



A Change of Climate – Are ESG issues fading from view?

A quarterly review of ESG thought
leadership themes in the media

Spring 2023

lutherpendragon

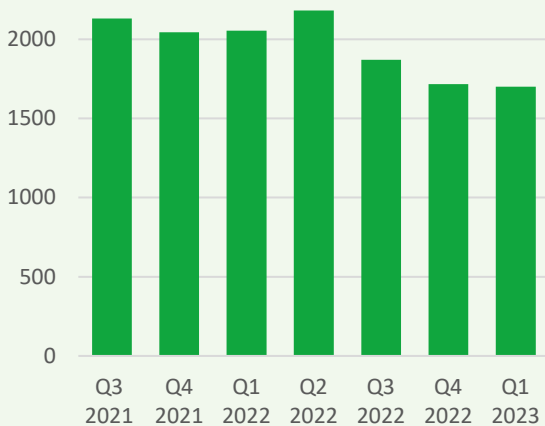
Executive Summary

Luther Pendragon's new AI-driven research of ESG thought leadership coverage reveals that ESG issues are having to compete harder than ever for media attention.

The first quarter of 2023 saw the lowest volume of national media stories on ESG thought leadership since our analysis began in 2021. This reflects a steady decline after a period of very high coverage – continuing the pattern noted in our last report, [Unsustainable: Focus on ESG falls amid an age of crisis](#). Despite the occurrence of significant environmental, social and governance-related events, media coverage of ESG thought leadership is cooling from a very high base. However, for those organisations that can identify new and salient thinking and clear analysis there is plenty appetite for insight on ESG matters.

This report, the latest in our quarterly series, explores how organisations can use thought leadership to capitalise on the opportunity this creates: to play a leading role in drawing public attention to the most important issues of our time.

ESG thought leadership coverage



Environmental decline

The first quarter of 2023 saw a rise in media coverage of environmental thought leadership.

Nevertheless, this quarter had the second-lowest number of stories since Luther's analysis began. This is striking, because during Q1 the UN published a landmark report revealing that the goal of limiting global warming to 1.5C is now effectively out of reach. Arguably thought leaders could have made more of this excellent opportunity to set out their thinking on this issue. This report will look at why environmental thought leadership has reduced in recent quarters, despite these events providing powerful focal points on the issue.

The pattern is part of a gradual decline in the number of national media stories covering environmental thought leadership. Coverage of the environment has now been lower than expected in successive quarters. The biggest drop took place last summer, suggesting a lagging impact from the invasion of Ukraine in late February 2022, with news and insight focused on the war and its tragic and tumultuous effects.

Although it was expected that levels of coverage would rebound, this has not been the case. As previous reports have acknowledged, political and economic events have meant that the environmental issues have been competing for media attention, potentially suppressing coverage of thought leadership. The news agenda is, it seems, busier than ever. To stay ahead of the curve, organisations must publish thought leadership shortly after major events, drawing media attention with predictions about how their impact could manifest.

High on the agenda

The level of thought leadership coverage of social issues in Q1 2023 was more than a fifth lower than the previous quarter. Of note, however, was the jump in coverage of gender equality during March.

This was partly driven by Jeremy Hunt's Spring Budget, which included a flagship policy on childcare and created space for thought leadership on gender equality in the workplace. International Women's Day (IWD) was also used as an effective 'hook' by many organisations to publish their insights into the issue, an effective strategy that drove the increase of coverage in March.

This issue looks set to remain on the news agenda and the theme will continue to provide opportunity for thought leaders to gain attention and engagement.

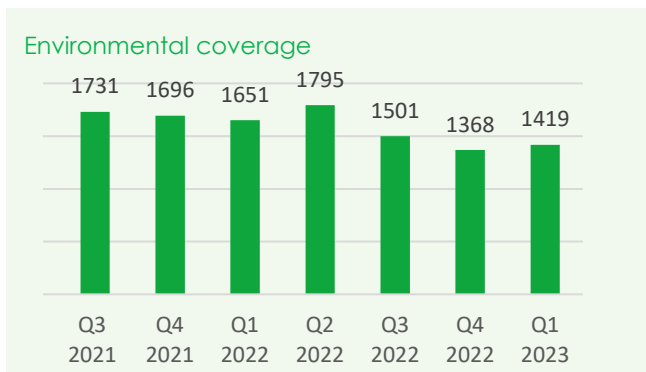
Equity, Diversity and Inclusion

Governance remained the least covered thought leadership topic in Q1, with coverage falling by 15% on a quarterly basis. While achieving the least coverage, governance continued its trend of taking up a larger share of ESG coverage overall.

