

APRIL 2024

13 YEARS OF EMPLOYEE ENGAGEMENT DATA AT TMBL: SUSTAINABILITY IS THE #1 ISSUE

Published for the first time, 13 years of longitudinal TMBL Employee survey data shows Sustainability has been the #1 issue for TMBL employees for more than a decade, consistently ranking at #1, #2 or #3 over the period.¹

The average support for sustainability recorded in employee surveys between 2010 and 2023 was 94.6%, a clear message from employees about what matters to them, offering an insight into their motivation for choosing to work for a purpose driven organisation.

Key data highlights include:

- Sustainability has consistently been the top ranking factor, recorded at **#1, #2 or #3**, making it the **#1 issue over the 13 year period**.
- Sustainability has been **#1 in 6 of the 8 surveys**, and #1 for the last 3.
- Each survey averages 75 questions, Sustainability has been **#1 for 60% of all questions**.
- The mean support for sustainability by employees was **94.6%** between 2010 and 2023.
- The 20 sustainability questions over 8 surveys accounts for only 3% of total employee questions, meaning **97% of all other questions (578) related to other topics did not rank as high as sustainability**.

Notable increases in the recent twelve month period from 2022 to 2023, that included a period of high staff turnover post pandemic include:

- **7% increase from 85% to 92%** of employees responding they believe TMBL's commitment to sustainability and Banking for Good is genuine,
- **5% increase from 91% to 96%** of employees responding they support TMBL's commitment to sustainability and Banking for Good.

The full employee data spans 13 years, inclusive of 8 all-employee surveys with a combined 598 questions, 3,177 employee responses, an average of 397 responses across 75 questions per survey, with 2 or 3 sustainability questions across an employee base of 540 as of 2023.

This report also summarises the key external business reports and analysis from leading global consultancies including McKinsey, PwC and Deloitte that assess the level of and value of employee engagement on sustainability purpose and values. These reports include; *The war for talent, attraction and retention strategy, employee engagement, satisfaction, value proposition, morale, motivation, loyalty, productivity shareholder returns, Gen Y and Gen Z demands and demographic change.*

TMBL's Employee Engagement survey is one the longest running in-depth longitudinal surveys of employee sustainability in Australia.² 'Actively engaged' is defined as: *'Net engagement – With a high level of engagement comes higher levels of commitment and great satisfaction with work. There is also evidence of increased discretionary effort and a higher contribution to the organisation.'*

¹ This report is just the numbers : it does not analyse why and how these figures exist, that merits further assessment.

² We could not find any equivalent surveys in Australia, or from a brief review of global leading companies – there must be other global reports and MBL would welcome the chance to connect with these and benchmark to other type of employee surveys.

STAFF EMPLOYEE ENGAGEMENT AND ATTITUDE SURVEYS SUSTAINABILITY/CSR/ETHICAL RESULTS 2010 – 2023

Year	Questions	# Responses	% Result	Ranking	# Questions
2023	I believe TMBL's commitment to sustainability and Banking for good is genuine	441	92%	1	54
	I support TMBL's commitment to sustainability and Banking for good	441	96%	1	54
2022	I believe TMBL's commitment to sustainability and Banking for good is genuine	443	85%	1	55
	I support TMBL's commitment to sustainability and Banking for good	443	91%	1	55
2021	n/a. No Engagement Survey done in 2021				
2020	I am supportive of TMBL's leadership in CSR and ethical business practices	451	96%	1	65
	TMBL is a responsible and ethical organisation	451	96%	1	65
2019	I am supportive of TMBL's leadership in CSR and ethical business practices	442	96%	2	60
	TMBL is a responsible and ethical organisation	445	95%	2	60
2017	n/a. No CSR questions included				
2016	TMBL is a responsible and ethical organisation	391	97%	1	108
	I support TMBL's efforts to reduce their environmental impact	390	98%	1	108
	TMBL communicates its values and CSR initiatives sufficiently to staff and members	390	94%	1	108
2014	TMBL is a responsible and ethical organisation	338	98%	1	87
	I support TMBL's efforts to reduce their environmental impact	338	98%	1	87
	TMBL communicates its values and CSR initiatives sufficiently to staff and members	336	93%	1	87
2012	TMBL is a responsible and ethical organisation	348	96%	3	90
	I support TMBL's efforts to reduce their environmental impact	346	96%	3	90
	TMBL communicates its values and CSR initiatives sufficiently to staff and members	342	88%	3	90
2010	TMB is a responsible and ethical organisation	319	98%	2	79
	I support TMB's efforts to reduce their environmental impact	320	98%	2	79
	TMB communicates its values and CSR initiatives sufficiently to staff and members	318	92%	2	79
Total	20 Questions	3,177	94.6% average	20	598

