

A blurred photograph of a large crowd of people walking, likely at a transit station or a busy street, serving as the background for the title text.

# RISK AND REPUTATION: TRENDS FROM DIGITAL ANALYTICS & PRIMARY RESEARCH

11 February 2014

A Data-Rich Conversation with GlobeScan and Polecat



# Agenda

- Introductions
- Global Public Opinion Insights
- Digital Intelligence Insights
- Panel Discussion
- Q&A with Audience

# Presenters

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# Introducing a Unique Partnership

*Combining decades of stakeholder research and digital listening experience*



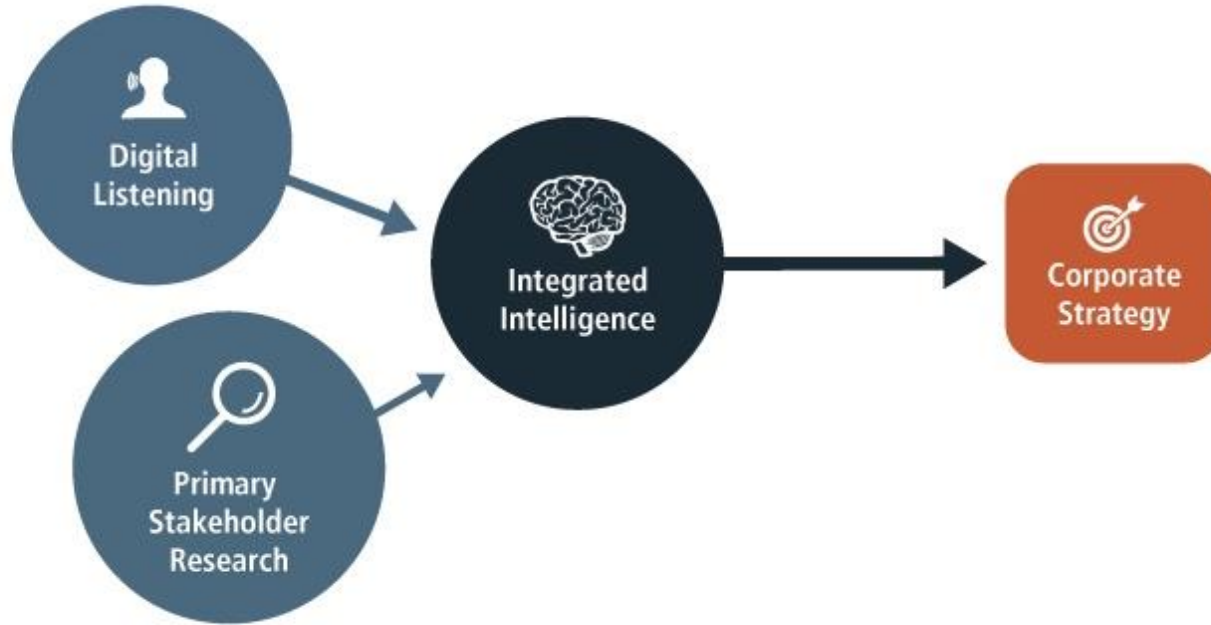
Stakeholder  
intelligence &  
engagement at the  
nexus of reputation,  
brand and  
sustainability

**Together we provide the  
digital intelligence,  
primary research and  
analysis needed to  
flourish in today's volatile  
and networked world.**

Advanced digital  
analytics to  
navigate  
complexity,  
anticipate risks &  
inspire innovation

# Integrated intelligence

*Allows for an evidence-led approach to inform corporate strategy*



# GLOBAL PUBLIC OPINION INSIGHTS



# Participating Countries and Methodology



- Representative samples of approximately 1,000 adults per country in 24 countries
- Some urban-only surveying in certain developing countries
- Face-to-face and telephone interviewing (online in Israel) between January 2014 and April 2014

