

CECP

THE CEO FORCE
FOR GOOD

Giving in Numbers Brief

June 2, 2016

An overview of CECP's annual survey of the state of corporate giving

Giving in Numbers Fast Facts

- 272 multi-billion dollar companies responded to the 30 question online survey. These companies collectively represent:
 - ❑ 17.3 million global employees
 - ❑ \$7.5 trillion in aggregated revenues
- 62 companies out of the Fortune 100
- \$24.5 billion in aggregate total giving, of which:
 - ❑ \$5.6 billion in giving to education
 - ❑ \$861 million in matching employee giving
- 19.1 million employee volunteer hours
- Celebrating the 15th year of surveying

Giving in Numbers Survey

BACKGROUND...

CECP's dataset began with 20 responding companies' 2001 Total Giving information

- A growing number of companies report through an annual survey
- Areas of measurement include contribution breakdowns, cash and in-kind giving, focus areas, corporate volunteering, employee giving, and operational information
- Beginning in 2012, CECP joined forces to produce *Giving in Numbers* in association with The Conference Board

NEW IN THE 2016 EDITION...

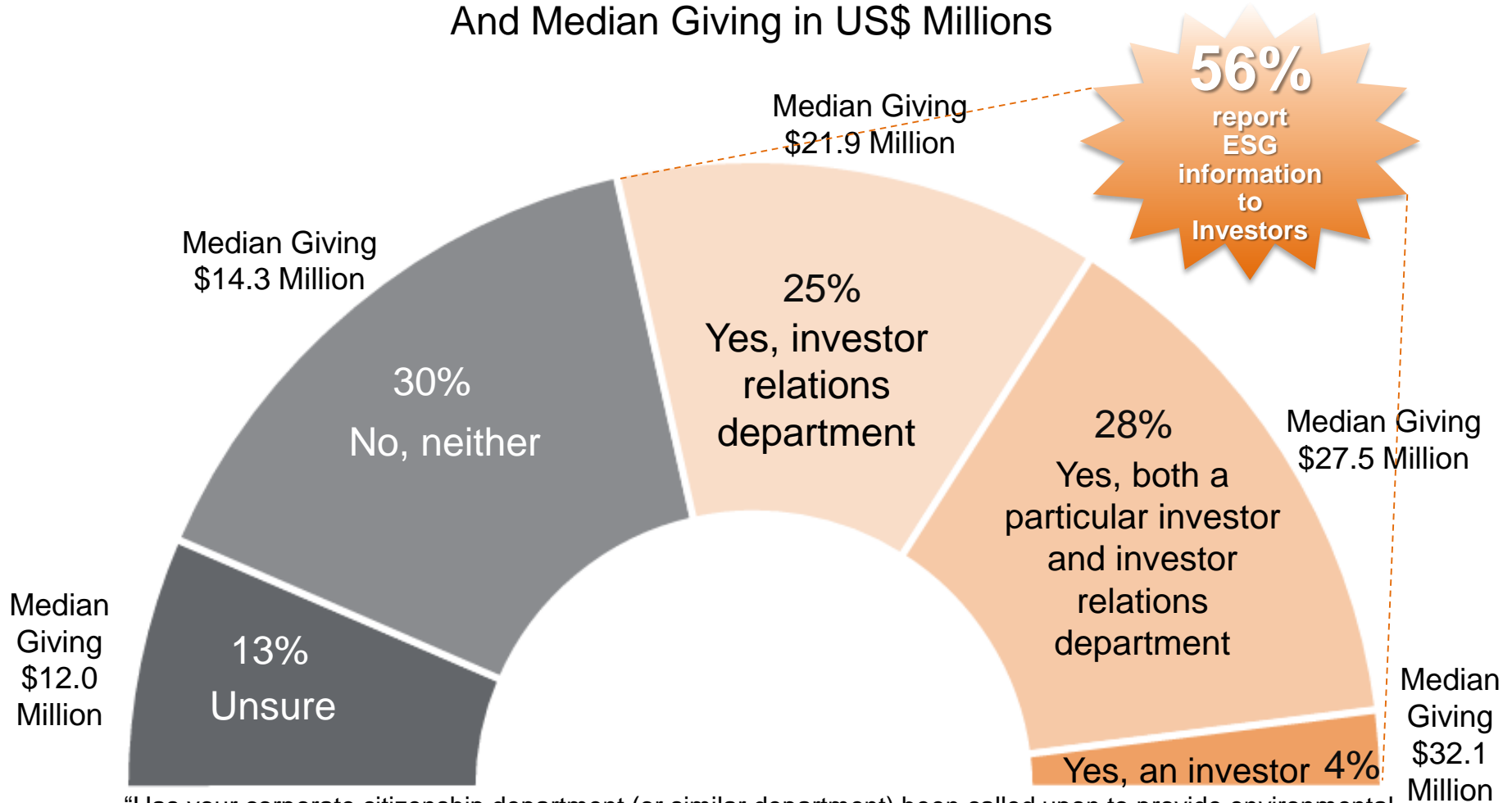
- Companies reported on organization structure: the department into which the giving team reports (slides 6 & 12)
- Environmental, Social and Governance information reported to investors (slide 5)
- Connection between societal engagement and trust (slide 10)
- Engagement with impact investing (slide 9)

Giving in Numbers Survey: *The New Competitive Advantage*

FINDING: Leading Businesses are Gaining Competitive Advantage Through Expanding Six Business-Boosting Strategies

Companies Shared ESG Information on Societal Commitments with New Stakeholder: Investors

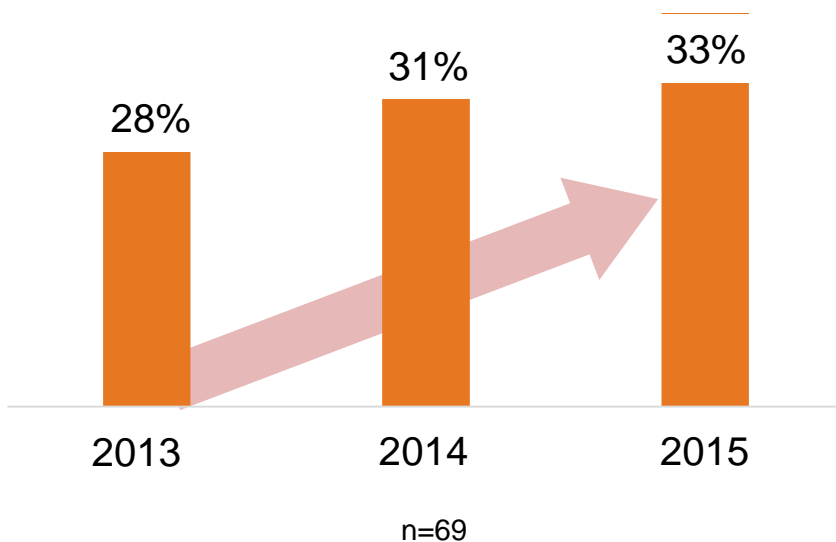
Percentage of Companies Reporting ESG Information to Investors
And Median Giving in US\$ Millions



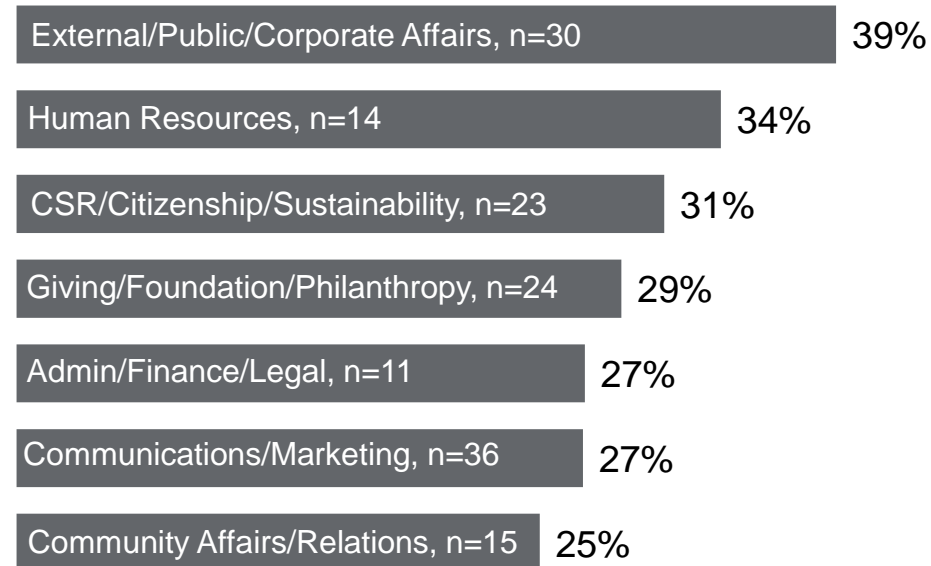
“Has your corporate citizenship department (or similar department) been called upon to provide environmental, social, and/or governance (ESG) information on to a particular investor or to the investor relations department?”

