

CSR Reputation Pharmaceutical Industry | 2013

IN A FAST-CHANGING WORLD, CONTEXT IS EVERYTHING.



GlobeScan Radar

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evidence and ideas. applied

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Methodology

Participating Countries
2013



- Representative samples of 1,000 adults per country in 26 countries ($n=27,312$).
- Some urban-only surveying in certain developing countries.
- Face-to-face and telephone interviewing between December 2012 and April 2013.
- Within-country sample error of +/-2.8 to 4.9 per cent, 19 times out of 20.
- All figures in the charts are expressed in percentages, unless otherwise noted.

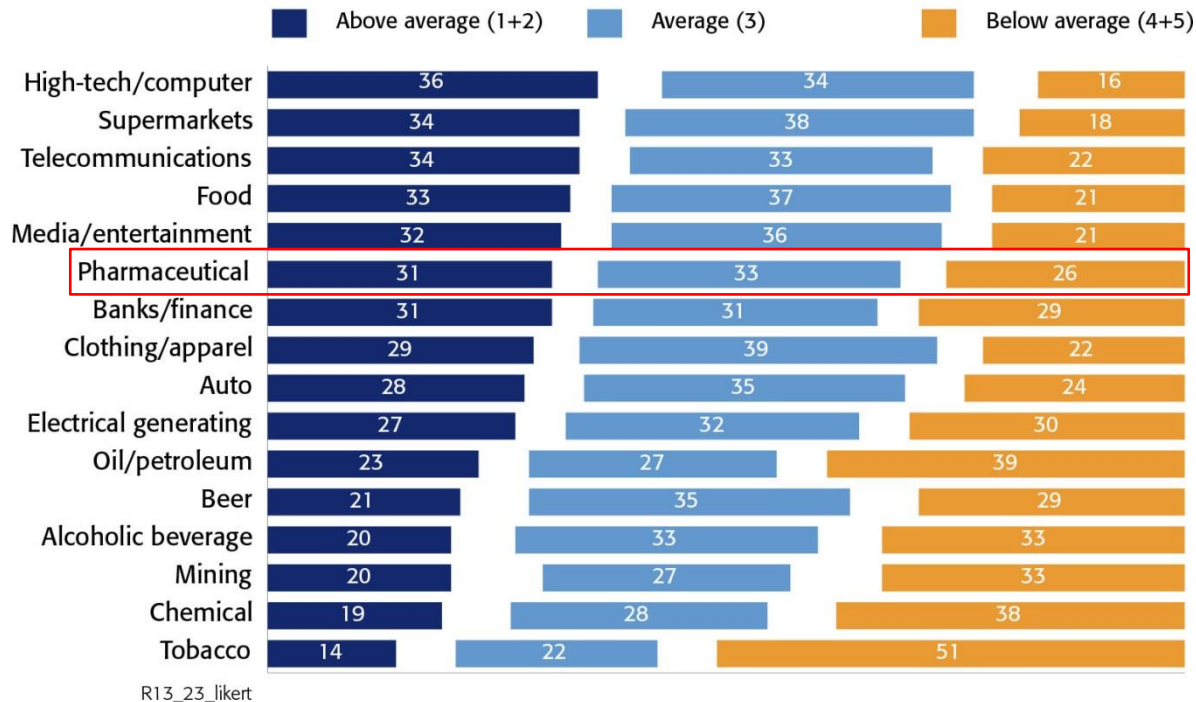
Key findings

- Compared to many other industries, the pharmaceutical industry is perceived fairly well on CSR performance. However, it is not among the top-tier of sectors and—like most sectors GlobeScan measures—perceived performance is on a long-term decline.
 - While perceptions of the pharmaceutical industry seem to be worsening in line with those of the corporate world in general, the current figure for the sector represents a record low. Companies will need to take measures to address concerns around issues such as pricing, access to medicines, transparency, and a range of looming public health challenges (e.g., non-communicable diseases).
- In no country is the pharmaceutical industry top-ranked on CSR performance, though it is second in Ghana and Mexico. Ghana and Mexico are also the countries that rate the pharmaceutical industry's CSR performance highest, with Canada and the United States taking the least favourable positions. Spain is the only developed country where the sector has net positive ratings.
