

Investigations Fact Sheet

From sustainability, tax compliance and sanction regimes, G20 businesses are facing an increasing range of investigation sensitivities. Resilience is required for what seems to be ahead of the world and businesses.

THE INCREASINGLY NEW NORMALITY

For most G20 companies being inspected has become part of business as usual

83% have stated that they are currently being investigated by regulatory or governmental bodies or expect to be in the next year

1 in 5 companies expect media scrutiny around their litigation, and **17% of legal spend is anticipated to go on settlements**

CHANGING CONCERNS

In 2020, state aid was the biggest investigative worry for G20 companies

The biggest concerns today are:



BUSINESS CONDUCT AND TREATMENT OF CUSTOMERS



SUSTAINABILITY AND ESG



RELATIONSHIPS WITH PUBLIC BODIES AND GOVERNMENTS

CLASS ACTIONS OF THE RISE

G20 companies are wary of class actions and mass consumer claims, including for data privacy breaches and ESG misconduct

13%

of respondents have been hit by related litigation in the last 12 months and the same proportion expect a claim in the coming year



A third

of companies also say class actions and mass claims are costing them increasing amounts

COMPANIES TOO REACTIVE

Looking at the survey results, companies don't seem to be proactive enough in managing disputes and regulatory scrutiny

Half

of G20 companies claim they are either mainly reactive when it comes to managing the risk of class actions, or do not manage the risk at all

Only 44%

say they mainly proactively manage regulatory risk

TOP EXPECTED AREAS FOR INVESTIGATION

In which of the following areas is your company being investigated or expecting to be investigated in the next 12 months?



COMPANIES FACING SIGNIFICANT INCREASE IN COST OF CLASS ACTIONS AND MASS CLAIMS

Top 3

42% Financial Services

34% Consumer Goods

33% Tech & Comms

Bottom 3

22% Industrials

24% Services

25% Transportation

PRESS INFORMATION

If you are a member of the media and need any information regarding The Resilience Barometer® please contact:



MATTHEW BASHALANY

Media enquiries, Americas
Matthew.Bashalany@fticonsulting.com
+16174189382



JAMES LLOYD

Media enquiries, EMEA
James.Lloyd@fticonsulting.com
+447971953231



ANDREW GERRARD

Media enquiries, Asia Pacific
Andrew.Gerrard@fticonsulting.com
+85263852260

METHODOLOGY

The FTI 2021 Resilience survey incorporates the views of 2,869 decision-makers in large companies across all G20 countries. Large companies are defined as those with over 250 employees, or over USD 50 million in annual global turnover, or with a balance sheet of over \$43 million. From 7th July to 20th July 2021, FTI Consulting's Strategy Consulting & Research team conducted a quantitative survey with respondent profiles replicating those used in the previous waves of Resilience Barometer® research. 73% of respondents were C-suite and senior managers/executives from privately owned companies, while 27% were from publicly listed companies.

Rebuild **Resilience** Protect **Value** Deliver **Growth**

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