Economist Intelligence Unit

The Economist

Society, shareholders and self-interest

Accountability of business leaders in financial services

A report from the Economist Intelligence Unit

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Contents

About the report

Society, shareholders and self-interest: Accountability of business leaders in financial services is an Economist Intelligence Unit report, sponsored by SAS. It explores perceptions of accountability among C-level executives, primarily in the banking and insurance industries. In particular, the report examines the degree to which business leaders in financial services feel accountable to society compared with other stakeholders. Finally, it evaluates the impact stakeholders have on decision-making, especially when it comes to risk management.

The paper draws on two main sources for its findings.

A global survey of 387 executives was conducted in April-May 2012. All the respondents were C-level executives, and two-thirds were from companies with a global annual revenue in excess of US$500m. Nearly one-third of respondents (31%) were from companies with headquarters in western Europe, 28% were based in Asia-Pacific, and 27% were headquartered in North America. Over three-quarters of respondents (78%) were from the financial services sector, including 21% from insurance and reinsurance, 20% from investment banking and capital markets, and 19% from retail banking and commercial banking, respectively.

To place the views of senior finance executives in some context, the remaining respondents in the survey (22%) were drawn from the C-level in the energy and utilities industry, where accountability is often affected by many of the same factors as in financial services: high levels of public scrutiny of risks and rewards, a complex and global operating environment, and a significant impact of business decisions on society and the state.

To complement the survey, a series of interviews was conducted with the following independent experts and senior executives:

- Charles Garthwaite, chief risk officer, Aegon UK
- Boris Groysberg, professor of business administration, Harvard Business School
- Sir Philip Hampton, chairman, Royal Bank of Scotland
- Vikram Kuriyan, professor of finance, Indian School of Business
- Justin Macmullan, head of campaigns, Consumers International
- Sunil Misser, chief executive, AccountAbility
- Michael F Silva, senior vice president, Federal Reserve Bank of New York
- Robert Talbut, chief investment officer, Royal London Asset Management
- Koos Timmermans, vice-chairman, ING Bank

We would like to thank all the interviewees and survey respondents who contributed to this report for their time and insight.

The report was written by David Bolchover and Sara Mosavi with assistance from Diallo Hall. It was edited by Abhik Sen and Chris Webber.

Executive summary

Since the outbreak of the financial crisis in 2007 governments, regulators and investors, as well as ordinary tax payers and consumers, have been calling for greater accountability in financial services. By making senior executives in the sector more accountable for their actions, so the argument goes, society can minimise the risk of disaster striking again.

Clearly, accountability means different things to different organisations and individuals. The social responsibility of financial institutions—or the lack of it—has come under intense scrutiny in the aftermath of the crisis. To what extent do finance leaders feel they should be accountable to shareholders, regulators and wider society? Are their views on accountability changing as a result of the financial crisis? How do perceptions vary between regions? And do they vary between different segments of the sector?

Drawing on a global survey of C-level executives, this Economist Intelligence Unit report provides several noteworthy insights into attitudes towards accountability at the very top of the financial services industry.

Key findings include the following:

- **Finance leaders attach the greatest importance to meeting short-term performance targets; being "socially responsible" is a much lower priority.**

On a scale of one to five, where one is the highest priority and five is the lowest, 84% of C-level finance leaders rank "meeting short-term performance targets" as either a one or a two. This is closely followed by "ensuring the long-term sustainability of the organisation" (83%). The need to be a "socially responsible corporate citizen" (62%) is a much lower priority.

- **C-level executives think they are most accountable to their boards, regulators and investors, and that is the way they think it should stay.**

Top executives in finance think that the C-suite is most accountable to the board (90%), followed by regulators (79%) and investors (74%). Only 54% see themselves as being accountable to "society at large". When asked who or what they should become more accountable to, the most popular choices are CEOs (48%), investors (44%), the board (36%) and regulators (32%). The least popular choices are society at large (25%), the company's workforce (24%) and the government or state (11%).

- **Top managers in finance do not think their remuneration is excessive, and public criticism is having little impact on pay policies.**

The financial crisis has triggered widespread public resentment over levels of pay for business leaders in finance, but nearly two-thirds (65%) of senior finance executives surveyed believe they are simply paid what they are worth in the market. Also, only a minority of them (29%) think that factors such as a tarnished public image or investor criticism have a greater influence today on C-level remuneration packages than a few years ago.

Investment banking is becoming more sensitive to public perception, but its C-level still does not see accountability to society as a top priority.

Much of the criticism of investment bankers and their role in the financial crisis appears to have struck a chord. Over one-half (53%) of respondents from investment banking agree that factors such as public opinion have a greater influence on risk appetite today (versus a finance sector average of only 36%). Similarly, 54% think that public perception is having a greater impact on performance-related pay today than a few years ago (as opposed to a sector average of just 32%). However, compared with their peers in other parts of finance, senior investment bankers assign a much lower priority to external stakeholders. According to the survey, only 34% see themselves as highly accountable to society at large, compared with nearly 70% of retail and 67% of commercial bankers who do.

Corporate social responsibility weighs much less on finance leaders in North America than on their peers in other parts of the world.

Survey respondents were asked to indicate the extent to which they agree or disagree with the statement: "Businesses should concentrate on making money and leave the pursuit of wider societal objectives to governments, regulators and others." In North America, 63% agree and only 8% disagree. In the Asia-Pacific region, 53% of respondents agree and 32% disagree. And in Europe, 45% are in agreement versus 38% who are not. Meanwhile, three-quarters of North American respondents also believe that "public and political criticism of executive remuneration is generally unfair", a far higher percentage than executives in Asia-Pacific (51%) and Europe (48%) who think the same.

Attitudes towards accountability and risk management vary markedly between finance CEOs and CFOs.

CEOs and their CFOs in financial services disagree on what constitutes accountability. Only 16% of CEOs think business leaders should be more accountable to society at large, but more than twice as many CFOs (33%) think they should be. Similarly, when asked what kind of impact public opinion is having on the "willingness of C-level executives to take responsibility for failure or misdemeanors", 55% of CEOs say that it is having less of an impact than a few years ago, but only 15% of CFOs agree. Four in five CEOs also believe they have taken adequate measures to improve risk management at their firms. But only 65% of CFOs agree.

Introduction

There are many overlapping reasons why the global financial system, after dancing merrily along for years, came to a standstill in 2007, when the music finally stopped. According to the US government's Financial Crisis Inquiry Commission (FCIC), one of the main causes was "a systemic breakdown in accountability and ethics" among some of the world's largest financial institutions.[1] The quest for ever higher returns and rewards in a buoyant economic environment lulled many industry leaders into taking unwarranted risks. And, as we now know, the effect of their unbridled adventurism was devastating not just for the industry, but for the entire world.

Since the crisis, the finance sector has been under scrutiny like never before. Boris Groysberg, a Harvard Business School professor who teaches a course on leadership in financial organisations, believes that all this attention is beginning to change mindsets at the top of financial services. "Accountability is now the subject which executives most want to cover in this course," he says. "There appears to be a growing belief that financial institutions exist because society gives them the permission to exist. Besides, most people want to work for an industry they believe in, one that gives them self-esteem from the value they are creating for society. They don't want to be sorry for working for a bank."

Others, however, remain more sceptical. "The world's most important bankers are desperately trying to convince themselves that they're wonderful people doing God's work, and that somehow the financial crisis was just one of those unpleasant hiccups along the way," Felix Salmon, a media commentator, wrote recently.[2] Stephen Hester, the CEO of the UK-based, taxpayer-supported Royal Bank of Scotland, also has his doubts. Financial institutions became "detached from society", he said in a recent interview. "A successful business must be built off the back of serving customers well, and until we as an industry can say we are doing that, we won't have finished the changes we need to make."[3]

Certainly, many lessons have been learnt and standards of accountability have been strengthened. "While laws and regulations are indispensable with respect to capital, liquidity and risk management, the stability of the financial system is equally dependent on the sound judgment and responsible conduct of financial leaders themselves," says Michael F Silva, a senior vice president at the Federal Reserve Bank of New York, who is responsible for supervising systemically important financial institutions. "Holding financial leaders accountable—by regulators, shareholders and boards of directors—for the impact of their judgments and conduct on the stability of their firms, and thus on the stability of the broader financial system, is the most powerful way to encourage the right behaviour."

But the insights gleaned from the research undertaken for this report suggests that the debate over what constitutes accountability in financial services is far from settled.

