

Oxford- GlobeScan Corporate Affairs Survey

Highlights of the Annual
Survey

Webinar, 19 April 2023



Flow of our discussion



1. Key findings from our 2023 survey and interactive panel discussion
 1. **The big picture:** risks and opportunities for global business
 2. **Meeting the moment:** trust, purpose, advocacy
 3. **Building capacity:** evolution of the Corporate Affairs function
2. Q&A and open discussion

Your Hosts Today



Rupert Younger

*Director, Oxford University
Centre for Corporate
Reputation*



Stewart Prosser

*Associate Fellow, Saïd Business
School, University of Oxford*



Chris Coulter

CEO, GlobeScan

Our Panellists today



Petra Laux

*Global Head Business
Sustainability, Crop Protection
Syngenta
Former Head of Public Affairs
at Novartis*



Elaine McCrimmon

*Global Corporate Affairs leader,
Former Global Head of
Reputation and External
Engagement, AB InBev*



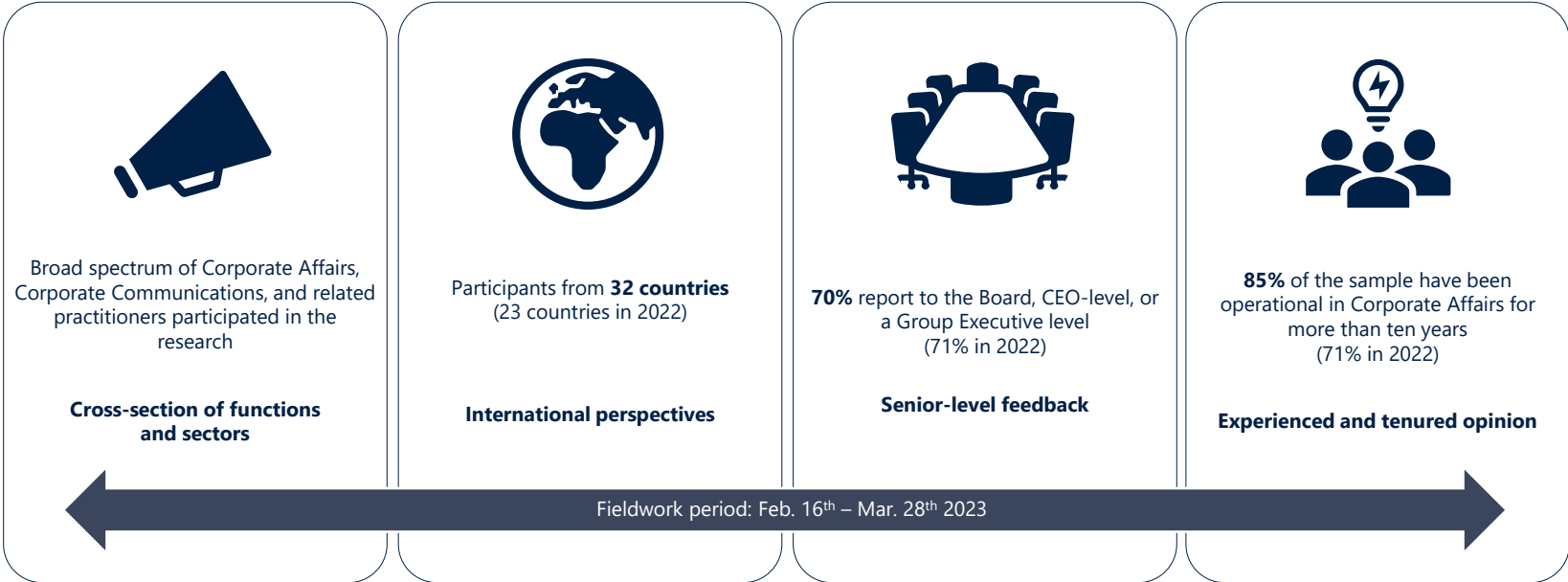
Taki Netshitenzhe

*Director, External Affairs
Vodacom South Africa*

About the Survey

Voices of Senior Corporate Affairs Practitioners

We surveyed 109 corporate affairs professional from across the world. There is a good representation of seniority, tenure, and geographic regions and sectors.