 - Companies may need to do more to articulate their positive social contribution to publics in the developed world, for example, by outlining their approach to helping contain rising health care costs, or their R&D efforts into conditions more prevalent in these markets, such as diabetes, dementia, and cancer.
- While the public in Germany and Mexico in particular shown an improving view of the pharmaceutical industry's CSR performance, several markets have seen worsening views, including some major markets (France, China).
 - There may be strong difficulties ahead when it comes to perceptions in the Chinese market, given the recent focus on corruption issues in the sector.
- When asked what type of products they would like to see become more socially and environmentally responsible, nine percent of respondents mention medicines. This figure, which has fallen since 2011, is still close to that for the most-mentioned product category (processed food).
 - It is likely that this relates to expectations around pricing, access, and the directing of R&D efforts toward conditions where need is perceived as greatest.

Pharmaceutical industry's perceived CSR performance is ahead of several other sectors, but not top-tier

CSR Performance of Industry Sectors

Average of 23 Countries,* 2013



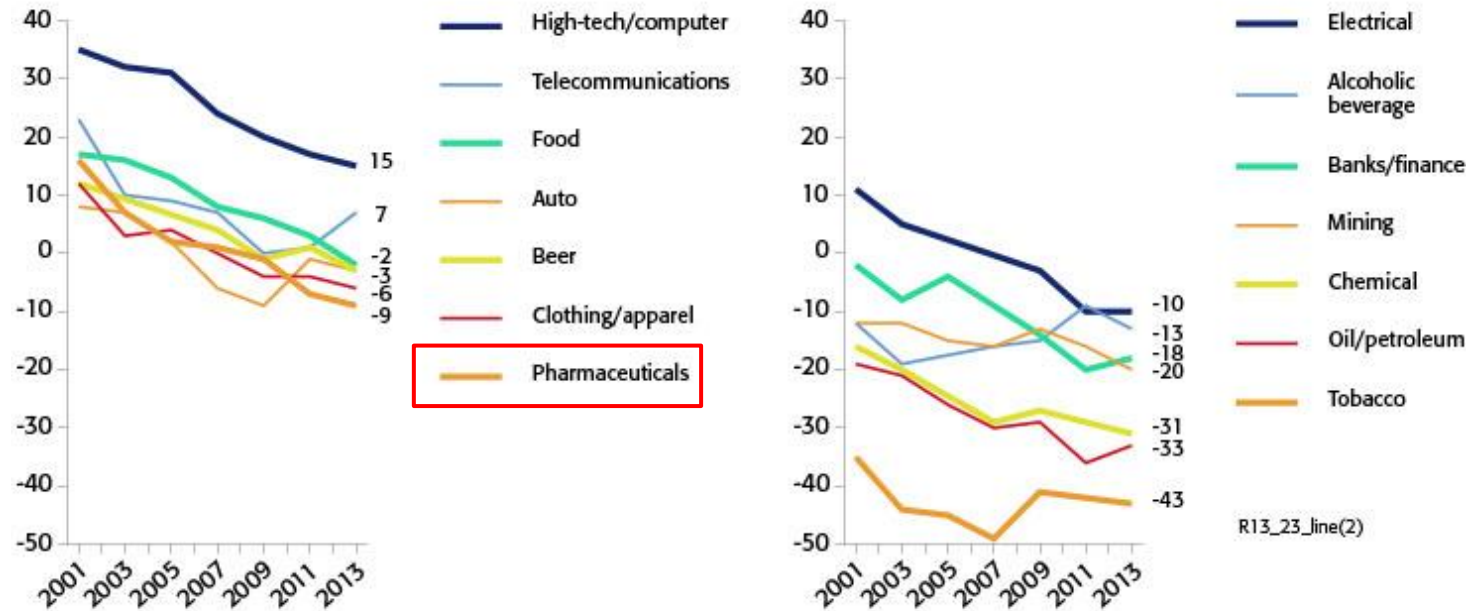
The white space in this chart represents "Depends," "No opinion," and "DK/NA."