Tax transparency, stewardship and board diversity retained their place as the most covered topics, although there were fewer stories on board diversity thought leadership. Corporate governance, however, saw higher than usual results because of a report on the declining fortunes of the UK equities market – a decline likely to continue into Q2, with the media primed to notice original insights on the topic.

Environment

Environmental thought leadership coverage was comparable with the last two quarters of 2022, but considerably lower than the high levels of coverage achieved in previous years. Q1 of this year saw the second lowest level of coverage since Luther's analysis began.



Although this decline is a notable trend, in terms of media attention the absolute numbers remain high. Environmental issues remain high in the global agenda and conversation.

That Q1 2023 didn't see a much larger increase than it did may come as a surprise. The UN Intergovernmental Panel on Climate Change's (IPCC's) warning that nations were failing to hit their climate targets would leave many anticipating a surge in thought leadership.

The UN report found that the goal of keeping global warming below 1.5C, codified by the 2015 Paris climate agreement, has become all but impossible. That a finding of such existential importance, by one of the topic's most authoritative voices, did not generate corresponding levels of coverage continues a pattern noted in our previous report.

Our most recent report, [Unsustainable: Focus on ESG falls amid an age of crisis](#), found that in Q4 2022, environmental thought leadership coverage reached its lowest point since Luther's analysis began – despite the COP27 climate summit taking place that quarter.

For two successive quarters, therefore, high-profile environmental events have not generated the levels of thought leadership and media coverage warranted by their significance. This highlights an opportunity for those with compelling insights. Organisations publishing eye-catching environmental insights have a key role in the fight against climate change: helping to put the issue back up the agenda. However, timing is important, and anticipating the news agenda can boost success with the media.

Organisations can pre-empt this trend by publishing insights anticipating the potential consequences of major news events during their immediate aftermath. For instance, as nations seek to ensure their energy security in response to Ukraine and other shocks, international competition to support green industries provides an opportunity. Europe is

still preparing its response to the Inflation Reduction Act – those that can comment on what the impact of this will be can establish themselves as leaders on the issue.

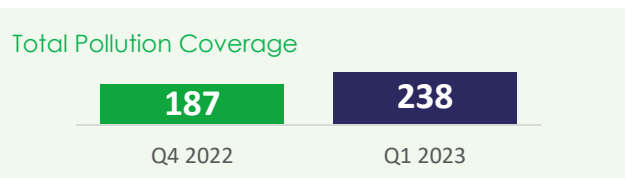
The solution to pollution

There was a marked increase in mentions of 'pollution' in Q1. Thought leadership on pollution generated 187 pieces of national media coverage in Q4 of 2022. In Q1 of 2023, this jumped to 238 – but what explains the shift, and how can thought leaders capitalise on this emerging trend?

There are a number of developments that have increased focus here. The topic has become more salient due to Germany's decision to phase out nuclear power. This has created debates about its reliance on coal-generated electricity, and the effect this has both on the emission of carbon and of other pollutants. More generally, it has triggered a debate across Europe about the role of nuclear power, and the problems posed by the production of nuclear waste.

The expansion of the Ultra Low Emission Zones (ULEZ) in London, and the effect of air quality on population health, has ignited the debate on pollution in the UK. The Mayor of London's plan to expand the scheme, announced late in Q4 last year, has been met with widespread controversy among the motorists who will be affected and the Councillors who represent them.