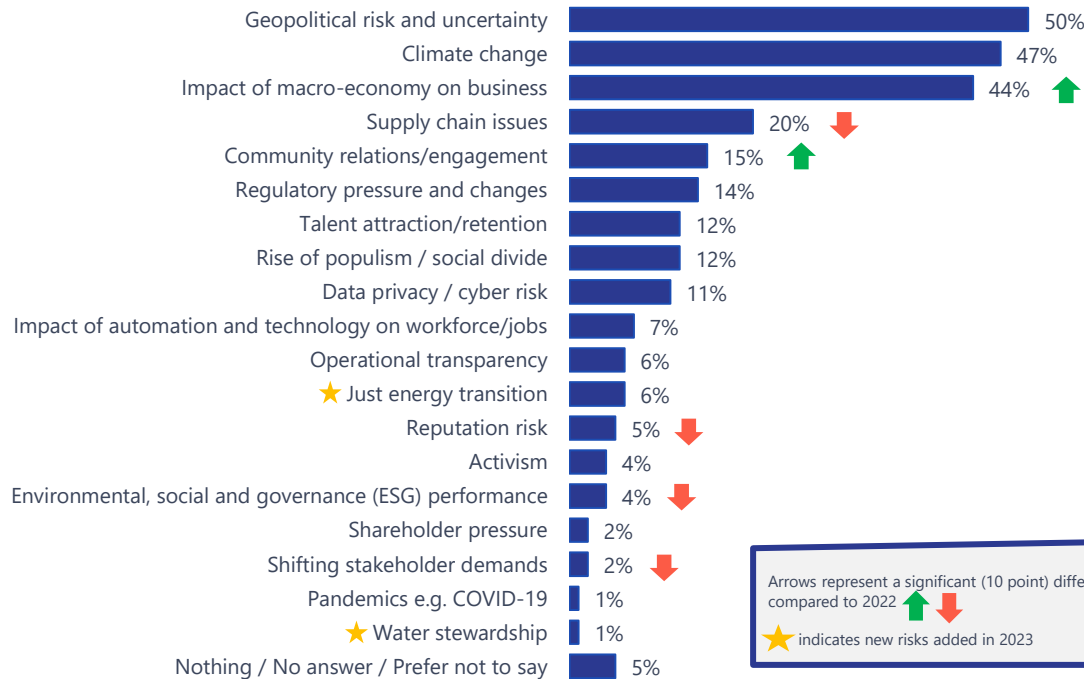


1. The Big Picture: Risks & Opportunities

Short-term Risks to Global Business

Corporate Affairs professionals see geopolitical risk and uncertainty, the impact of macro-economy issues, and climate change as the biggest short-term risks to global businesses

Short-term Risks to Global Businesses, Open-ended, Total Mentions, 2023



Arrows represent a significant (10 point) difference compared to 2022
 ★ indicates new risks added in 2023

Geopolitical risk and uncertainty remains the largest perceived short-term risk to global businesses.

Risks impacting the macro-economy is rising

Pandemics are no longer seen as a pressing short-term risk to global businesses.

Verbatims for Short-term Risks to Global Business

“The belief that business participation in multilateral international organizations is inherently wrong and corrupting.”

Respondent from the USA

“Polycrisis as coined by the WEF/multiple crises: Opportunity for corporate affairs teams to build resilience within the business through anticipatory issues and crisis management.”

Respondent from Singapore

“استغلال الموارد الطبيعية بدون خلق بديل لها” (Exploiting natural resources without creating an alternative for them.)”

Respondent from Sudan

Short-term Opportunities for Global Business

Corporate Affairs professionals believe innovation and AI, climate change adaptation, and just energy transition offer the biggest opportunities to global businesses

Short-term Opportunities for Global Businesses, Open-ended, Total Mentions, 2023



Q41. What are the top three areas you see that offer the biggest opportunity for global businesses over the next two years? Please list below in order of biggest opportunity, where 1 is the biggest, 2 is the second, and 3 is the third biggest opportunity. (n=109)

Verbatims for Short-term Opportunities for Global Business

“Re-election of moderate technocratic governments in key G7 economies.”

Respondent from the UK

“Shifting consumer behaviour especially in sub urban areas.”

Respondent from India

“Sustainability opportunities across the environment, human rights pillar. Opportunity for companies to do good in the world, and the communities they operate in.”

