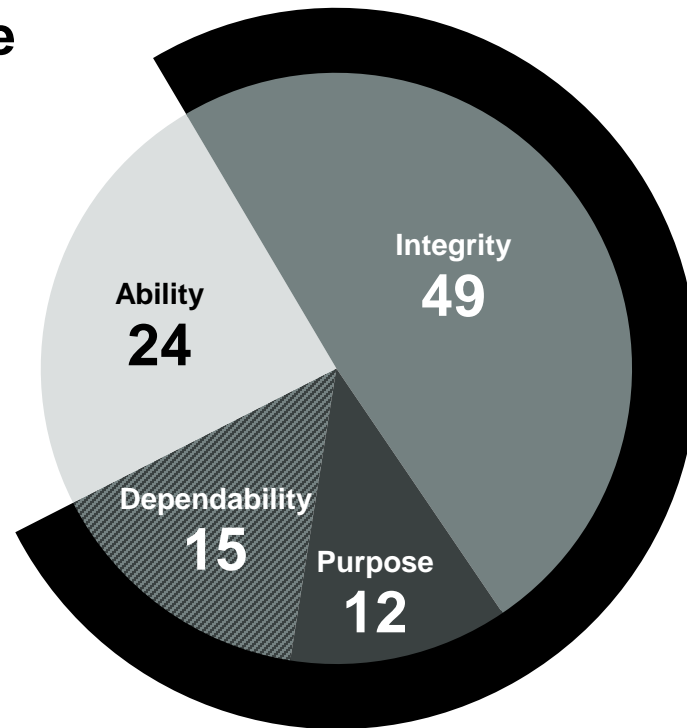
Biarritz, August 2019

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

New York, September 2019

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

Toronto, November 2019

Maple Leaf Foods becomes the first major food company in the world to be carbon neutral.

New York, January 2020

BlackRock shifts investment strategy to focus on sustainability

2019 Edelman Trust Management Tracking Study. U.S., U.K. and German general population data, collected between January and December of 2019, based on 40 major companies.

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OVERCOME SKEPTICISM THROUGH ACTION

SERVE THE INTERESTS OF ALL STAKEHOLDERS

Per cent in Canada who ranked each group as most important

Per cent in Canada who agree

Pie chart:
- Employees 45
- Customers 38
- Shareholders 9
- Communities 8

91%

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

74%

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

CEOS MUST LEAD

Per cent in Canada who agree

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

80%

+12 pts

Change, 2018 to 2020
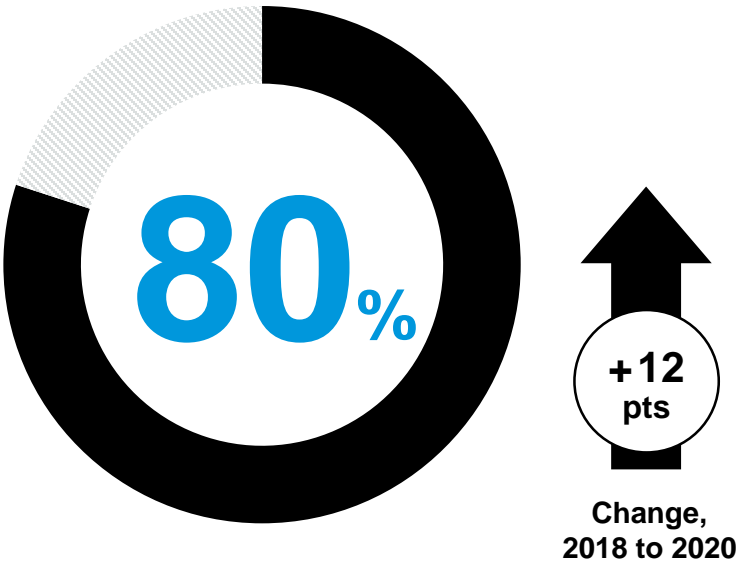
It is important that **my employer's CEO speak out**
on one or more of these issues