[1] The Financial Crisis Inquiry Report (FCIC), *National Commission on the Causes of the Financial and Economic Crisis in the United States*, 2011

[2] Two views of financial innovation, *Reuters*, April 2012

[3] RBS boss admits banks became "detached from society", *BBC*, August 2012

1 What lies beneath

One finding that jumps out from the survey conducted for this report is that hitting business targets comfortably trumps corporate social responsibility as a priority for C-level finance executives. More than four-fifths of finance respondents feel that "meeting short-term performance targets" and "ensuring the long-term sustainability of [their] organisation" should be a top priority. Significantly fewer of them attach as much importance to the goals of "being a socially responsible corporate citizen" or "increasing shareholder value".

It should come as little surprise, therefore, that the C-suite feels most accountable to the board and least accountable to "society at large". And given a choice of stakeholders they should become more accountable to, survey respondents pick the CEO, investors and the board – in that order. Improving accountability to the government or to society is a much lower priority (see Chart 1).

However, some senior financiers insist that attitudes to accountability are becoming more broad-minded. "There is now a much greater appreciation of how much damage can be caused if major financial institutions get into trouble," says Charles Garthwaite, chief risk officer of Aegon UK, a division of one of the world's largest insurance companies. "There is a certain irony that it took these problems to bring attention to the crucial importance of the industry's role in society."

The survey does indicate that, in some respects, accountability to society is an increasingly important concern for finance leaders. As Chart 2 shows, many of them believe that their company is making a conscious effort to improve transparency and the accuracy of the information they share with external stakeholders. And three in five also say they actively encourage stakeholders to ask questions and scrutinise their performance.

Another development since the crisis is a greater willingness on the part of financial organisations to engage with external or non-corporate stakeholders as a way of mitigating reputational risk. For example, Goldman Sachs, the US-based investment bank, recently joined hands with the New York City administration to create the "social impact bond", a product intended to provide succour to cash-starved public authorities , in this case with the objective of helping to reduce crime. As part of the deal, Goldman Sachs will lend close to US$10m to fund a project which aims to reduce the number of young re-offenders in the city. The return for Goldman on this product will reflect the success or failure of the rehabilitation project, and the maximum return for Goldman will be capped at a modest level.

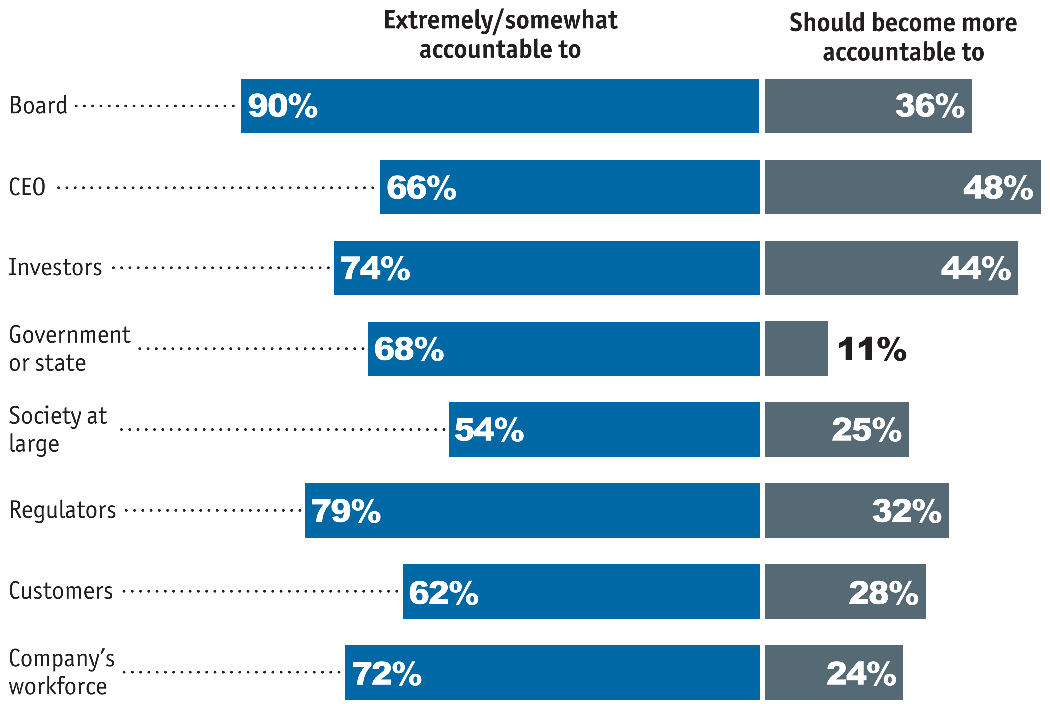
Yet, despite the crisis and its aftermath, a majority of C-level executives in finance continue to believe that the sector is being unfairly picked upon. More than three-fifths of those who took part in the survey (62%) believe that regulators and policymakers are more to blame for the economic downturn than the follies of business people. And nearly two-thirds (65%) do not think their pay is excessive; they believe they are simply paid what they deserve.

Not surprisingly, remuneration has become a major flashpoint in the debate over accountability in financial services. "The

Chart 1

How accountable do you think C-level executives are to the following stakeholders currently? Who do you think they should become more accountable to?

(% of financial services respondents)



Source: Economist Intelligence Unit.

incentive structure in banks was the fundamental cause of the behaviour which led to the financial crisis," says Sunil Misser, chief executive of AccountAbility, a research and advisory firm. "We don't just need to tinker with this structure. We need a fundamental overhaul. But that is going to be difficult to achieve when the incumbents have expensive lifestyles to protect."

The severe criticism from politicians, regulators and the public regarding the pay levels of senior finance executives does seem to have had an impact on remuneration policies. Many (46%) finance leaders think there is now a much stronger alignment between remuneration and shareholder returns, although few respondents believe that changes in pay structures have led to a decline in overall remuneration. Instead, banks are responding to public and political pressure by curbing cash bonuses, with salaries rising to compensate. According to Kennedy Associates, a recruitment firm specialising in the financial services sector, the average basic salary of a managing director at a global investment bank in London has shot up by more than 80% between 2008 and 2011.[1]

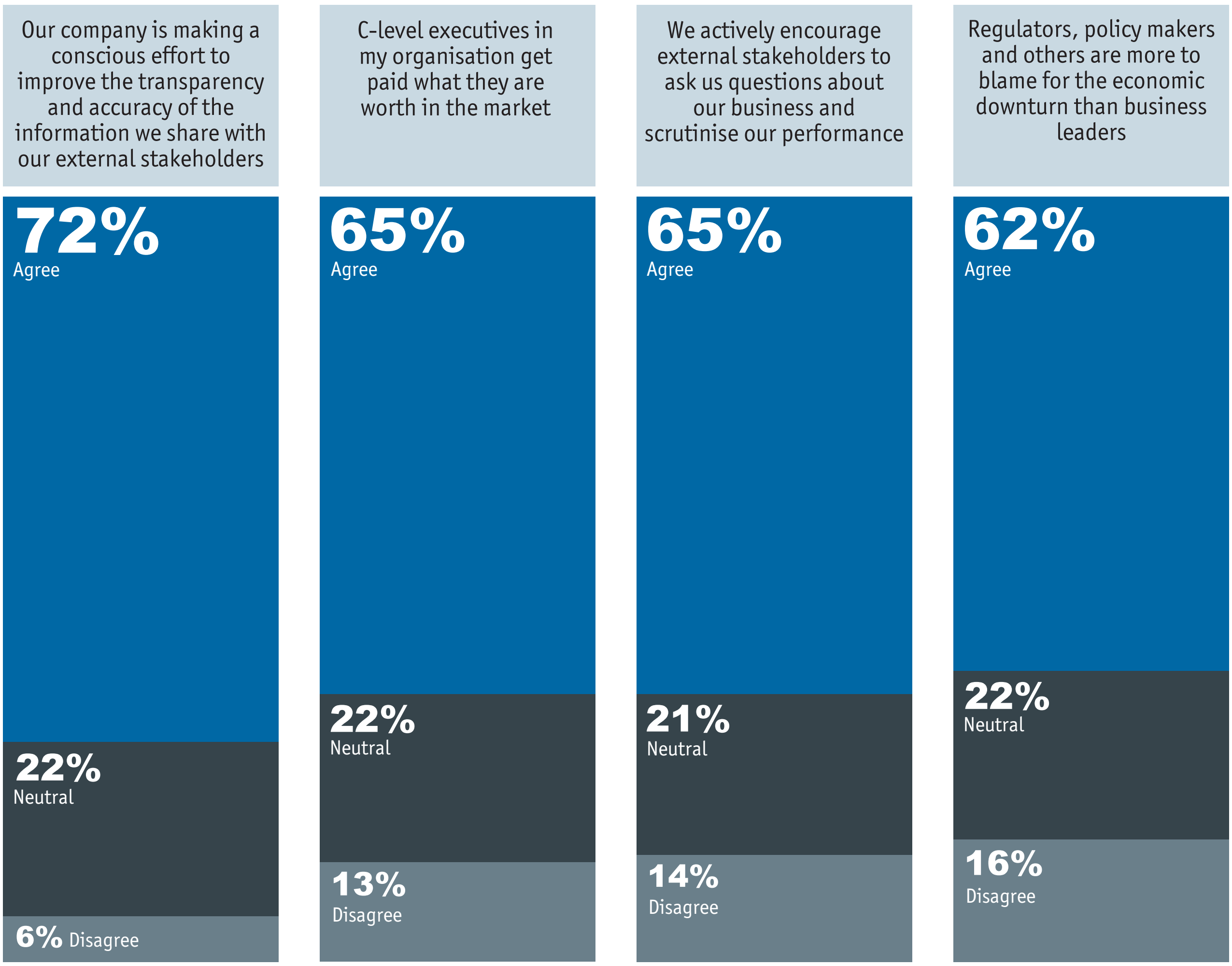
However, as the survey for this report reveals, many finance leaders feel that the current debate over remuneration is unbalanced or unfair (see Chart 3). Some also feel that it does not take into account factors such as competitive pressure. "We have to take public anger about pay into account, but we also have a responsibility to run the business in a prudent manner," says Koos Timmermans, vice chairman of ING Bank, which is