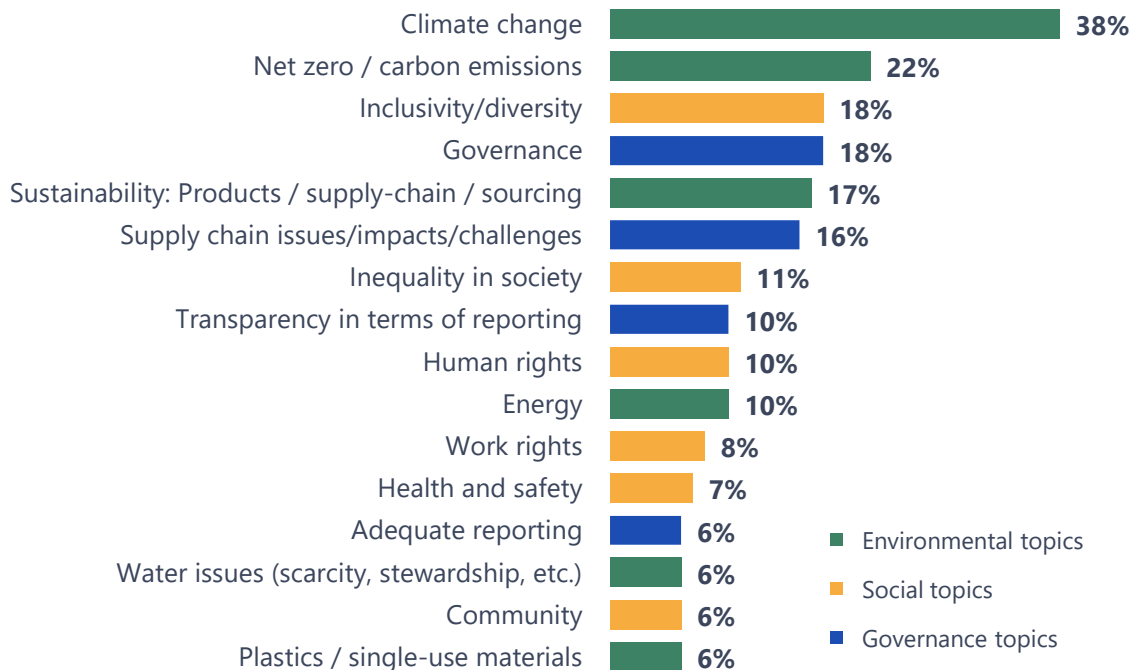
Respondent from Singapore

11 Q41. What are the top three areas you see that offer the biggest opportunity for global businesses over the next two years? Please list below in order of biggest opportunity, where 1 is the biggest, 2 is the second, and 3 is the third biggest opportunity. (n=109)

Top ESG Issues for Your Organisation

Climate change tops list of ESG issues for businesses, followed by net-zero carbon emissions and creating more inclusion and diversity within businesses - Confirming trend tracked since 2021

Top ESG Issues, Open-ended, Total Mentions (Selected up to Three), 2023



Inclusivity and diversity is a new mention. Inequality in society has been on pre-coded list, but respondents were very specific in 2023.

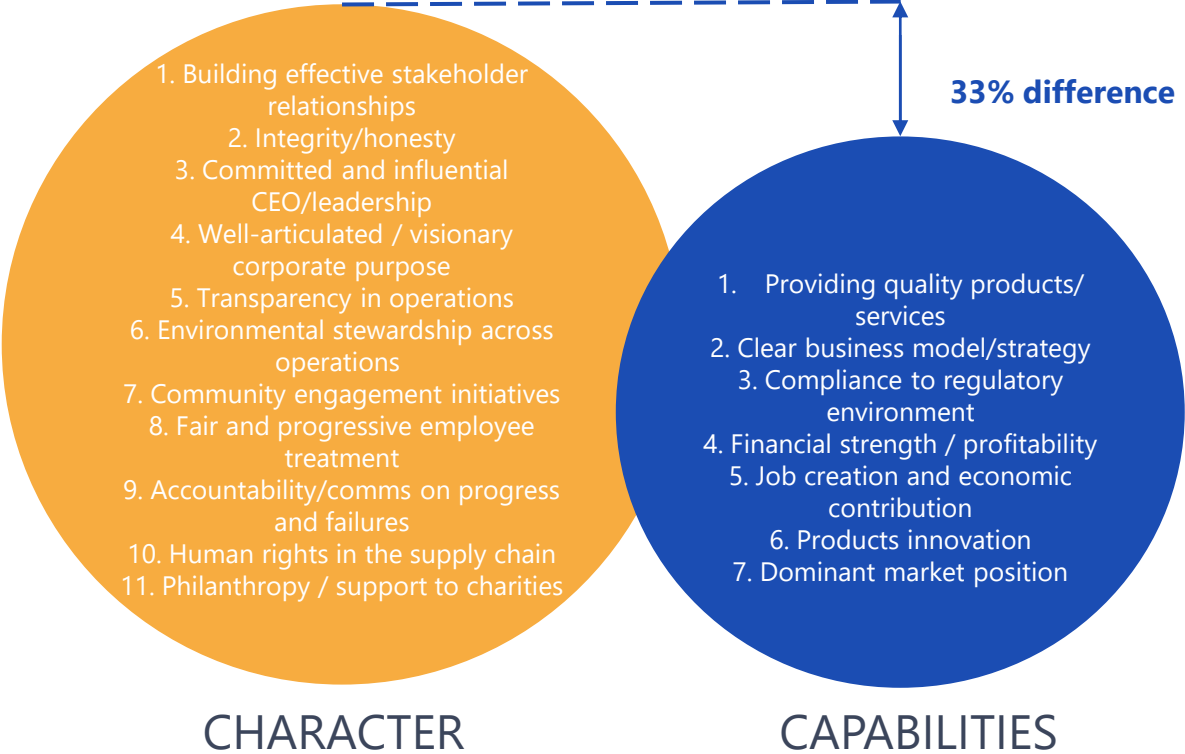
Plastics and single-use materials has consistently lost relevance as a top ESG issue year on year since 2021.

