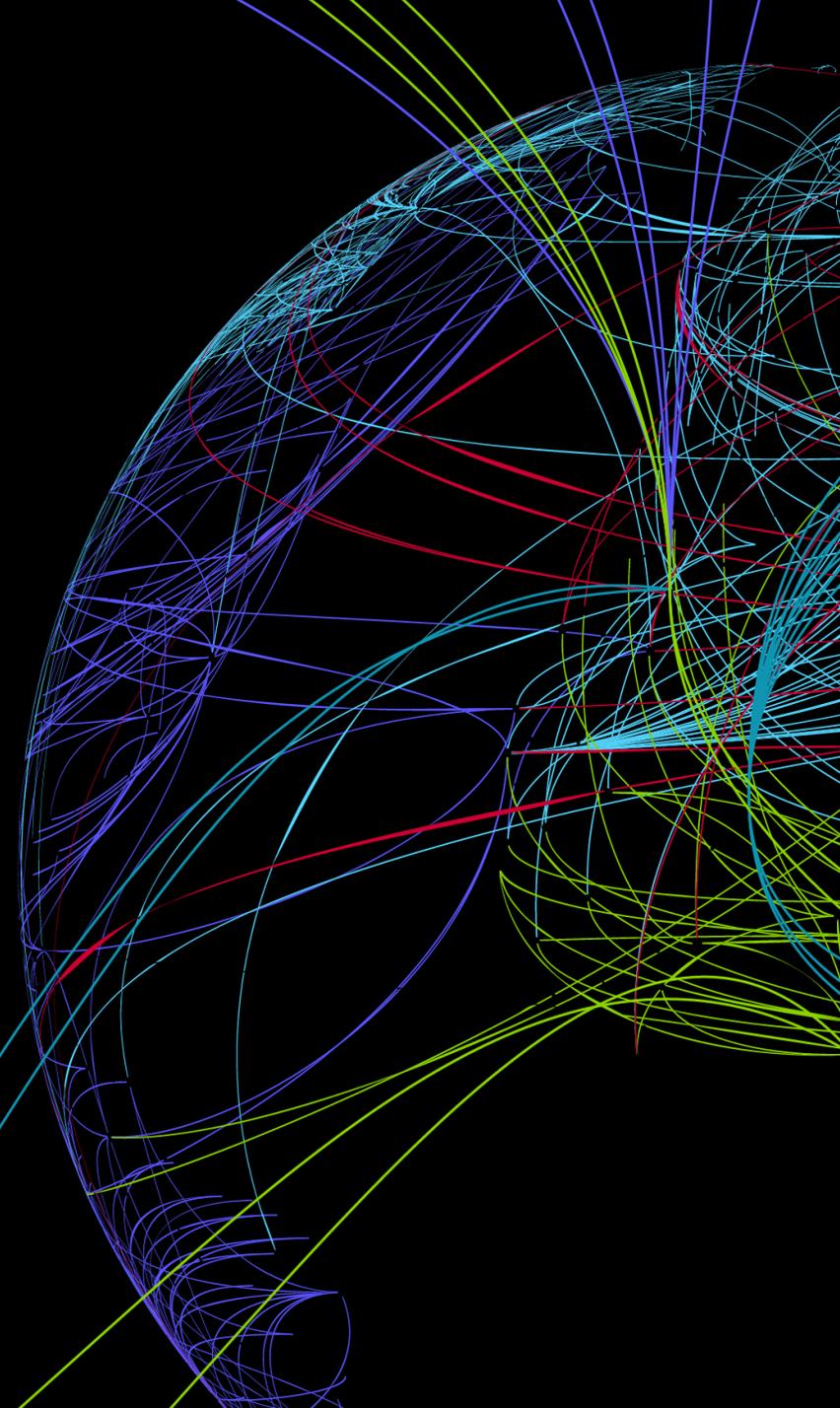


// Home Country as Stakeholder

THE RISING GEOPOLITICAL RISK FOR BUSINESS LEADERS
2021 – EUROPEAN EDITION



Foreword

When we set out to design this study in the throes of COVID-19 uncertainty, we watched as the pandemic super-charged conversations among corporate leaders about the role of business in the world. In the face of a truly global pandemic, COVID-19 heightened corporate leaders' determination to solve global problems, rise to global challenges, unite around global values, and deliver global value – from The Davos Agenda's focus on stakeholder capitalism based on a fundamentally “global economy” in service of “people and planet,” to the rise of Environmental, Social and Governance (ESG) strategies by companies to further their global sustainability and societal impacts.