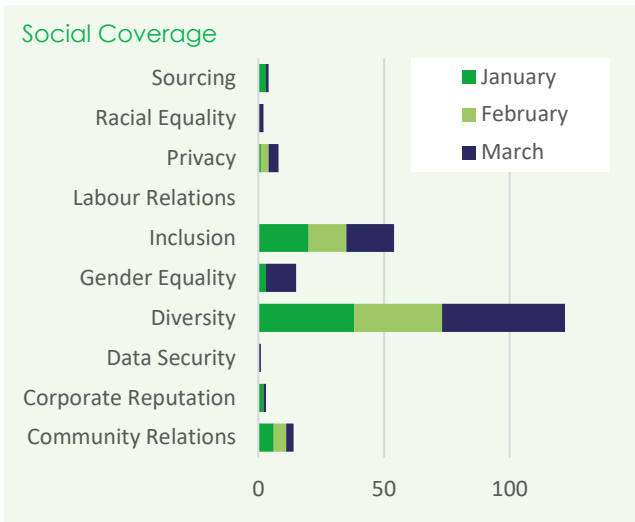
The new measures come into force in August, likely causing the reappearance of headlines and controversy on their effect. To attract the media's attention, thought leaders should publish their insights around the same time.



Water pollution also had an impact, with high levels of coverage on the sewage dumps polluting Britain's rivers and beaches. Pictures of this phenomenon occurring across the UK sparked outrage on social media, increasing the issue's reach and salience. Under pressure from the growing public outrage, on April 1st the Government announced plans to impose unlimited fines on polluting water companies. To play a leading role in solving this increasingly talked-about problem, there is an opportunity for relevant organisations to generate new insights on this fast-evolving topic.

Social

Coverage of social thought leadership continued to trend downwards in Q1 of 2023. This reflects the pattern observed last year, where coverage dropped across almost every search term. March, however, saw a monthly 120% increase in gender equality coverage.



Gender equality

Gender equality reporting remained at a similar level to Q4 2022 overall, but March saw a high volume of gender equality coverage. This was predominantly due to International Women’s Day (IWD), which provided a useful platform for organisations to give insight on equality and representation issues.

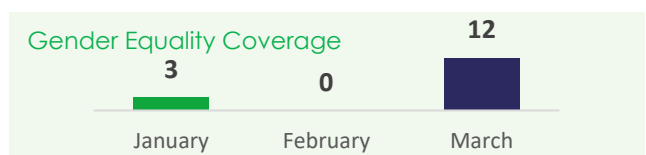
Thought leadership on IWD from private companies received extensive national coverage. The topic is likely to remain pertinent, particularly as new childcare subsidies from the Treasury will not come into force until September 2025.

King’s College London and Ipsos’s report, for example, gained extensive national coverage on IWD. The report revealed that two-fifths of Britons think efforts to champion women’s equality discriminate against men; over half of the men polled agreed. Unexpectedly, this sentiment was more prevalent amongst the younger ‘Gen Z’ audience than it was with ‘Baby Boomers’. These reports highlight how well-timed thought leadership can capture national attention with eye-catching findings that subvert expectations.

Baby Budget

At the beginning of the year, the resignation of Jacinda Ardern as Prime Minister of New Zealand, when she admitted that she ‘no longer had enough in the tank’, was followed by the resignation of Nicola Sturgeon as First Minister of Scotland, who cited similar reasons. This prompted a debate about societal expectations for women in work, and the demands that are also placed on them outside of it.

Ardern in particular highlighted the difficulties of balancing her job with family commitments. The role of both Government and the private sector in encouraging working environments that are more supportive of women will remain a salient issue and firms should be considering their actions in this area and what insight they can offer.



The issue will remain high on the agenda, as shown by Jeremy Hunt’s Spring Budget, which extended the availability of state-funded childcare, with working mothers the largest beneficiary. Continued interest in workplace gender equality is therefore anticipated in Q2, so thought leaders would be well-advised to consider publishing research on the issue.

In January, the Senedd Petitions Committee found that a pilot four-day working week for private Welsh firms improved gender equality outcomes. The four-day working week was also piloted in the UK in Q4 2022; thought leadership on its effects should be well-received in Q2.

Diversity and Inclusion

Whilst both diversity and inclusion witnessed a small coverage drop in Q1, they may simply have been subsumed by the wider IWD debate on ‘equity’, and Baroness Casey’s Metropolitan Police review. March witnessed a higher level of reporting on diversity, and reporting consistent with the quarter for inclusion.

Baroness Casey’s review of the Met dominated the news agenda in late March, with a damning insight on ‘institutional racism, misogyny and homophobia’. A subsidence in public interest is unlikely, so insight from thought leaders must penetrate a densely populated media landscape.