[4] More job cuts loom for Europe's banks locked into higher pay, *Business Week*, September 2011

primarily active in retail and commercial banking. "First, we have a global business where the market operates differently in various regions. For example, our Asian business is expanding as that region did not suffer from a financial crisis, and we have to compete for local talent there. Second, entire teams leaving the company because they get offered better terms elsewhere creates discontinuity. This is an operational risk we need to manage properly in the interest of our customers, shareholders and other stakeholders."

Chart 2

Q Please indicate the extent to which you agree or disagree with the following statements.
(% of financial services respondents)

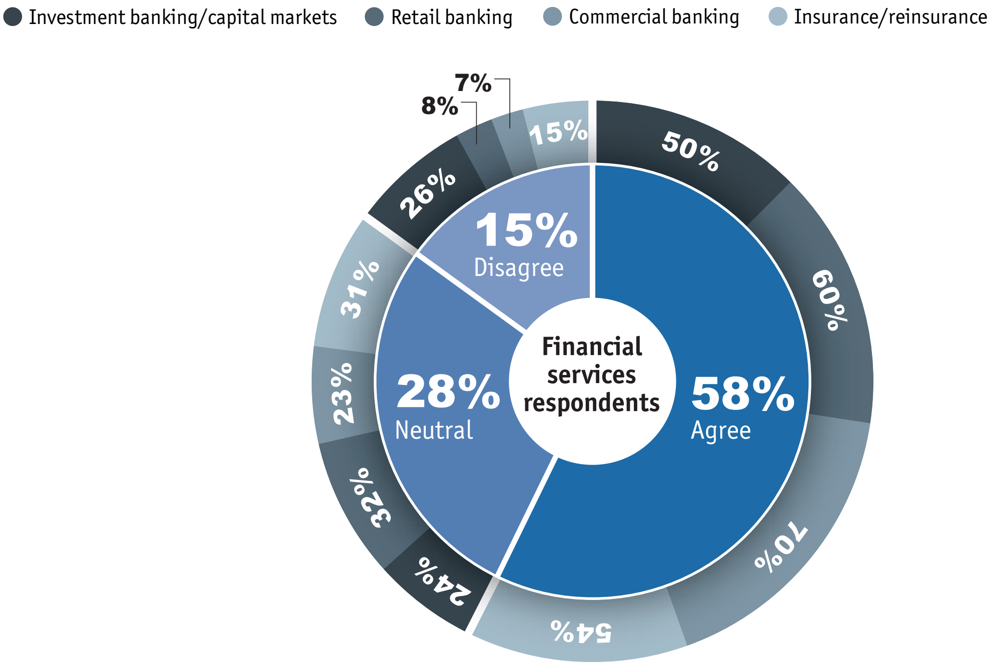


Source: Economist Intelligence Unit.

Chart 3

Q Do you agree or disagree with the following statement: Public and political criticism about executive remuneration is generally unfair.

(% of financial services respondents)



Source: Economist Intelligence Unit.

The bailed-out bank

The Royal Bank of Scotland is 82% owned by the UK government after it received bailout funding of £45.5bn (US$71.9bn) in 2008 in the wake of declaring the largest annual loss in British corporate history (£24.1bn). How does state ownership affect the accountability of the bank's top executives?

Sir Philip Hampton was appointed chairman of the company shortly after the bailout.

"Demonstrating accountability is particularly important for us, but also for banks which weren't directly supported by the government bailout," he says. "You have to bear in mind that government bailouts saved the entire financial system. There is an understanding that if you have been bailed out, you have a duty to support business, customers and society at large."

Despite state ownership, Sir Philip says the government has always been a passive investor in the bank. "Our shares are still publicly listed because the government wanted to keep the company operating on a commercial footing and also to sell shares as the bank recovers," he says. "The government is one of many shareholders and doesn't exercise direct control. It is our job to allow this bank to operate commercially. This is what all our shareholders require."

But the public's importance as a stakeholder was made clear in the controversy over the pay awarded to the company's chief executive, Stephen Hester, in early 2012. Mr Hester was offered a bonus of almost £1m on top of his annual salary of £1.2m. After the venting of much public outrage at the level of his overall remuneration, the UK government's main opposition party threatened to put the issue to a parliamentary vote. When it became apparent that parliament would vote against the payment, Mr Hester, in consultation with the bank's board, decided to renounce it.

"The UK government's attention to remuneration reflects their political challenges," says Sir Philip. "There has been a massive destruction of shareholder value in recent years, resulting in a significant mismatch between pay and performance. This is a particular challenge for the finance sector because, directly or indirectly, all institutions relied on state funding."

2 A divided house

Perceptions of accountability in financial services are shaped by a multitude of factors, not least the diverse range of stakeholders that business leaders in the sector have to engage with. While they share the same view on many sector-wide issues, the survey for this report has thrown up some striking differences in attitudes towards accountability between industry segments, regions and job functions.

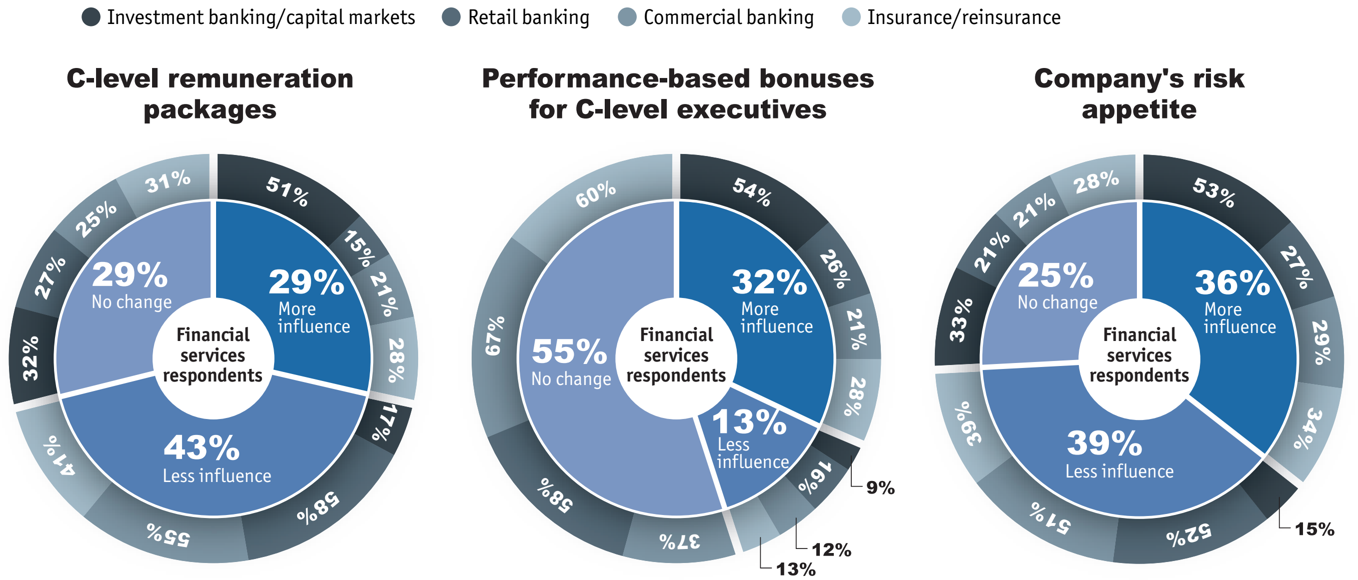
For example, senior executives in investment banking seem quite at odds with their peers in other branches of finance. Exactly one-half of the investment banking executives polled believe that their organisation is accountable to the government or state, compared with 80% in retail and commercial banking. Similarly, just one in three investment bankers say they feel accountable to society at large, in contrast to nearly one-half of respondents (47%) from the insurance and reinsurance industries and 68% from retail and commercial banking.