Rise of Volunteer Participation Rate Highlights Central Role of the Employee

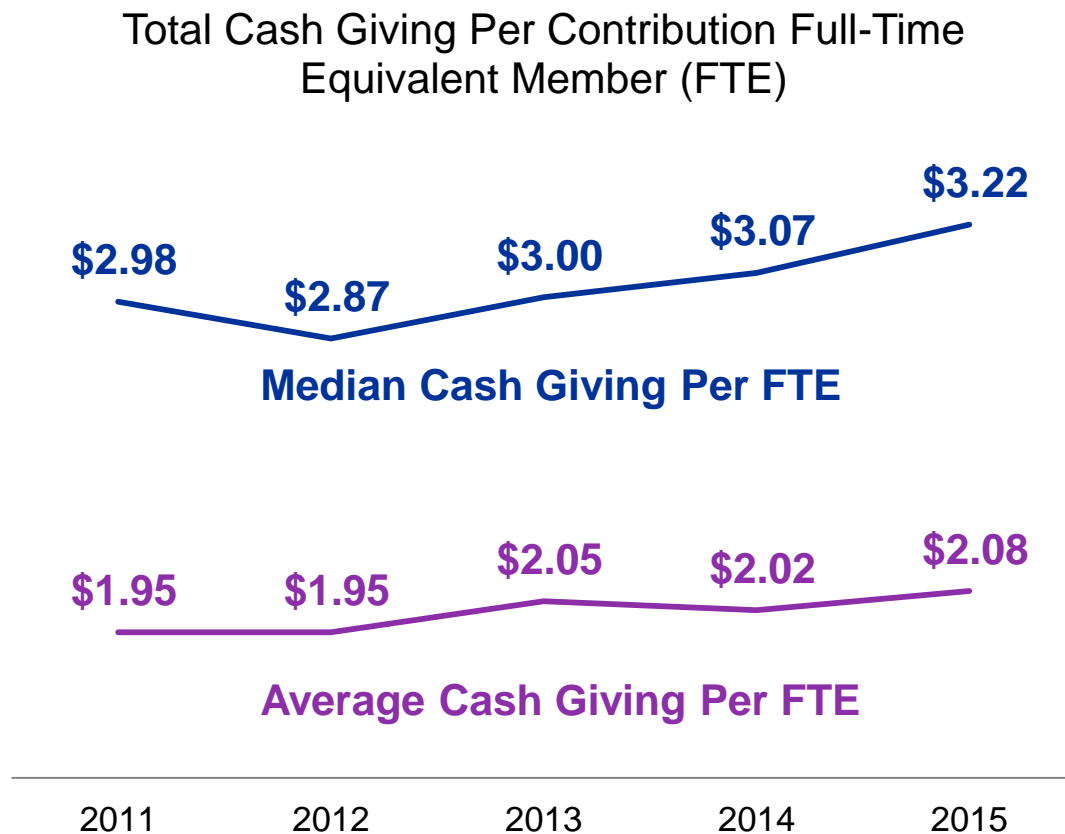
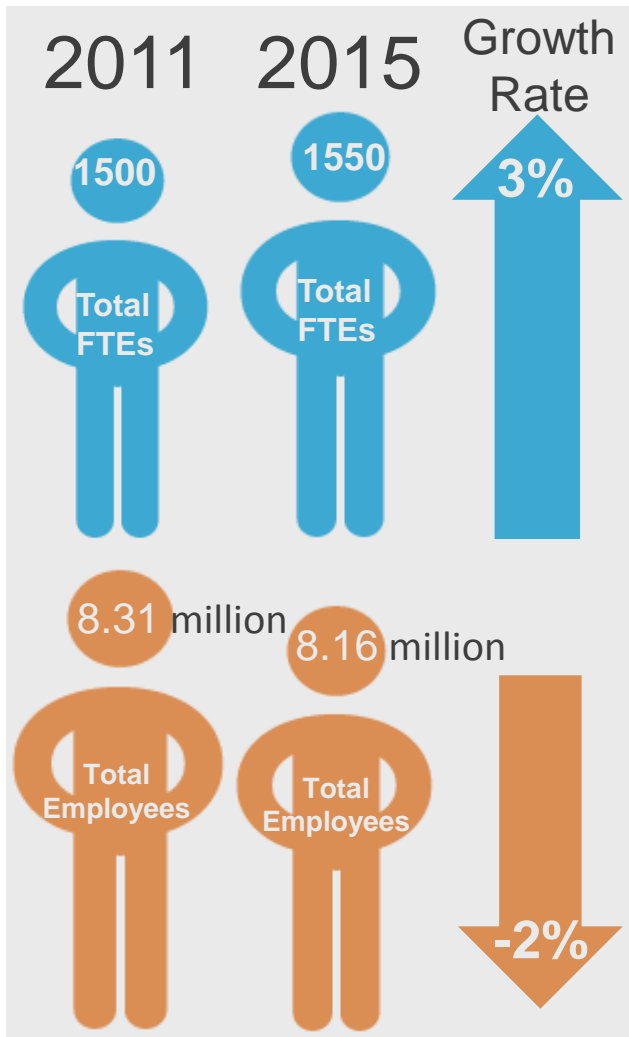
Average Percentage Of Employees Volunteering At Least One Hour On Company Time



Average Volunteer Participation Rate By Department To Which Respondents Reported, 2015

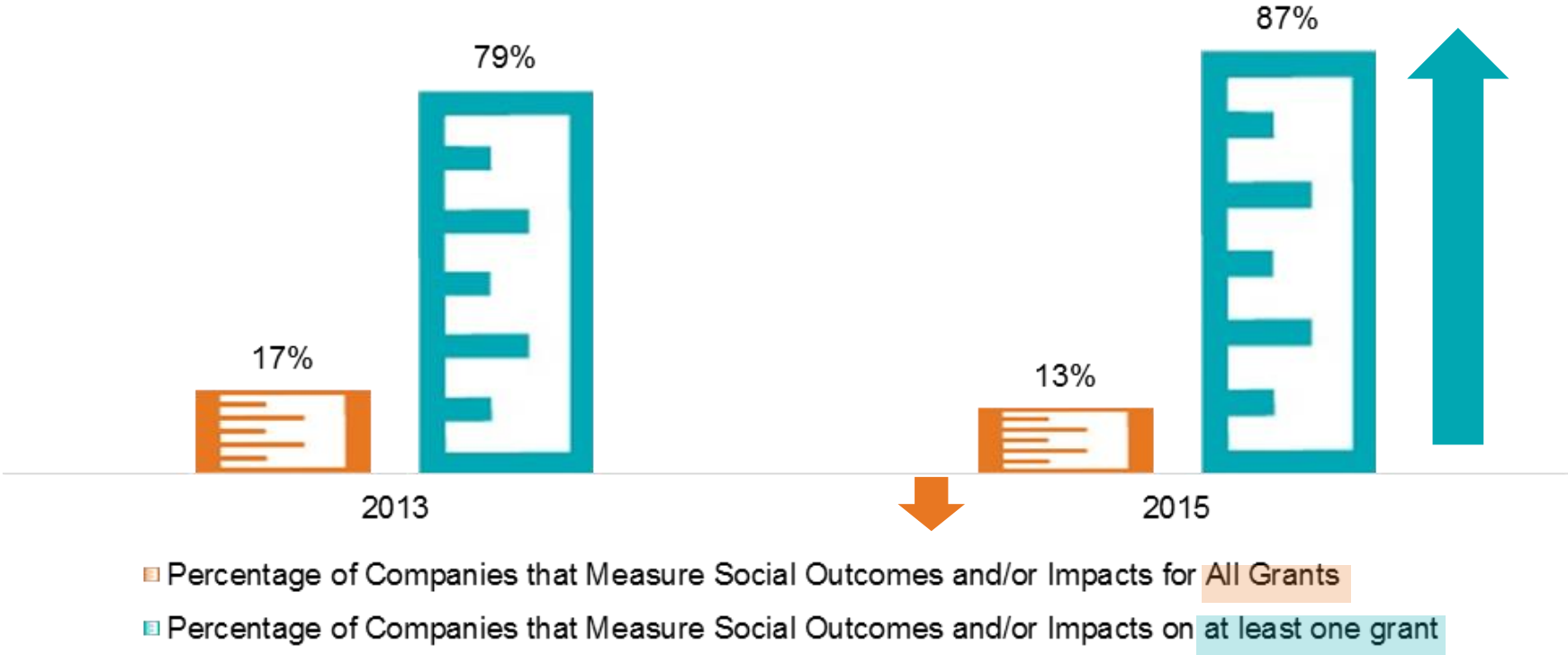


Elevation of the Role: The Size of Corporate Giving Teams Continued To Gain Ground and Responsibility






Measuring Outcomes Became a More Widespread Practice

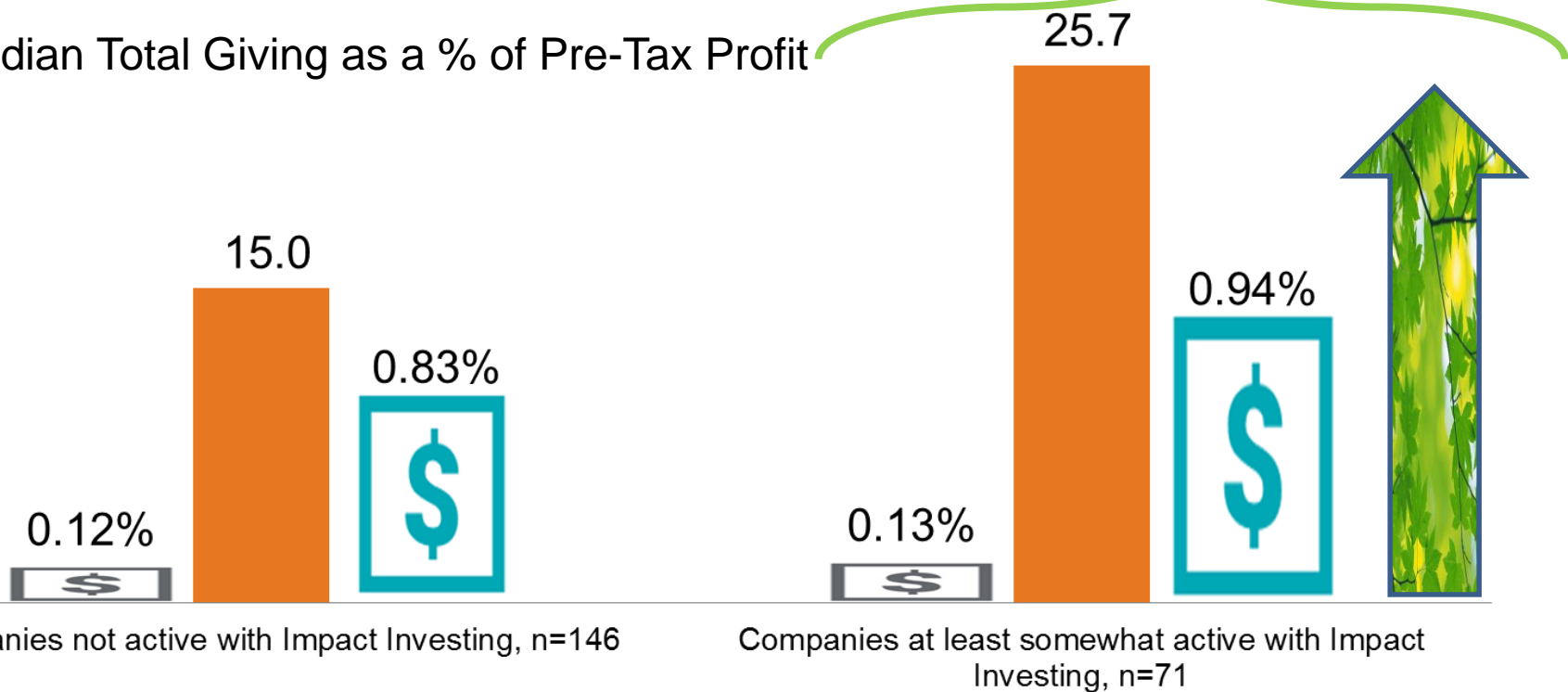
Percentage of Companies Measuring Social Outcomes and/or Impacts, 2013-2015