- Environmental topics
- Social topics
- Governance topics

2. Meeting the Moment: Trust, purpose, advocacy

Drivers of Trust in Business

Drivers of trust can be divided into two aspects: character & capabilities, Total Mentions, 2023



Drivers of Trust in Business

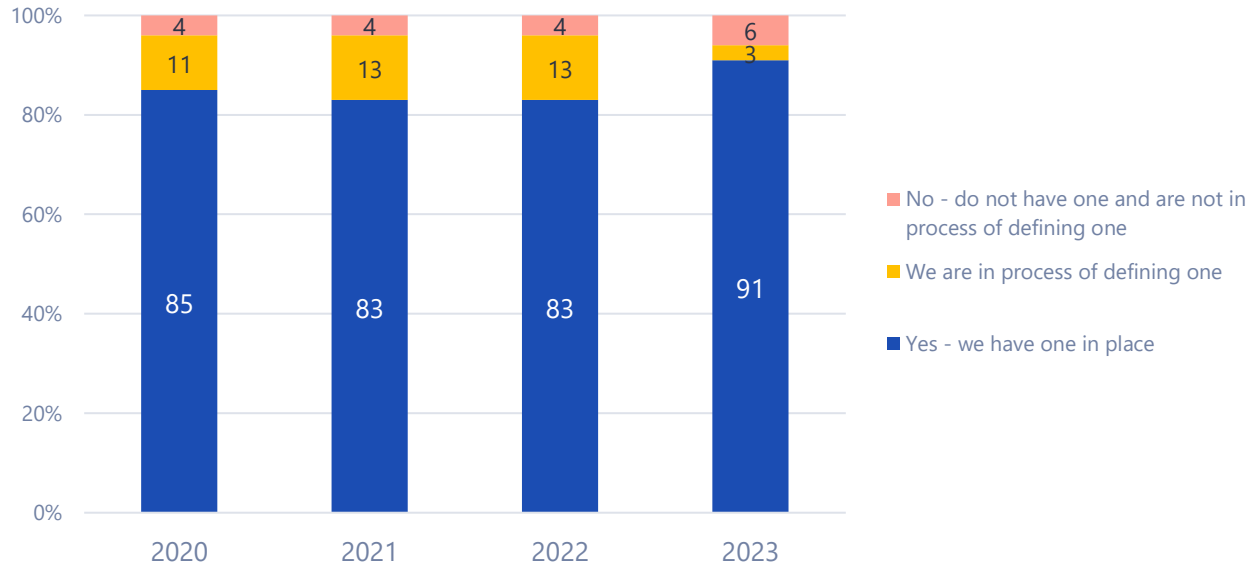
Perceived subtle shift to competence factors (business-related drivers) while culture, values, and relationships, which were more prominent in 2020–2021, slip down the order

Drivers of Trust in Company, Top Five Total Mentions, 2023 Compared to 2020 and 2021



State of Corporate Purpose

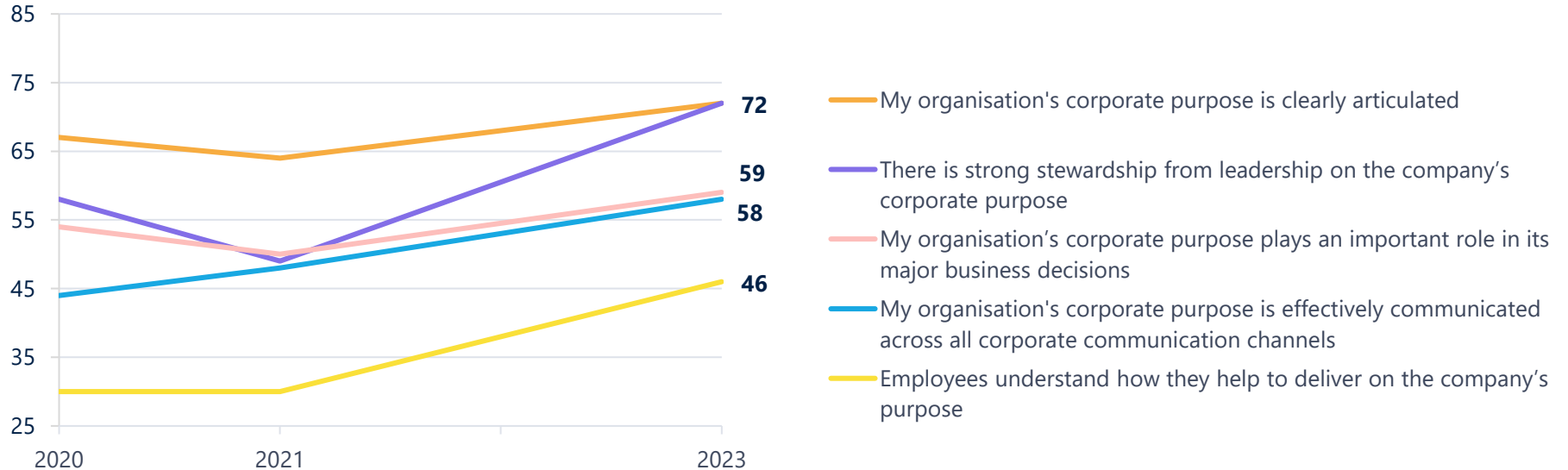
Over nine in ten Corporate Affairs professionals claim to have an established corporate purpose at their company, and a further 3 percent are in the process of defining one