Investment bankers stood apart from their finance peers even when asked whether public opinion and investor criticism had comparatively more or less influence today. They were more likely than those in other areas of financial services to think that public and investor influence had grown on issues such as

Chart 4

Q Compared to a few years ago, do external factors such as public opinion or investor criticism have more or less influence on the following?

(% of financial services respondents)



Source: Economist Intelligence Unit.

remuneration and risk appetite (see Chart 4).

The difference in response between various branches of finance can be explained to some extent by the fact that retail bankers or insurers have historically dealt closely with consumers and the public, while some other parts of finance, such as investment banking, often operate behind closed doors and can therefore afford to be much less sensitive to public opinion. "It's difficult to ask fundamental questions about retail and commercial banking," says Mr Timmermans of ING Bank. "They provide credit which the economy relies on in order to grow. But investment banking and trading are different. It is feasible to ask whether they benefit society as a whole, or whether they merely contribute to the over-financialisation of the system without serving any real purpose."

North America stands apart

C-level executives in financial services in North America stood out in our survey from those in Europe and Asia-Pacific. Underlying their responses is a belief that businesses should be left alone to concentrate on making money, and that executive accountability to various stakeholders is very strong and does not need improving.

A larger proportion (92%) in North America believes that they are highly accountable to investors, compared with 73% in Asia-Pacific and

Power of the people

The survey for this report demonstrates that accountability to society is already deemed well embedded in retail and commercial banking. Nearly seven in ten (68%) respondents from this stream of banking consider themselves highly accountable to society at large, compared with 47% of respondents from insurance and reinsurance and 34% from investment banking. Given the consumer-facing nature of retail banking and some parts of insurance, the imperative for accountability to a broad range of stakeholders is ever present.

The advent of communication channels such as social media and consumer websites has also led to greater scrutiny and transparency in these areas of banking. "The rapid growth of social media is a hugely significant social phenomenon which had started several years before the financial crisis," says Charles Garthwaite, chief risk officer of the insurance company Aegon UK. "Consumers can set up user groups, and complaints about products are discussed broadly. This is a major contributor to increased accountability."

According to Robert Talbut, chief investment officer of Royal London Asset Management and chairman of the Investment Committee at the Association of British Insurers, "there is a recognition that building a sustainable business relies on good-quality products and repeat transaction with customers. In asset management, we have seen simpler products, more transparent pricing, and an increasing willingness to contemplate whether the product will actually benefit the customer in the long term."

The survey also found that nearly one half (48%) of retail and commercial banking executives think that compared with a few years ago, external factors such as investor criticism and public opinion have less of an influence today on the willingness of C-level executives to take responsibility for failures and misdemeanours—only 22% say it has more influence. Why?

Justin Macmullan, head of campaigns at Consumers International, the world federation of consumer groups, offers one explanation: "The financial crisis reduced competition because of the closure of some banks and the mergers of others. It reduced the market incentive to become more accountable."

63% in Europe. For accountability to government and the state, respondents from North America again led the way with 84%, compared with relatively lower levels for Asia-Pacific and Europe at 67% and 57%, respectively. Similarly, 72% of North American respondents feel accountable to society at large, but only 53% from Asia-Pacific and 45% from Europe feel the same (see Chart 5).

North American executives may think that they are very accountable now, but they believe that accountability levels were actually higher a few years ago and are now falling. For example, 63% think that external factors, such as investor criticism or public opinion, now have less influence than previously on their company's risk appetite, but only 28% in Asia-Pacific and 34% in Europe agree. Over two-thirds (68%) think that these considerations have less impact on C-level appointments, compared with 27% in Europe and 23% in Asia-Pacific.

The unwillingness of finance leaders in North America to reassess the cornerstones of accountability in their sector could result in what executives fear most: greater external oversight. "If these attitudes do persist, a repeat of the events that led to the financial crisis looks more of a certainty," says Mr Groysberg. "In addition, they increase the probability that the government will over-regulate in response to the lack of commitment from executives."

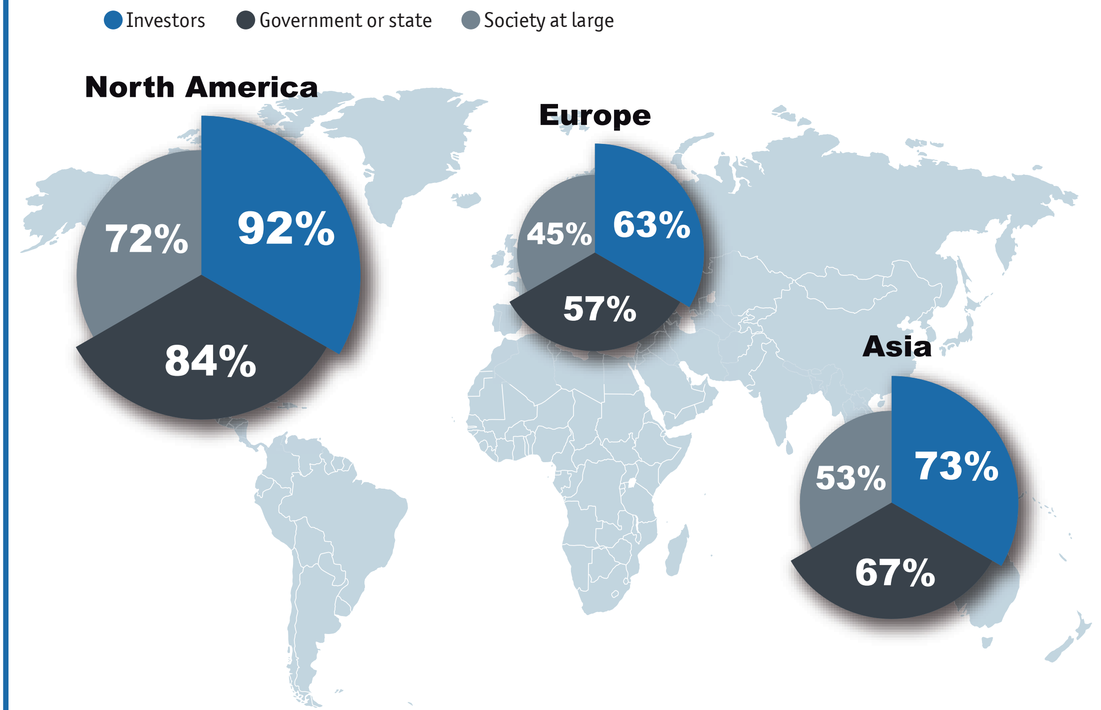
CEOs and CFOs see it differently

The final distinction worth drawing is between the attitudes of CEOs and CFOs, whose opinions diverge on a number of important questions. One aspect on which the two groups of decision-makers differ quite clearly is the degree to which they think they should be accountable to society. Only 16% of finance sector CEOs think they should be more accountable to society at large, but more than twice as many CFOs (33%) think they should (see Chart 6).

Chart 5

Q How accountable do you think your company's C-level executives – as a group – are to the following stakeholders?

