

2015 Global CSR RepTrak 100

The Global CSR Reputation Ranking of the 100 Most Reputable Firms by the General Public across 15 Countries



CSR RepTrak[®]100

by Reputation Institute



Agenda

- **About Reputation Institute**
- How does Reputation Institute study corporate reputation?
- The 2015 Global CSR RepTrak® 100

The world leader in Reputation Management research



Reputation Institute is the world's leading reputation-based research advisory firm, founded by Dr. Charles Fombrun and Dr. Cees van Riel in 1997.



Reputation Institute's RepTrak[®] Research is the world's largest and highest quality normative reputation benchmark database.

- 7 Dimensions of Reputation
- 10 Years of Data Indexed
- 40 Countries Measured
- 15 Stakeholder Groups
- 2,000 Companies per Year
- 6M Responses per Year



Our most prominent management tool is the RepTrak[®] model for analyzing the reputations of companies and institutions – best known via the Forbes-published Global RepTrak[®] 100, the world's largest study of corporate reputations.

A GLOBAL REPUTATION MANAGEMENT NETWORK



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- The 2015 Global CSR RepTrak® 100



by Reputation Institute

- ① The CSR Global RepTrak® 100 is a study Reputation Institute conducts annually to measure the CSR reputation of the world's 100 most highly regarded and familiar global companies in 15 countries
- ② More than 150,000 interviews were conducted in Q1 2015
- ③ Each were asked their perceptions of the reputation of companies using the standardized RepTrak® methodology
- ④ The results enable us to describe:
 - ❑ Which companies are best regarded by consumers
 - ❑ What drives trust and support with consumers and
 - ❑ How the 100 companies are living up to public expectations

The Best 100 Global Companies...



Competing across the 15 Largest Economies...



For status as “the World’s Most Reputable Company”

Why Measure Reputation?

The success of your company depends on getting people to support you.

Reputation is an **emotional bond...** ... that ensures



- Who **uses your products**
- Who **recommends you**
- Your **investors support you**
- **Policy-makers and regulators give you the benefit of the doubt**
- Your **employees are aligned and deliver** on your strategy

RepTrak® Dimensions are the Rational Explanation of Emotional Connections

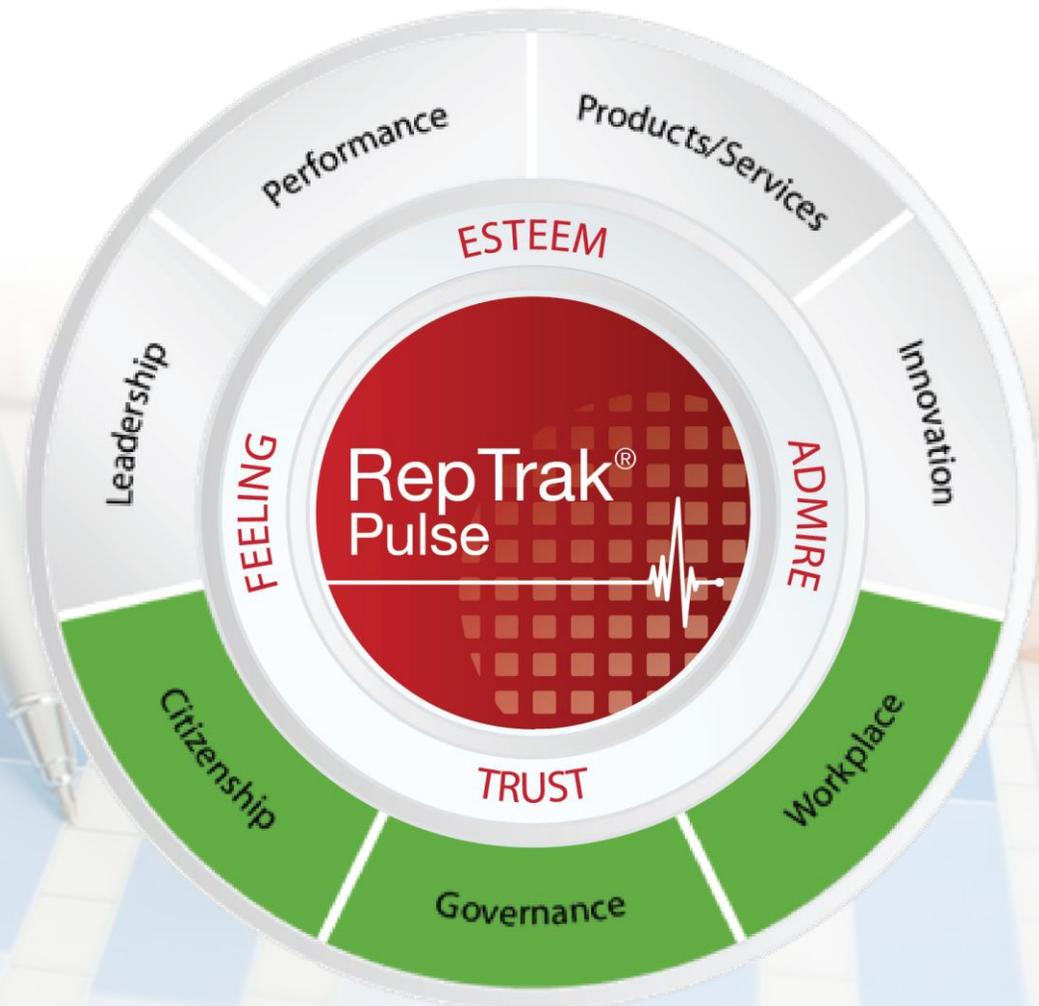
Track perceptions about your company's ability to deliver on 7 key Dimensions and 23 Deep Dive attributes of reputation.