External business reports and assessments on employees and sustainability

CxO Sustainability Report Accelerating the Green Transition, Australia Deloitte 2023

<https://www.deloitte.com/content/dam/assets-shared/legacy/docs/2023-deloitte-cxo-sustainability-report.pdf>

Survey: 2,016 C-level executives from 24 countries, with additional one-on-one interviews with global industry leaders. 105 Executives in Australia

- More than half of CxOs said **employee activism** on climate matters has led their organisation to increase sustainability actions over the last year—24% of which said it led to a **“significant” increase**.
- Leaders who selected **employee activism** as a matter that slightly/significantly increased their organisation’s sustainability action over the last year **Australia 63%** (Global 59%).
- To what extent does your company feel pressure to act on climate change from your stakeholders? **Australia 77%** (Global 64%).
- I strongly believe my company’s current sustainability efforts have/will have a positive impact on the following: **Employee morale and well-being, Australia 54%** (Global 42%).
- Climate change ranked ahead of seven others, including innovation, **competition for talent**, and supply chain challenges.

Return on Action report – The rising responsibility of business. Atlassian and PwC, 2021

<https://www.probonocentre.org.au/wp-content/uploads/2021/07/atlassian-2021-return-on-action-report-australia.pdf>

Survey: 1,225 Australians across 5 sectors including financial services.

Return on Action – The new social contract for business. Atlassian and PwC, 2020

<https://www.atlassian.com/dam/jcr:f6042f00-801c-40c7-9873-8646165402ad/return-on-action-aus.pdf>

Survey: 1,300 Australian employees as well as just over 2,500 US employees with representation across demographics, geographies and employment industries. This report summarises the findings for the Australian market

- **Employees are demanding more from businesses.** This includes addressing societal issues and being accountable for their actions.
- Despite tough economic conditions, employees are more likely to seek work that meets their needs with employers who share their values.
- **Action helps attract and retain talent.** Employees want businesses to speak out and take action on societal issues. This has become a key factor in finding and keeping the best people.
- An increasingly activist workforce is demanding that businesses act on the major issues of the day.
- **77% of employees state** it is important for business to speak up or act on social issues that impact their employees, and that their employees care about. Up 10% from 2020.
- **74% of employees** agree businesses should be just as concerned with their social impact as their financial results. This is a significant increase from 69% in 2020.
- Employers must be vocal and decisive on the issues that matter most to their employees. With **a bias for action coming from Gen Y and Gen Z workers**, an increasing proportion of the workforce will no longer accept a passive approach.
- The degree of alignment between values and business action is a powerful force in **determining employer appeal**.
- **There is a clear relationship between business action and workforce satisfaction.**

The Australian Employee Perspective on ESG – Social contribution is a source of pride, while environmental issues trigger job security concerns. Boston Consulting Group 2021

[The Australian Employee Perspective on ESG | BCG](#)

Survey: conducted by BCG and The Network, with more than 200,000 people in 190 countries, with a 10,000 survey on climate change, including 1,000 in Australia

- In our recent conversations with Board Members, CEOs and Senior Executives, **we've consistently heard that employees expect the organisations they work for to bring the organisation's purpose to life by investing more in their Environmental, Social and Governance (ESG) activities.** This was confirmed in a large study conducted by BCG and The Network, with more than 200,000 people in 190 countries.
- While many organisations conduct their own staff surveys to gain insight into what is important for their people, we wanted to **understand how ESG concerns** play out across different industries and cohorts of people. This is particularly relevant considering the ongoing 'war for talent'; two-thirds of respondents told us they are open to a new role and more than one third are actively looking.
- **70% of respondents** said it is important or very important for Australian organisations to focus on ESG activities. The primary reasons are because it is the right thing to do (59%), to meet customer expectations (59%), and to meet employee expectations (50%).
- For at least one third of respondents who are open to a new role, social performance is one of the **top 5 reasons to stay with their current employer**.
- **Australians care about social and environmental issues and expect their employers to take these issues seriously.** But Australians also want interesting, well-paid jobs, which will only be delivered if employers are financially successful. This highlights the need for Australian organisations to find ways to drive true competitive advantage through ESG, to **underpin their employee value proposition.**

The importance of sustainability for employees, Deloitte 2023

<https://www2.deloitte.com/uk/en/insights/environmental-social-governance/importance-of-sustainability-to-employees.html>

