



**PwC's Global Investor Survey 2023**

# Trust, tech and transformation: Navigating investor priorities

**Investors want to know how companies are managing sustainability and emerging technologies like AI, but they lack confidence in much of the information they have about both. It's time for companies—and their leaders—to take action.**



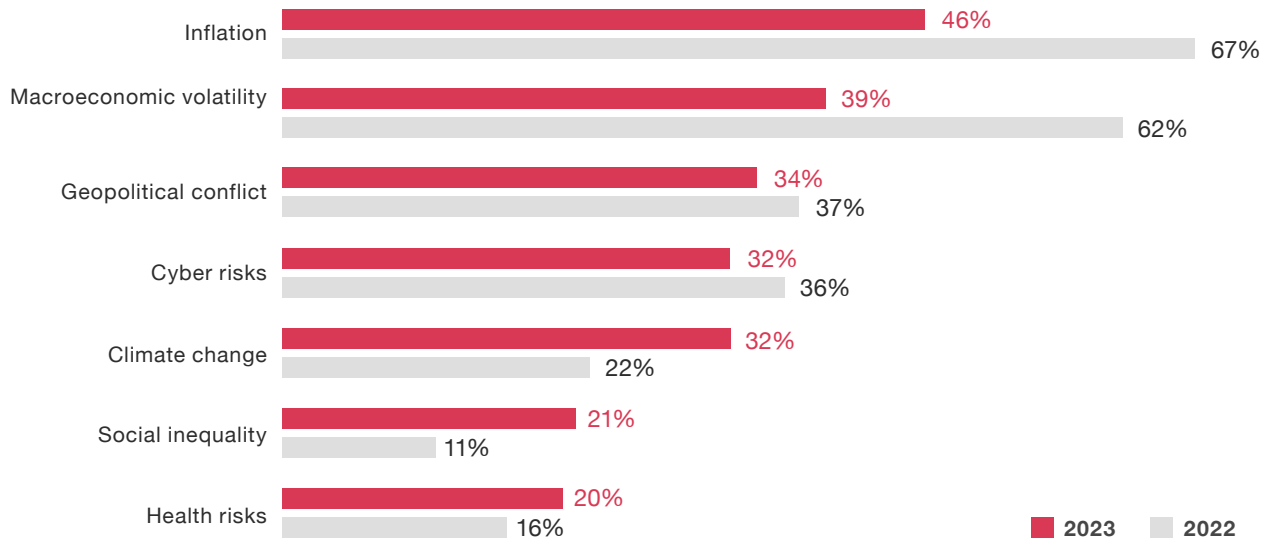
PwC's Global Investor Survey 2023

[www.pwc.com/GIS](https://www.pwc.com/GIS)

# Investors want to understand how companies are navigating today's complex operating environment

Investors' worries about macroeconomic volatility and inflation have declined from last year's high levels, although these risks remain significant relative to others. Investors' concerns on the near-term threats of climate change and social inequality grew this year, highlighting a shift in focus.

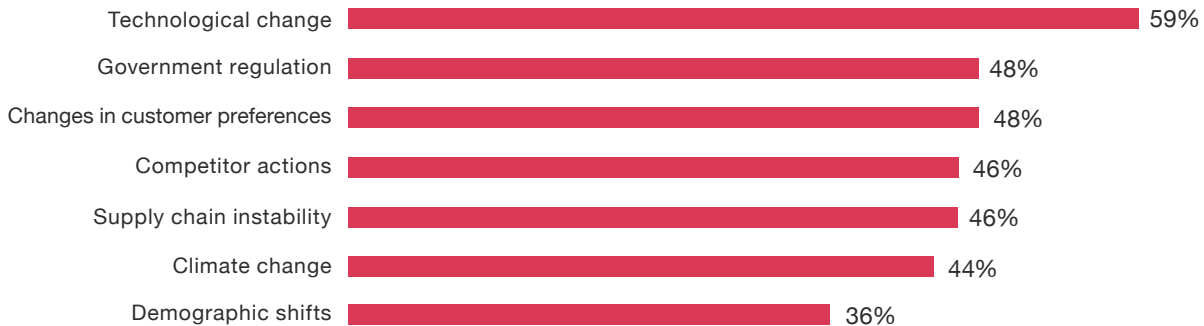
Share of respondents who think companies will be highly or extremely exposed to the threat in the next 12 months



Sources: PwC's Global Investor Survey 2023, PwC's Global Investor Survey 2022

## Investors identified technological change as the most likely factor to influence how companies create value over the next three years.