Emotional

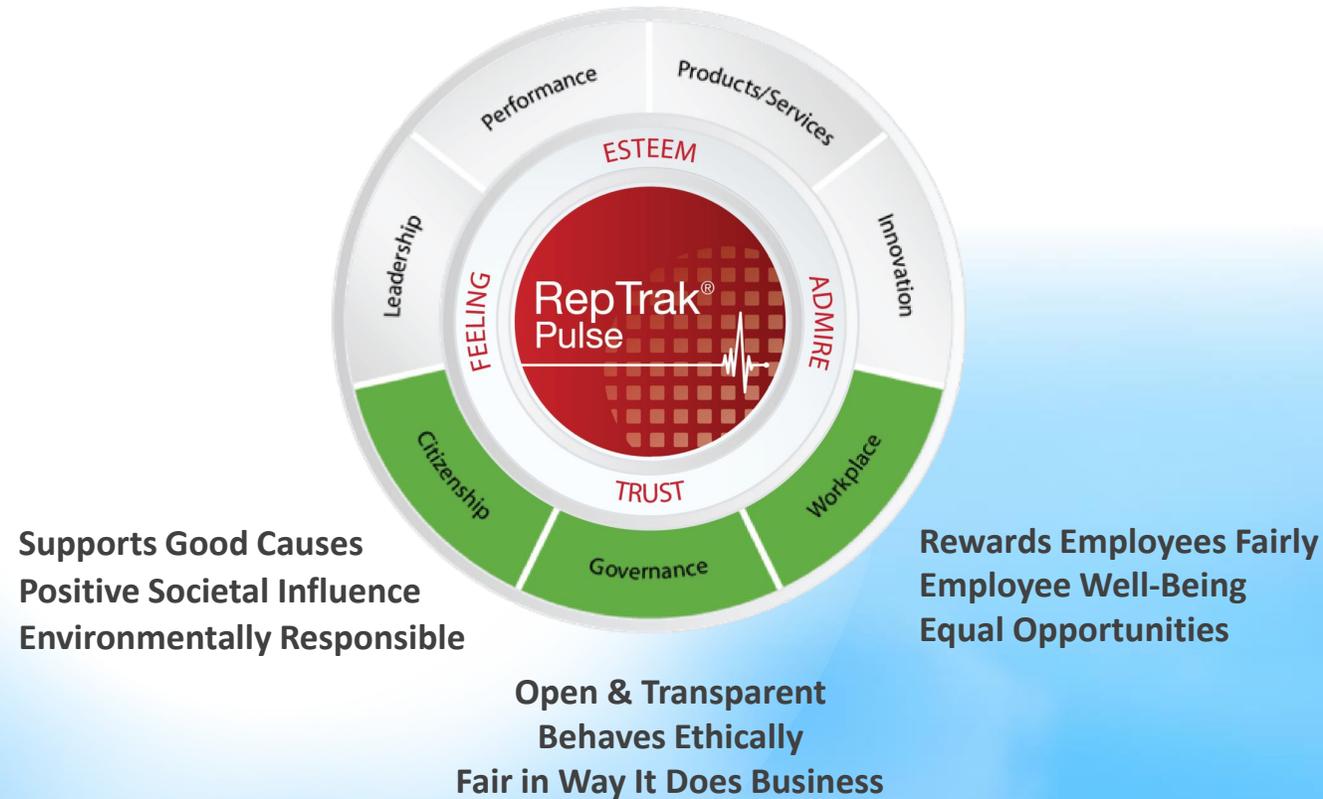


Rational explanation of the emotional



Corporate Social Responsibility (CSR) RepTrak Definition

CSR RepTrak® Score reflects performance in Citizenship, Governance and Workplace dimensions



The RepTrak® Model Summary

RepTrak® connects the emotional bond stakeholders have with a company with rational behaviors.