*Includes Argentina, Australia, Brazil, Canada, Chile, China, France, Germany, Ghana, Greece, India, Indonesia, Kenya, Mexico, Nigeria, Pakistan, Peru, Russia, South Korea, Spain, Turkey, UK, and USA

Globally, the pharmaceutical industry's perceived CSR performance continues to decline

CSR Performance of Industry Sectors

Net,* Average of 11 Countries,** 2001–2013



**"Among the best" and "Above average" minus "Below average" and "Among the worst"

**Includes Australia, Canada, Chile, China, France, Germany, Mexico, Russia, Turkey, UK, and USA

The following sectors were not asked in France in 2005: telecommunications, banks, auto, chemical, electrical, beer and alcoholic beverage. Telecommunications, banks/finance not asked in France in 2006.

Wide disparity in pharmaceutical industry's CSR ranking by country, highest in Ghana and Mexico

CSR Performance of Industry Sectors
Ranking by Net* Rating, by Country, 2013

	Argentina	Australia	Brazil	Canada	Chile	China	France	Germany	Ghana	Greece	India	Indonesia	Kenya	Mexico	Nigeria	Pakistan	Peru	Russia	South Korea	Spain	Turkey	UK	USA
High-tech/computer	2	1	7	2	1	2	5	2	9	1	3	3	7	5	6	7	4	1	1	3	2	1	1
Supermarkets	3	8	5	1	5	7	7	7	8	4	7	6	4	3	3	2	2	2	12	1	1	6	2
Telecommunications	11	3	10	4	7	3	1	5	5	2	10	1	3	6	4	8	9	2	5	10	4	2	3
Food	1	4	1	7	2	15	10	11	3	6	7	9	8	1	2	6	1	9	9	2	6	8	4
Media/entertainment	7	6	2	5	9	4	2	4	3	12	2	11	2	4	1	3	7	4	4	7	10	5	11
Pharmaceutical	4	5	3	12	15	13	8	8	2	9	4	5	10	2	6	9	4	9	7	4	6	3	10
Banks/finance	10	10	8	8	12	1	13	15	1	14	1	2	1	12	5	1	6	8	3	16	8	15	12
Clothing/apparel	5	9	11	11	4	6	9	9	6	5	5	10	5	7	6	4	3	7	6	5	5	9	9
Auto	8	2	9	10	7	7	11	1	10	7	6	6	9	8	9	5	13	11	12	6	3	7	7
Electrical generating	12	12	6	9	14	10	3	12	15	10	11	4	5	9	12	14	8	5	2	9	9	11	5
Oil/petroleum	14	15	4	15	11	5	15	16	13	15	9	8	13	15	11	10	14	12	14	15	10	14	15
Beer	6	7	12	3	6	9	4	2	11	2	15	16	12	10	14	16	10	14	8	11	12	4	6
Alcoholic beverage	8	10	13	6	10	11	6	6	12	8	14	15	11	11	15	13	12	16	9	13	15	10	8
Mining	15	13	14	13	3	15	12	10	14	11	11	12	14	16	13	11	15	6	9	12	14	12	13
Chemical	13	14	15	14	13	12	14	14	7	16	13	13	16	13	10	12	11	13	15	8	13	13	14
Tobacco	16	16	16	16	16	14	16	13	16	13	16	14	15	13	16	15	16	15	16	14	16	16	16

R13_CSR_table_2

■ Increase in "Among the very best" and "Above average" ratings compared to 2011
 ■ Decrease in "Among the very best" and "Above average" ratings compared to 2011
 Tracking data not available