Share of respondents who think the following factors will drive changes to the way that companies create value in the next three years, to a large or very large extent

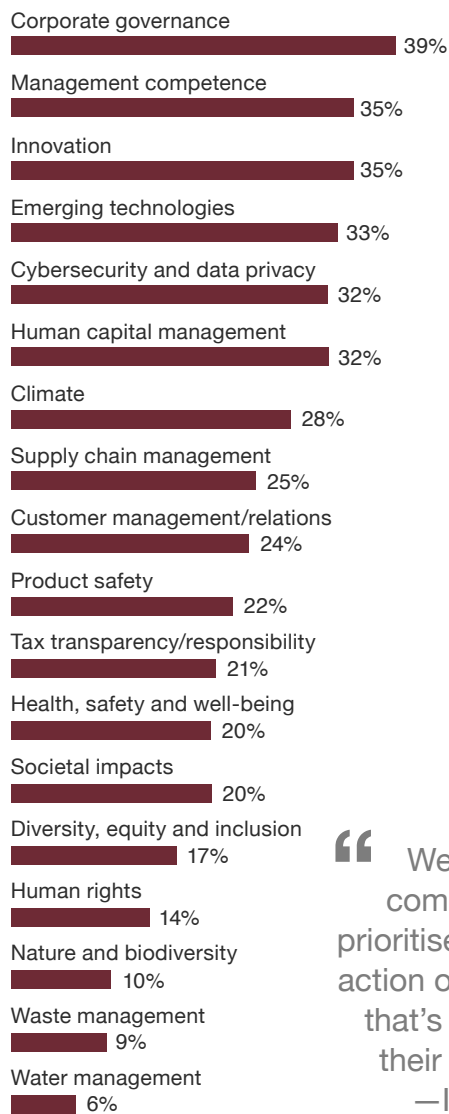


Source: PwC's Global Investor Survey 2023

# What matters to investors, and where do they get their information from?

**Investors are focused on multiple factors when evaluating companies**—driven by differences in industry, region and personal or client preferences. Against this backdrop, companies should focus on those issues material to their business.

Share of respondents who think these topics are important when evaluating companies they invest in or cover



Respondents could select up to five.

Source: PwC's Global Investor Survey 2023

“ We expect companies to prioritise and to take action on everything that’s material to their business. —Investor ”

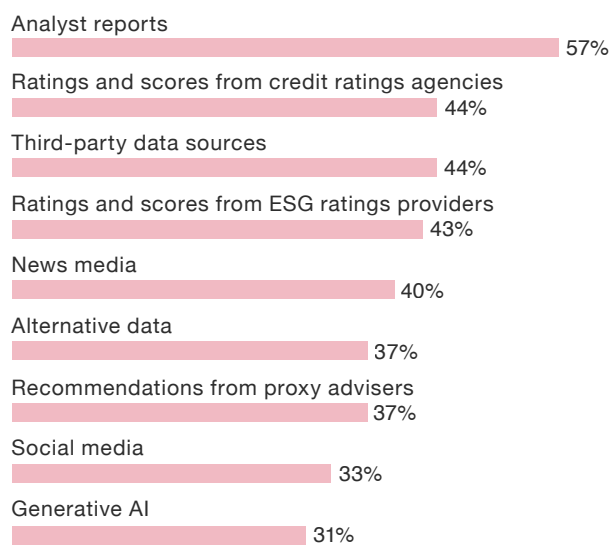
**Investors depend on information from a range of sources**, to make investment decisions. They are likely triangulating one source against another to understand how companies are managing risks and opportunities.

Share of respondents who use the following sources of information in assessing how companies manage risks and opportunities to a large or very large extent

## Published by company



## Third-party information



Source: PwC's Global Investor Survey 2023

# Investors are looking closely at two areas—emerging technologies and sustainability

## Emerging technologies

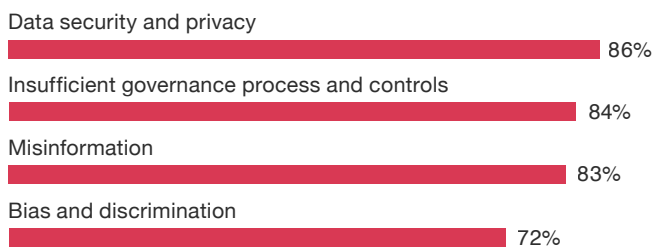
Investors want to gauge whether companies can seize opportunities for reinvention and business transformation, or will instead succumb to rivals.