Dimensions of Reputation

- Products & Services
- Innovation
- Workplace
- Governance
- Citizenship
- Leadership
- Performance

RepTrak® Pulse



Supportive Behavior

- Purchase
- Recommend
- Crisis proof
- Verbal support
- Invest
- Work

RepTrak® Integrity

- Deepest normative database of reputation in the world
- 10 years of data
- Measurements in 40+ countries
- 15+ stakeholder groups
- > 7,000 companies
- Hundreds of thousands of ratings annually

What is the return on reputation?

Companies That Invest in a Strong Reputation Realize Tangible Business Benefits

- **A Strong link between Reputation and Stock Price** - Since the 2008 crisis, those companies with a stronger reputation have performed significantly better (almost 2X the return) than the overall market.
- **Better Stock Price Recovery after a Crisis** – all firms take a similar hit (8%) on average, but higher reputation firms bounce back faster and go higher afterward (RI Study)
- **Benefit of the doubt in a crisis** - 54% would give reputable companies the benefit of the doubt in a crisis compared to only 20% for lower reputation companies. (RT100)
- **Influence on policy making** - companies with better reputations are invited to provide input to policy makers when new regulations are designed (Qualitative research from RI policy maker and regulator studies)
- **Access to acquisitions** - buyers with better reputations are approached more often, are more likely to get the deal done and at a better price (Qualitative findings from RI CFO interviews)
- **More recommendation** - recommendation goes up by 6.5 percent for each 5-point reputation RepTrak® score improvement (RT 100)
- **More Buying** – propensity to buy goes up over 5% for each 5 point RepTrak® score improvement (Multiple RT studies)
- **Attracting the best talent** - a good company reputation is a top 5 driver for people when they consider which company they would like to work for. A higher reputation results in a significant increase in willingness to work for a firm (Analysis of Universum and Best Place to work findings)
- **Higher Employee Engagement and Alignment** - a good company reputation is a key driver for employee pride and engagement. A strong reputation is a leading indicator for employees willingness to deliver on the company strategy (RI findings from Employee Reputation and Alignment studies)

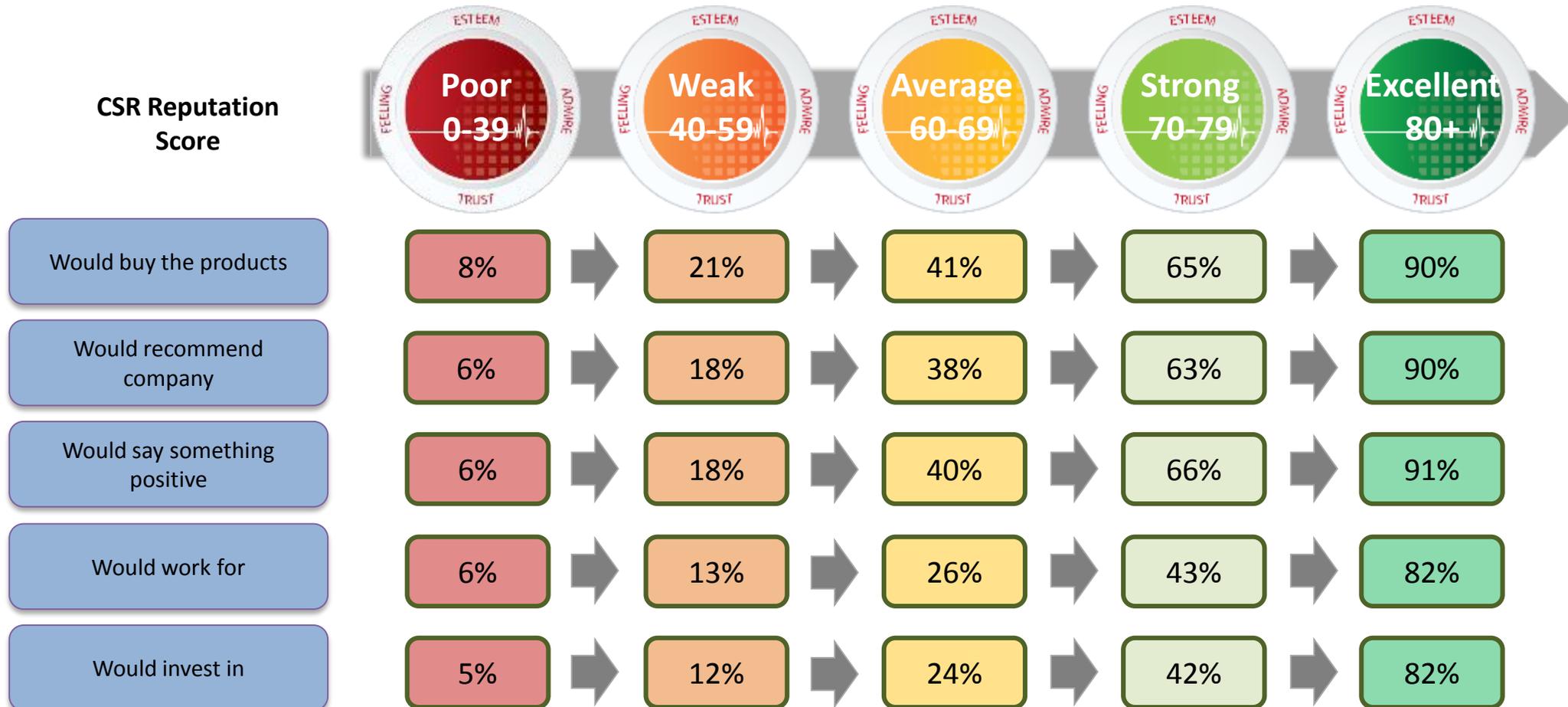
The RepTrak® Portfolio has outperformed the S&P500 Index since 2006