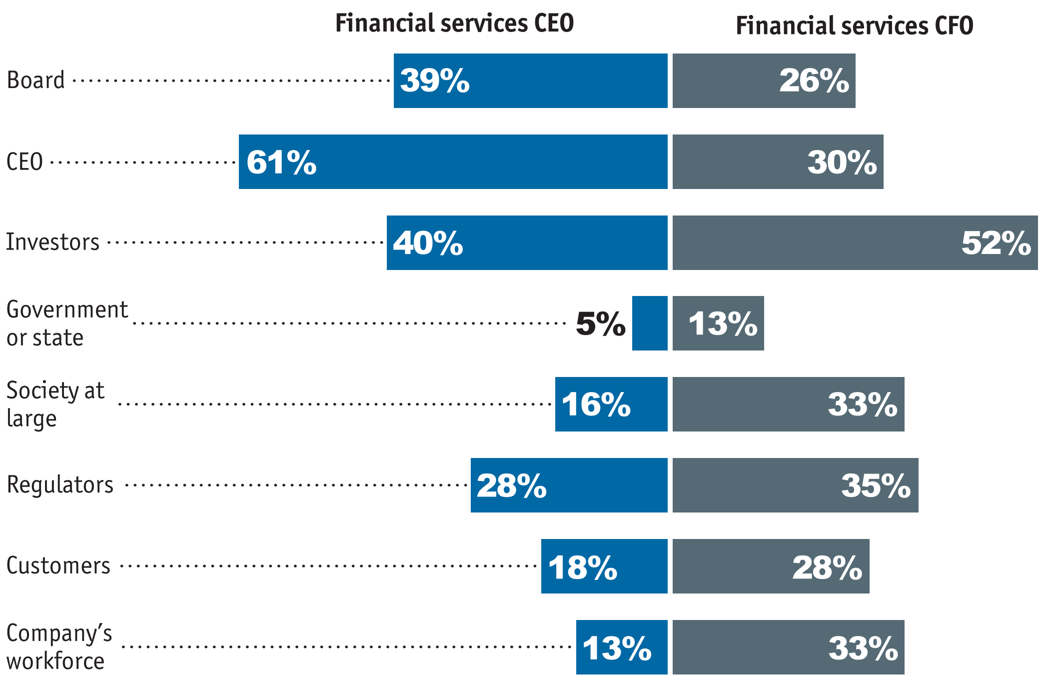
(% of financial services respondents that selected somewhat/very accountable broken down by region)



Source: Economist Intelligence Unit.

Chart 6

Who should C-level executives be more accountable to than they are currently?
(% of financial services respondents by job title)



Source: Economist Intelligence Unit.

Similarly, when asked what kind of impact public opinion is having on the "willingness of C-level executives to take responsibility for failure or misdemeanors", 55% of CEOs say that it is having less influence than a few years ago, but only 15% of CFOs agree.

It may also be the case that the relentless focus of governments and regulators on risk management, particularly in Europe and the United States, has diminished the personal accountability of the chief decision-maker in the organisation, the CEO. "Regulatory pressure has resulted in a lot more process," says Vikram Kuriyan, the director of the Investment Centre and professor of finance at the Indian School of Business. "But this has made accountability more diffuse. The CEO has more opportunity to shift blame for poor commercial performance to the influence and decisions of a much more powerful independent risk function within the organisation."

Is finance special?

In order to place the attitudes of financial services executives towards accountability in some context with relation to the wider world of business, one-quarter of the C-level responses for this survey were drawn from executives in the energy and utilities sectors. Comparisons between the two sets of responses provide some noteworthy conclusions.

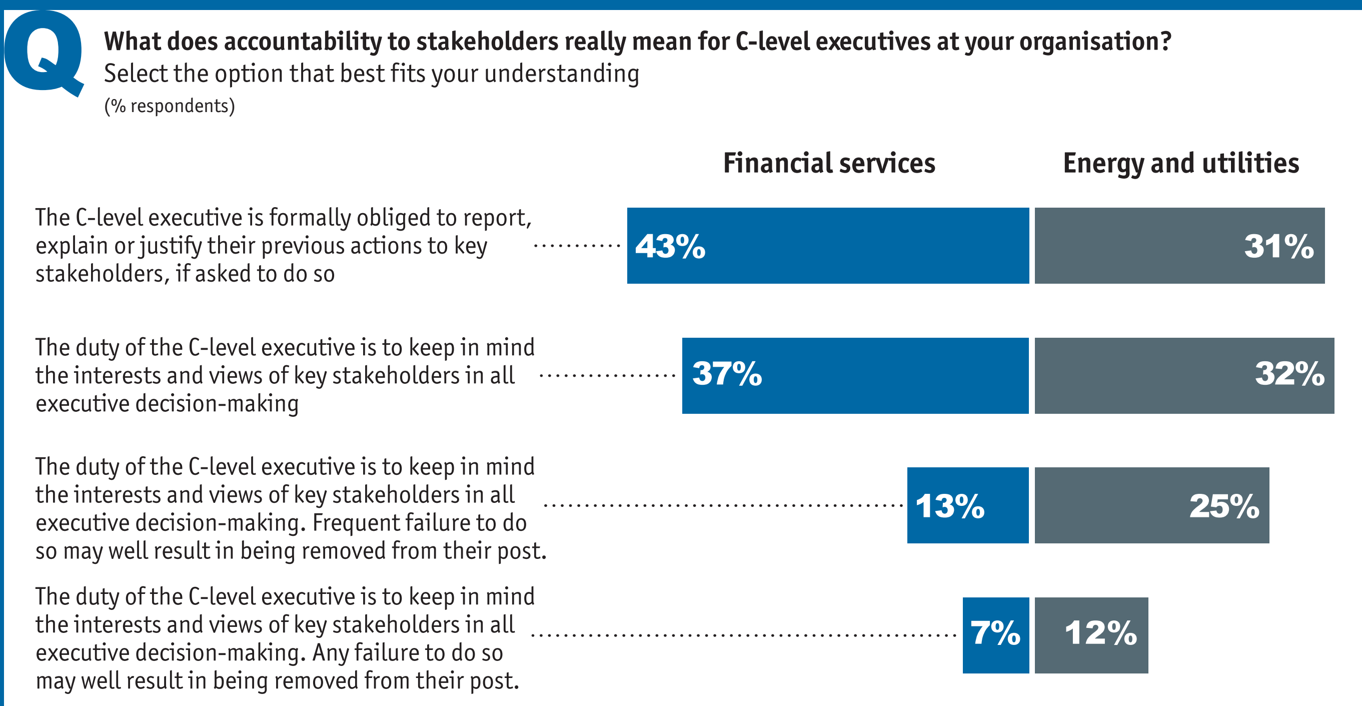
One key difference between business leaders from the financial services sector and the energy and utilities industries is the way in which they view the concept of accountability—and its consequences—to various stakeholders. Only 13% in the financial services sector believe that frequent failure to be accountable might cost them their job, but almost twice as many (25%) in the energy and utilities industries think it could cost them their job. Similarly, only 7% of financial services respondents think that any failure in accountability could result in a job loss, compared with 12% of executives in the energy and utilities sector (see Chart 7).

Sunil Misser, the chief executive of AccountAbility, a research and advisory firm, believes that there are a couple of fundamental structural differences between the sectors which might explain such a finding. One is what he considers to be the differing external view of the respective dynamics of the two industries.

"The world of finance is perceived as one overall 'system', with all companies lumped together in this perception," he says. "Executives therefore find it easier to evade criticism by blaming an intangible market. This clearly does not encourage true accountability. It's much more difficult to transfer blame to the overall 'market' for, say, a failure of health and safety procedures in the upstream energy sector. When BP spilled a lot of oil in the Gulf of Mexico, they were singled out as the bad guys."

Mr Misser also believes that true executive accountability is harder to establish in financial services because there is little consensus on what precisely executives should be accountable for: "There is a much more widely shared and clearer vision on the future of accountability in the energy sector—for example, there are accepted targets for renewable energy and reductions in emissions."

Chart 7



Source: Economist Intelligence Unit.

Conclusion

As is to be expected from a survey of a sector as complex as financial services, the results of the Economist Intelligence Unit's poll of C-level executives contains a wide range of attitudes towards accountability. But it provides enough indicators to suggest that despite all the noise and clamour since the crisis, the meaning of accountability has not changed a lot for finance leaders.

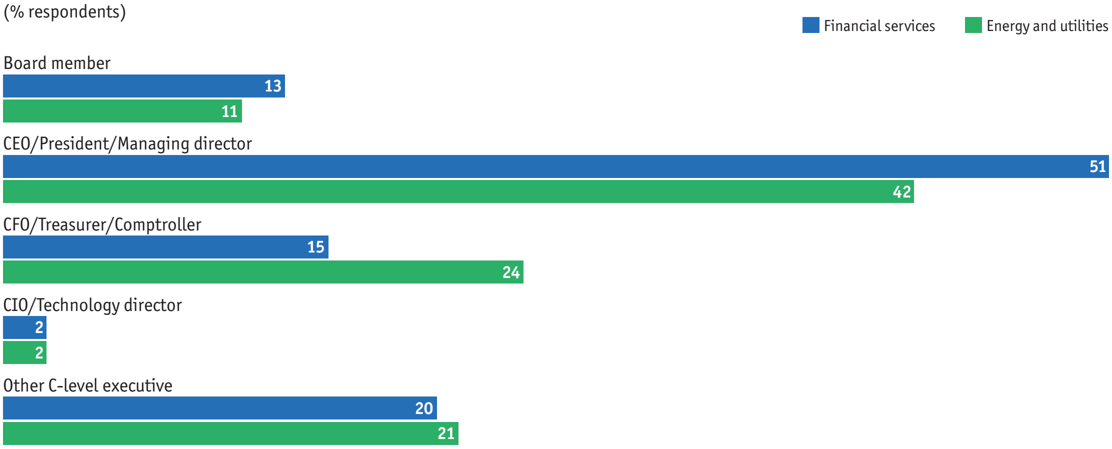
What does the future hold? Are tax payers off the hook now for future bailouts in the sector? Remuneration for high flyers in finance is now not only a lightning rod that attracts public outrage, it also acts as a major incentive for individuals and institutions to take that one risk too many that can take them and the rest of society over the edge. It has been made clear by the scandals that have recently beset some of the biggest and most highly regarded brands in finance that improvements in accountability can only be effective when an organisation inculcates a culture that pays due attention to areas such as compliance, risk management and transparency.