Yet at the same time, we observed a rise in national agendas and competition that business leaders could not ignore. Rallying cries like China Standards 2035, European strategic autonomy, Make in India, and Made in All of America proliferated or intensified, as did questions about the unravelling of global supply chains, and even globalisation, as posited by *The Economist* and many others. This 21st century contest for national *economic* sovereignty and supremacy has thrust business leaders into the geopolitical frontlines like never before.

We at Weber Shandwick sensed a void in the conversation about how these global and national forces are intersecting – or rather colliding – to redefine the role of business in a new geopolitical era. That is, if you're a “global” brand or business focused on serving *all* stakeholders who matter, what to make of the rise of national interests? *Is your home country a stakeholder, too?*

Among the Letters to Shareholders of the top 10 companies on the 2021 Global Fortune 500 list, only four – two of them state-owned – include clear language regarding commitments to their national governments and policy goals.

It was a topic begging for data. Because as businesses rethink, reevaluate and reassess their role in a post-COVID world and heightened geopolitical competition, how they communicate their value and values to *all* relevant stakeholders is paramount.

So we set out to survey executives' perceptions of this relationship between a multinational business and its home country. We asked 1,200+ senior executives leading large multinationals across 12 countries in Asia, Europe and the Americas what they thought.

Little did we know we would uncover such a powerful new dimension to the role of a global business today – the importance of home country as stakeholder.

We are excited to share our findings along with principles on how companies can build reputation resilience amid the risks and opportunities of this new landscape, and as corporate leaders define what it means to be a global business in this era of 21st century geopolitical competition.