Source; Various survey of thousands

- **The call for climate and sustainability action is coming from employees of all ages.** Among employed adults surveyed by Deloitte Consumer Center in March 2023 for its global State of the Consumer survey, 69% said they want their companies to invest in sustainability efforts, including reducing carbon, using renewable energy, and reducing waste. This **sentiment is higher among surveyed employees between the ages of 18 and 34 years of age**, who showed a stronger interest in sustainability initiatives than respondents from older generations.
- This desire for sustainable action among **about a quarter of the workforce is starting to evaluate potential job opportunities, too.** Among respondents to [Deloitte's Consumer Signals](#) survey, 27% said they will consider a potential employer's position on sustainability before accepting a job. This data indicates **that at least one in four job seekers investigates what potential employers are doing**, or not doing, to address environmental impacts, and may be willing to make decisions accordingly.
- **These shifts in employee expectations could have a downside for companies that aren't taking sustainability into account.** Young people, in particular, tend to believe they can be a powerful force for change at work. **Inaction on climate and sustainability is also affecting job satisfaction.**
- **Employee activism is starting to influence corporate sustainability efforts** This demand for action seems to be having an effect.
- **Leaders recognise employees are among the most important stakeholders.** According to a [Deloitte survey of more than 2,000 C-suite leaders](#), **employee morale and well-being and employee recruitment and retention** are among the greatest benefits of their sustainability efforts so far. This reinforces the findings from the ConsumerSignals research on **the importance of sustainability to employee satisfaction and retention.**

- Yet **employees say they are still not seeing “enough”** climate action in the workplace. While sustainability plans are gaining steam, only 38% of those surveyed by Deloitte agree that their employer “is doing enough to address climate change and sustainability.” Most respondents are either neutral or are dissatisfied with the efforts.
- Leaders are not having regular conversations **with employees about sustainability.**
- **Employers have an opportunity to bolster satisfaction and accelerate impact by engaging workers on climate and sustainability issues** Business leaders should not take their environmentally aware workers for granted.
- And **as the climate continues to change**, employees and customers are looking to see that business is stepping up to the challenge.

Help your employees find purpose – or watch them leave. McKinsey & Company. 2021.

<https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/help-your-employees-find-purpose-or-watch-them-leave>

Survey: more than 1,000 US employees about individual purpose and the work and life outcomes associated with it, part of an ongoing McKinsey research effort to better understand the role of purpose in organizations.

- Such findings have implications for your **company’s talent-management strategy and its bottom line**. People who live their purpose at work are more productive than people who don’t. They are also healthier, more resilient, and more likely to stay at the company.
- Moreover, when **employees feel that their purpose is aligned with the organization’s purpose**, the benefits expand to include stronger employee engagement, heightened loyalty, and a greater willingness to recommend the company to others.
- If your **company’s purpose is just a poster on the wall**, you’re wasting everyone’s time. If you talk about purpose but don’t follow through, the results can be devastatingly bad.

Climate quitting – younger workers voting with their feet on employees ESG commitments. KPMG UK. 2023

[Climate quitting – younger workers voting with their feet – KPMG UK](#)

Survey: 6,000 UK adult office workers, students, apprentices and those who left higher education in the past six months on their attitudes to work.

- The report shows that **Environmental, Social and Governance (ESG) factors are influencing employment decisions for almost half of UK office workers**, with millennials and younger workers driving the growing trend of ‘climate quitting’ – seeking out a more environmentally friendly job.
- **One in three (30 per cent) have researched a company’s ESG credentials when looking for a job**, rising to almost half (45 per cent) for those starting out in the career (18–24-year-olds).
- One in 10 (9%) are actively **looking for a job linked to ESG**, with 18–24-year-olds the most likely (14%) to be seeking a job linked to ESG.
- **For businesses the direction of travel is clear**. By 2025, 75 per cent of the working population will be millennials, meaning they will need to have credible plans to address ESG if they want to continue to attract and retain this growing pool of talent.

The Journey to 2030: Choosing the human agenda. Seven shifts reshaping organizations in a disruptive decade. Deloitte 2022

<https://www2.deloitte.com/us/en/pages/human-capital/articles/journey-to-2030-seven-shifts-reshaping-organizations.html>

Survey: Various surveys from USA | NZ | Iceland | UK | Japan etc.