While perturbed by the survey results emanating from North America in particular, Mr Groysberg of Harvard Business School remains optimistic that senior finance executives are becoming more aware of the full range of stakeholders to whom they have a responsibility: "Although the numbers are still too low, it feels to me that more executives in the financial services sector are questioning their assumptions than they did five years ago. One hopes that in time this will have a major effect on how they think and behave."

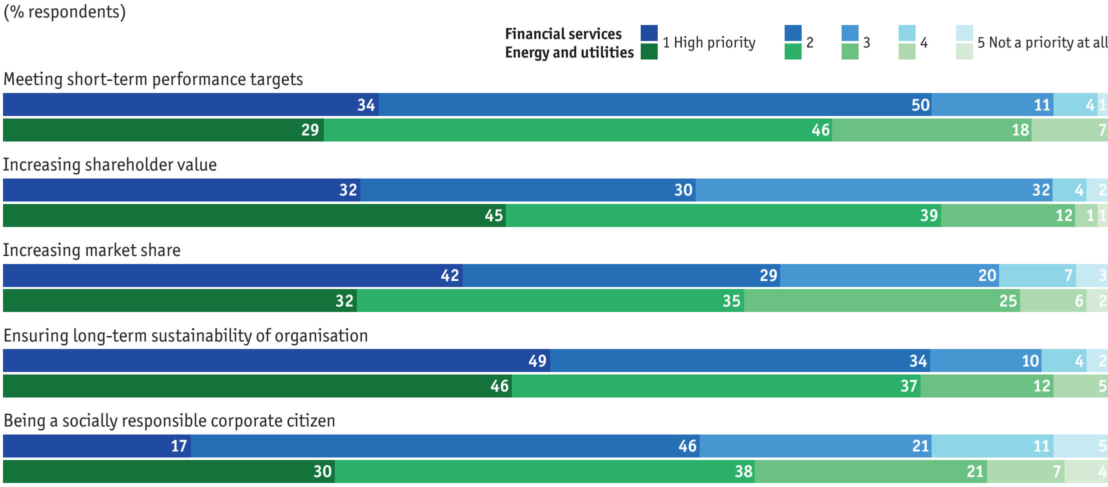
As Mr Groysberg himself points out, a failure to meet the growing public demand for greater accountability could lead to more state or regulatory intervention and higher penalties. "I am not in favour of forcing more accountability through the legal system, because that will simply create more bureaucracy in the long term," says Mr Timmermans of ING Bank. "But reducing risk is in everybody's interest: it simply protects our own long-term interests as a business, and as a result increases accountability to shareholders whose investments are more secure, and to society at large, which also feels safer."

Appendix: Survey results

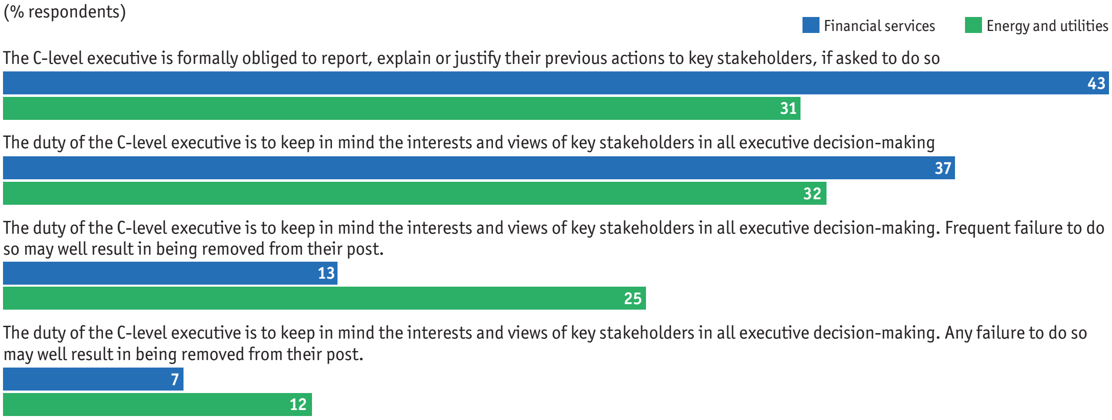
Which of the following job titles most closely reflects what you do?
(% respondents)



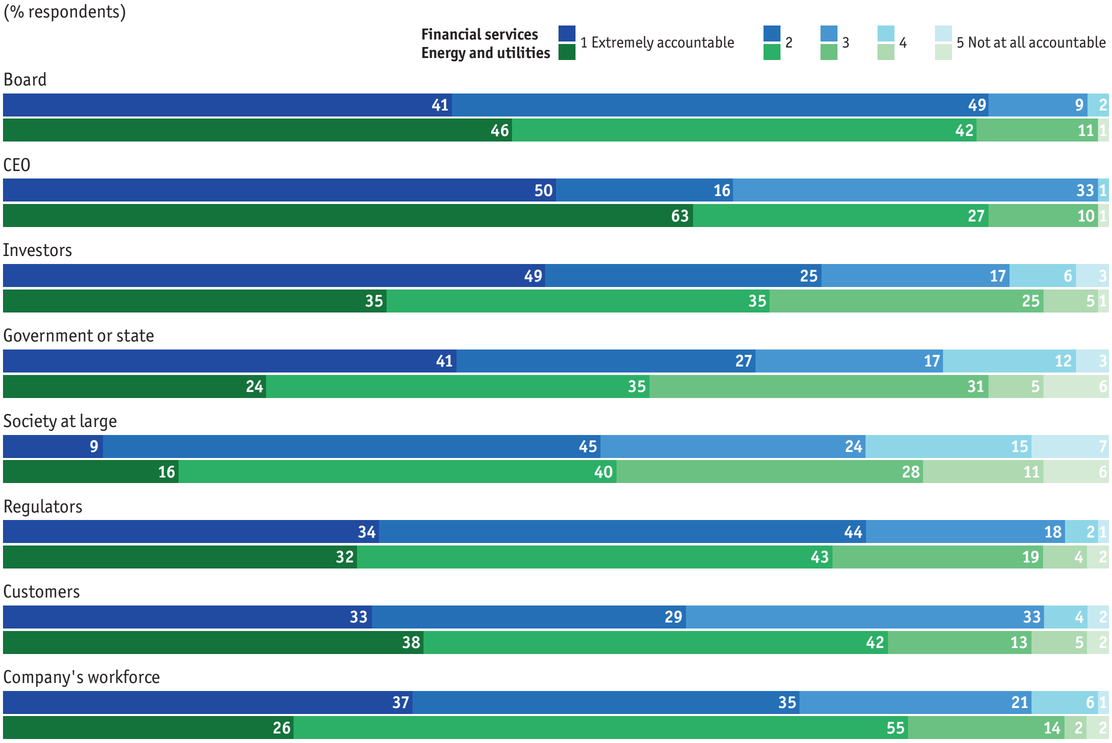
On a scale from 1 to 5, what is the priority that you think your company's C-level executives assign to the following?
Please select one option for each row.
(% respondents)