Michelle S. Giuda

Executive Vice President
Geopolitical Strategy & Risk, Weber Shandwick

Former Assistant Secretary of State
Global Public Affairs, 2018-2020



What We Did

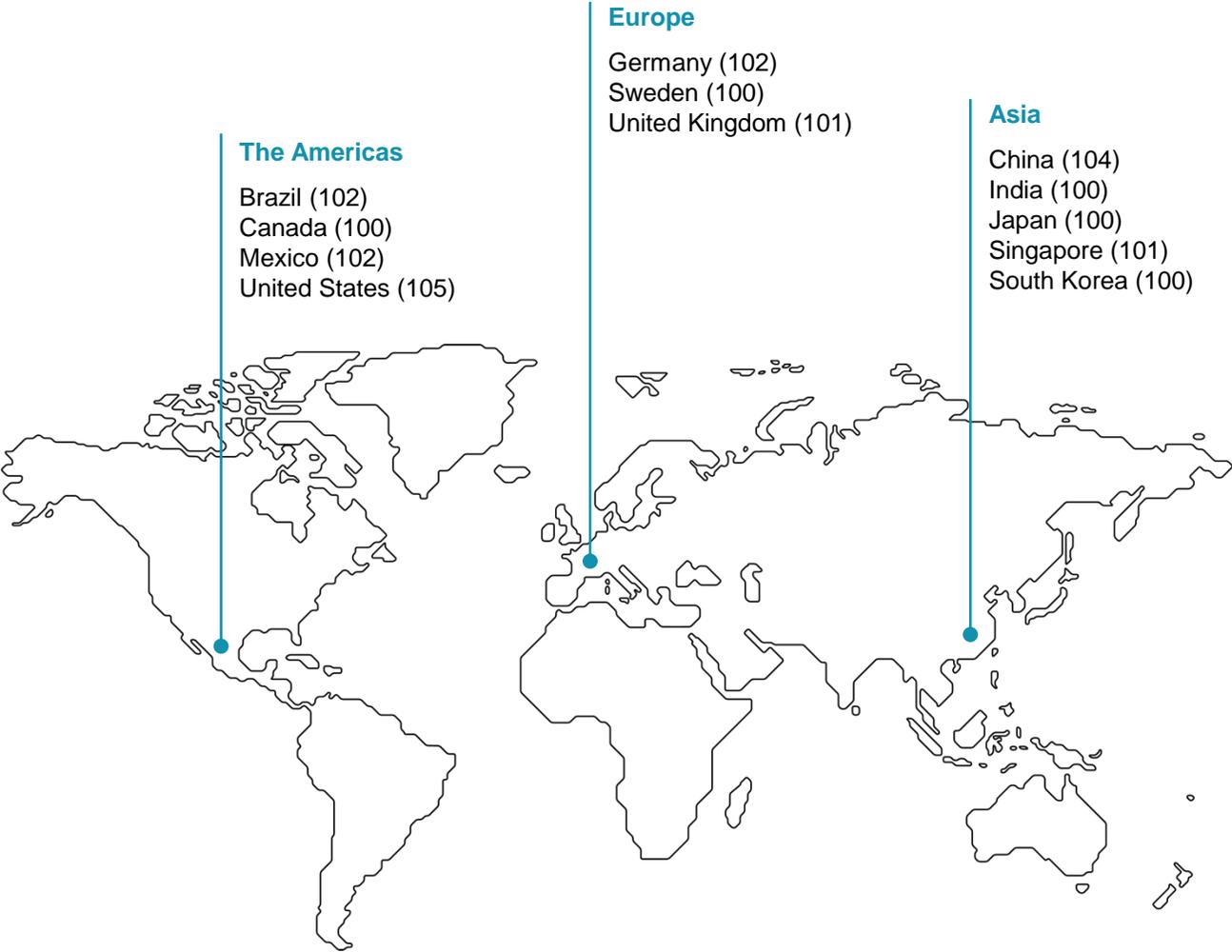
Weber Shandwick, in partnership with KRC Research, conducted an online, global multi-market survey among 1,217 multinational business executives in 12 countries between February 18 to April 5, 2021.

The study was conducted to examine perceptions of the relationship between a multinational company and its home country, defined as where it is headquartered, along with the reputational risks and opportunities.

All executives surveyed are members of the C-suite (CEO, CFO, COO, CISO, etc.) or report directly to the C-suite, lead large-sized multinational companies that generate a minimum of \$500 million in annual revenue, and have a minimum of 500 employees. In Canada, Mexico, Singapore and Sweden, the revenue and employee size requirements were lowered to a minimum of \$250 million in annual revenue and a minimum of 250 employees to include executives working in countries with smaller average business sizes since fewer multinational companies are based there.

We surveyed approximately 100 executives in each of the 12 countries. All respondents live and work in the same country where their company is headquartered, and for most, that is also the country of their birth.

For purposes of this European report, we present an aggregate of all 303 executive responses from Germany, Sweden and the UK.



Global Executive Summary

Home country is a top three business stakeholder.

58%

of all executives – 50% of European executives – rate their company's home country a "very" important stakeholder to their business, second only to customers and tied with shareholders.

9^{OF} 12

In nine of 12 markets surveyed, home country rates among the top 3 "very" important stakeholders among all executives and second in Europe.

National security exceeds diversity & inclusion, ESG and climate change in importance.

56%

of all executives – 46% of European executives – rate national security "very" important to company decisions.

50%

or fewer of all executives rate D&I, ESG and climate change "very" important to company decisions, including 42% or fewer of European executives.

What comes first – the bottom line or national interest?

80%

of all executives – 81% of European executives – agree that, regardless of national interests, a company has a responsibility to do what is in its own best interest to succeed.

83%

of all executives – 78% of European executives – also agree that in some instances, national security or economic interests should come before the bottom line.

Executives feel the pressure to take a position on geopolitical issues.

87%

of all executives – 80% of European executives – agree their companies should be prepared to take a more public position on geopolitical issues over the next five years.

Executives are unprepared for geopolitical risk.