Attitudes on Corporate Purpose

There has been a strong increase since 2021 in the belief that there is both strong stewardship from leadership and understanding from employees on delivering on corporate purpose

Attitudes around Corporate Purpose, "Strongly Agree" (6+7 on a 7-point Scale), 2020–2023

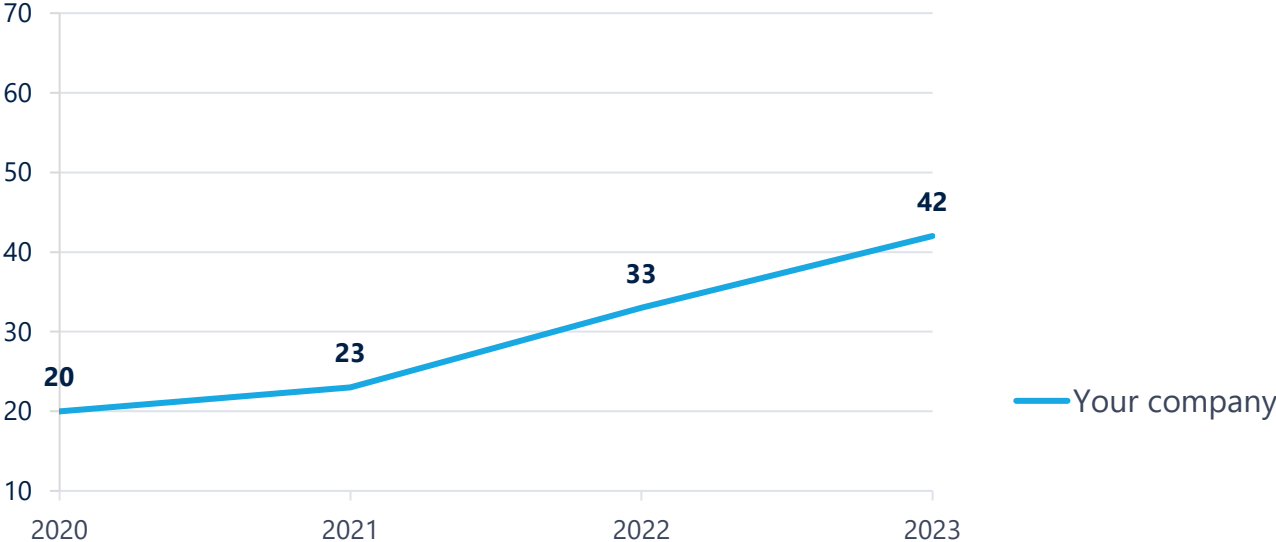


17 Q7.2 To what extent do you agree or disagree with each of the following statements related to your company's corporate purpose? Please move the slider to the point on the scale corresponding with your opinion. Subsample: Asked only to those who have a corporate purpose or are in the process of defining one. (2020 n=202; 2021 n=228; 2023 n=101)

Risk of Political Populism to Business

Increasingly, political populism and polarisation is seen to be a risk for business

Extent of Risk of Political Populism to Your Company, "High Risk" (6+7 on a 7-point Scale), 2020–2023