The RepTrak® Portfolio has outperformed the S&P500 Index since 2006. It has also done so by an increasingly wide margin since the financial crisis of 2008. An investment of \$100 in the RepTrak® Portfolio would be worth \$250 in 2013, whereas investing in the S&P would net approximately half of that, at ~\$140.

Good Reputation for CSR Drives Stakeholder Support

Companies with Excellent or Strong Reputations get significantly more support from the public.



Based on the data from the 2015 RepTrak® Pulse study.
 CSR RepTrak® scores that differ by more than +/- 3.1 are significantly different at the 95% confidence level.

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Who are the Top 10 in the Global CSR RepTrak® 100 (2015)?

2015

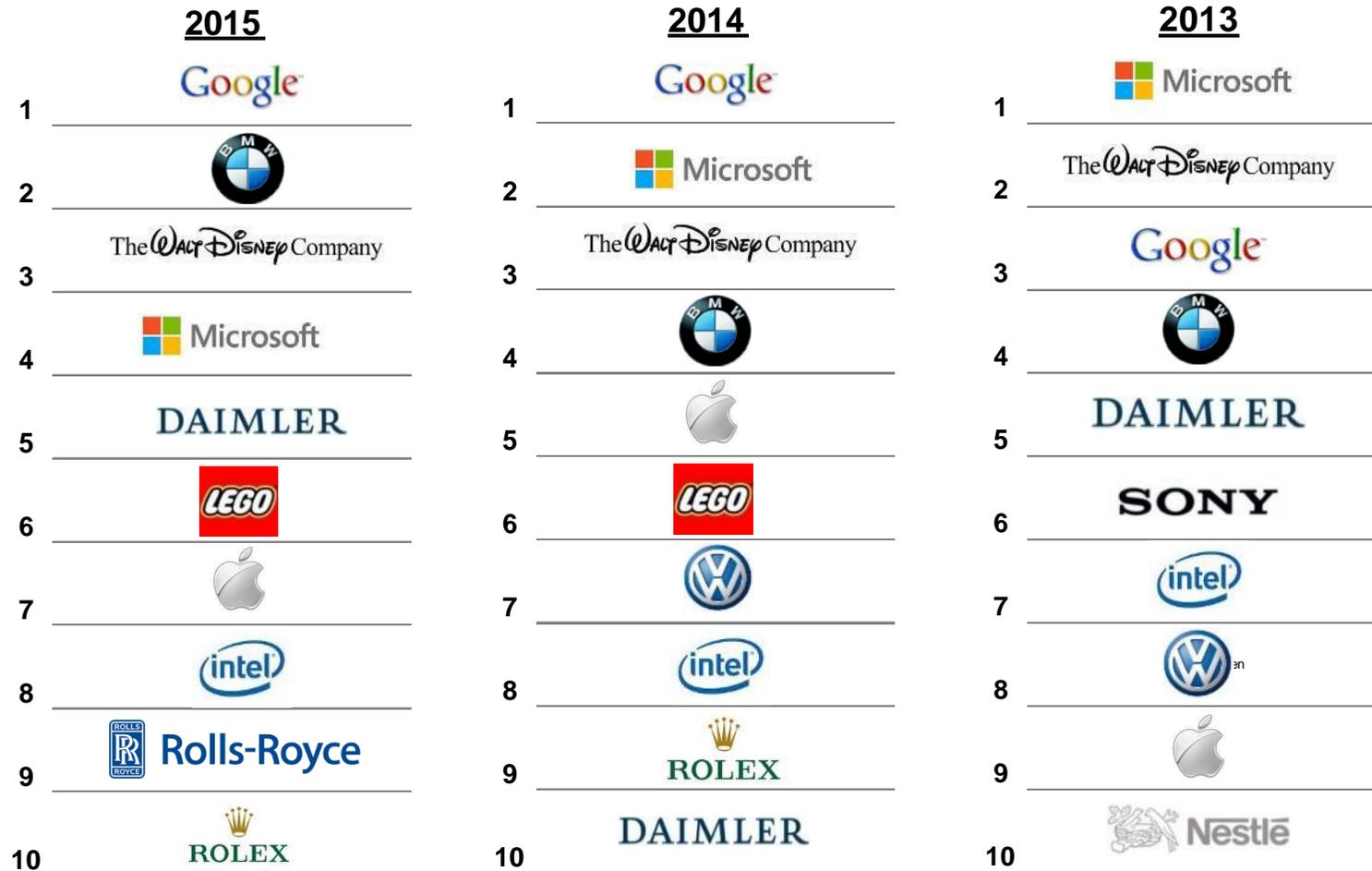
Rank	Company	Score
1		75.40
2		73.36
3	The 	73.35
4		73.28
5		73.20
6		72.69
7		72.28
8		71.81
9		71.32
10		71.19