Whilst investors support accelerated adoption of AI, they see risks associated with the deployment of these new technologies.

**61%**  
of investors said that accelerated adoption of AI is very important or extremely important

“ AI could disrupt and create new opportunities for business strategies. —Investment Officer ”

Share of respondents who think the following are a risk for companies as they adopt AI to a moderate, large or very large extent



Source: PwC's Global Investor Survey 2023

Source: PwC's Global Investor Survey 2023

## Sustainability

Investors are considering how companies manage sustainability issues when making investment decisions. Therefore, they want to understand how companies incorporate sustainability considerations into their strategic decision-making.

Share of respondents who agree or disagree with the following statements

■ Total disagree ■ Neutral ■ Total agree



Sources: PwC's Global Investor Survey 2023, PwC's Global Investor Survey 2021

Beyond their interest in reporting on how sustainability affects financial performance (outside-in reporting), the majority of investors want to know about the impact a company has on the environment or society (inside-out reporting)—a big increase from 2022.

75%

of investors want companies to report on the impact that they have on society and the environment, up from 60% in 2022

75%

of investors who want impact information want it in monetary terms, up from 66% in 2022

81%

of investors who want impact information in monetary terms think it would help companies to better integrate any trade-offs between environmental and social issues

Sources: PwC's Global Investor Survey 2023, and PwC's Global Investor Survey 2022

Whilst investors are looking for more information, evaluating monetary impact is complex, and will require more management attention.

## So what actions are investors taking when it comes to sustainability?

There are potential rewards for companies that get it right. Investors said they would increase their investment in companies that undertake the following actions:

Share of respondents who would increase their level of investment in, or recommendation of, companies in their portfolio that:

Address sustainability issues relevant to their business's performance and future prospects



Change their business conduct to have a beneficial impact on society or the environment



Source: PwC's Global Investor Survey 2023

Investors will also act if they think a company is not demonstrating sufficient progress on ESG issues. They shared their views on the actions they have taken in the past and those they would be likely to take in the future. Investors will most commonly seek change by entering into a dialogue with the company.

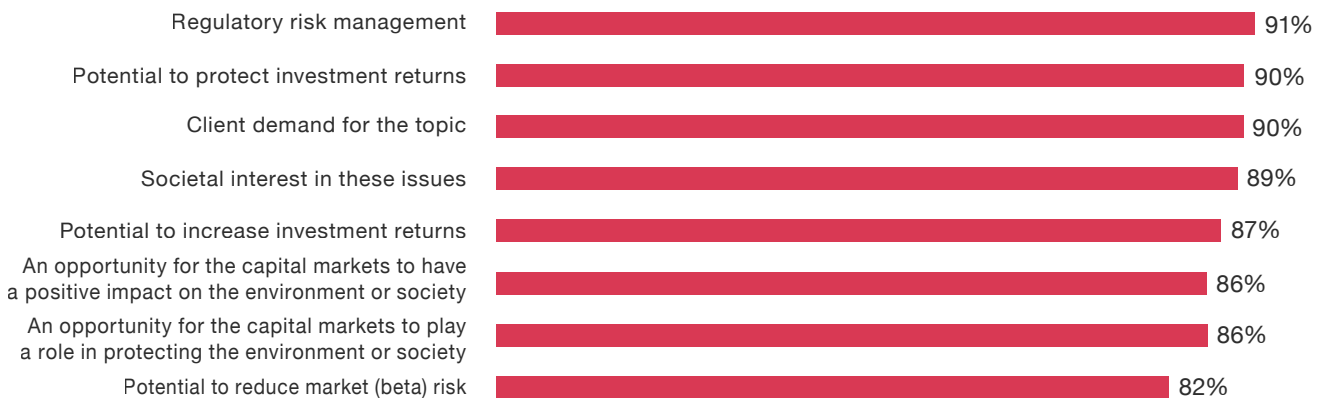
Share of respondents who have taken, or would take, the following actions if a company was not demonstrating sufficient action on ESG issues



Source: PwC's Global Investor Survey 2023

Today, investor interest in ESG or sustainability investing is being strongly driven by a number of different factors, including the regulatory environment, protecting returns and client demand.