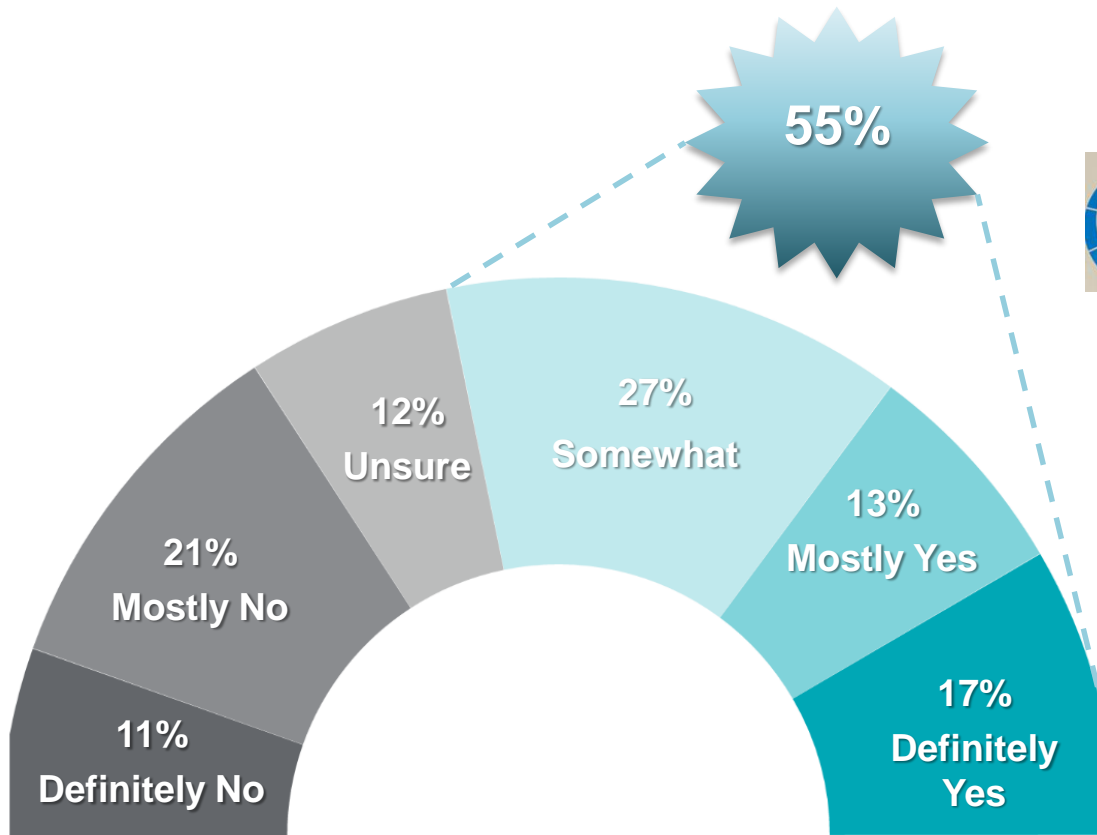
(Logic Model: Inputs > Activities > Outputs > Outcomes > Impact)

Impact Investing: Companies That Took Part in Impact Investing Supported More Community Engagement Overall

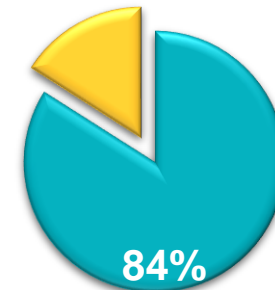
-  Median Total Giving as a % of Revenue
-  Median Total Giving (in US\$ millions)
-  Median Total Giving as a % of Pre-Tax Profit



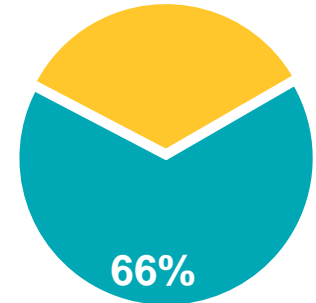
Trust: Companies Saw Building Trust With Consumers and Other Stakeholders as a Goal of Their Societal Engagement Programs



“Over the past two years, has building greater trust with consumers and other stakeholders been one of the articulated goals for your company’s societal engagement programs ?



84% of consumers believe that business can pursue self-interest while doing **good for society**



66% of global consumers will pay more for sustainable goods

Source: CECP company-reported dataset, 2015 Data, n=217

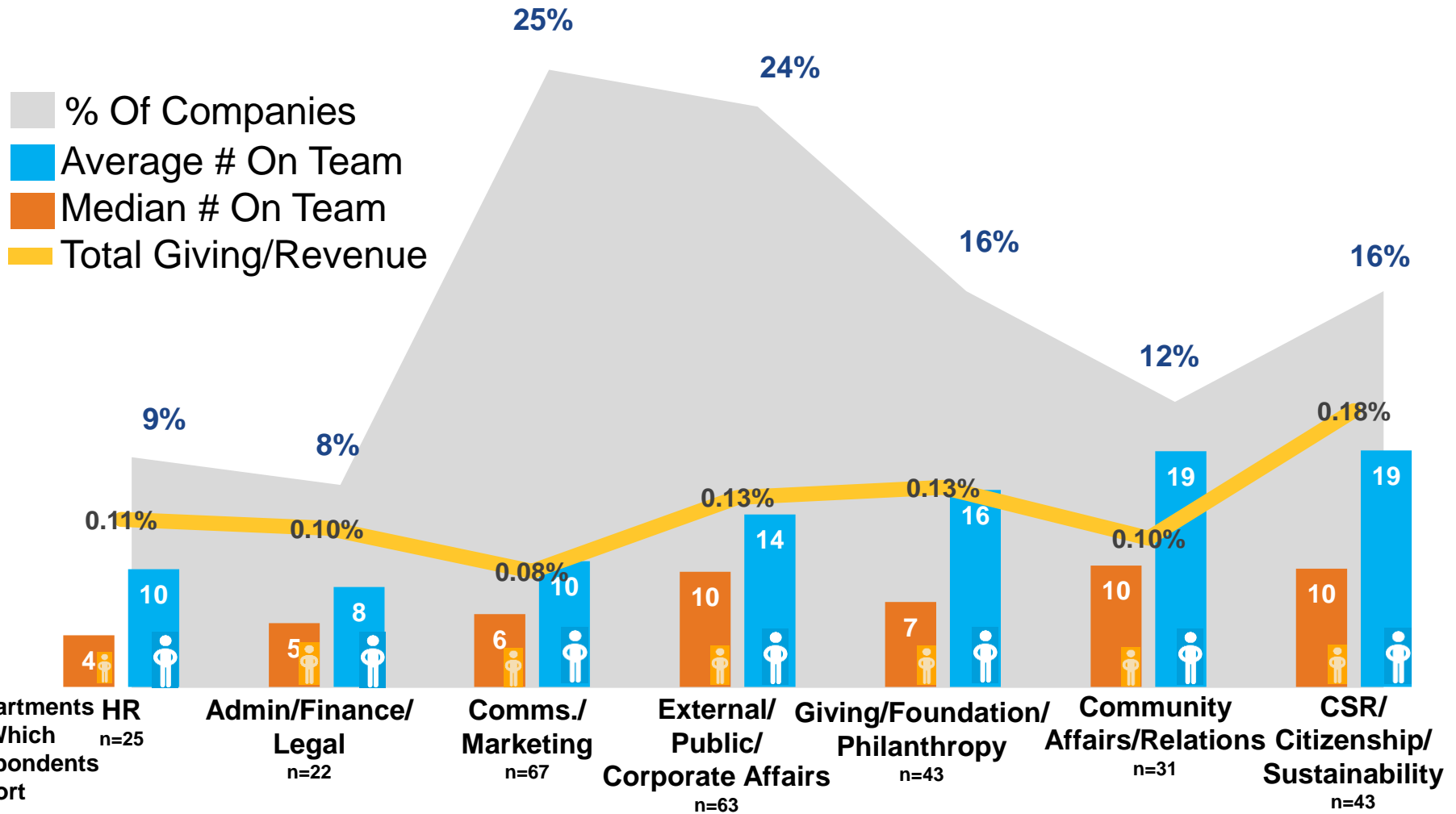
Edelman’s [Trust Barometer](#) (2014) and Nielsen’s [The Sustainability Imperative](#) (2015)

Giving in Numbers Survey: *The New Competitive Advantage*

Additional Findings

Results of Core Societal Engagement Programs Continue Delivering Competitive Advantage to Large Companies

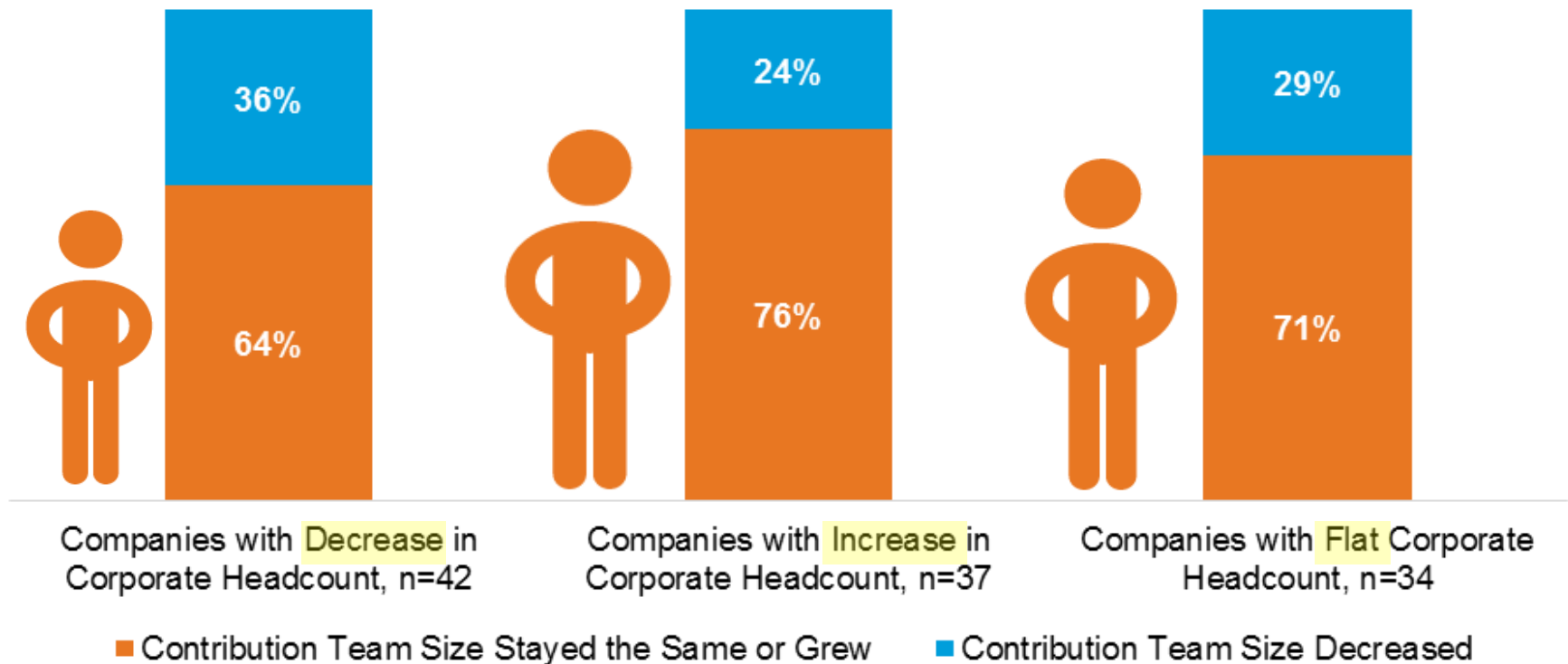
Respondents Reporting to a Specialized CSR or Corporate Citizenship Department Had Largest Teams and Giving



Source: CECP company-reported dataset, 2015 Data. Department categories are not mutually exclusive, only top 7 departments to which respondents report were selected. N=272. Team refers to the number of reported Contributions Team Full Time Equivalent (FTE).