- Google leads globally, by a significant margin
- The average CSR score of the top 10 firms is a full 5 points lower than the average RepTrak® Pulse of the top 10 firms



All RepTrak® Pulse scores that differ by more than +/-0.9 are significantly different at the 95% confidence level.

RepTrak® Pulse scores are based on questions measuring Trust, Admiration & Respect, Good Feeling and Overall Esteem (captured in the Pulse score on a 0-100 scale).



- Google has maintained its lead in the Global CSR RepTrak® 100
- Few changes in the Top 10 over the past two years, Rolls-Royce Aerospace is the newcomer to the Top 10 in the Global CSR RepTrak® 100
- The Top 10 list is comprised of companies in Technology, Consumer and Automobile industries.

2015 Global CSR RepTrak® 100 : The Most Reputable Companies in CSR Dimensions (1-50)

CSR Reputation Rank	Company	2015 Global CSR RepTrak® Score
1	Google	75.40
2	BMW	73.36
3	The Walt Disney Company	73.35
4	Microsoft	73.28
5	Daimler	73.20
6	LEGO	72.69
7	Apple	72.28
8	Intel	71.81
9	Rolls-Royce Aerospace	71.32
10	Rolex	71.19
11	Volkswagen	71.05
12	Johnson & Johnson	70.42
13	adidas	70.28
14	Canon	70.26
15	Philips Electronics	70.19
16	Sony	70.13
17	Michelin	69.40
18	Nestlé	69.24
19	Robert Bosch	69.12
20	Samsung Electronics	68.83
21	BBC	68.76
22	Nike	68.67
23	Ferrero	68.34
24	Colgate-Palmolive	68.28
25	Danone	68.02

CSR Reputation Rank	Company	2015 Global CSR RepTrak® Score
26	Nintendo	67.89
27	Volvo Group	67.80
28	IBM	67.74
29	Amazon.com	67.71
30	Bridgestone	67.67
31	Kellogg's	67.64
32	IKEA	67.55
33	Toyota	67.49
34	The Estée Lauder Companies	67.47
35	3M	67.35
36	Visa	67.35
37	Pirelli	67.32
38	Deutsche Lufthansa	67.18
39	Giorgio Armani	67.12
40	Schneider Electric	67.08
41	Dell	67.02
42	Oracle	66.88
43	Swatch Group	66.85
44	Siemens	66.83
45	Hewlett-Packard	66.77
46	Levi Strauss & Co.	66.75
47	Whirlpool	66.72
48	Deere & Co.	66.70
49	FedEx	66.68
50	L'Oréal	66.63

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POOR	WEAK	AVERAGE	STRONG	EXCELLENT
<40	40-59	60-69	70-79	>80