74%

of all executives – 72% of European executives – say their company is more reactive than proactive when it comes to geopolitical risk.

55%

of all executives – 61% of European executives – say their company's Board of Directors is not well prepared for geopolitical risk.

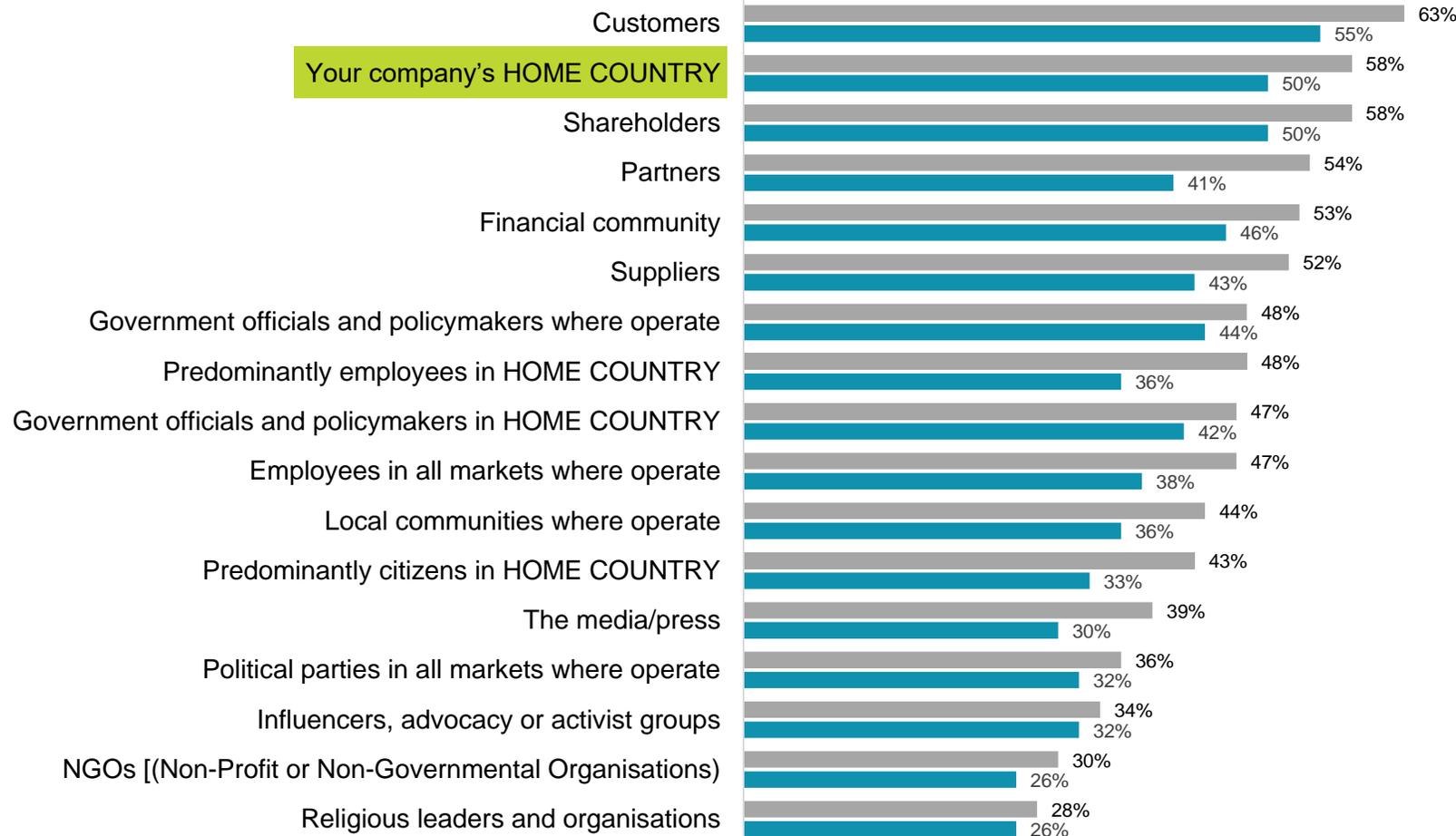


**Home
Country is a
Top Three
Business
Stakeholder**

58% of all executives say their home country is a critical stakeholder on par with customers and shareholders.