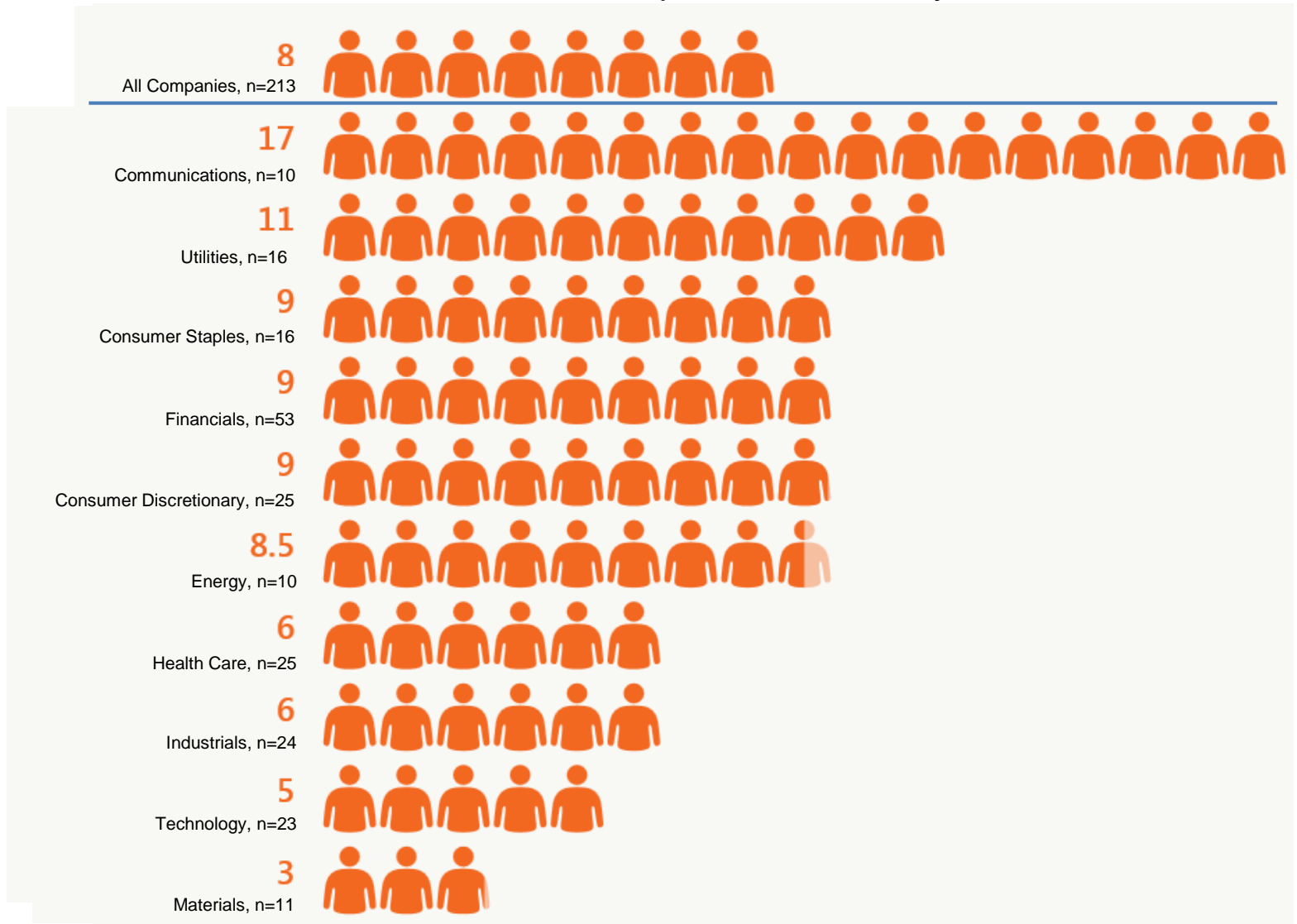
Resiliency Of Contribution Teams: As Companies Saw The Bottom-Line Benefits From Their Community Involvement Efforts, Contribution Teams Expanded

Percentage Of Companies That increased Or Decreased Their Company Team Full Time Equivalent (FTEs) Between 2013 and 2015 By Changes in Total Corporate Headcount



The Size Of Societal Engagement Teams Varies by Industry

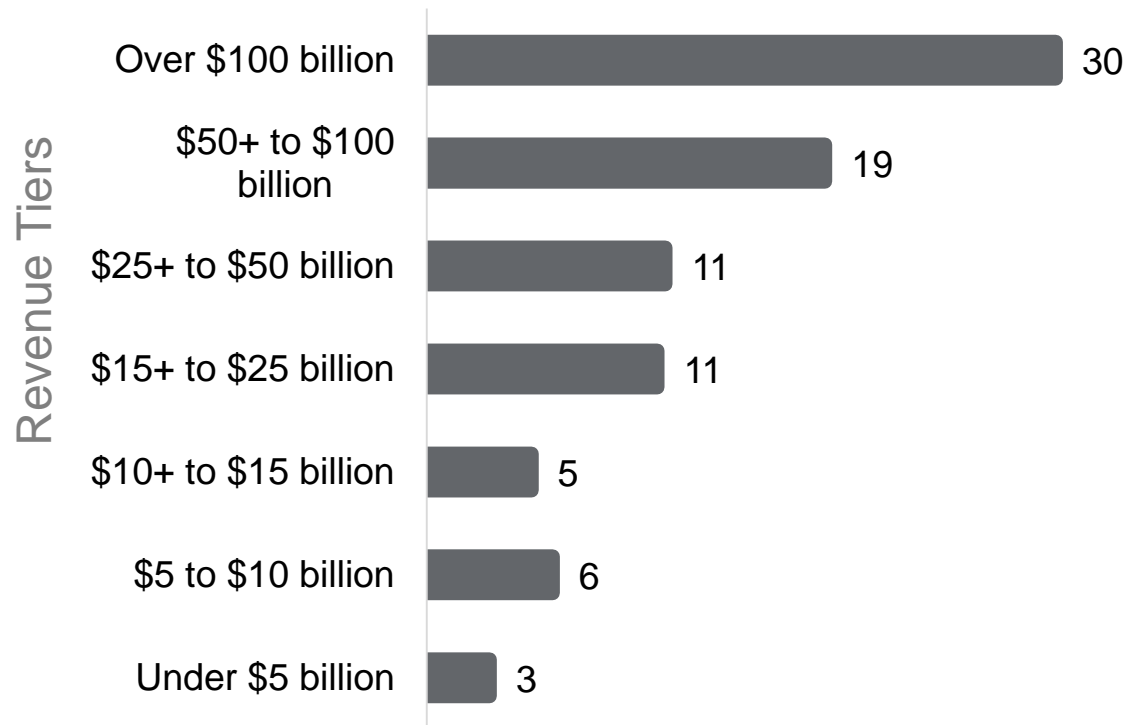
Median Number Of Contribution Team Full-Time Equivalents, Industry Breakdown, 2015



Companies With Higher Revenues Also Have Highest Contribution Teams Full-Time Equivalent size