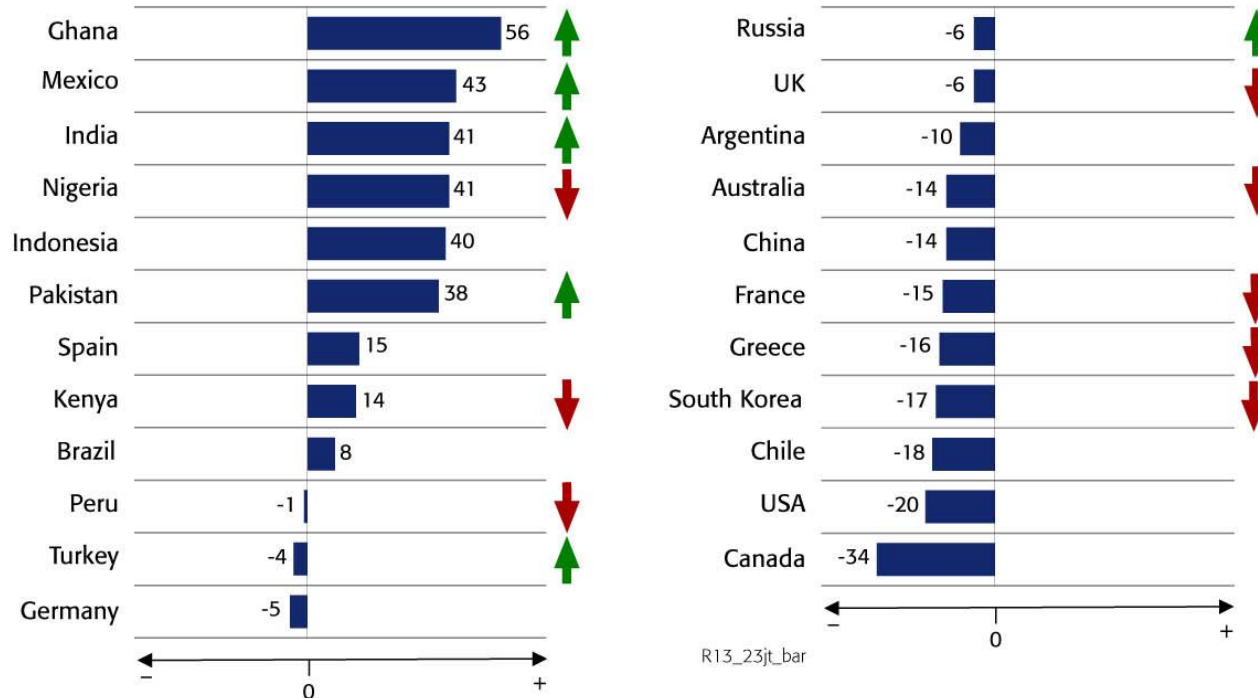
*Net equals "Among the best" and "Above average" minus "Below average" and "Among the worst." Highlighting refers to a change of 6% or more since 2011.

Q23. Please rate each of the following types of companies on how well they fulfill their responsibilities to society. Compared to other types of companies, would you say [INSERT COMPANY TYPE] are...?

Spain only developed nation with net positive impression of industry's CSR performance

CSR Performance of the Pharmaceutical Industry

Net Ratings,* by Country, 2013



*Net ratings equal "Among the best" and "Above average" minus "Below average" and "Among the worst."

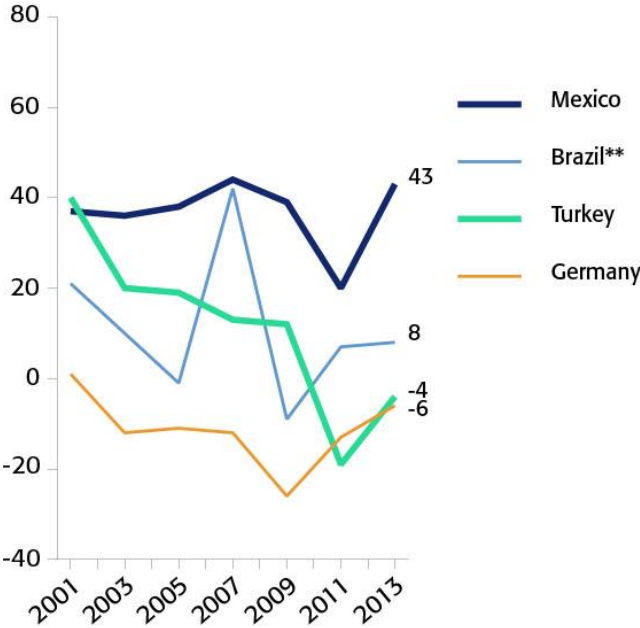
Green arrows indicate an increase of 6% or more in "Among the very best" and "Above average" ratings compared to 2011, while red arrows indicate a decrease of 6% or more.