How important is each stakeholder to your company when making important business decisions?

Ranked by "Very" Important



50%
of European executives rate home country a "very" important stakeholder, on par with shareholders (50%) and customers (55%). This pattern is similar to all executives; however, respondents in Europe tend to be more moderate in their responses across all 17 stakeholder groups by an average of about -7%.



In nine of 12 markets, including Germany, Sweden and the UK, executives rate home country a top three stakeholder.

Top 5 Stakeholders Ranked by “Very” Important

|  Brazil |  Canada |  China |  Germany |  India |  Japan |  Mexico |  Singapore |  South Korea |  Sweden |  United Kingdom |  United States |
|---|---|--|--|---|--|---|--|--|---|---|--|
| 1. Customers | 1. Home country | 1. Shareholders | 1. Customers | 1. Customers | 1. Customers | 1. Customers | 1. Customers | 1. Shareholders | 1. Shareholders | 1. Customers | 1. Home country |
| 2. Home country | 1. Partners | 2. Home country | 2. Home country | 2. Shareholders | 2. Shareholders | 2. Financial community | 2. Shareholders | 2. Financial community | 2. Customers | 2. Shareholders | 2. Shareholders |
| 2. Partners | 3. Customers | 3. Customers | 3. Gov't officials and policy-makers in all markets | 3. Home country | 3. Employees in home country | 3. Home country | 3. Partners | 3. Suppliers | 3. Home country | 3. Home country | 3. Customers |
| 4. Financial community | 4. Shareholders | 4. Partners | 4. Financial community | 4. Gov't officials and policymakers in home country | 4. Partners | 4. Partners | 4. Gov't officials and policy-makers in home country | 4. Customers | 4. Suppliers | 4. Financial community | 4. Partners |
| 5. Suppliers | 5. Gov't officials and policy-makers in all markets | 5. Gov't officials and policy-makers in home country | 5. Shareholders | 5. Suppliers | 5. Home country | 5. Employees in home country | 5. Financial community | 5. Gov't officials and policy-makers in all markets | 5. Employees in home country | 5. Partners | 5. Employees in home country |
| | | | | | | | 5. Suppliers | | | | |

Note: Stakeholders are presented in rank order. Where two stakeholders are statistically tied in rank, they have been given the same rank number.



FULL DATA

Importance of Home Country Stakeholder

How important is each stakeholder to your company when making important business decisions?