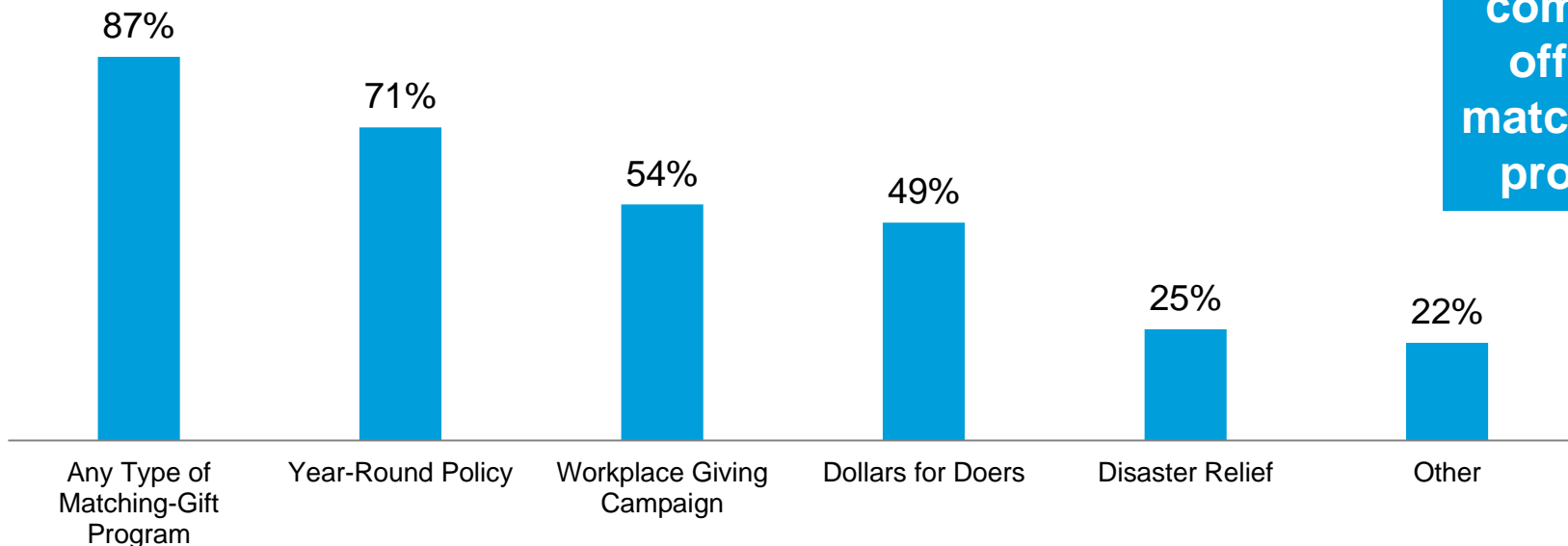


Median Contribution Team Full Time Equivalent
By Revenue Tier, 2015



9 Out of 10 Large Companies Offer Matching Gift Programs For Employees

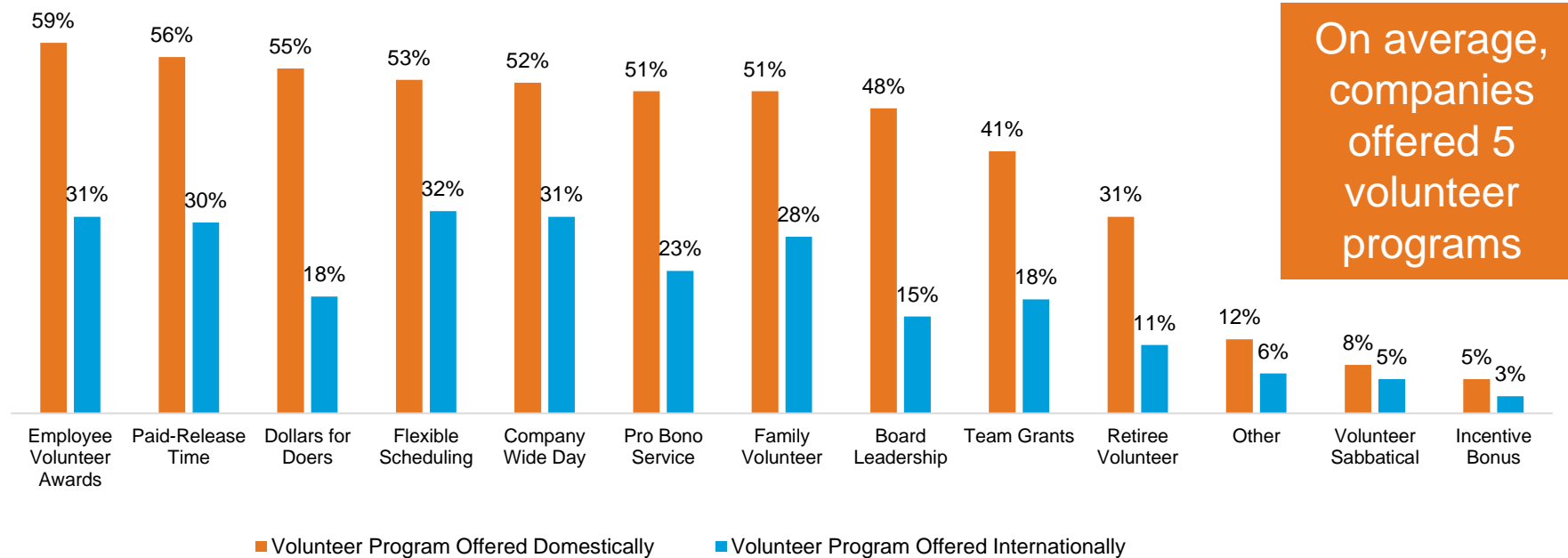
Percentage Of Companies Offering Matching Gifts By Program Type, 2015



On average, companies offered 2 matching gift programs

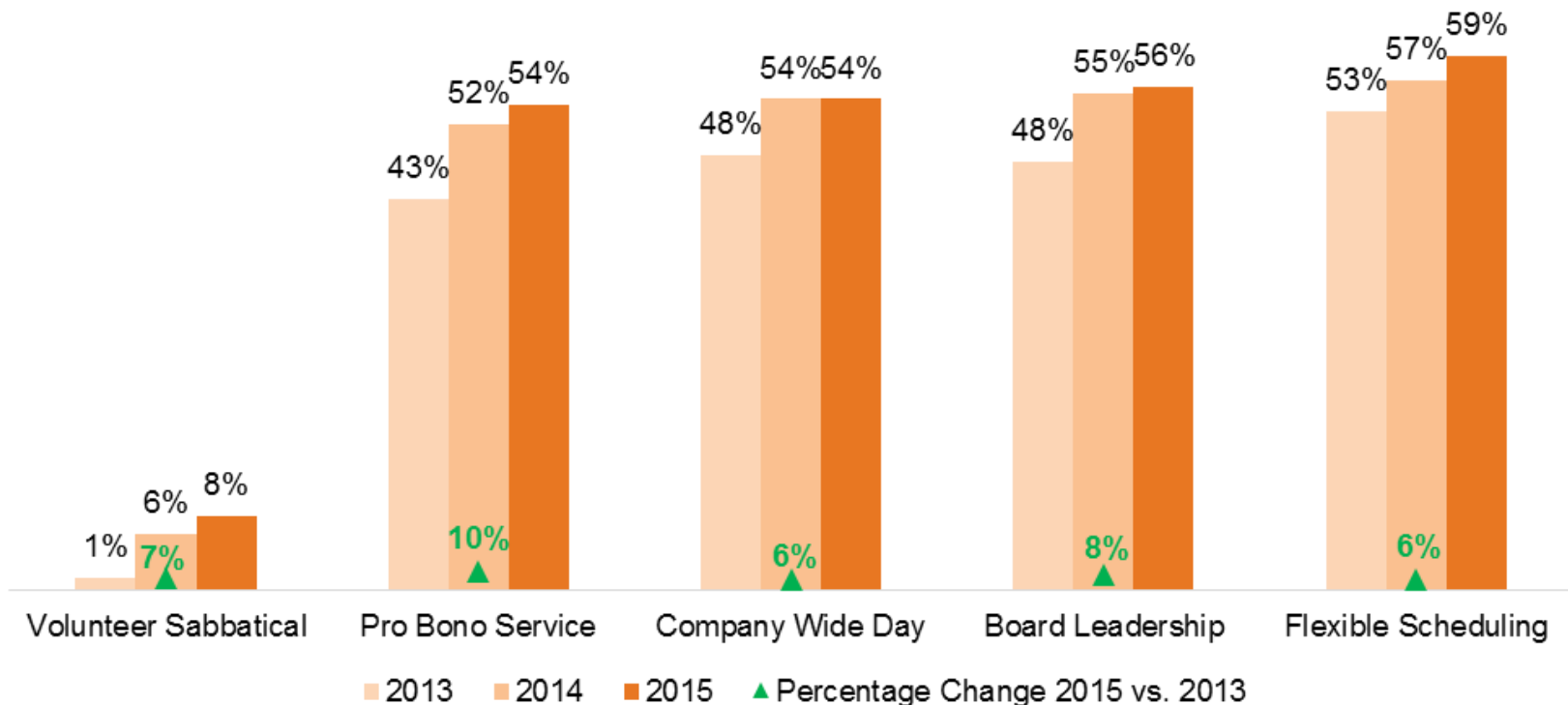
6 Out of 10 Large Companies Offered Employee Volunteer Awards and Paid-Release Time Programs

Corporate Volunteer Opportunities, Percentage Of Companies Offering Each Program, 2015



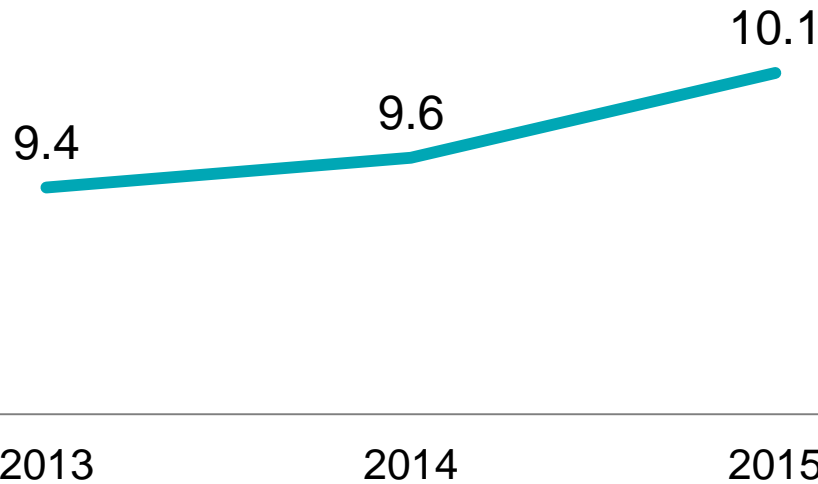
Five Volunteer Program Offerings Grew the Fastest

Percentage of Companies Offering Domestic Volunteer Programs by Year



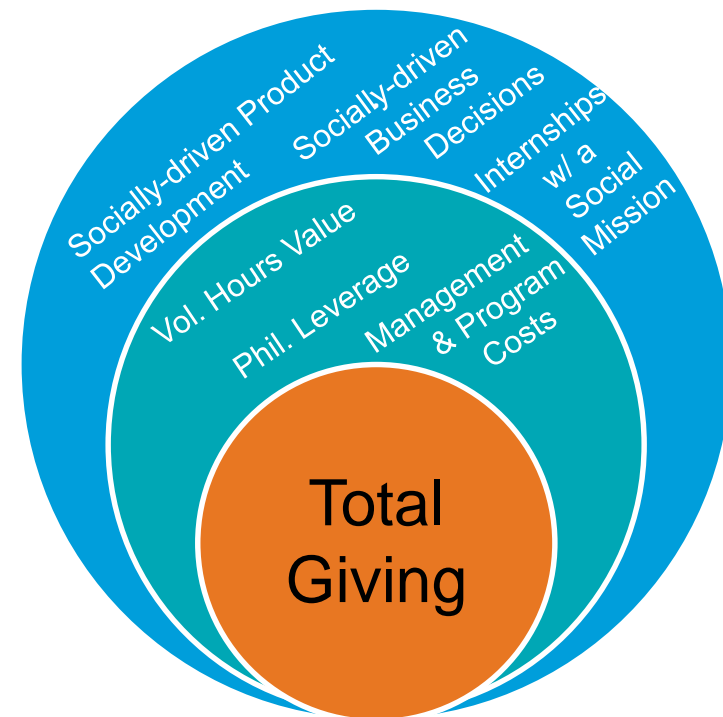
“Good Beyond Giving” is on the Rise

Average Philanthropic Leverage, (In US\$ Millions)