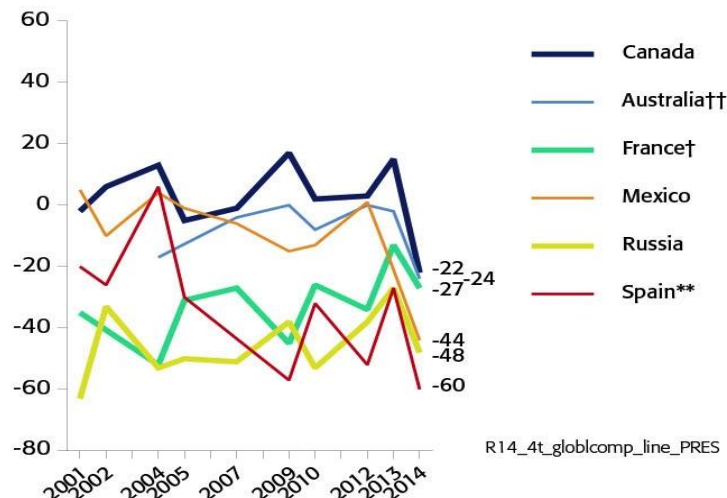
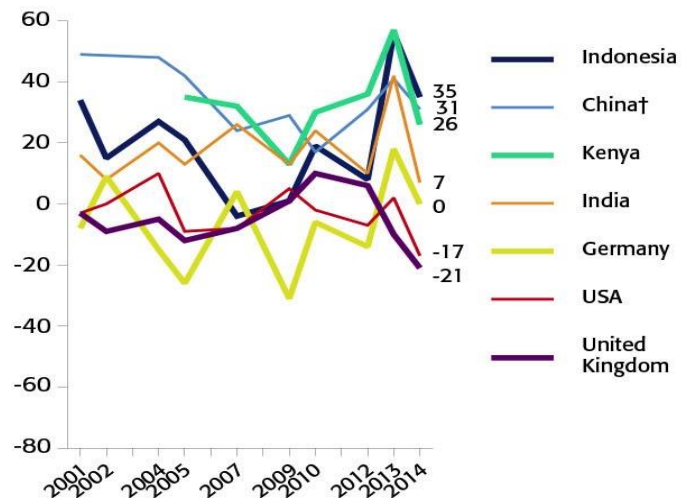


# Great deal of volatility in trust

*in global companies across the world*

## Trust in Global Companies

Net Trust,\* Selected Countries, 2001–2014



\*"A lot of trust" and "Some trust" minus "Not much trust" and "No trust at all"

Q4t. Please tell me how much you trust each of the following institutions to operate in the best interest of our society. Would you say you have a lot of trust, some trust, not much trust, or no trust at all in...?



# Oil, financial and pharma companies

*dominate lists of least responsible companies in key markets*

## Least Responsible Companies

Unprompted, Selected Countries, 2014

	Brazil	China	Germany	India	UK	USA
1st	Claro (2.3%)	Sanlu (3.7%)	Oil companies (in general) (13.6%)	Liquor companies (in general) (5.4%)	BP (6.2%)	BP (9.6%)
2nd	Petrobras (2.2%)	Pharmaceutical companies (in general) (1.0%)	Shell (6.9%)	Reliance (3.4%)	Royal Bank of Scotland (5.5%)	Walmart (8.3%)
3rd	Coca-Cola; McDonald's (1.6% each)	Banks/insurance companies (in general); Food companies (in general); Petro China (0.8% each)	Deutsche Bahn (5.7%)	Construction companies (in general) (2.2%)	British Gas (4.6%)	ExxonMobil; Pharmaceutical companies (in general) (4.8% each)
4th	OI (1.5%)	China Mobile; Oil companies (in general); Samsung; Sinopec; Toyota (0.2% each)	Pharmaceutical companies (in general) (4.8%)	Pharmaceutical companies (in general); Tata (1.7% each)	Tesco (4.1%)	Banks/insurance companies (in general) (3.0%)
5th	Unilever (0.2%)		Marlboro (4.5%)	Food companies (in general) (1.0%)	Barclays Bank (3.3%)	Target (2.8%)

Q27t. Please name a specific large company that comes to your mind as doing a POOR job of fulfilling its responsibilities to society; in other words, a company you see as NOT being a responsible company

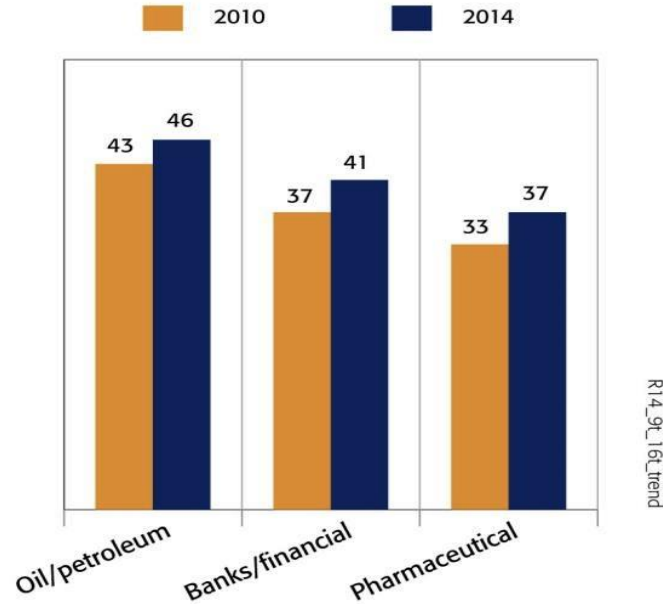
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# Public supporting for regulations