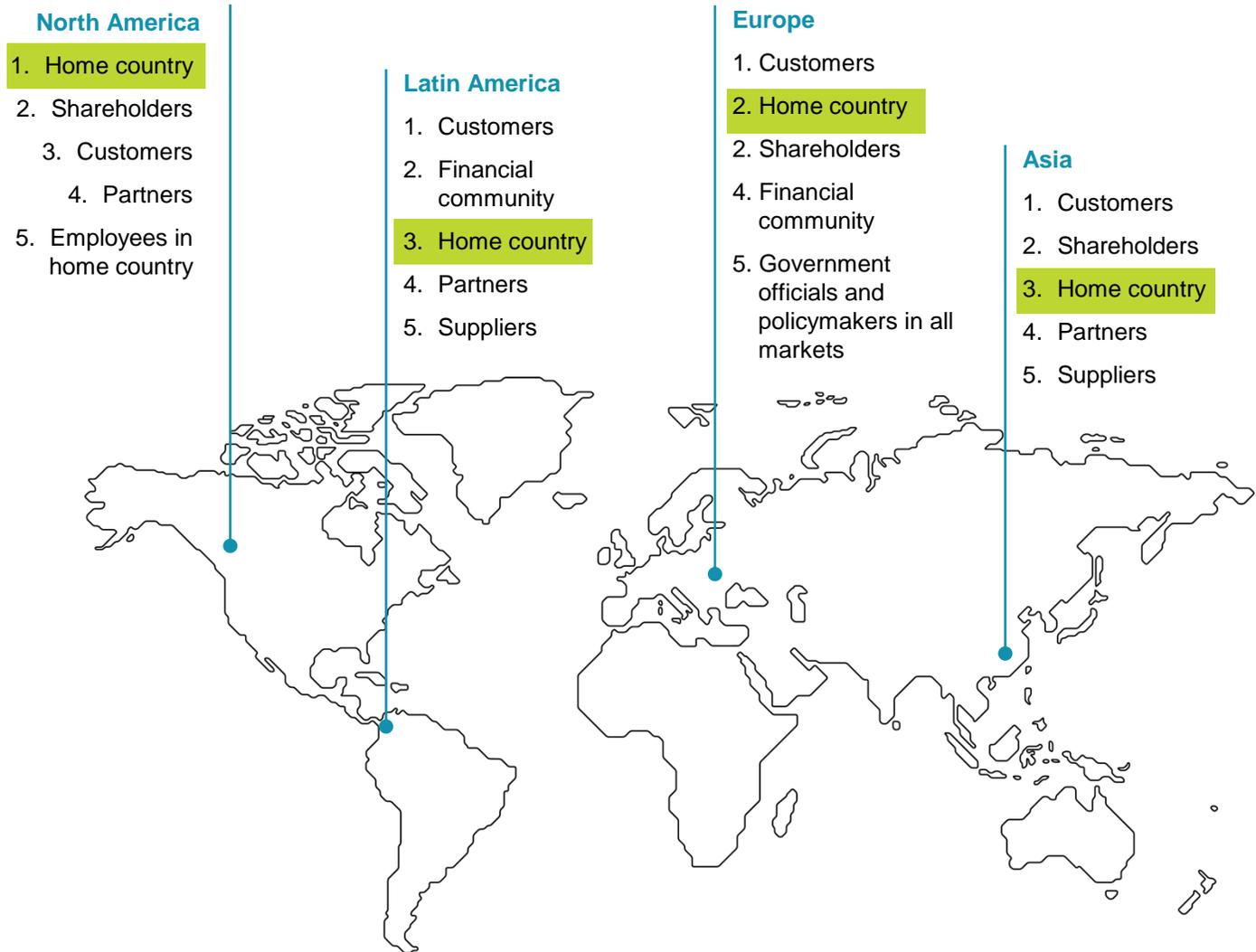
| | |  |  |  |  |  |  |  |  |  |  |  |  |
|---|-----------|--|---|---|---|---|---|---|---|---|---|---|---|
| | Total | Brazil | Canada | China | Germany | India | Japan | Mexico | Singapore | South Korea | Sweden | UK | US |
| Very Important | % | % | % | % | % | % | % | % | % | % | % | % | % |
| Customers | 63 | 90 | 56 | 60 | 52 | 72 | 59 | 75 | 68 | 48 | 46 | 65 | 64 |
| Your company's HOME COUNTRY | 58 | 80 | 58 | 71 | 49 | 69 | 43 | 67 | 50 | 33 | 45 | 57 | 70 |
| Shareholders | 58 | 72 | 54 | 73 | 43 | 71 | 53 | 61 | 62 | 52 | 50 | 58 | 67 |
| Partners | 54 | 80 | 58 | 56 | 36 | 63 | 47 | 66 | 57 | 38 | 35 | 51 | 57 |
| Financial community | 53 | 77 | 48 | 42 | 45 | 62 | 35 | 72 | 51 | 51 | 38 | 55 | 55 |
| Suppliers | 52 | 75 | 50 | 49 | 36 | 65 | 42 | 62 | 51 | 50 | 44 | 50 | 50 |
| Government officials and policymakers where operate | 48 | 56 | 52 | 52 | 46 | 62 | 36 | 59 | 41 | 40 | 38 | 47 | 50 |
| Predominantly employees in HOME COUNTRY | 48 | 71 | 49 | 38 | 23 | 60 | 51 | 63 | 49 | 33 | 40 | 46 | 56 |