89%
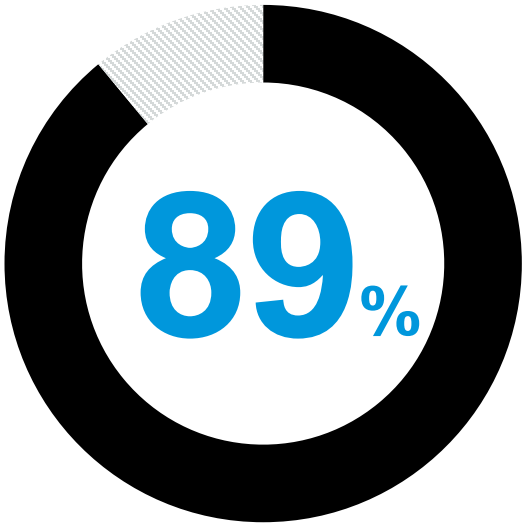
Training for jobs of the future	81
Ethical use of tech	75
Automation's impact on jobs	74
Income inequality	74
Diversity	70
Climate change	67
Immigration	53

EMPLOYEES EXPECT TO BE ENGAGED AND INVOLVED
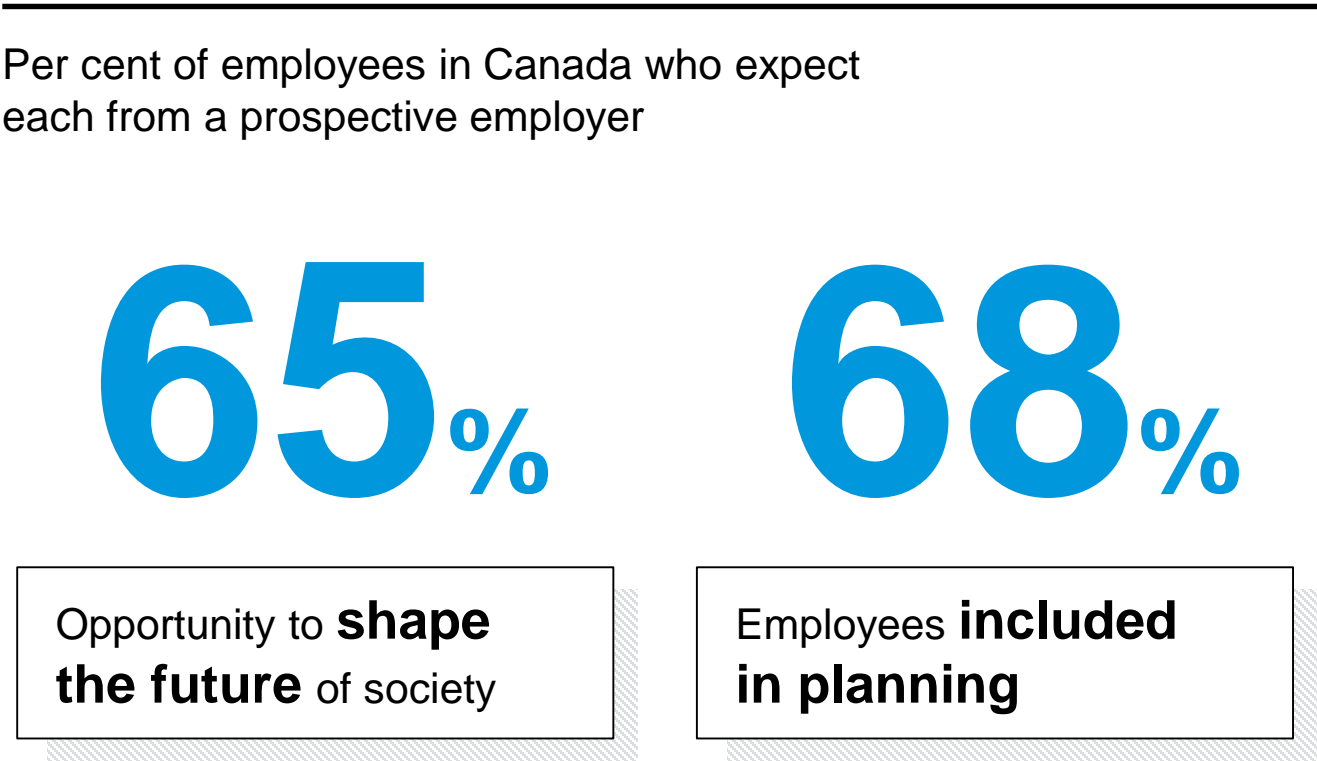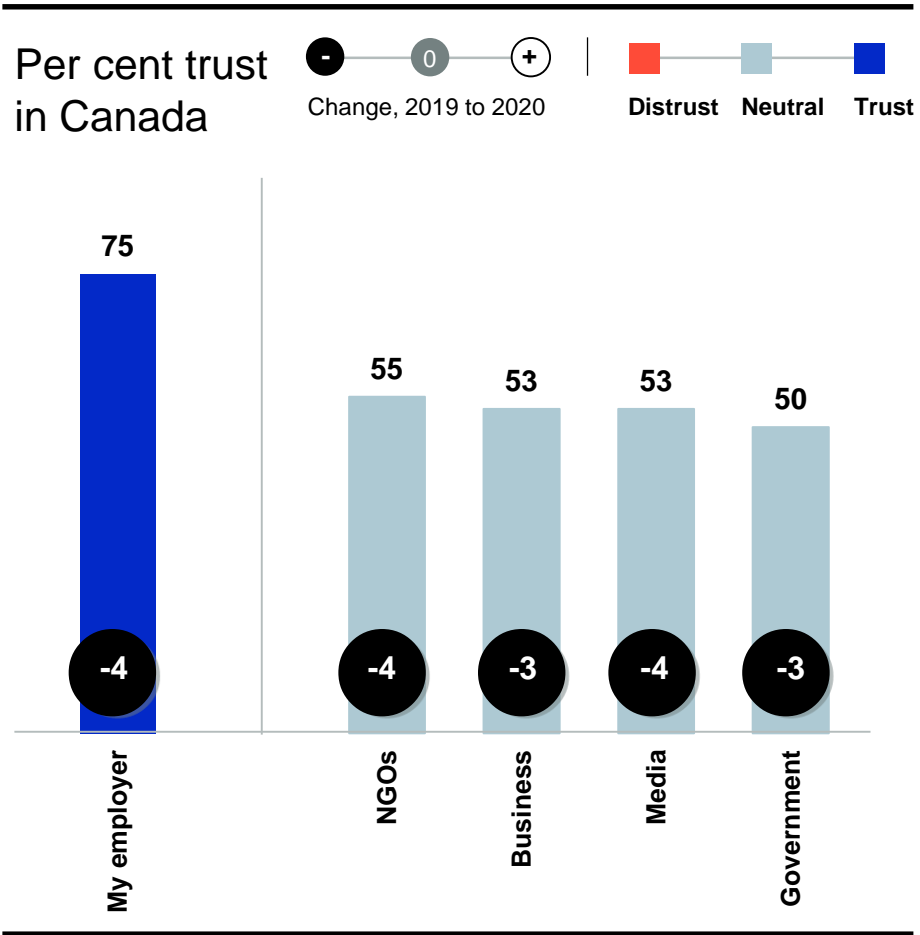
Per cent trust in Canada