2015 Global CSR RepTrak® 100 : The Most Reputable Companies in CSR Dimensions (51-100)

CSR Reputation Rank	Company	2015 Global CSR RepTrak® Score
51	Procter & Gamble	66.56
52	Cisco Systems	66.42
53	Goodyear	66.36
54	Diageo	66.33
55	Texas Instruments	66.29
56	Starwood Hotels & Resorts	66.27
57	Barilla	66.27
58	InterContinental Hotels	66.21
59	General Electric	66.19
60	Boeing	66.17
61	Mastercard	66.16
62	SAP	66.16
63	Honda Motor	66.13
64	Hugo Boss	66.05
65	Caterpillar	66.00
66	Campbell Soup Company	65.96
67	Eli Lilly	65.94
68	Panasonic - Formerly Matsushita Electric Industrial	65.94
69	Hershey Company	65.86
70	Airbus	65.85
71	Abbott Laboratories	65.81
72	LVMH Group (Moët Hennessy - Louis Vuitton)	65.75
73	Novo Nordisk	65.71
74	Hilton Worldwide	65.64
75	Heineken	65.62

CSR Reputation Rank	Company	2015 Global CSR RepTrak® Score
76	H. J. Heinz	65.52
77	Bayer	65.40
78	Fujifilm	65.39
79	SAS	65.37
80	Lavazza	65.35
81	Bristol-Myers Squibb	65.31
82	The Coca-Cola Company	65.30
83	Marriott International	65.25
84	Toshiba	65.23
85	Ahold	65.20
86	Ford	65.12
87	Unilever	64.97
88	Wyndham Worldwide	64.77
89	Anheuser-Busch InBev	64.73
90	Xerox	64.67
91	Electrolux	64.62
92	Roche	64.59
93	Sanofi	64.48
94	LG Corporation	64.47
95	DuPont	64.27
96	Carlsberg	64.23
97	eBay	64.21
98	MSD (Merck Sharp & Dohme)	64.15
99	AstraZeneca	63.98
100	UPS	63.97

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What Drives Stakeholder Support?

In the Marketplace, Two Broad Factors Drive Supportive Behavior

ENTERPRISE



changing diabetes®

The perception of a company's social responsibility is a critical driver of Enterprise Reputation

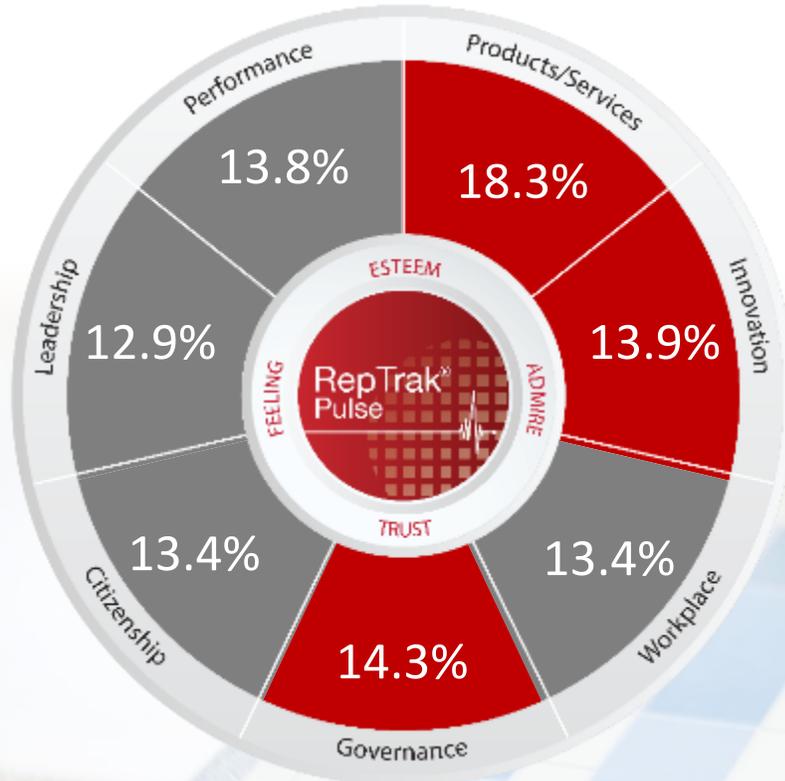


PRODUCT

What are the primary global reputation drivers?