| Government officials and policymakers in HOME COUNTRY | 47 | 56 | 48 | 54 | 38 | 66 | 31 | 48 | 52 | 31 | 37 | 51 | 51 |
| Employees in all markets where operate | 47 | 71 | 43 | 43 | 29 | 61 | 37 | 49 | 50 | 39 | 39 | 47 | 50 |
| Local communities where operate | 44 | 67 | 46 | 49 | 33 | 60 | 35 | 53 | 33 | 36 | 36 | 40 | 45 |
| Predominantly citizens in HOME COUNTRY | 43 | 66 | 49 | 44 | 29 | 55 | 39 | 59 | 34 | 32 | 29 | 40 | 46 |
| The media/press | 39 | 52 | 42 | 51 | 35 | 48 | 23 | 56 | 34 | 38 | 23 | 32 | 36 |
| Political parties in all markets where operate | 36 | 45 | 43 | 41 | 30 | 49 | 23 | 26 | 39 | 31 | 28 | 37 | 40 |
| Influencers, advocacy or activist groups | 34 | 48 | 37 | 37 | 24 | 53 | 24 | 38 | 24 | 28 | 33 | 39 | 30 |
| NGOs [(Non-Profit or Non-Governmental Organisations) | 30 | 44 | 36 | 37 | 20 | 37 | 23 | 32 | 25 | 24 | 28 | 30 | 27 |
| Religious leaders and organisations | 28 | 30 | 28 | 36 | 25 | 46 | 17 | 30 | 30 | 25 | 19 | 34 | 21 |



