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„But what on Earth is ESG? Is it something to eat or drink?"

Sustainability is becoming an increasingly important part of our lives, but few people are familiar with the concept of ESG, which measures corporate efforts to achieve it, according to research conducted jointly by UniCredit Bank and SteiGen. The survey showed that Hungarians still associate sustainability mostly with environmental protection and are less familiar with its social and corporate governance aspects.

ESG (E, environmental; S, social; G, governance) makes the work done for sustainability visible and measurable for medium and large companies. These companies can share their commitments, initiatives and achievements in this area in a way that makes progress – and, of course, shortcomings – visible to all. In their latest joint research, UniCredit Bank and Steigen looked at the level of awareness of ESG, including social commitments, among Hungarians.

Sustainability in corporate language

Given that **ESG** is a corporate term, it is not surprising that only 12% of Hungarians are familiar with the term itself, while just 2% claim to know about the topic. **73% of Hungarians think of environmental protection and 66% of Hungarians think of conscious, thrifty consumption** when they hear the terms sustainability and sustainable development.

The term ESG still sounds rather unfamiliar: some people associate it with *„Electronic Stability Program"*, traction control, or a possible new abbreviation for „your health" in Hungarian. **Few could identify the real meaning – a concept linked to corporate sustainability initiatives.**

A more positive picture emerges when assessing awareness of and participation in specific activities in ESG areas, including donations and volunteering: on the six-component **'ESG Awareness Index'**, which measures awareness of these opportunities, **Hungarians scored an average of 22 on a scale of 0 to 100**. In other words, although sustainability is becoming an increasingly important issue in the public discourse, **few people are aware of the related corporate activities**.

A better and more clever future

What is even more revealing is how few activities respondents classified as sustainability. *„We don't use up reserves, we look for new resources"*, *„I don't buy new everything, no waste"*, they said. In addition to environmental protection and conscious consumption, **16% also associated the concept of sustainability with the donation of useful objects**. Specific concepts related to sustainability included *„returning to nature"*, combating climate change, self-sustainable farming, but some respondents said that the essence of sustainability is *„not stretching beyond your blanket"*. **It is clear that it is the activities with practical, visible results that are best known.**

We prefer to help locally

Donations lead the list of **social programmes, with 57 percent of donors giving last year**. But the experience of doing so is also mixed, with 33 per cent of respondents not believing that their donations are going to the right place. It explains why **people prefer local activities**. 50 per cent are deterred from donating by the fact that they are not in a financial position to do so, 36 per cent say *„I have my own difficulties in life"* and 15 per cent say they do not have the time to do so. **Awareness of more visible, less visible social initiatives**, such as support for education, health programmes, human rights and equality, **is low**.

Knowledge on sustainable corporate governance has so far remained in-house

Although few people think of social initiatives in relation to sustainability, the social awareness of the activities is relatively high. But this is not the case for **sustainable corporate governance initiatives: few (12%) have heard** of them. Respondents had strong expectations about social responsibility, but only **7% of them felt it influenced their choice of job**, and more **than two thirds (68%) know little or nothing about their company's social initiatives**.

For those who were not unfamiliar with the area, they mainly thought about economic sustainability, modernisation, new technological advances, and providing companies with renewable energy sources for their energy needs. **Mention of programmes for the ethical and transparent operation of companies, gender equality and employee well-being was negligible.** This is reflected in the fact that only **22% of women surveyed think that they can work on equal terms with men**, and 72% of all respondents think that domestic employers do not care about the well-being of their employees. This is why it is particularly important for workers to be more aware of companies' initiatives in this area and to take advantage of the opportunities they are offered.

„It is important for our bank that an ESG approach guides our activities. This way, in addition to the continuous greening of banking operations, or the steps we take to promote equal opportunities, we can also contribute to a more sustainable world through our socially beneficial financing programmes and our corporate governance practices. We hope that our initiatives will inspire other members of the corporate sector and contribute to raising public awareness", said **Róbert Bolyán, Head of Social Impact Bankin**g.

In other words, the essence of sustainability is well understood and experienced by most people: using the assets of the present in a way that will take care of the future meant in the wider (our planet) and the smaller (our society) sense. **Companies have a responsibility to demonstrate, by sharing their achievements and initiatives that are measurable by the ESG field, the significant and inspiring role that economic actors can play in this field.**

About the research
Our bank seeks to raise awareness of the importance of sustainability issues and regularly conducts research in this area and publishes the results. Recent research has highlighted the differences in the attitudes of different generations towards sustainability. The data presented above is taken from an online survey of 1,000 people, representative of the adult population, conducted by SteiGen on behalf of our bank, and complemented by focus group discussions and in-depth interviews.

About UniCredit
UniCredit is a pan-European Commercial Bank with a unique service offering in Italy, Germany, Central and Eastern Europe. Our purpose is to empower communities to progress, delivering the best-in-class for all stakeholders, unlocking the potential of our clients and our people across Europe.

About SteiGen
SteiGen Consultancy has decades of market experience helping clients achieve their goals. With a long-term and experiential approach, the company works with a unique approach that takes into account generational differences. SteiGen aims to ensure that their partners experience and maximise the benefits of their time with them.