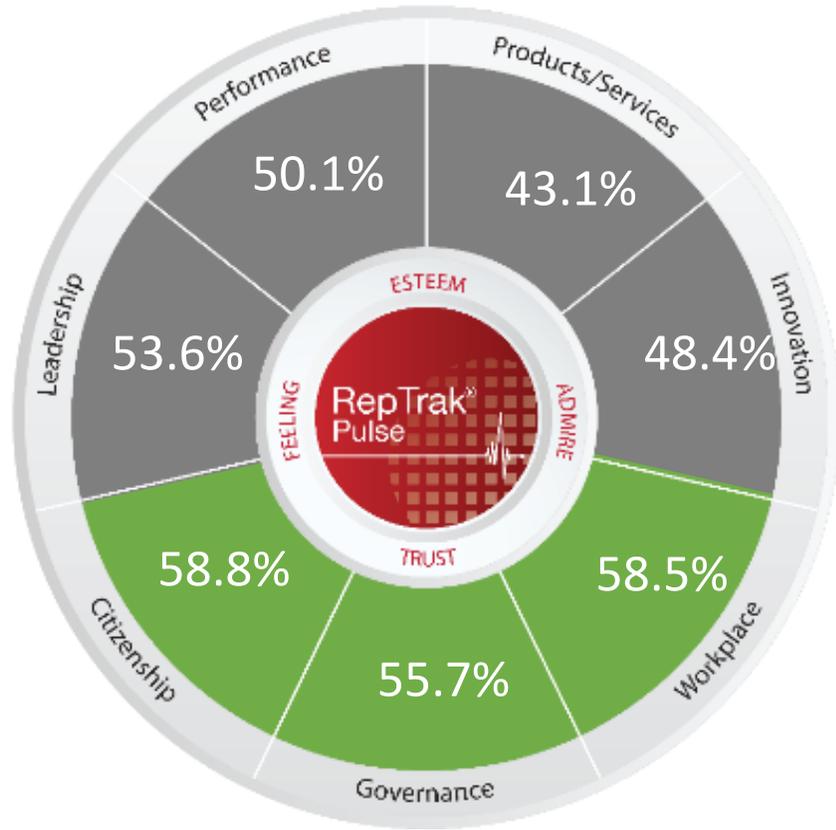
Product Drivers Lead, but CSR Drivers, led by Governance, drive over 40% of Reputation

2015 Global RepTrak Drivers



Factor Adjusted Regression
 N = 150,000+
 AdjR = 0.683

- **Product/Services:** Offers high quality products and services
- **Innovation:** Is an innovative company -- it makes or sells innovative products or innovates in the way it does business
- **Workplace:** Is an appealing place to work -- it treats its employees well
- **Governance:** Is a responsibly-run company -- it behaves ethically and is open & transparent in its business dealings
- **Citizenship:** Is a good corporate citizen -- it supports good causes & protects the environment
- **Leadership:** Is a company with strong leadership -- it has visible leaders & is managed effectively
- **Performance:** Is a high-performance company -- it delivers good financial results



Note: % of public who is neutral or 'not sure' about company's performance on that dimension

Highlights

- Across the 7 dimensions of reputation, as high as 60% of stakeholders are uncertain what the companies are doing within specific dimensions
- These are crucial fence-sitters who can swing to the positive or to the negative based on the information they receive and internalize
- The Corporate Social Responsibility (CSR) dimensions are both where the percentage of fence-sitters is highest, as well as 2 of the top 3 most important reputation drivers

Reputation Institute's Definition of CSR



CSR RepTrak® Score reflects performance in Citizenship, Governance and Workplace dimensions

GOVERNANCE



CITIZENSHIP



WORKPLACE



*The difference between two dimension scores in the Global CSR RepTrak® 100 ranking must be at least 1.9 points to be considered statistically significant

Google and Microsoft Earn the Best CSR Reputation Among Technology Companies

	Google	Microsoft
Global RepTrak® 100 Rank	2nd	11th
Global CSR RepTrak® 100 Rank	1st	4th



Microsoft

- Met carbon neutrality through internal efficiency projects
- Power Usage Effectiveness in all new datacenters
- Microsoft Global Disaster Response Team
- Solutions for Good Program: applications created for Corporate Citizenship at Microsoft shared with non profit organizations
- Office 365 for non profits



Microsoft

- Proportion of female employees grew from 24% to 28% in 2014
- Creating opportunities for young people through Young Spark Initiative
- Senior Executive women and minorities rose from 24% to 27% in 2014
- Groups and Networks that offer support and community



Microsoft

- New CEO driving change within Microsoft
- Changes in organizational structure to reduce costs and return capital to shareholders
- New privacy and data security measures
- More than 99% of employees completed the annual training on Standards of Business Conduct