*of oil, financial and pharma are growing*

## "Not Enough" Regulation of Industry Sectors

Average of 20 Countries,\* 2010–2014



Q9t/Q16t. For each of the following types of companies, please tell me if you think our government does too much, about the right amount, or not enough in regulating their activities to ensure the health and safety of society.

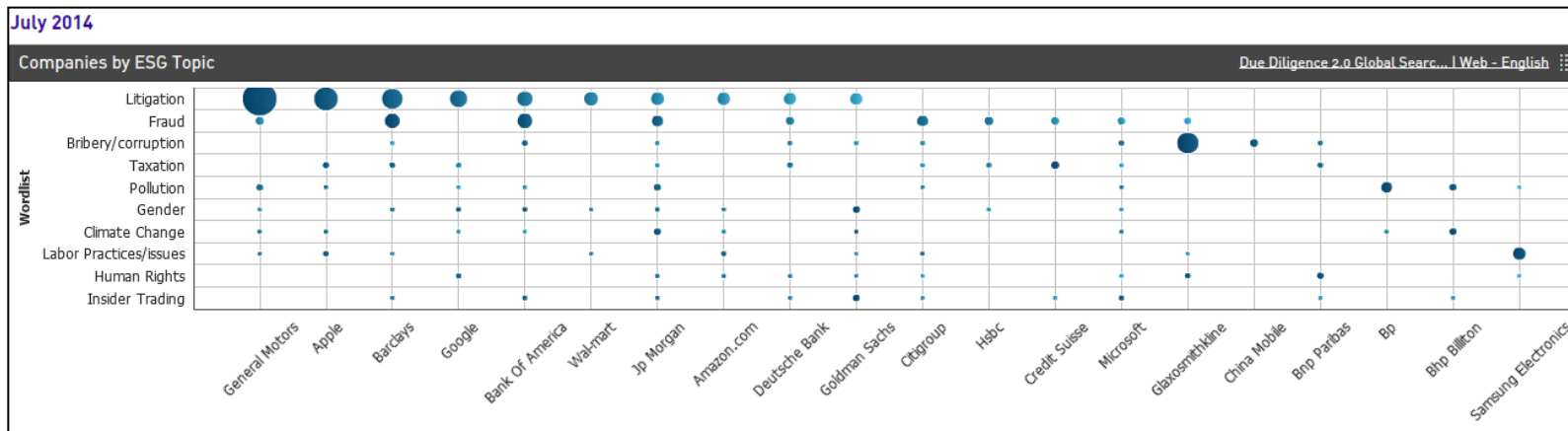
# DIGITAL INTELLIGENCE INSIGHTS



# End 2014, new big data capabilities

Enabled us to track the ESG profiles of key countries, sectors & Fortune 500

- **ENVIRONMENT:** Air Quality, Biodiversity, Climate Change, Pollution, Water Scarcity / Quality.
- **SOCIAL:** Exec Compensation, Fair Pay, Gender, Human Rights, Inequality, Labour Practices.
- **GOVERNANCE:** Bribery/Corruption, Fraud, Insider Trading, Litigation, Profit Warning, Taxation