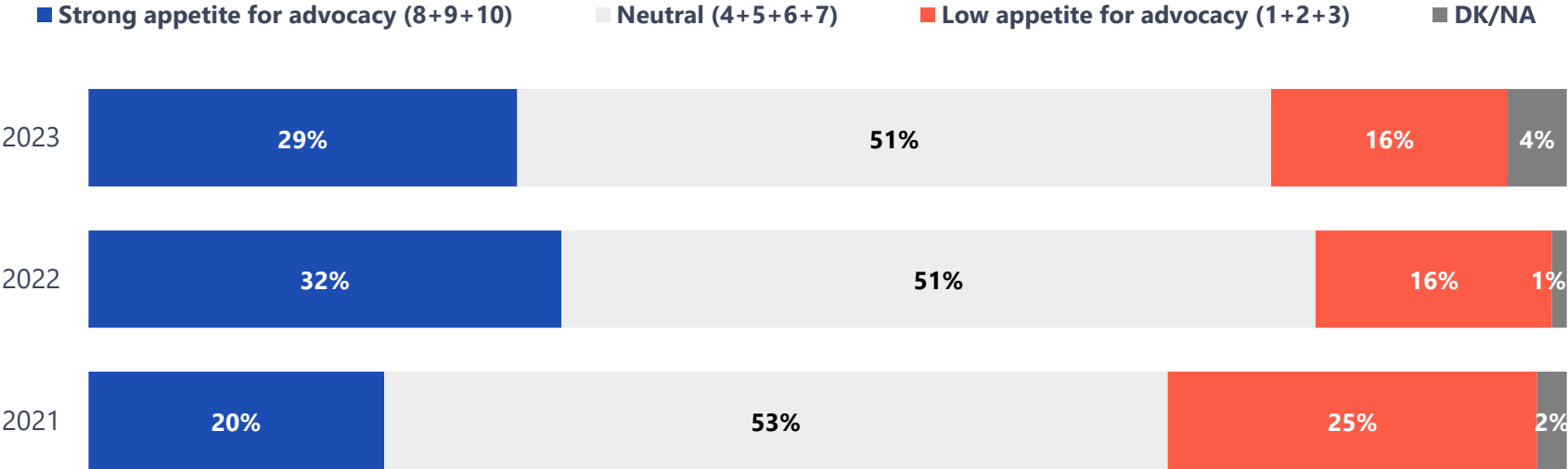


18 Q2.1 There has been increasing attention paid to political populism across the world, and to a growing trend toward polarisation within society. To what extent do you consider this evolution to be a risk for... ? (2020: n=195; 2021: n=228; 2022: n=221; 2023: n=109)

Appetite for Corporate Advocacy

Trend remained stable with less than three in ten companies having a strong appetite for advocacy

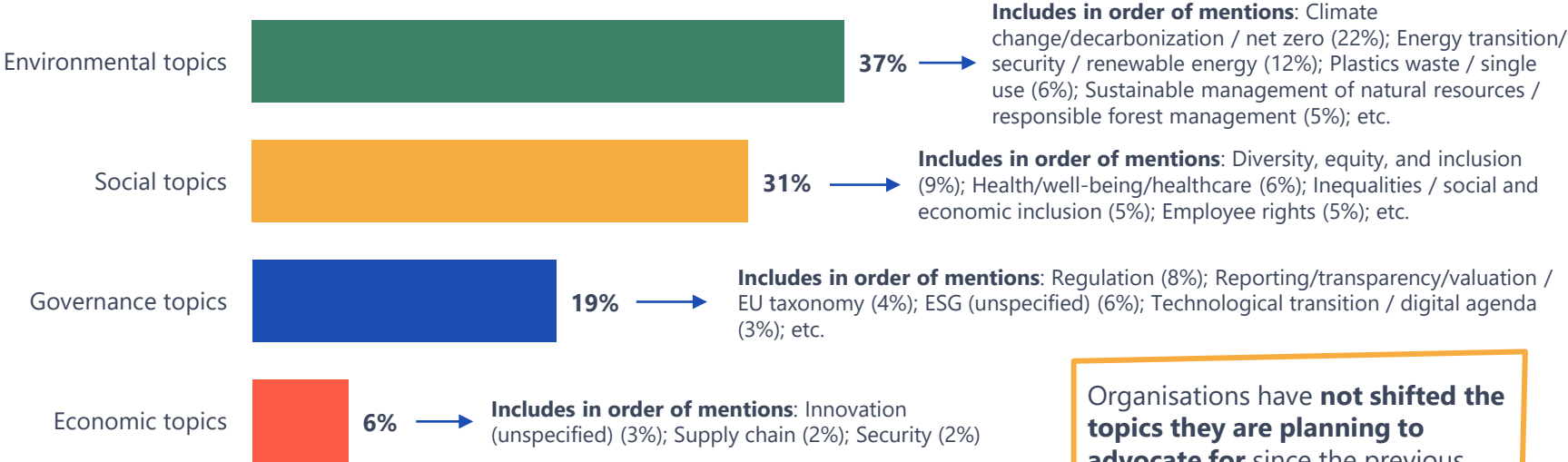
Appetite for Corporate Advocacy, 10-point Scale, 2021–2023



Planned Advocacy: Key Themes in 2023

Climate change and inequality are the main corporate advocacy topics planned for the coming year while there is overall a greater balance between environmental and social themes