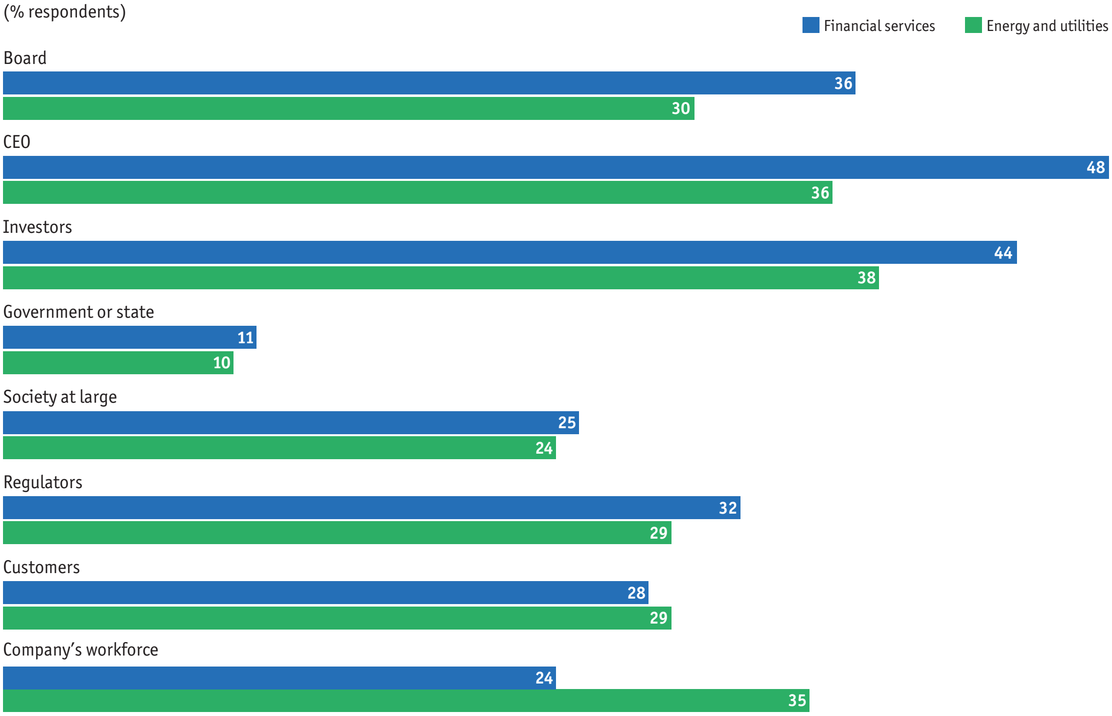
What does accountability to stakeholders really mean for C-level executives at your organisation?
Select the option that best fits with your understanding.
(% respondents)



Using a scale from 1 to 5, how accountable do you think your company's C-level executives – as a group – are to the following stakeholders? Please select one option for each row.
(% respondents)

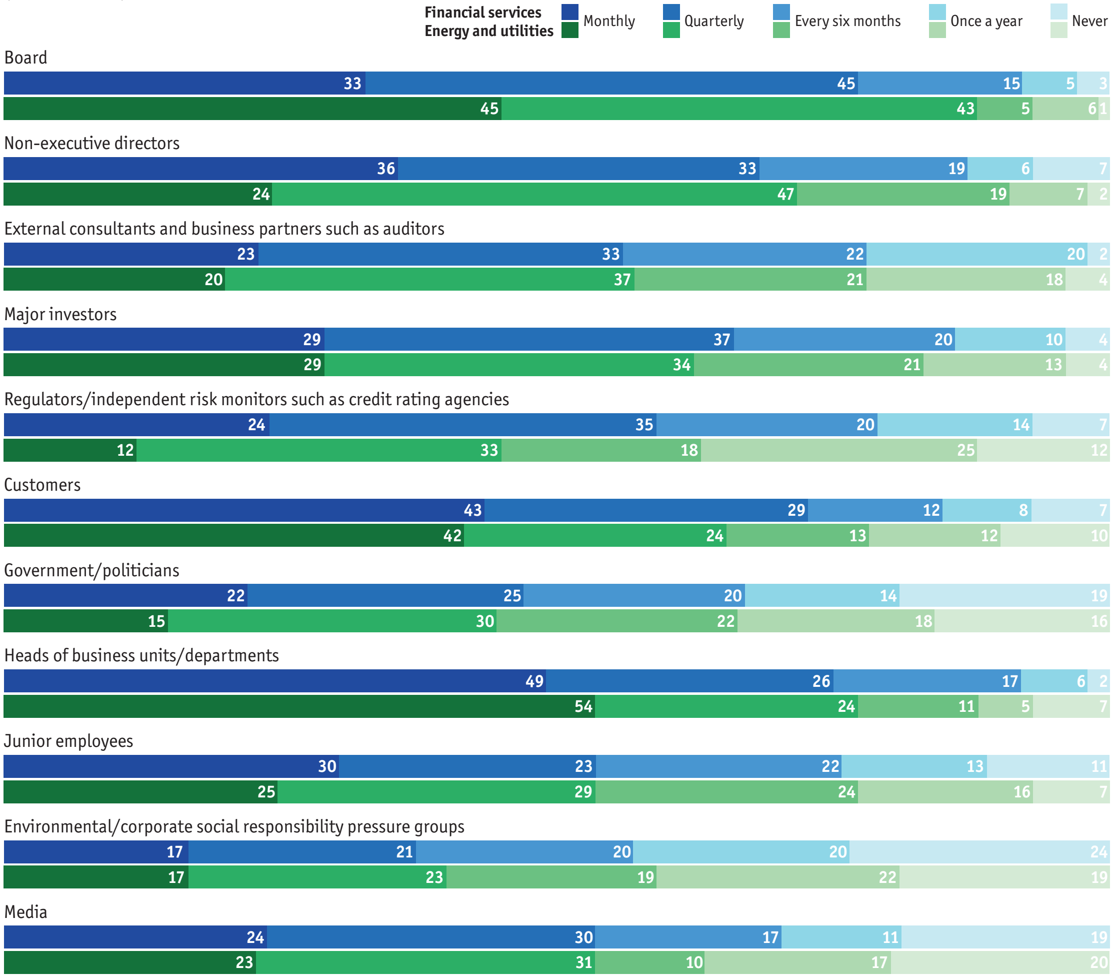


Who should C-level executives be more accountable to than they are currently? Select all that apply.
(% respondents)

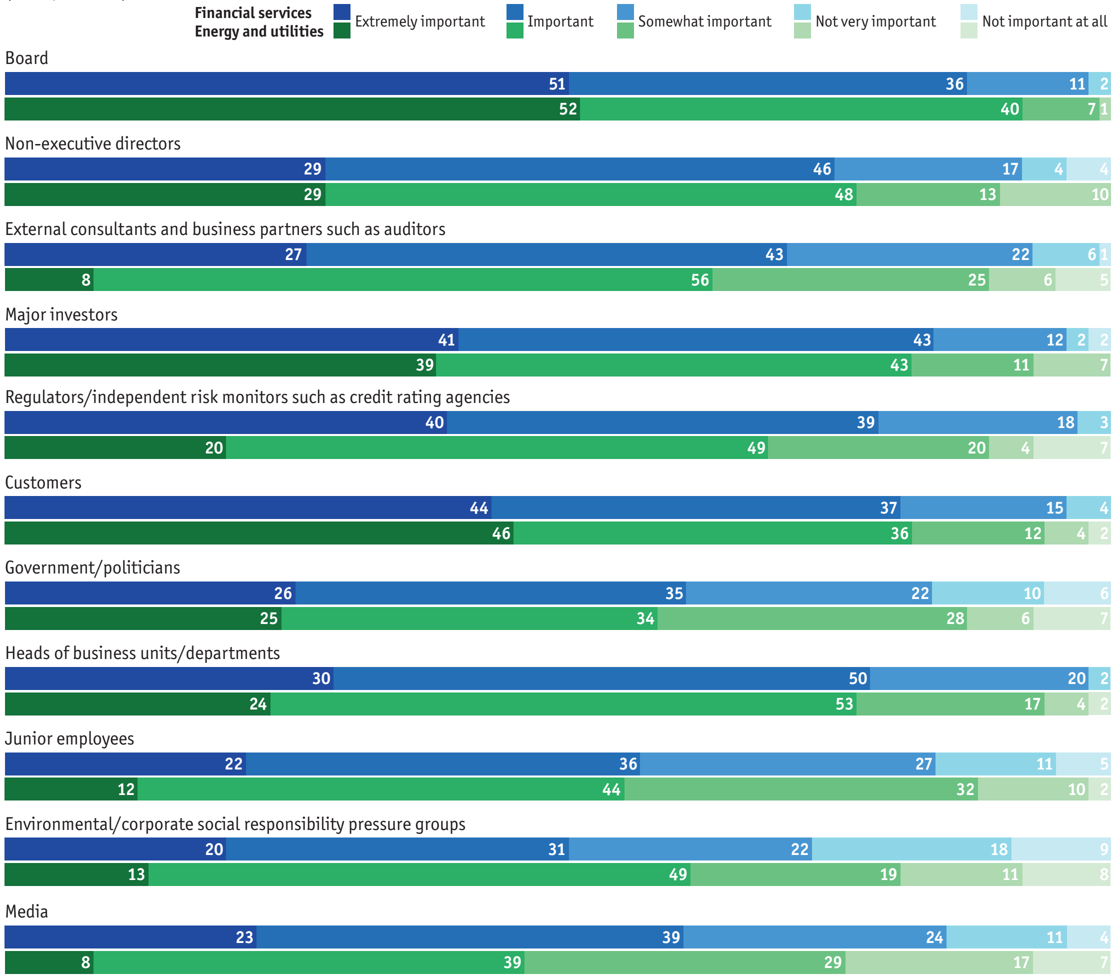


How has the remuneration policy for C-level executives at your company changed since the financial crisis? Select all that apply.
(% respondents)