- In the coming decade, we expect to see the alignment of personal, corporate, and societal values as the framework **for how business and talent decisions are made**; we just don't yet know how—and how fast—this complicated shift might play out.
- **Workers are demanding that their employers act responsibly** to earn their service and loyalty, and flocking to organizations that infuse stakeholder capitalism into their corporate DNA.
- **Purpose and impact increasingly will be key to motivating the workforce.** Over the past two years, 44% of millennials and 49% of Gen Zs said they have made choices over the type of work they are prepared to do and the organizations for which they are willing to work based on their personal ethics.
- And **purpose is important to worker engagement too**: A recent Gartner survey found that when an organization acted on today's social issues, the proportion of workers who were considered **highly engaged increased from 40% to 60%**.
- **Employees expect senior executives to lead by example** - to make trust an essential part of the organization's human agenda - particularly when it concerns societal issues.
- Outdoor apparel brand Patagonia - with **its purpose-driven mission** and reputation for environmental responsibility is attracting top talent, especially among value and principle-led younger workers. **The company receives upwards of 9,000 applications** for every open internship and full-time position.

2023 Gen Z and Millennial Survey | Waves of change: acknowledging progress, confronting setbacks. Deloitte 2023

<https://www2.deloitte.com/content/dam/Deloitte/si/Documents/deloitte-2023-genz-millennial-survey.pdf>

Survey: Now in its 12th year, Deloitte's Gen Z and Millennial Survey gathered feedback from more than 22,000 Gen Z and millennial respondents in 44 countries to explore their attitudes about work and the world around them.

- **Gen Zs and millennials have high expectations for their employers** and for businesses overall. They continue to believe that business leaders have a significant role to play when it comes to addressing social and environmental issues.
- Gen Zs and millennials continue to **demand greater climate action from their employers** and believe some have deprioritized sustainability strategies in recent years. They also see a critical role for employers.
- **Climate concerns also play an important part in career decisions.** Over half of Gen Zs (55%) and millennials (54%) say they research a brand's environmental impact and policies before accepting a job from them. One in six Gen Zs (17%) and millennials (16%) say they have already changed job or sector due to climate concerns, with a further 25% of Gen Zs and 23% of millennials saying they plan to do this in future.
- 50% of Gen Zs and 46% of millennials say they and their colleagues are pressuring businesses to take action on climate change, which marks a slight increase from last year.
- Gen Zs and millennials **expect employers to take significant action** to promote sustainability and actively involve employees.
- But employers whose actions show that they're committed to these issues will likely be better **positioned to attract and retain talent now** and in the future.

Five ways that ESG creates value, McKinsey & Company 2019

<https://www.mckinsey.com/~media/McKinsey/Business%20Functions/Strategy%20and%20Corporate%20Finance/Our%20Insights/Five%20ways%20that%20ESG%20creates%20value/Five-ways-that-ESG-creates-value.ashx>

- Getting your environmental, social, and **governance (ESG) proposition right links to higher value creation**. A strong environmental, social, and governance (ESG) proposition links to value creation in five essential ways.
- Boost Employee motivation and **attract talent** through greater credibility.
- Employee productivity uplift - **A strong ESG proposition can help companies attract and retain quality employees, enhance employee motivation by instilling a sense of purpose, and increase productivity overall. Employee satisfaction is positively correlated with shareholder return.**
- Recent studies have also shown that positive social impact correlates with **higher job satisfaction**.
- Just as a sense of higher purpose can inspire your employees to perform better, a **weaker ESG proposition can drag productivity down**.

2023 Net Positive Employee Barometer – From quiet quitting to conscious quitting. Paul Polman 2023

https://www.paulpolman.com/wp-content/uploads/2023/02/MC_Paul-Polman_Net-Positive-Employee-Barometer_Final_web.pdf

Survey: 4,000 employees across the UK & US

- **Our findings are eye-opening.** The message that came through loud and clear from **thousands of employees** is that, in addition to thinking about their financial needs and personal wellbeing, none of which should be downplayed, **many also want to work** for companies who share their values and who are stepping up on the biggest issues facing humanity, not least climate change and economic inequality.
- And when their companies don't uphold their values, many employees say they are ready to resign. Indeed, many already have. **Any CEO who thinks they will win the talent wars by offering a bit more money, some extra home-working and a gym membership is going to be disappointed.** An era of conscious quitting is on the way.
- **Almost two out of three employees** say their company should take a stronger stance on the environment (63% UK, 61% US) and on economic inequality (61% UK, 65% US).
- **Two out of three employees** want their companies to communicate actions on big environmental and societal issues (67% UK, 66% US).