Perceived CSR performance of pharmaceutical industry recovers in Germany, Mexico

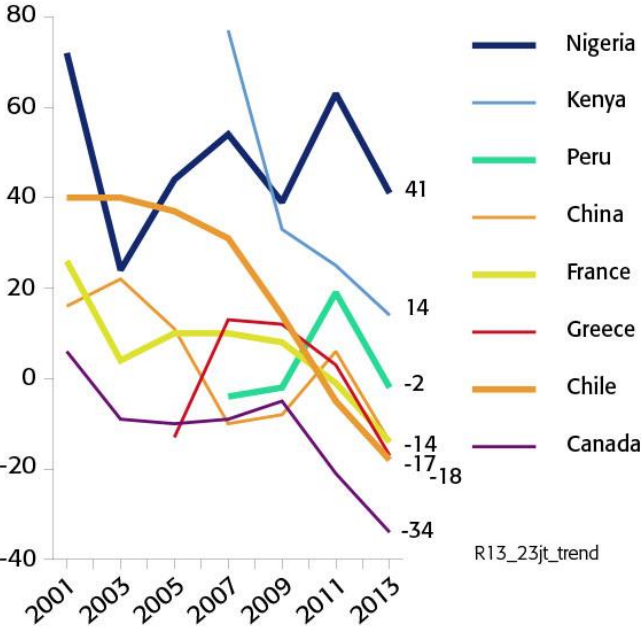
CSR Performance of Pharmaceutical Companies

Net Ratings,* Trends: 2001–2013

Increases and stable



Decreases



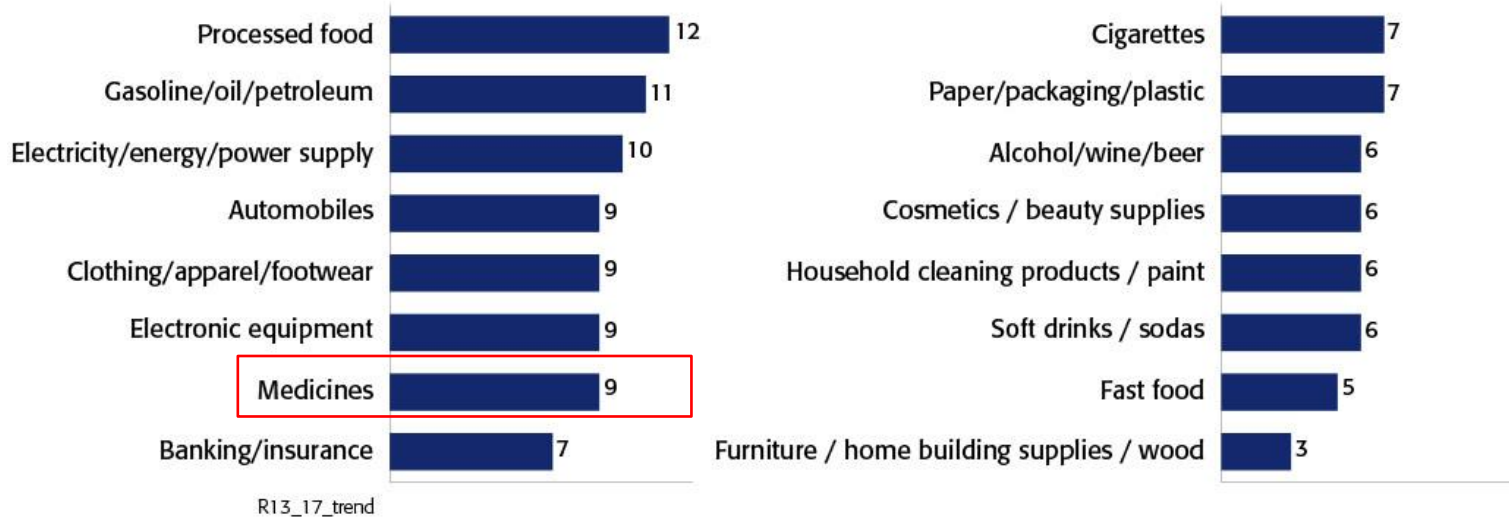
*Net ratings represent "Among the very best" and "Above average" minus "Below average" and "Among the very worst."