Journalism, the Armed Forces, and the Fire and Rescue Services all faced censure from independent reports of racism, sexism or homophobia in Q1, and an internal review of Labour found an ethnicity pay gap within the party. Therefore, whilst diversity coverage remains lower than in previous quarters, targeted thought leadership is likely to resonate.

In February, staff in EDI roles were the most likely to be laid off by US-based tech firms, opening an opportunity for UK firms to highlight and promote their own approaches.

Governance

Governance remained the least covered thought leadership topic, falling from 69 stories in Q4 2022, to just 59 in Q1 2023. However, trends across the topic remained largely consistent, suggesting that interest is not lost – rather, it has been superseded within a crowded media landscape.

Tax transparency, stewardship and board diversity retained their lead, though coverage of board diversity was decidedly lower, whilst corporate governance saw higher than usual results.

Corporate Governance: No Banking Bonus?

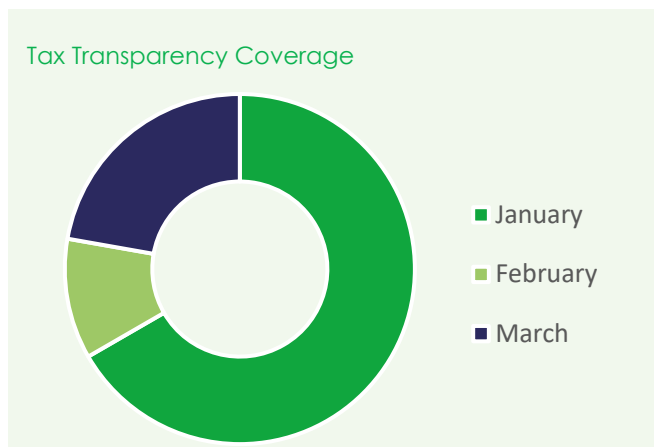
Coverage of the financial sector’s corporate governance was high in Q1. Investor Forum reported in January that UK equities were no longer a ‘must own’ asset class, keeping the issue in the spotlight with extensive national coverage.

The decline of UK equity markets, a process inextricably linked to corporate governance, means media interest will likely continue in Q2, marking a unique opportunity for firms to attract attention to their insights on the issue.

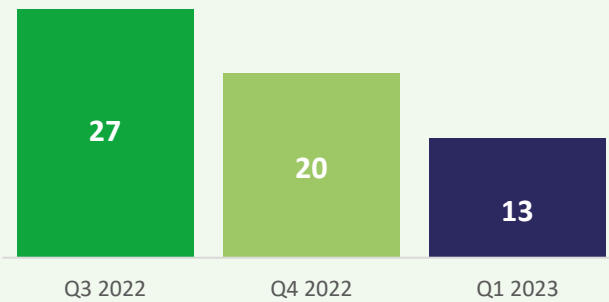
Difficulties in the banking sector, which look set to be a significant feature of 2023, will mean that governance rises up the agenda. Executive decisions taken at Silicon Valley Bank, Credit Suisse and others have been subject to intense scrutiny. Advice on how to improve bank governance or analysis of what has gone wrong will continue to attract interest from the media.

Tax Transparency

Under the governance umbrella, tax transparency retained a large share of Q1 coverage, particularly in January. Transparency International’s Corruption Perceptions Index highlighted the detrimental impact of the departure of Conservative Chairman Nadhim Zahawi, following his tax-breaches.



Board diversity coverage by quarter



In January, Sky News and Tortoise Media published a report on MPs’ earnings and donations, sparking a debate on financial transparency in Parliament. Revelations in February that the Foreign, Commonwealth and Development Office had spent £345,000 on ‘dining and restaurants’ in 2021 kept the issue in the headlines.

Coverage of tax transparency, however, centred on the public sector, with the private sector comparatively under scrutinised – leaving a space for organisations to fill with insights of their own.

Board Diversity

Coverage of board diversity experienced a tonal shift, which was reflected by the topic’s lower marginal lead in Q1. In February, reports covering US firms’ mass layoffs of EDI personnel suggested a level of consensus against the edification of large corporations through EDI initiatives.

Particularly harsh cuts were seen across US tech giants, Amazon, Twitter and Intel. Bloomberg reported that Twitter’s EDI team had been reduced from 30, to 2. In Q2, there is significant opportunity in the UK for thought leadership on this US-led trend.