Planned Advocacy Topics, Open-ended, Total Mentions, 2023



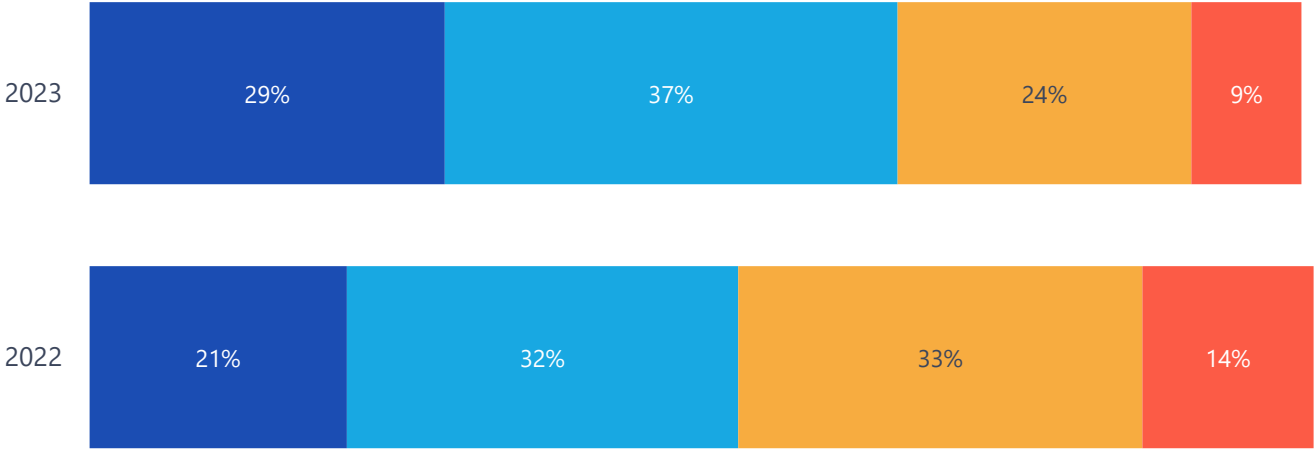
Organisations have **not shifted the topics they are planning to advocate for** since the previous year.

Concern about Greenwashing Allegations

Growing concerns amongst Corporate Affairs professionals about being accused of greenwashing with two-thirds in 2023 concerned opposed to half in 2022

Concern of Being Accused of Greenwashing, 2022–2023

■ Very concerned ■ Somewhat concerned ■ Not very concerned ■ Not at all concerned



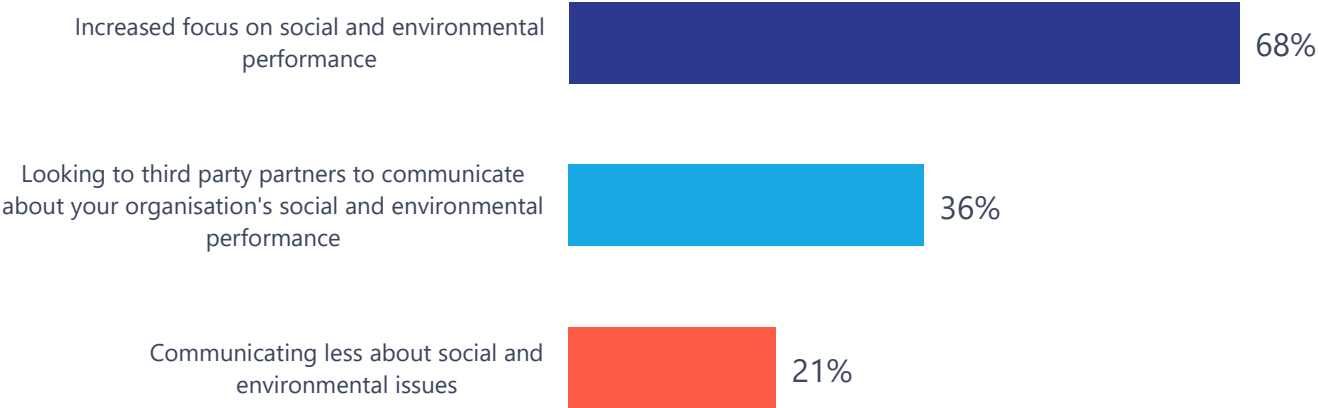
66%
are concerned about being accused of greenwashing (compared to 53% in 2022).

Q23. How concerned are you about your organisation being accused of greenwashing (that is, over-communicating or exaggerating about social and environmental commitments or performance)? (2022: n=221; 2023: n=107)

Actions Arising from Greenwashing Concerns

Over half of greenwashing accusations have resulted in an increased focus on social and environmental performance

Actions Resulting from Greenwashing Concerns, Those Who Are Concerned about Greenwashing, Total Mentions, 2023



3. Building Capacity: Evolution of the Corporate Affairs Function

Evolution of Roles in the Corporate Affairs Function

Scope of Corporate Affairs function continues to grow, with many activities increasing in importance

Extent to Which Roles in Corporate Affairs Has Become More Prominent (6+7 on a 7-point Scale)