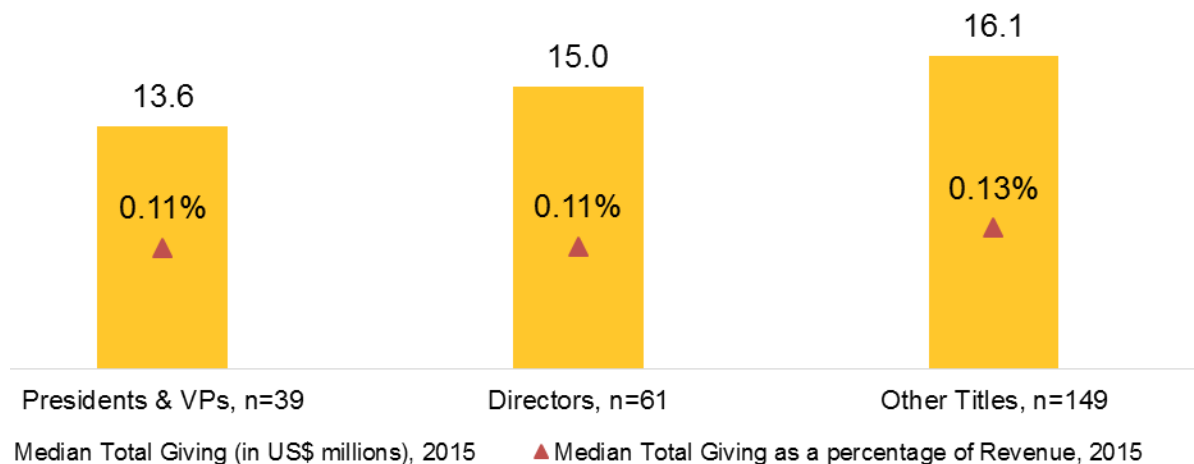
Philanthropic Leverage: Total \$ amount given By employees and non-employees, such as customers, vendors and suppliers*

“Good Beyond Giving” encompasses greater scope of corporate societal investments

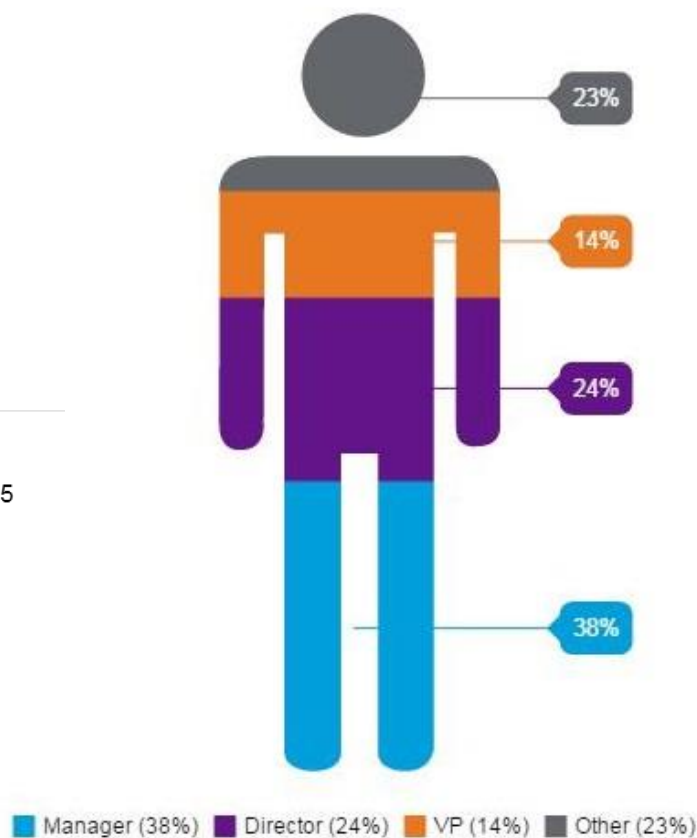


Elevation of the Role: Respondents Other Than Presidents, Vice-Presidents, and Directors Have Higher Median Giving and as a Proportion of Revenues

Revenue By Job Title Of Respondent, Medians, 2015



Distribution Of Respondents, 2015

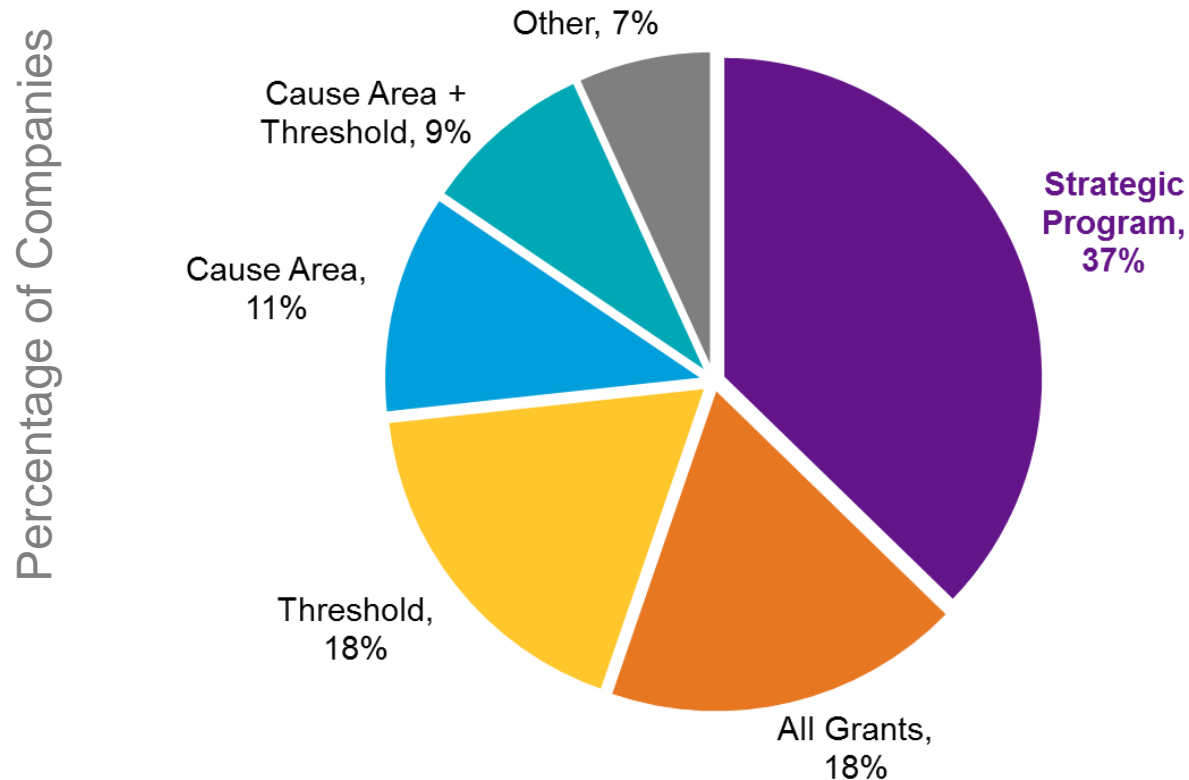


Source: CECP company-reported dataset. 2015 Data, N=249

Note: "Other Titles" include Administrator, Advisor, Analyst, Assistant, Associate, Consultant, Controller, Coordinator, Head, Lead, Manager, Officer, Partner, Principal, Representative, Specialist, Supervisor

Most Commonly, Large Companies Focus Outcomes Measurement On Strategic Programs

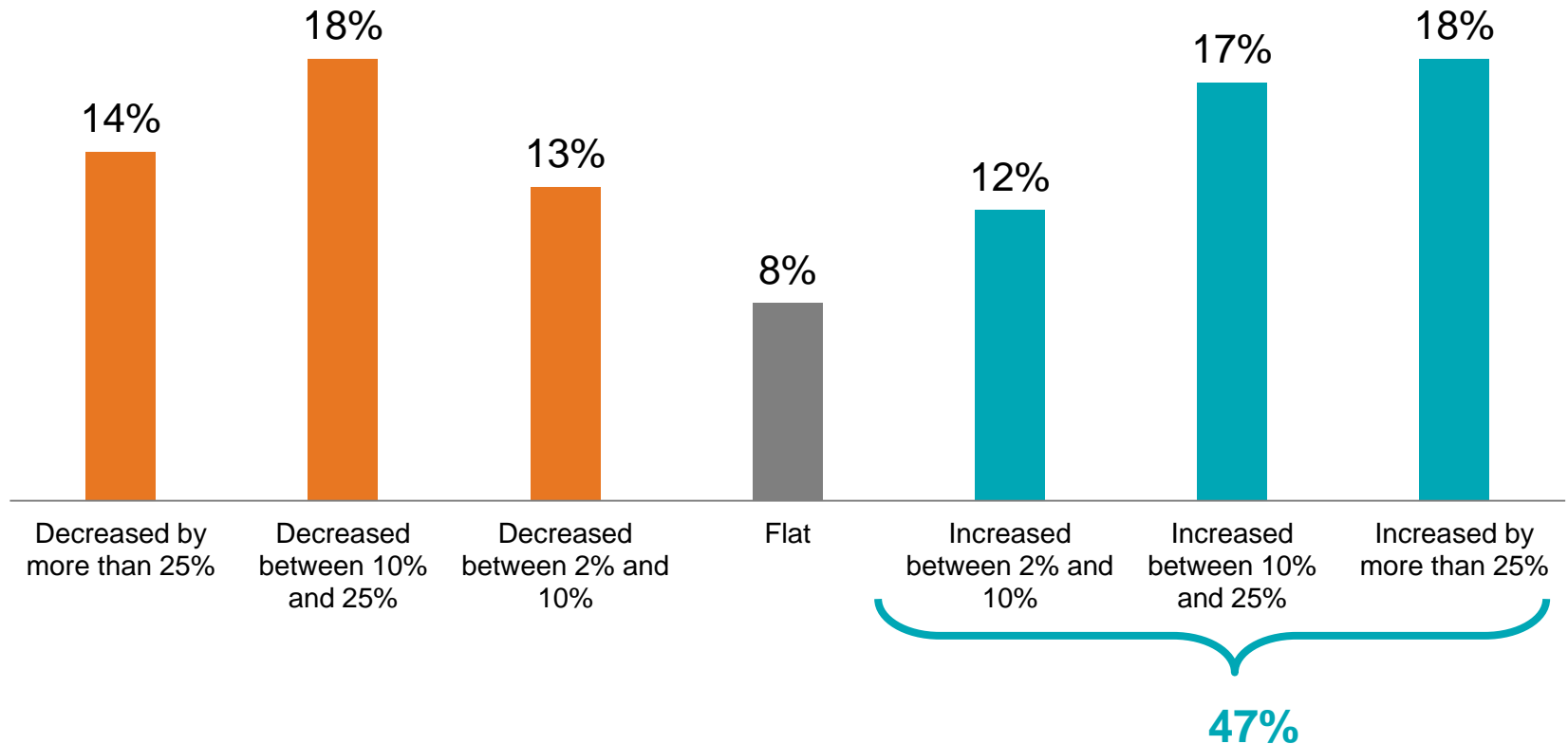
Scope of Measurement Of Societal Outcomes and/or Impacts, Percentages, 2015



“Which of the following best describes the scope of your company’s measurement of societal outcomes and/or impacts of your grants?
Our company measures societal outcomes and/or impacts for:”