Google

- Carbon neutral since 2007
- Natural climates to help make data centers 50% more efficient than the industry average
- Google Green
- Google Crisis Response
- Google Serve 2014

Google

- Investing in increasing diversity in the workplace
- One of the first tech employees to release their workplace diversity statistics
- 21% of tech hires in 2014 were women
- Commitment to increasing diversity, promoting inclusion and removing biases

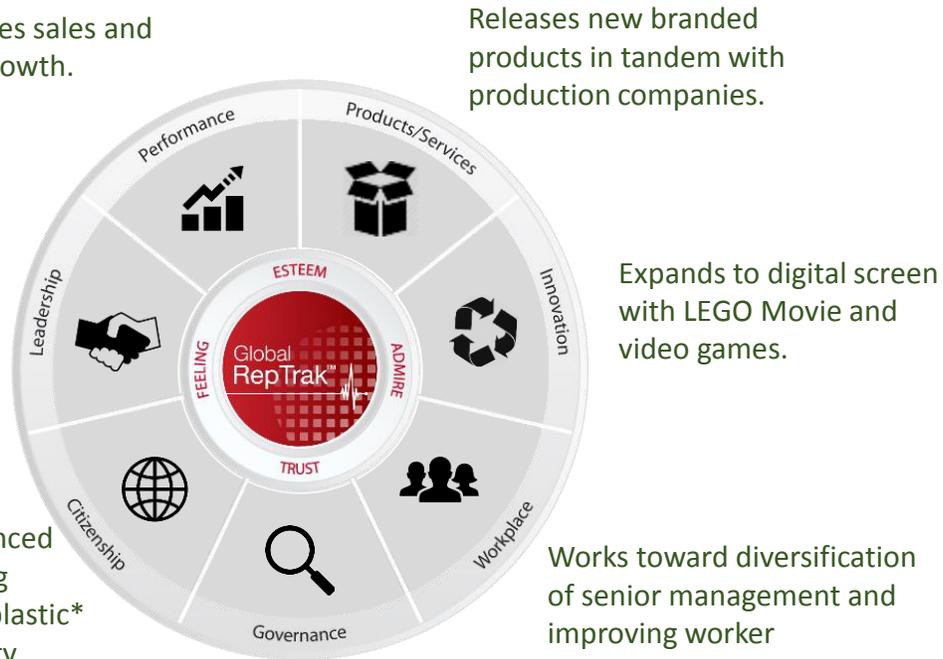
Google

- Google Code of Conduct
- Expanding internet access
- Committed to serving users and keep information up to date



Recent Highlights:

- Transparent and detailed CSR reporting
- Increasing Supply Chain Sustainability
 - In June 2015, LEGO announced major investment in finding sustainable alternative to plastic*
 - Lego changed the boxes it uses for its packaging in an effort to reduce its CO2 emissions. Products are now sold in smaller, Forest Stewardship Council-certified boxes..
- Ending the partnership with “Shell”
 - In 2014, Lego ended its partnership with Shell, after facing pressure from environmental sustainability groups such as Greenpeace.
- LEGO Foundation: 25% of Lego Group owned by Foundation
- LEGO Education: aggressive teacher and student program support



Experiences sales and income growth.

Releases new branded products in tandem with production companies.

Hiring of new Chief Marketing Officer and Chief Commercial Officer signals move towards market leadership.

Expands to digital screen with LEGO Movie and video games.

In June 2015, LEGO announced major investment in finding sustainable alternative to plastic* Lego improves sustainability efforts by focusing on integrating energy efficiency and resource sustainability across the production line.

Works toward diversification of senior management and improving worker performance.

Extremely detailed and Comprehensive CSR reporting



LEGO’s CSR score reflects an improved effort by the company to focus on sustainability.

Only 16 companies in the 2015 Global CSR RepTrak® 100 earned Strong CSR reputation scores this year, based on RI's normative scale for interpreting results.

The most successful firms combine all 4 of these attributes:

Alignment

- CSR is part of their organizational DNA
- CSR strategy is aligned and fully integrated into the business model

Leadership

- Strong leadership support and buy-in for CSR
- Leaders are actively leading by example and communicating on CSR

Sincerity

- Authentic and genuine programs that reflect corporate heritage and culture
- Detailed and transparent documentation of CSR programs and performance
- Focused on true societal impact

Engagement

- Employees and other key stakeholders are aware of, engaged in, and share the strategy and goals of the CSR strategy

Join the discussion

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Questions or Comments

Please post your questions or comments and
continue the discussion...