**Not asked in 2003

Nine percent spontaneously mention they want to see medicines become more socially responsible

CSR Product Offerings Most Wanted

Unprompted, Average of 18 Countries,* 2013

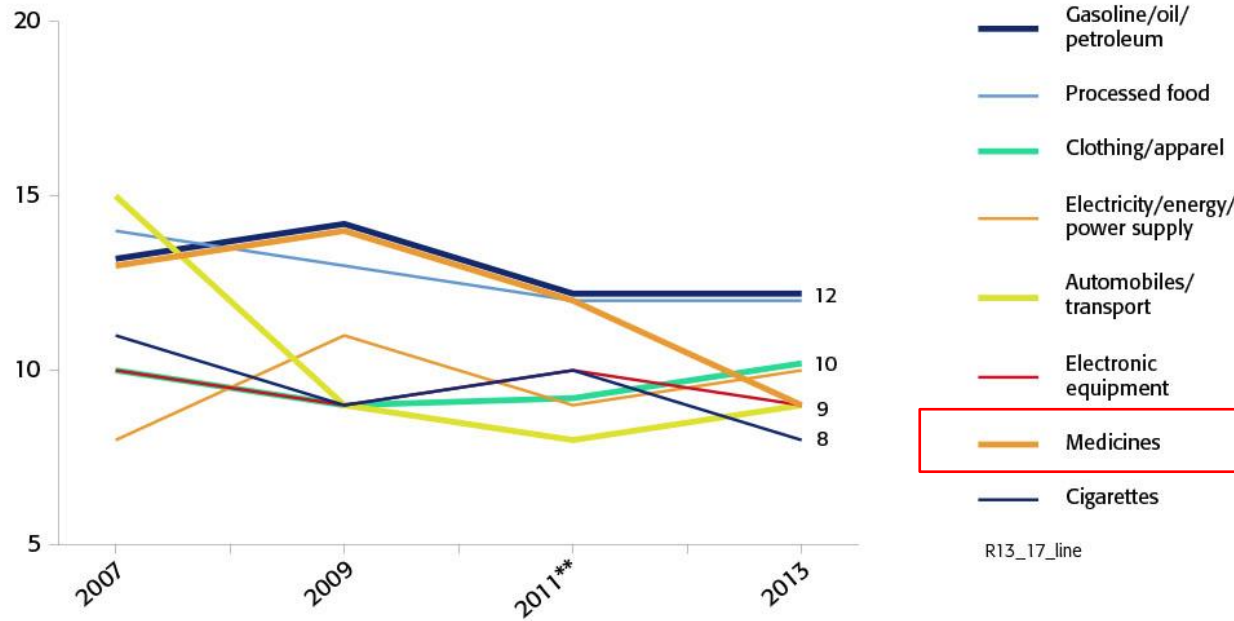


*Includes Argentina, Australia, Canada, Chile, China, France, Germany, Ghana, Greece, India, Indonesia, Kenya, Mexico, Nigeria, Peru, Turkey, UK, and USA

Medicines, oil, decouple in taking greater responsibility stakes

CSR Product Offerings Most Wanted

Unprompted, Average of 13 Countries,* 2007–2013



*Includes Argentina, Canada, Germany, Greece, India, Indonesia, Kenya, Mexico, Nigeria, Peru, Turkey, UK, and USA

**Canada not included

Global Societal Context to Inform Decisions & Strategy

Global organizations need greater insight on how to better manage risks and capitalize on opportunities in uncertain times, build trust with their stakeholders and society, and exert a greater influence in shaping their external context.

GlobeScan Radar is a program of evidence and insights for informing decision-making and strategic direction. Radar draws upon GlobeScan's unique database of over a decade of global public opinion tracking (20-30 countries annually) around business and its role in society.

A partnership with GlobeScan through Radar provides you and your team with access to briefings and data, insight from societal trends on how companies are living up to public expectations, and how your peers in other sectors are handling potential threats to their reputation.

A GlobeScan Radar briefing will give you a comprehensive understanding of the social context in which your business operates around the world to guide communications, issues management, and initiative development. Through performance ratings, it will help you identify how views of your sector are changing, and which sectors and businesses are the emerging leaders and laggards.



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