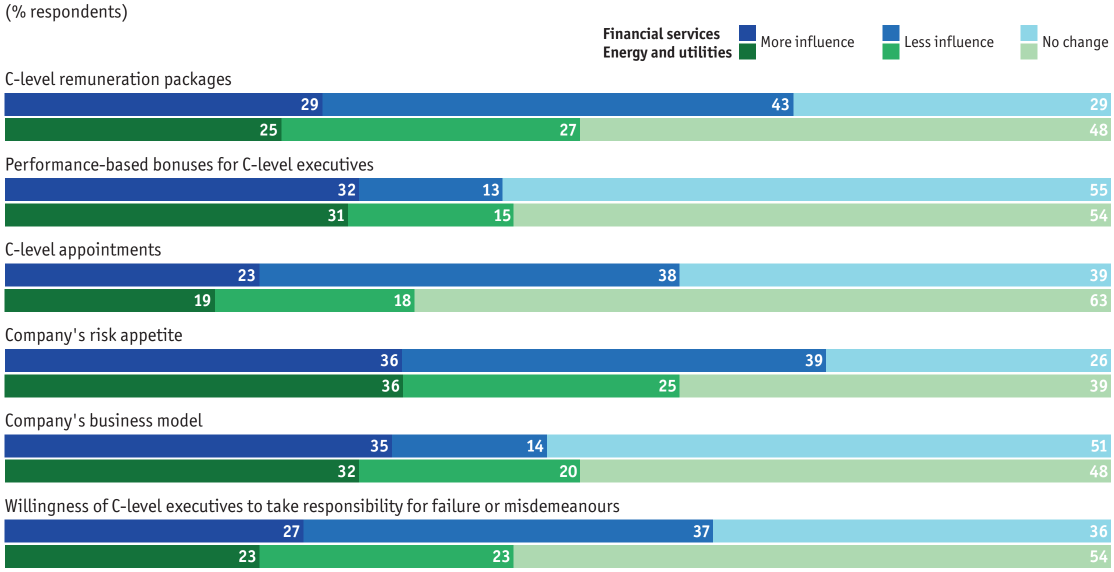
How often do C-level executives at your company discuss performance-related feedback, information or criticism from the following groups? Please select one option for each row.
(% respondents)



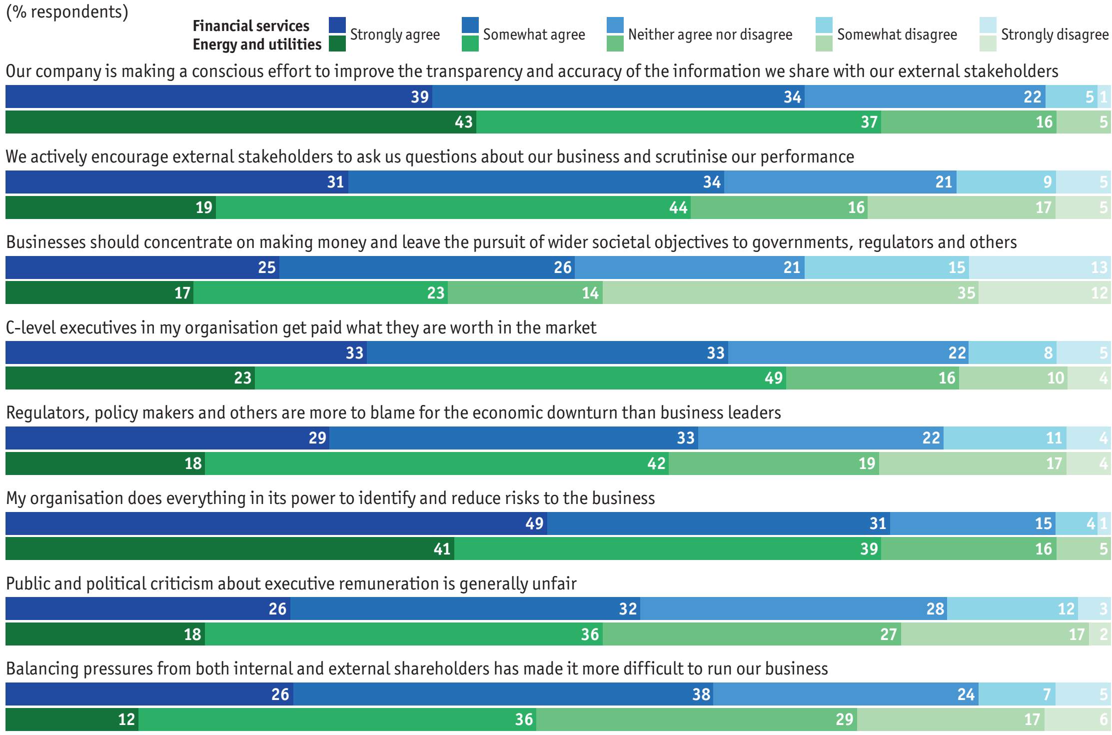
How important is feedback, information or criticism from the following stakeholders to C-level decision-making at your company? Please select one option for each row.
(% respondents)



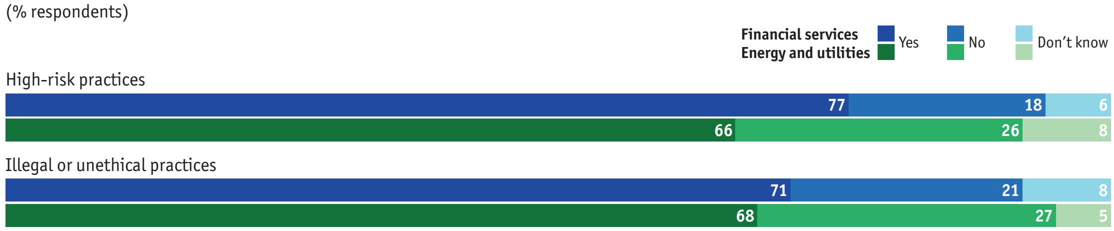
Compared to a few years ago, do external factors such as public opinion or investor criticism have more or less influence on the following? Please select one option for each row.
(% respondents)



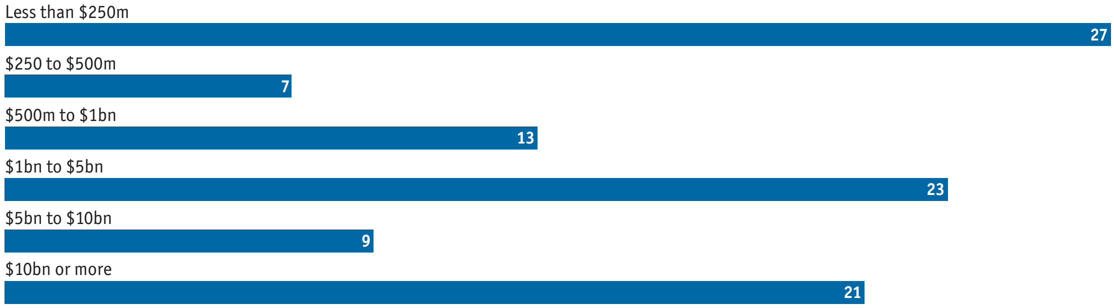
Please indicate the extent to which you agree or disagree with the following statements.
(% respondents)



Has your organisation put new systems or programmes in place since the economic downturn to minimise the following risks?
Please select one option for each row
(% respondents)



What are your company's annual global REVENUES in US dollars?
(% of TOTAL respondents)



Where is your company headquartered? (Region)
(% of TOTAL respondents)

What is your primary industry/sector?
(% of TOTAL respondents)

LONDON
26 Red Lion Square
London
WC1R 4HQ
United Kingdom
Tel: (44.20) 7576 8000
Fax: (44.20) 7576 8500
E-mail: london@eiu.com

NEW YORK
750 Third Avenue
5th Floor
New York, NY 10017
United States
Tel: (1.212) 554 0600
Fax: (1.212) 586 1181/2
E-mail: newyork@eiu.com

HONG KONG
6001, Central Plaza
18 Harbour Road
Wanchai
Hong Kong
Tel: (852) 2585 3888
Fax: (852) 2802 7638
E-mail: hongkong@eiu.com

GENEVA
Boulevard des Tranchées 16
1206 Geneva
Switzerland
Tel: (41) 22 566 2470
Fax: (41) 22 346 93 47
E-mail: geneva@eiu.com