Share of respondents who think these factors will drive investor interest in ESG or sustainability investing to a moderate, large or very large extent



Source: PwC's Global Investor Survey 2023

# Companies need to address the reporting trust deficit to meet investor demands for better information

Investors want clear, consistent and more comparable information on the material issues facing companies. To meet investor demands, companies should provide a complete, interconnected and balanced narrative to demonstrate that they are managing risks and identifying opportunities that allow them to continue to create value over the long term.

Share of respondents who think it is important or very important that companies report the following information

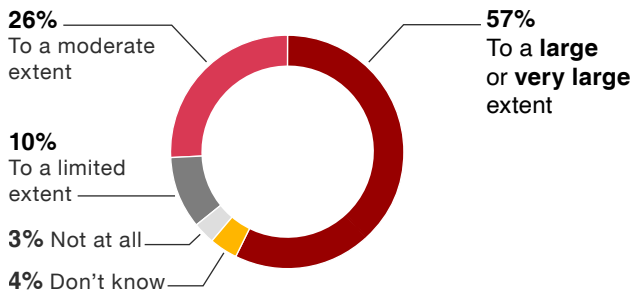


**94%** of investors believe that corporate reporting on sustainability performance contains at least some level of unsupported claims (i.e., greenwashing)

These perceptions of greenwashing may explain why investors are looking to regulators and standard setters to create clarity and consistency in companies' reporting.

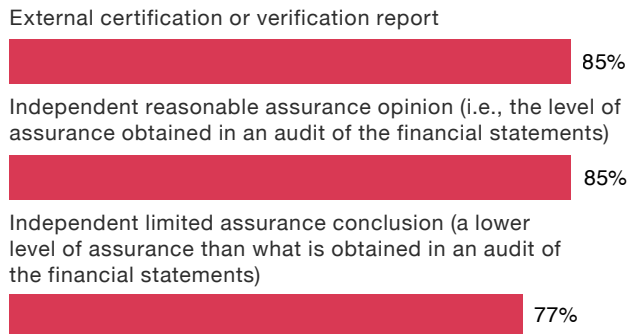
Investors expressed confidence in assurance when it came to assessing the accuracy of the sustainability information reported by companies.

Share of respondents who agree that the upcoming sustainability reporting regulations and standards (including CSRD, SEC and ISSB) will meet their information needs for their investment decision-making



Source: PwC's Global Investor Survey 2023

Share of respondents who said the following would provide them with confidence in assessing the accuracy of a company's sustainability reporting to a moderate, large or very large extent



Source: PwC's Global Investor Survey 2023

When it comes to the attributes of the assurance practitioner, investors are looking at a number of different characteristics to provide them with confidence in the information assured.

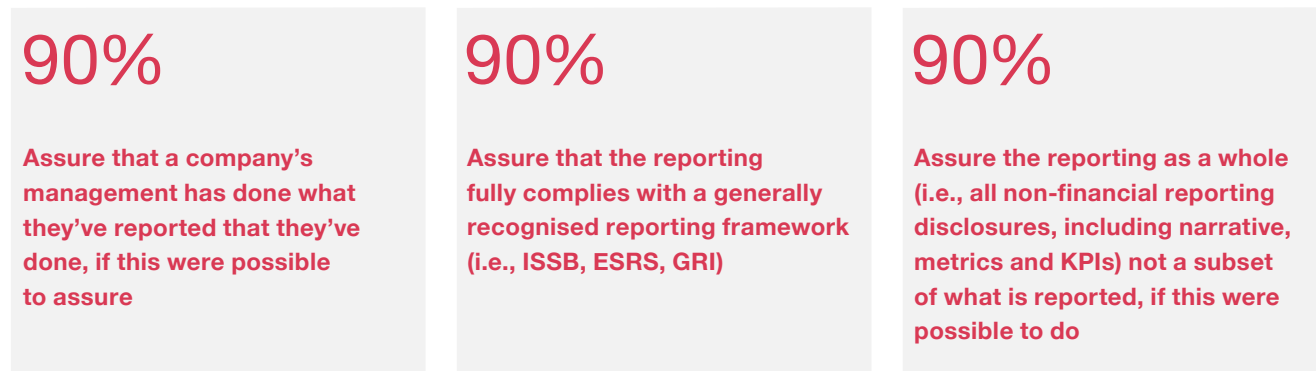
Share of respondents who think the following are important or very important in giving confidence in the work of an assurance practitioner



Source: PwC's Global Investor Survey 2023

Investors are also looking for the assurance practitioner to assure that a company's management have done what they said they've done, are reporting in line with a recognised reporting framework and are assuring the reporting as a whole, to give investors confidence in the information disclosed by companies.