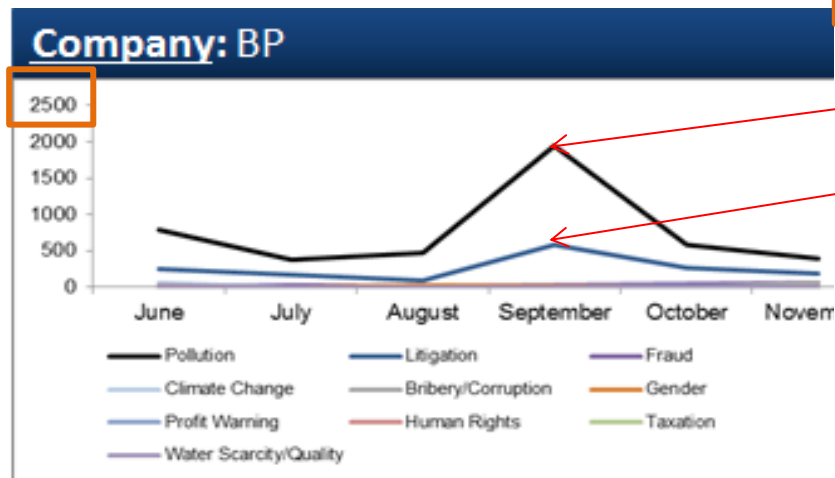


## Macro themes (June to November 2014):

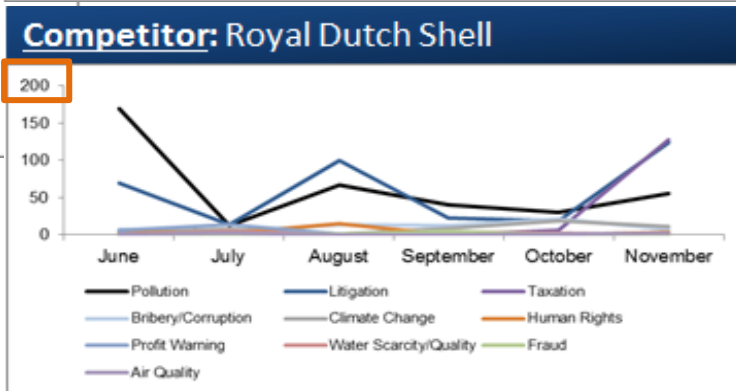
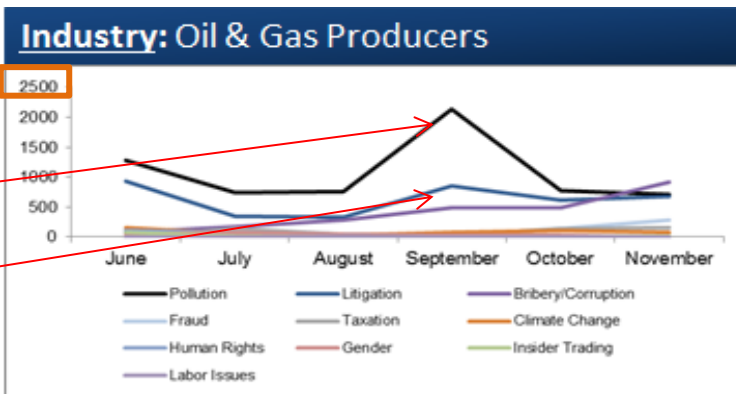
- Certain companies recurrently face a spectrum of 5-10 ESG issues: GM; Apple; Barclays; Google; Bank of America; JP Morgan; Goldman Sachs; Citigroup; HSBC
- Others face a narrower band of 1-5 ESG issues: BP, Walmart; Haliburton; Tesco; Petrobras; Microsoft.
- Useful to track swell and tipping points e.g. Starbucks & BP