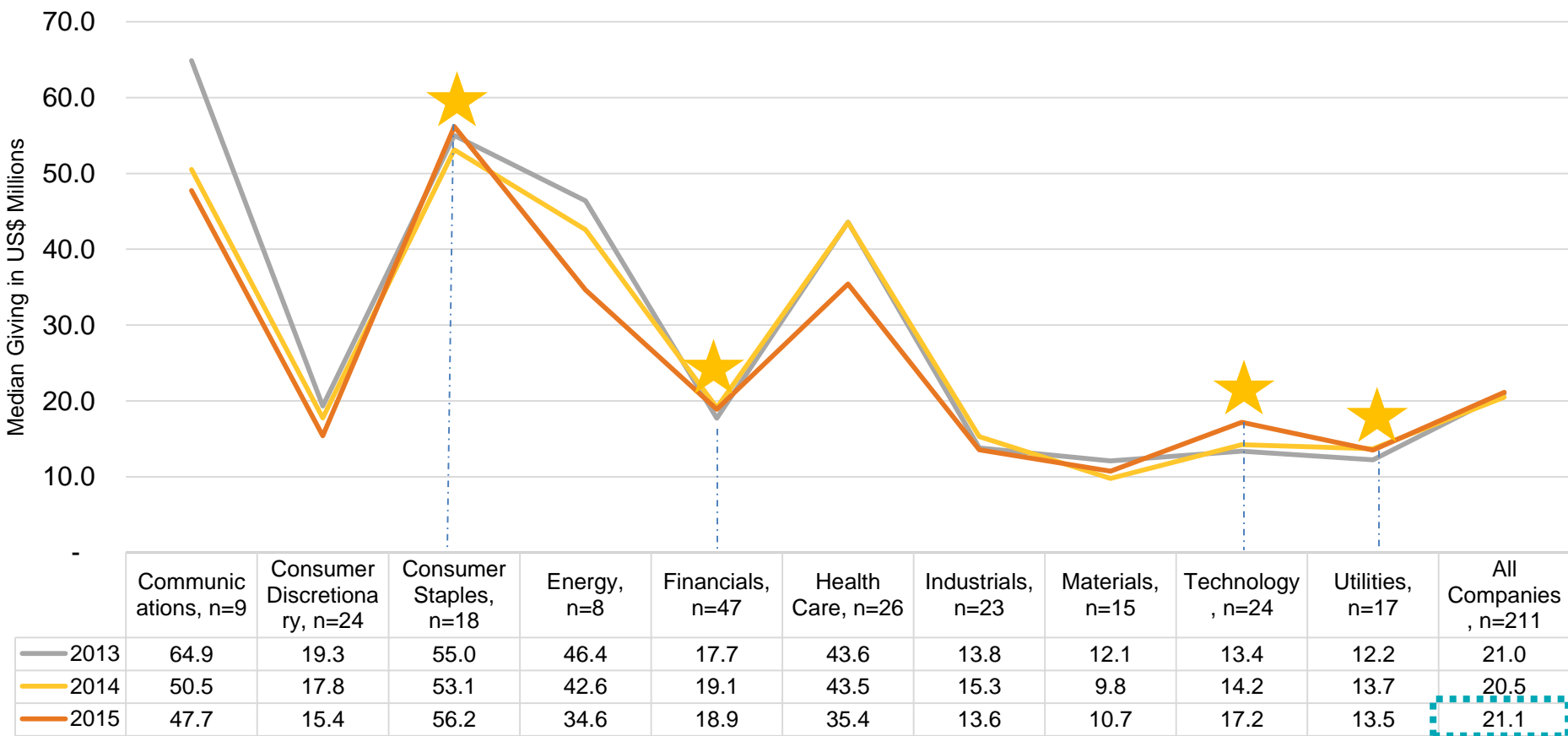
Total Giving Grew for Nearly Half of Companies From 2013 to 2015

Distribution Of Companies By Changes In Total Giving
Between 2013 and 2015



Total Giving Remained Stable for Companies: Median Total Giving Slightly Increased Between 2013 and 2015

Total Giving By Industry, Medians



+1% vs. 2013

Within That Stability, Some Industries Saw Increases

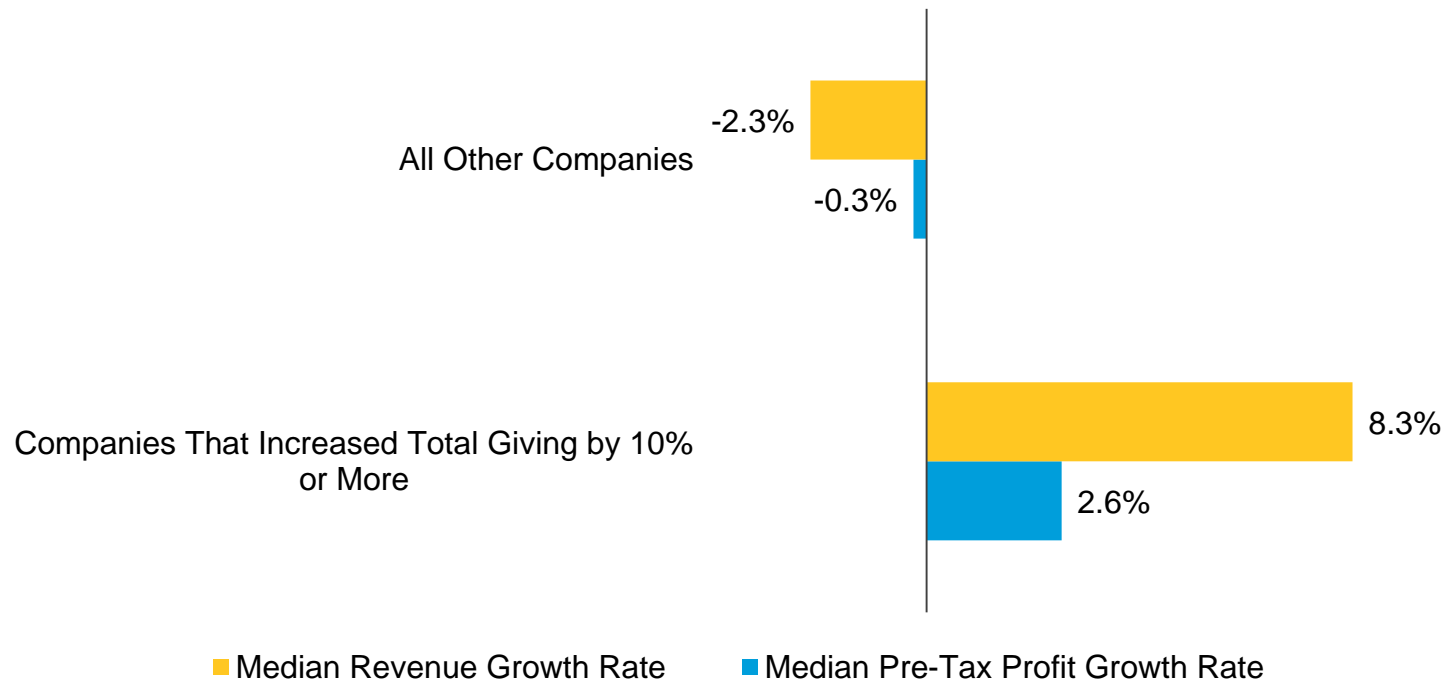
Consumer Staples Industry Increased Across all Measures

Median Total Giving Changes 2013→2015

	Total Giving/ Revenue	Total Giving/ PTP	% Change Median Total Giving
Communications	↓	↓	-26%
Consumer Discretionary	↑	↑	-20%
Consumer Staples	↑	↑	2%
Energy	↑	↑	-25%
Financials	↓	↓	7%
Health Care	↓	↓	-19%
Industrials	=	↓	-2%
Materials	=	↓	-11%
Technology	↓	↓	29%
Utilities	↑	↓	11%
All Companies	↓	↓	1%

Companies that Out-performed Financially, Also Saw Highest Total Giving Increases

Financial Performance Growth Rates By Total Giving Increases, 2013-2015



Industries Exhibit Varying Levels of Societal Engagement

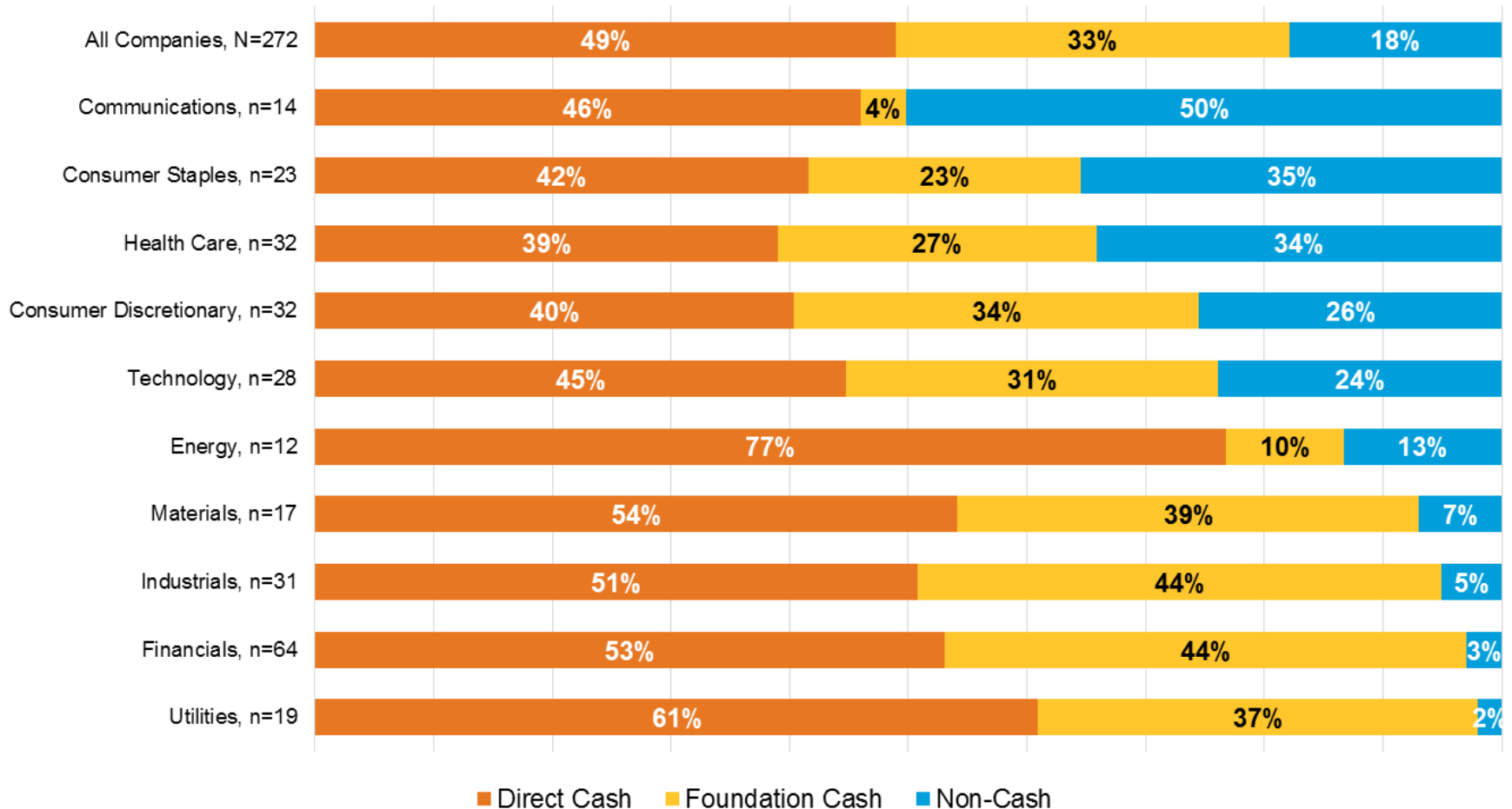
Industries Exhibit Varying Levels of Societal Engagement