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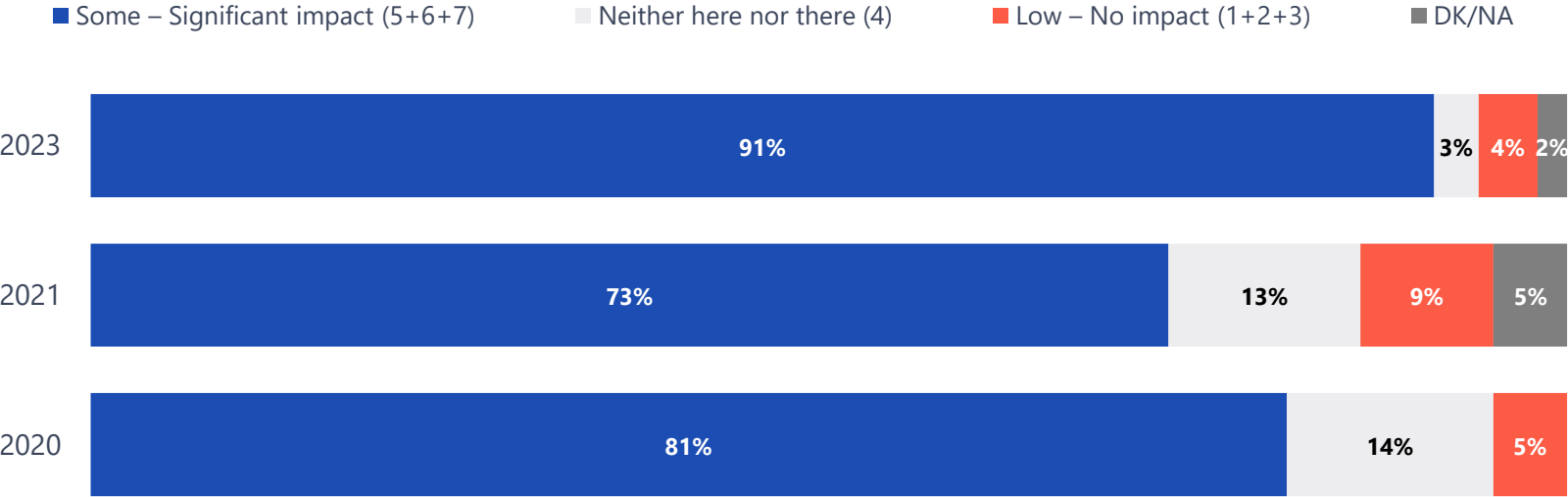
Arrows represent a significant (10 point) difference compared to 2022



Impact of Corporate Affairs Function on Creating and Protecting Business Value

Over nine in ten practitioners agree that the Corporate Affairs function has an important impact on business value creation; a significant increase from 2021

Impact of Corporate Affairs Function on Business Value, 7-point Scale, 2020–2023



Reasons Why Corporate Affairs Has a Significant Impact on Creating Business Value

The biggest impact of Corporate Affairs is on protecting and promoting reputation, followed by connecting organisations to their stakeholders, while less so in the area of influencing public policy



The role of Corporate Affairs in **protecting and promoting reputation is still the top business value creator** compared to previous years.

Verbatims on Why Corporate Affairs Has a Significant Impact on Creating Business Value

"Corporate Affairs is good at mitigating expectations of shareholders in difficult times (i.e. pollution, company financial performance, war, energy crisis). It is also essential when developing a compelling narrative for our employee engagement during these same difficult times."

Respondent from the UAE

"Increasingly less about "protecting" value - although this remains important, and more about "creating" value. In particular, helping to look beyond immediate horizon to identify opportunity / material risks faced by business, anticipate key challenges business is likely to face (which often come with \$ cost)."

Respondent from the United Kingdom

"The CA function combines at least three main roles: 1) reputation protector; 2) strategist and storyteller; 3) growth driver. They are **agents of change**, they embrace complexity, they work with data to support their recommendations, they create movements and create momentum."

Respondent from Brazil

Summary Findings

Global Issues and Risks

- Geopolitical risk and uncertainty continues to take centre stage as the greatest risk to global business in the near future, followed by climate change. In conjunction with this, the mounting weight of struggling economies affecting businesses has also been a rising concern.

Opportunities for Business

- Innovation and AI/digitisation and responding to the climate crisis are seen as great opportunities for global business.

Trust and Corporate Purpose

- The vast majority continue to believe that societal expectations toward purposeful leadership continue to rise and indicators assessing the embedding of purpose in their organisation is trending upward.

Populism, Advocacy, and Greenwashing

- Although the risk of political populism is seen to continue its strong upward trend, Corporate Affairs practitioners are exhibiting continued low levels of appetite for corporate advocacy, likely in response to fears of greenwashing accusations.

The Corporate Affairs Function

- The function of Corporate Affairs continues to grow in scope and importance, with reputation management and stakeholder engagement being the primary contributors to its impact in creating and protecting business value.

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