# Oil & Gas Sector Insights

June to November 2014: online English

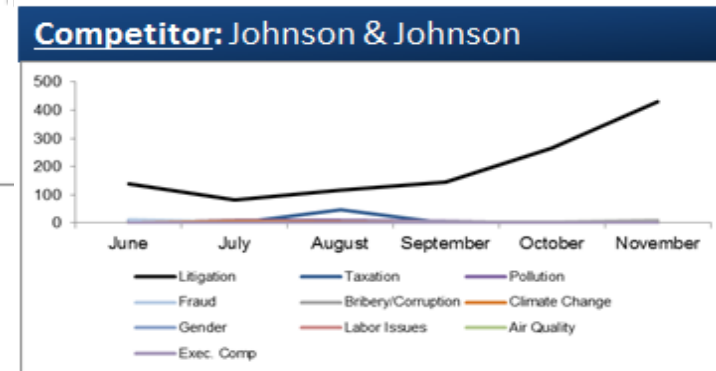
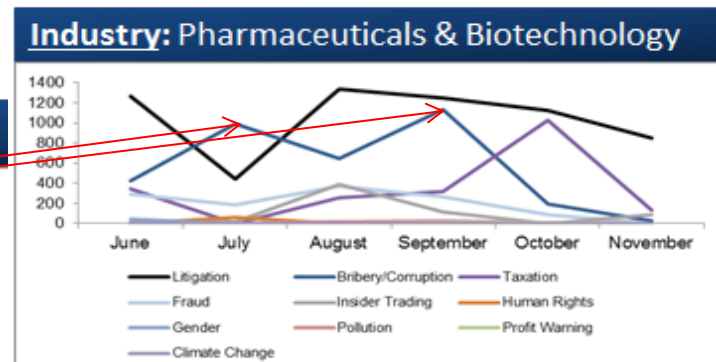
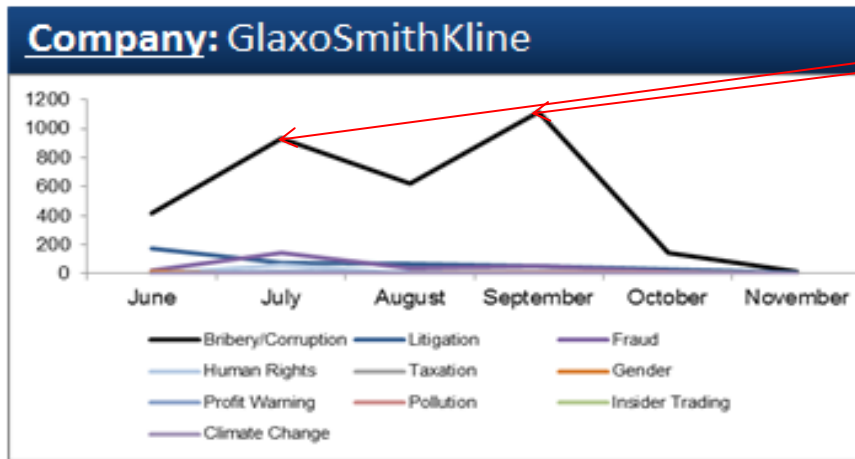


- Deepwater Horizon aftermath drives peaks in pollution & litigation for BP & the sector.
- Apart from this mega-issue, BP is relatively quiet on other ESG risk factors.
- By comparison, Shell has less volume of coverage, but a greater bandwidth of attention across most ESG issues – both Nigeria and Arctic receive close scrutiny.



# Pharma Sector Insights

June to November 2014: online English

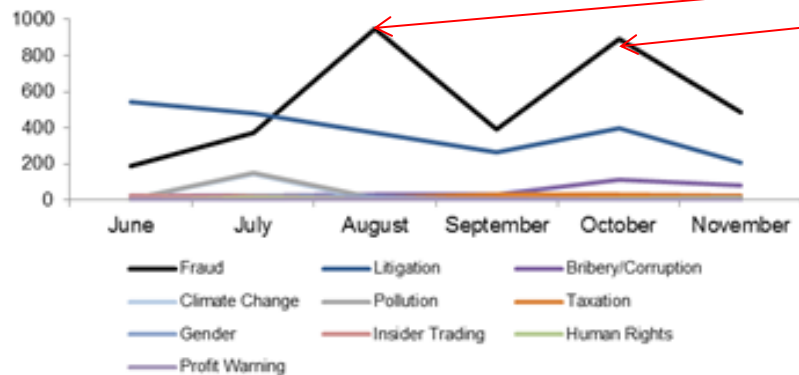


- Sector overall sees coverage cycling over 5-6 ESG issues: litigation, bribery & corruption, taxation, human rights.
- GSK sets the sector footprint for bribery & corruption, but quieter on other ESG issues.
- Both GSK and J&J seem to face scrutiny on specific issues, rather than a portfolio, which would seem to suggest an overall steady and credible approach to ESG-related decisions