	Total Giving		Revenue		Pre-Tax Profit		Matching Gifts	
	Median (In US\$ Millions)	Top Quartile (In US\$ Millions)	Median Total Giving As A % Of Revenue	Top Quartile Total Giving As A % Of Revenue	Median Total Giving As A % Of Pre-Tax Profit	Top Quartile Total Giving As A % Of Pre-Tax Profit	Median Matching Gifts As A % Of Total Cash Giving	Top Quartile Matching Gifts As A % Of Total Cash Giving
All Companies, n=272	15.92	47.88	0.11%	0.21%	0.84%	1.71%	12.09%	20.65%
Communications, n=14	32.19	117.68	0.16%	0.60%	0.72%	2.05%	8.10%	29.13%
Consumer Discretionary, n=32	16.60	30.07	0.10%	0.31%	0.92%	1.94%	12.36%	15.97%
Consumer Staples, n=23	57.66	117.27	0.21%	0.29%	2.18%	5.50%	9.20%	13.79%
Energy, n=12	23.17	43.18	0.16%	0.19%	1.52%	2.94%	12.97%	18.06%
Financials, n=64	13.12	49.06	0.12%	0.20%	0.73%	1.18%	12.79%	21.35%
Health Care, n=32	23.57	134.65	0.16%	0.91%	1.37%	5.72%	12.33%	18.19%
Industrials, n=31	12.18	28.62	0.07%	0.11%	0.68%	1.15%	10.70%	21.64%
Materials, n=17	10.72	39.77	0.08%	0.19%	0.76%	1.12%	13.35%	19.79%
Technology, n=28	13.80	33.77	0.16%	0.45%	0.76%	2.91%	19.04%	28.81%
Utilities, n=19	12.28	20.00	0.13%	0.16%	0.83%	1.21%	6.49%	17.54%

Cash Giving Continues To Encompass The Majority Of Total Giving

In-Kind Contributions More Than 1/3 for 3 Industries

Total Giving by Funding Type, Average Percentages, 2015



Education, Health and Social Services, and Community and Economic Development are the Top Three Program Areas

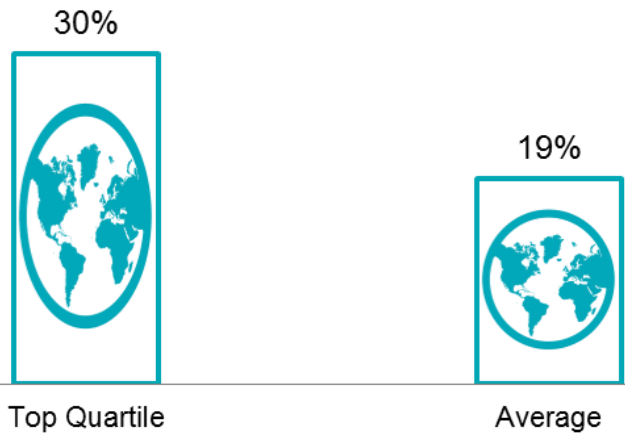
Program Area Allocations by Industry, 2015, Average Percentages

		Civic & Public Affairs	Community & Economic Development	Culture & Arts	Education: Higher	Education: K-12	Environment	Health & Social Services	Disaster Relief	Other
All Companies	N=183	5.0%	13.4%	5.9%	13.4%	15.5%	3.1%	26.3%	1.9%	15.5%
Communications	n=7	6.9%	15.8%	9.2%	5.1%	24.4%	7.2%	19.1%	1.9%	10.4%
Consumer Discretionary	N=18	4.2%	15.4%	7.7%	12.3%	15.2%	3.0%	22.2%	2.6%	17.5%
Consumer Staples	n=16	5.6%	7.4%	3.7%	10.1%	9.4%	5.6%	49.1%	0.8%	8.3%
Energy	n=10	1.5%	9.9%	0.8%	19.9%	19.0%	3.7%	7.9%	2.2%	35.0%
Financials	n=45	6.0%	25.8%	7.1%	9.9%	14.8%	1.0%	17.4%	2.6%	15.3%
Health Care	n=19	5.5%	2.9%	1.5%	9.3%	3.9%	0.1%	68.4%	1.4%	7.1%
Industrials	n=20	5.6%	4.9%	4.4%	23.8%	18.3%	2.7%	23.4%	3.1%	13.8%
Materials	n=14	2.8%	10.8%	8.8%	13.4%	13.5%	6.2%	25.3%	0.9%	18.2%
Technology	n=18	2.5%	8.2%	6.8%	19.7%	28.5%	0.9%	12.2%	0.9%	20.3%
Utilities	n=16	6.9%	14.3%	7.8%	11.8%	15.4%	8.7%	18.1%	1.5%	15.3%

Note: Relative to industry peers, the industry providing the highest percentage of giving to a particular program area is highlighted.

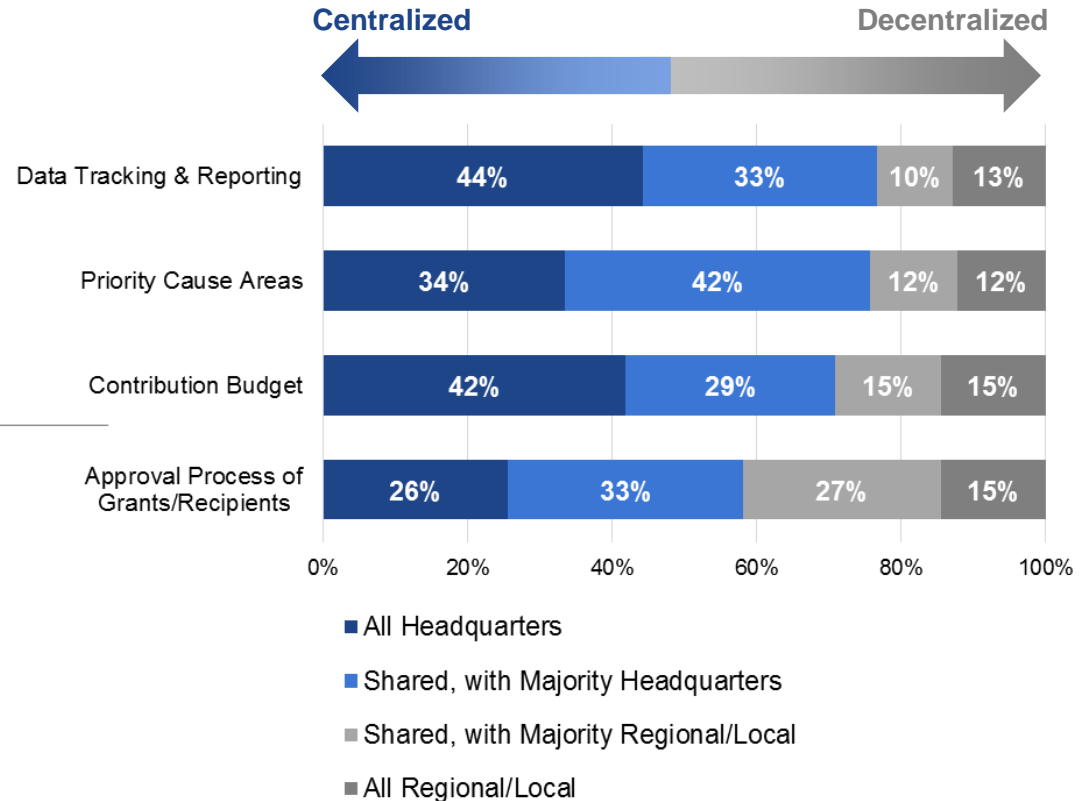
Multinational Companies Seek to Match Societal Investment to Corporate Global Footprint

International Giving Contributions As A % Of Total Giving, 2015



N=132

Centralization Of Decision Making, Percentage of Companies, 2015



N=172

Definitions

Total Giving: Corporate contributions to recipients which meet the three Global Guide Criteria (they must be formally organized, have a charitable purpose, and never distribute profits). Total Giving includes:

- **Direct Cash:** Cash giving from corporate headquarters or regional offices. Funds must be disbursed in the 12 months of the survey year.
- **Foundation Cash:** Cash contributions from the corporate foundation. For many companies, this includes the corporate side of employee matching-gift programs. Funds must be disbursed in the 12 months of the survey year.
- **Non-Cash:** Product donations, Pro Bono Service, and other non-cash contributions (e.g., computers, office supplies, etc.) assessed at Fair Market Value and given during the 12 months of the survey year.

Definitions

Contributions Team Full Time Equivalent (FTE): FTE Contributions Staff are those who oversee, manage, or directly administer at least one of the following initiatives or programs:

- Corporate or foundation giving (including employee matching and in-kind giving);
- Employee volunteering;
- Community or nonprofit relationships or community and economic development;
- Communications, media relations, sponsorships, administration, or public relations focused on community affairs, contributions, or volunteering.

Volunteer Participation: the percentage of employees who volunteer at least one on company-time.

Domestic refers to corporate headquarters country. **International** refers to all other countries.



ABOUT CECP: THE CEO FORCE FOR GOOD

CECP is a coalition of CEOs united in the belief that societal improvement is an essential measure of business performance. Founded in 1999 by Paul Newman and other business leaders, CECP has grown to a movement of 150 CEOs of the world's largest companies across all industries. Revenues of engaged companies sum to \$7 trillion annually. A nonprofit organization, CECP offers participating companies one-on-one consultation, networking events, exclusive data, media support and case studies on corporate engagement. For more information, visit <http://cecp.co>.

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