Conclusions for the C Suite:

- Out of the findings emerge three clear ways companies can close the gap between their actions and their employees' expectations, and their needs as human beings searching for purpose and hope in an uncertain world. **The risks of not doing so should be clear: less talent, lower engagement, weaker productivity.** These companies will fall increasingly out of sync with employees, and with the challenging and extraordinary times in which we are living, they will become less relevant, less agile and less prosperous as a result.
- **The benefits, by contrast, can be phenomenal: attracting and retaining the best people into the decades ahead; unlocking their motivation, innovation and loyalty; and working together** to accelerate the company's journey toward a more responsible, more sustainable and ultimately more profitable business model, so that it is better positioned for a volatile and complex future.

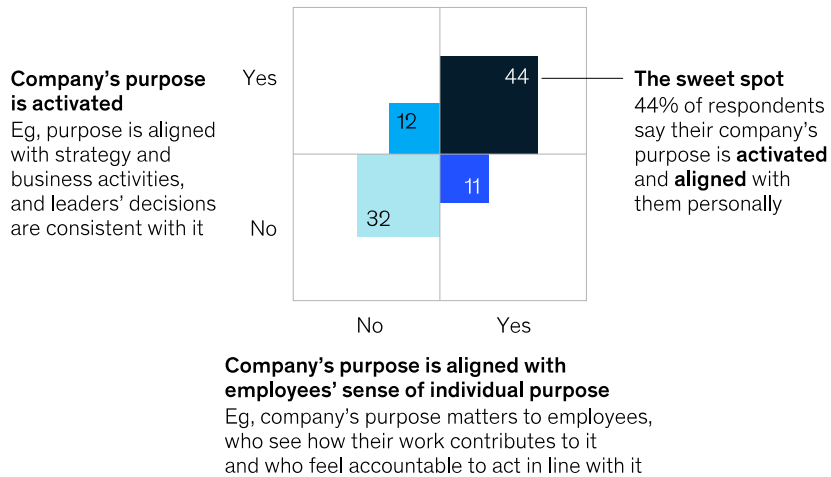
Purpose, not platitudes: A personal challenge for top executives. McKinsey & Company, 2020

<https://www.mckinsey.com/capabilities/people-and-organizational-performance/our-insights/purpose-not-platitudes-a-personal-challenge-for-top-executives>

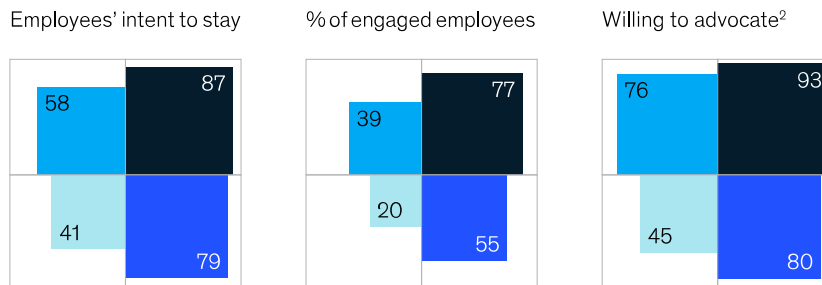
Survey: As part of our ongoing research into corporate purpose, we interviewed 855 people at a range of US-based companies and across a range of tenures and roles.

When a company's purpose is aligned with its employees' purpose, good things happen.

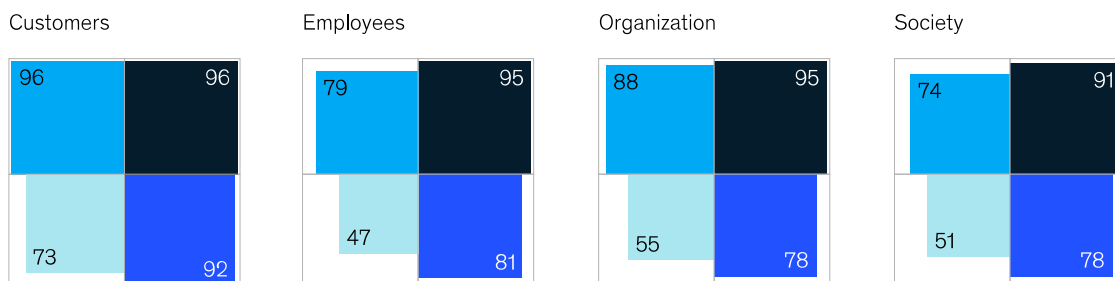
Distribution of respondents by outcome, %¹



The benefits include employees who are more **loyal, engaged, and willing to advocate** for their company ...



... and who are more likely to say that their companies' purpose is having a positive impact on:



¹Figures may not sum to 100%, because of rounding.

²Measured as an employee's willingness to recommend the company to others.

Source: McKinsey Organizational Purpose Survey, October 2019 (n = 855 employees of US organizations with the identified purpose)