In January, Cricket Scotland was criticised by a report on institutional racism in October 2022. However, the sporting body’s new approach to board diversity has purportedly helped them to take steps correcting institutionalised discrimination. Although board diversity initiatives were pejoratively labelled ‘woke’ by some media outlets, the coverage of Cricket Scotland demonstrates the powerful effect which board diversity thought leadership can have on outcomes.

Conclusions and opportunities

By publishing thought leadership that is fresh, well-timed and eye-catching, organisations can position themselves at the forefront of society's response to the events shaping our world, driving brand awareness, public debate, and commercial opportunity. High quality analysis will build reputations and generate support for organisations.

Our Q1 analysis of ESG thought leadership in the media reveals that despite a relative decline interest in the ESG agenda is high and continues to provide ample room for new insights. The levels of coverage create an opening for organisations to meaningfully shape public opinion through heightened media engagement. Below, we lay out a series of recommendations for how they might do so.

Environmental

- > Our AI-powered analysis, based on UK national media coverage of ESG thought leadership, shows that pollution is a topic attracting significant attention. Powerful images of sewage dumps on beaches across the country, shared widely on social media, provoked a strong public reaction.
- > New regulations introduced by the Government in response will come into effect this summer. Thought leaders should publish insights on this increasingly salient issue in the build-up to, and aftermath of, their announcement.
- > The US Inflation Reduction Act will have a significant impact on the green energy sector – both inside and outside the US. Organisations that can look at its effects on worldwide efforts to decarbonise and develop green industries can position themselves as leaders on this issue.

Social

- > International Women's Day showed that there is plenty of appetite for discussion on equality in the workplace. This discussion extends well beyond gender and organisations need to consider how they can contribute. Debates on the role of 'equity' as opposed to 'equality' show that there are a variety of approaches to take.
- > The high-profile resignations of key political figures such as Jacinda Ardern – and their reasons for doing so – provide an opportunity to explore different expectations and ambitions in the workplace, and how employers can accommodate these.
- > The Chancellor's extension of free childcare, announced as the Spring Budget's flagship measure, suggests his Government views the issue as a key battleground for the next General Election. Journalists will therefore be keeping a close eye on it, providing fertile ground for thought leaders to get their insights noticed with high-quality insights published at the right time.
- > With the new measures coming into effect in 2025, a 2024 election campaign would see heightened conversation around childcare in the UK – and thought leadership comparing the major parties' policies on this crucial issue will attract attention.

Governance

- > That governance has been the least covered area of ESG thought leadership, by a distance, in every quarter since our analysis began, suggests the topic is erroneously viewed as esoteric and uninteresting. With insights that clearly explain the real-world impact of this vital subject area, organisations have an exciting opportunity to bring discussion of governance issues into the mainstream.
- > To cut through the current lack of public and media interest in the issue, however, thought leaders should comment on how governance-linked initiatives shape people's daily lives.
- > In a difficult macro-economic environment, there is more focus than ever on companies that are run poorly, and the impact they have on their consumers. It should be easier for thought leaders to draw links between governance and people's everyday concerns.

Methodology



Luther Pendragon uses an AI-powered media monitoring platform to analyse all UK national media online and print output during the set period, identifying thought leadership on ESG. Each category was divided into ten subcategories, which covered the spectrum of ESG topics and have all been reported on during the set period.

To identify relevant articles, all UK national media output is monitored using a custom thought leadership filter, which identifies articles focusing on the publication of new research. Qualifying articles must refer to one of the 30 ESG subcategory terms in the headline or opening paragraphs, indicating that the subcategory in question is relevant to the article. The media monitoring platform uses artificial intelligence to build an understanding of the search it is executing, and exclude articles which are not relevant.

Environmental	Social	Governance
Carbon footprint	Gender equality	Corporate governance
Climate change	Racial equality	Board diversity
Carbon emissions	Diversity	Stewardship
Climate finance	Inclusion	Tax transparency
Pollution	Community relations	Business ethics
Biodiversity	Labour relations	Legal compliance
Sustainability	Data security	Accountability
Environmental impact	Privacy	Stakeholder relations
Natural resources	Reputation	Executive pay
Renewable energy	Sourcing	Corporate behaviour

Have a question about communications and thought leadership around the ESG agenda?

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