Share of respondents who would get confidence from the following actions by an assurance practitioner to a moderate, large or very large extent



Source: PwC's Global Investor Survey 2023

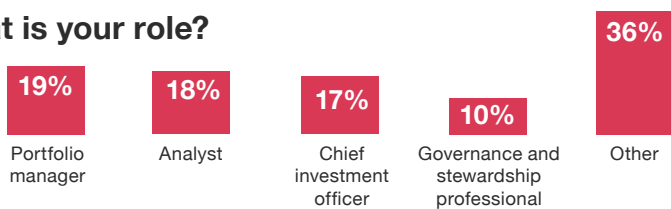


# Methodology

In September 2023, we surveyed 345 investors and analysts across 30 countries and territories, and conducted in-depth interviews with 15 investment professionals. Respondents were predominantly institutional investors, with 48% having more than ten years of experience in the industry. Their investments covered a range of asset classes, investing approaches, and time horizons, and the assets under management (AUM) at their organisations range from <US\$500 million to US\$1 trillion or more.

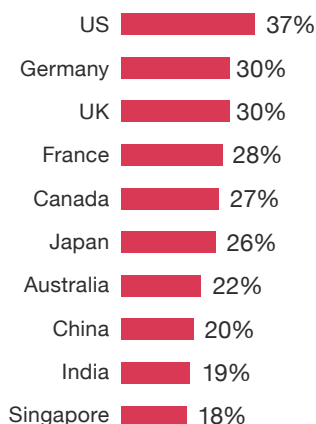
The online research was undertaken by PwC Research, our global centre of excellence for primary research and evidence-based consulting services. The interviews were conducted by PwC partners and staff.

## What is your role?

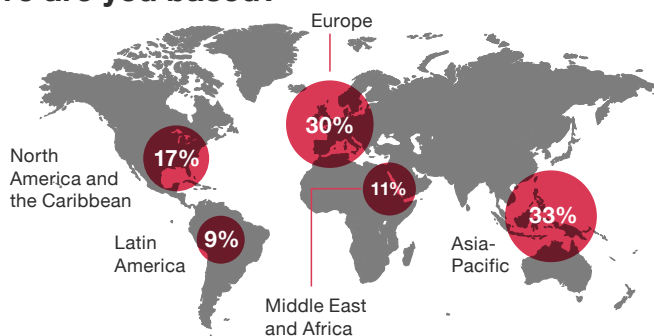


## Where do you invest?

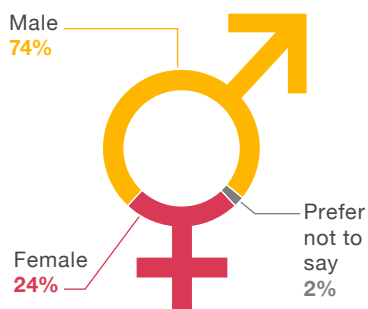
Top ten indicated



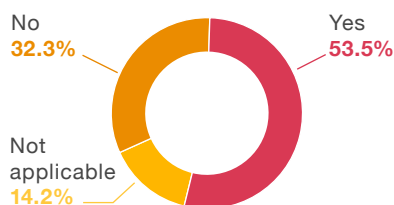
## Where are you based?



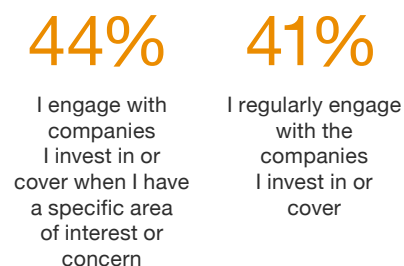
## What is your gender?



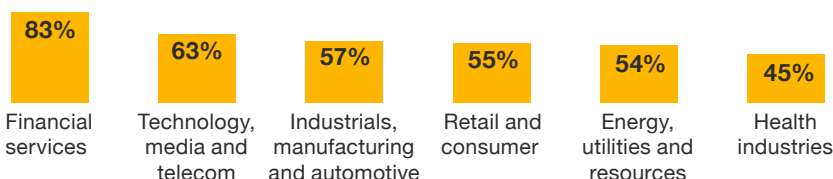
## Is your organisation a signatory of a responsible investing body or initiative?



## What best describes your level of engagement with the companies you invest in or cover?



## What industries do you cover?



Source: PwC's Global Investor Survey 2023

Throughout this document, percentages shown may not total 100% due to rounding.

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