(-) — (0) — (+) Change, 2019 to 2020

■ Distrust ■ Neutral ■ Trust

Institution	Value	Change
My employer	75	-4
NGOs	55	-4
Business	53	-3
Media	53	-4
Government	50	-3

Per cent of employees in Canada who expect each from a prospective employer

65%

Opportunity to **shape the future** of society

68%

Employees **included in planning**

PARTNERSHIP BETWEEN BUSINESS AND GOVERNMENT ESSENTIAL ON JOBS

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

Protect workers in the **gig economy**

In Canada

Government	**44**
Business	**28**
NGOs	**19**
Media	**8**

Workforce retraining necessary as a result of automation

In Canada

Business	**40**
Government	**35**
NGOs	**18**
Media	**7**

OPPORTUNITY FOR ACTION ON PRIORITY TRUST DRIVERS

Per cent in Canada who think each institution is doing well/very well on the issue

NGOs	
Transparency about funding	28
Avoid becoming politicized	29
Expose corruption	30
Partner with business	**33**
Set goals with regular public updates	34

Business	
Partner with NGOs	**27**
Partner with government	**30**
Sustainable business practices	35
Jobs that pay a decent wage	35
Invest in employee training	37

Government	
Reduce partisanship	19
Partner with NGOs	**24**
Community-level problems	27
Partner with business	**29**
Social services for the poor	30