# Finance Sector Insights

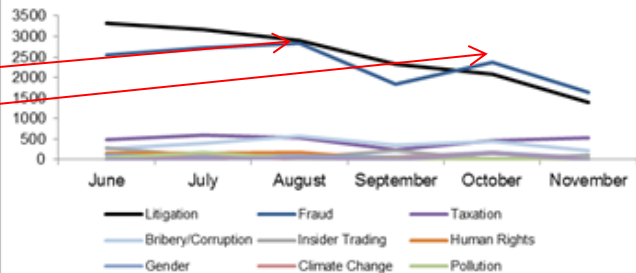
June to November 2014: online English

## Competitor: JP Morgan

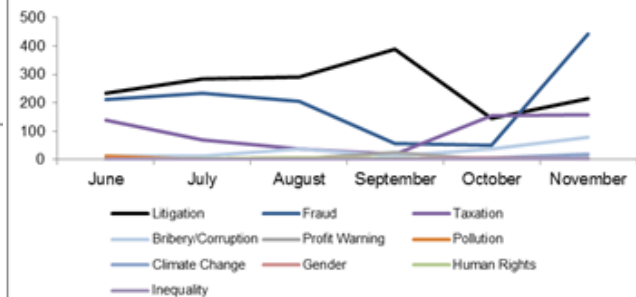


- JP Morgan footprint contributes about a third of sectoral focus on fraud.
- HSBC has less volume of coverage, but trending upwards – contrary to the overall sector – on fraud, litigation and taxation, and so one to watch.
- JP Morgan and HSBC have busy ESG profiles, which might indicate more systemic challenges when it comes to their articulation and delivery of policies and performance on ESG

## Industry: Banks

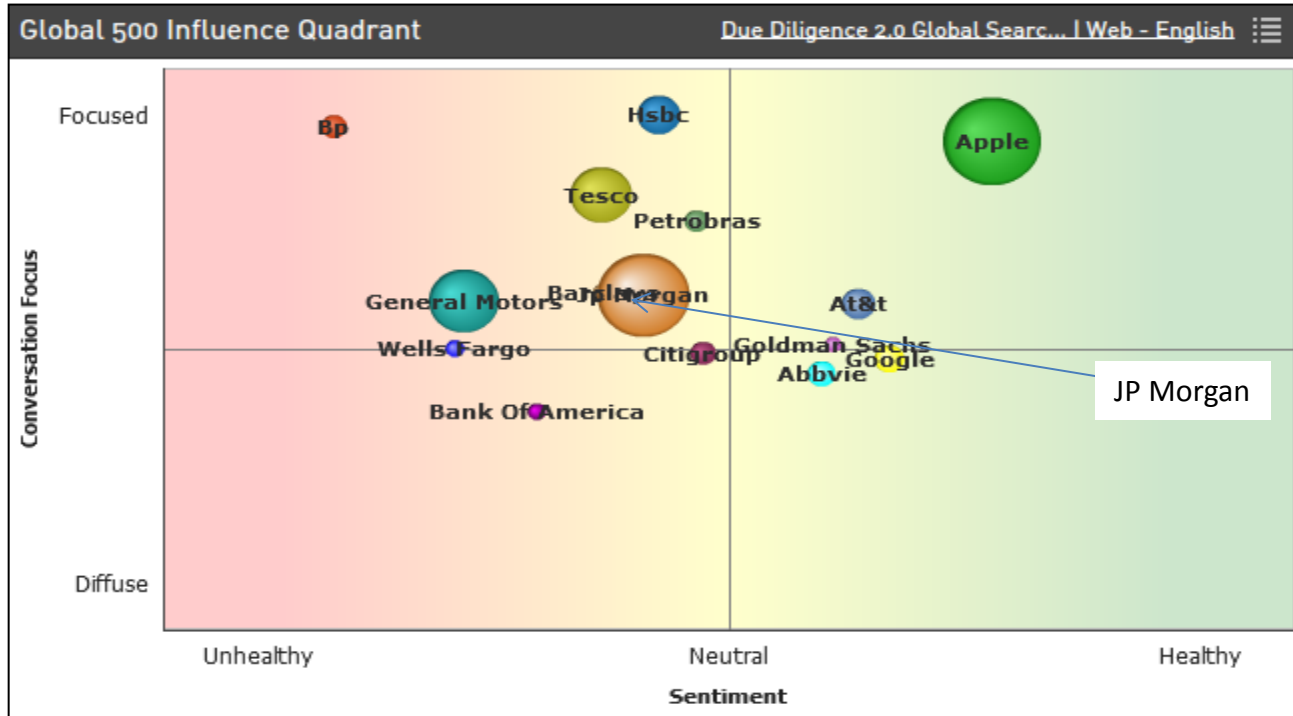


## Company: HSBC





# Company Summary



- In spite of ESG footprint, **Apple** is positively regarded – brand halo?
- **JP Morgan** has similar topicality to Apple, but less healthy, despite comparable ESG profile.
- **BP** is the least healthy of all brands, but also highly focused on one issue

# Q & A with Audience

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**THANK YOU  
FOR JOINING US TODAY!**