

**America’s Top Public Companies De-Emphasize the ‘E’ in Environmental,
Social, and Governance (ESG) Communications**

Research by the USC Center for Public Relations finds the term ESG is falling out of favor

Los Angeles, February 29, 2024 – Over the past three years, the “E” in environmental, social, and governance (ESG) has seen a 24 percentage point decline in communications at the top 50 U.S.-based publicly traded companies, according to a study conducted by the USC Center for Public Relations with communications intelligence platform Cometrics.io. At the same time, the “S” and “G” have made substantial gains in mentions.

The same companies have also reduced the visibility of “ESG” as a category, shifting their focus on public communication about environmental, social, and governance (ESG) efforts away from the general public.

ESG, as [defined by the Corporate Finance Institute](#), is a “management and analysis framework to understand and measure how sustainably an organization is operating.” It came to the forefront in recent years as a tool to assess a company's sustainability efforts and societal impact, in a time where these factors have become increasingly relevant to the public.

Researchers at communications intelligence platform Cometrics.io filtered all public communication from the United States’ largest 50 public companies from 2021 to 2023 through a set of pre-established environmental, social, and governance themes, revealing corporate communications actions and strategy. The findings revealed that the entire nature of the ESG discussion is morphing as companies are de-emphasizing environmental topics, which in 2021 accounted for 38% of the overall discussion, and two years later environmental communications had declined to 14%.

***Total mentions in each ESG Category in the Overall Communications of the 50 largest U.S. Companies,
January 01, 2021 to December 31, 2023***

Year	Environmental	Social	Governance
2021	7,323	7,108	4,688
2022	6,217	13,662	6,384
2023	5,270	21,933	9,559

Source: Cometrics.io

The research further identified that communications on prominent environmental themes such as NetZero, Climate Change, and Greenhouse gas have slowed, and stopped entirely within segments of

the automotive and real estate industries. Social issues have largely replaced environmental communications and include diversity and equality, volunteerism, LGBTQ+, and human capital development, and have steeply increased in volume. Communication around Artificial Intelligence, Ethical AI, and Responsible AI now dominates the Governance discussions.

“This steep drop in environmental communication may reflect that some corporations are not reaching their environmental goals, or they foresee tighter controls on environmental communications,” said Ed Clarke, founder and CEO of Cometrics.io. “Artificial Intelligence communications themes will likely dominate the discussion in the coming quarters because of increasing public interest.”

Additional analysis of the websites of the top 50 publicly-traded companies, between 2021 and 2023 conducted by the USC Center for Public Relations showed:

- 43 companies used the term ESG while seven did not reference ESG on their websites.
- 21 companies reduced the visibility of ESG communications from their sites over the three years.
- 15 companies changed how often and where they use the term ESG.
- 23 companies relocated ESG on a designated investor website or under the investor relations tab of the main site, where it is less likely to be viewed by the general public. These relocations increased the number of clicks required to find the information, making it harder to access a company's ESG statistics and policies.
- 3 of the 23 companies that relocated ESG solely under investor relations set an even further boundary between themselves and ESG by creating a newly developed ESG-dedicated website.

“Our research indicates the general public has not been well-educated about ESG, even though the majority are interested in the aspects of performance it measures,” says Fred Cook, director of the USC Center for Public Relations. “Additionally, in our current polarized environment, the terminology associated with a company being ‘woke,’ has become so politically charged that many organizations are avoiding it.”

Contributing to the reduced volume of environmental communication, the research also found a pattern of reclassifying the term ESG under a new name. These new classifications contained the company's environmental, social, and governance policies but were not directly labeled as ESG. Common phrases used as substitutes for ESG include but are not limited to impact, corporate social responsibility, sustainability, sustainability development governance, corporate responsibility, and environment/health/safety.

“The pendulum has swung from ESG taking center stage over the last couple of years to a de-emphasis among companies that aren't seeing the benefit of touting these initiatives. It is costly to

implement ESG policies, and if you aren't getting credit for climate and social justice initiatives, there is little benefit for companies to draw more attention to these subjects than is necessary," said Evan Pondel, principal at Triunfo Partners, a strategic communications, investor relations, and digital branding firm. "But drawing less attention to ESG doesn't mean the implications of these policies are less important to the overall well-being of companies and investors' portfolios. When ESG is framed in the context of risk management, the cost associated with implementing and tracking these policies could be worth the investment to help ensure long-term sustainability."

Research Method

The [USC Center for Public Relations](#) researchers examined company websites to evaluate changes in environmental, social, and governance policies from 2021 to 2023. They used the Wayback Machine to compare changes in the visibility of the term ESG in a sample of the largest 50 North American companies across 11 distinct industry sectors. Guided by faculty leaders, Professor and Director for the Center of Public Relations, Fred Cook and Professor Burghardt Tenderich, first-year masters candidates, Midori Jenkins, Paola Nieto, and Matthew Calma, began this study in December 2023 in the Center for Public Relations at the University of Southern California.

[Cometrics.io](#) is a communications intelligence platform that enables users to track corporate stated views on broad themes from sustainability to geopolitics which inform strategic and competitive reactions to an ever-changing business landscape. Cometrics' analysis filtered all public communications from the US's largest 50 companies from January 01, 2021, to December 31, 2023, through a set of pre-established Environmental, Social, and Governance themes, revealing corporate communications actions and strategy.

For more information:

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[ESG \(Environmental, Social, & Governance\)](#)