Media	
Keep social media clean	35
Important vs sensationalized	38
Being objective	38
Differentiate opinion and fact	39
Information quality	40

KEY TAKEAWAYS

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Redefine leadership
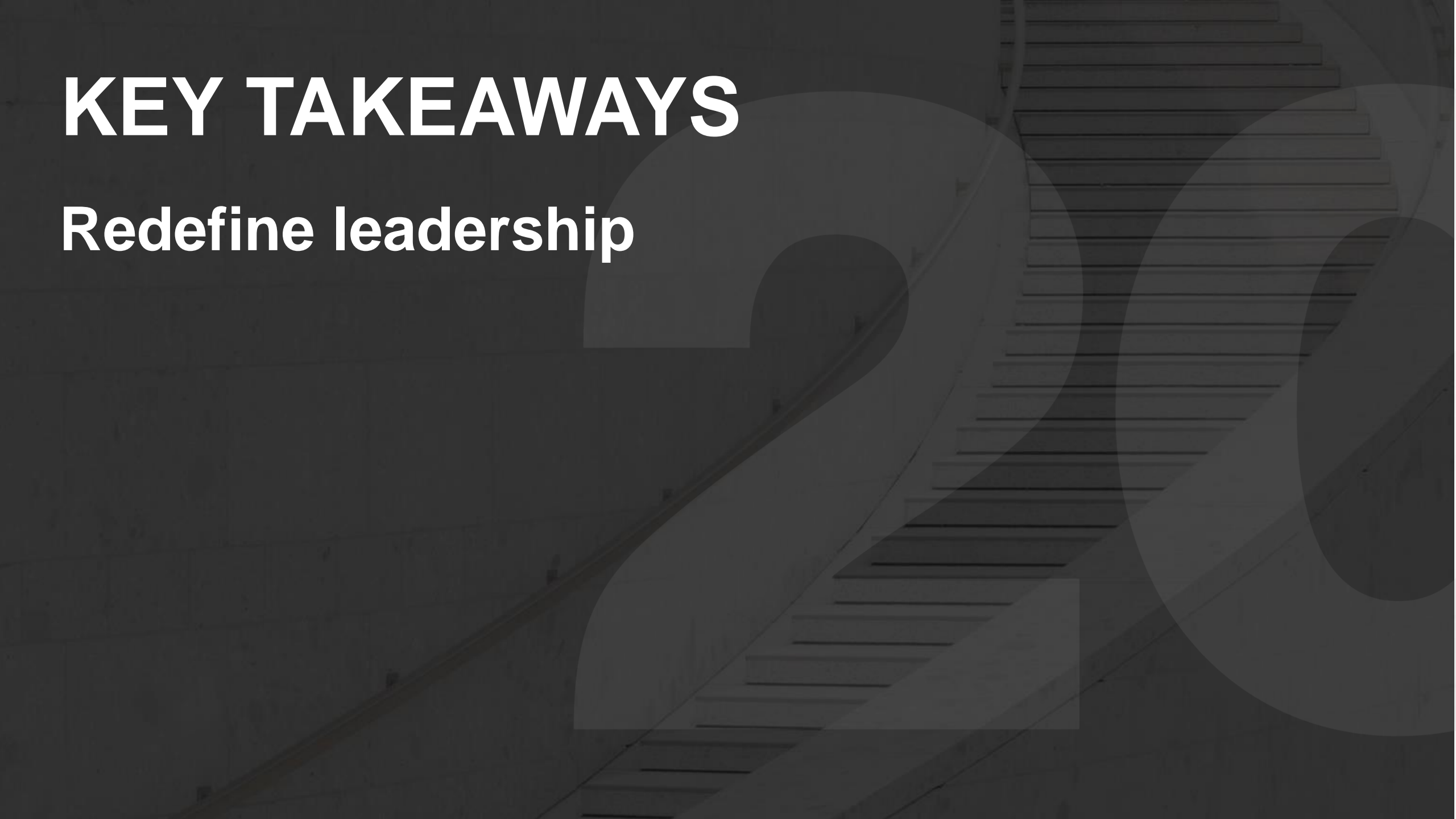
KEY TAKEAWAYS

Redefine leadership

Embrace stakeholders, not just shareholders

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Partner across institutions

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Battle for trust hinges on integrity, dependability and purpose