Top 5 Stakeholders Ranked by “Very” Important

Home country is a top three stakeholder across regions.

Europe is the only region in which executives collectively prioritise “government officials and policymakers in all markets” as a top five “very” important stakeholder to their business, demonstrating an emphasis on relations both at home and abroad.



Note: Stakeholders are presented in rank order. Where two stakeholders are statistically tied in rank, they have been given the same rank number.

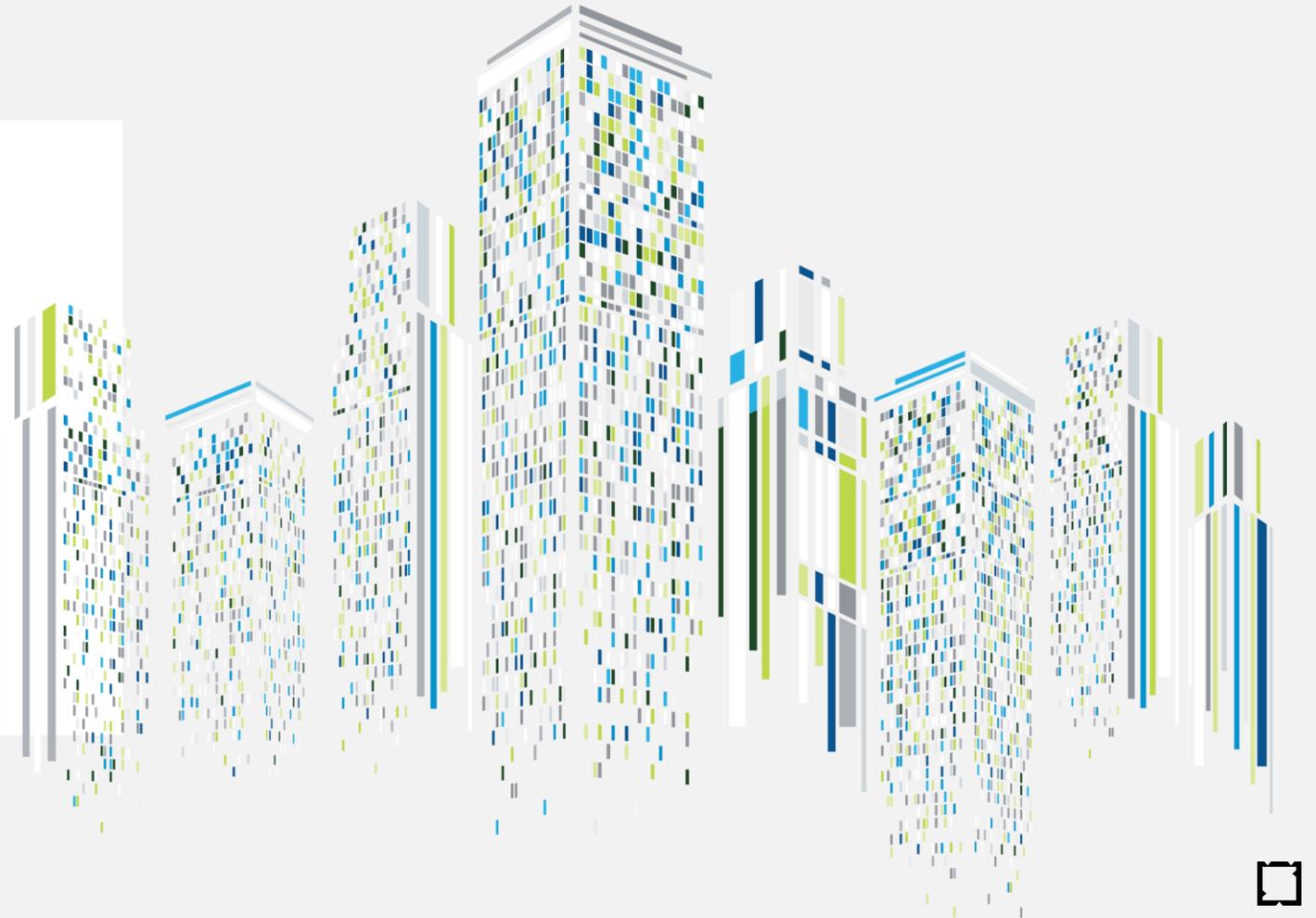


Among all CEOs and corporate presidents, home country is rated as the top stakeholder to their business.

Top 5 Stakeholders Ranked by Importance

1. Home country
2. Customers
3. Financial community
4. Suppliers
5. Partners

Note: Normalised scores.



Home country is a top three stakeholder across sectors, among all executives.

Top 5 Stakeholders Ranked by “Very” Important



Consumer packaged goods

- 1. Partners
- 1. Customers
- 3. Home country
- 3. Financial community
- 3. Government officials and policymakers in all markets



Energy and natural resources

- 1. Customers
- 2. Home country
- 3. Partners
- 4. Shareholders
- 5. Government officials and policymakers in all markets



Financial services / insurance

- 1. Home country
- 2. Customers
- 2. Shareholders
- 2. Financial community
- 5. Government officials and policymakers in all markets
- 5. Employees in home country
- 5. Citizens in home country



Healthcare / Pharma / Bio-tech

- 1. Shareholders
- 2. Customers
- 3. Home country
- 4. Partners
- 5. Employees in home country



Telecomms / IT / Technology

- 1. Customers
- 2. Shareholders
- 3. Home country
- 3. Financial community
- 5. Suppliers



Industrial / manufacturing

- 1. Customers
- 2. Partners
- 3. Home country
- 3. Suppliers
- 3. Shareholders



Retail

- 1. Customers
- 2. Shareholders
- 3. Home country
- 4. Partners
- 4. Suppliers

Note: Stakeholders are presented in rank order. Where two stakeholders are statistically tied in rank, they have been given the same rank number.





Home country is no longer an unspoken stakeholder.

As corporate leaders reset their strategies for a new geopolitical and post-COVID era, they are considering how they deliver and communicate value to their home country stakeholder. Executives are saying corporate responsibility includes national responsibility, and leaders must plan accordingly.

– MICHELLE GIUDA, EXECUTIVE VICE PRESIDENT OF GEOPOLITICAL STRATEGY & RISK AT WEBER SHANDWICK



Executives in Europe on the importance of home country, in their own words:



In case of doubt, the interests in the home country should be given priority.

– GERMAN EXECUTIVE OF A TELECOMMUNICATIONS/IT/TECHNOLOGY COMPANY



Promote fair competition and protect the legitimate rights and interests of businesses and consumers.

– SWEDISH EXECUTIVE OF A FINANCIAL SERVICES/INSURANCE COMPANY

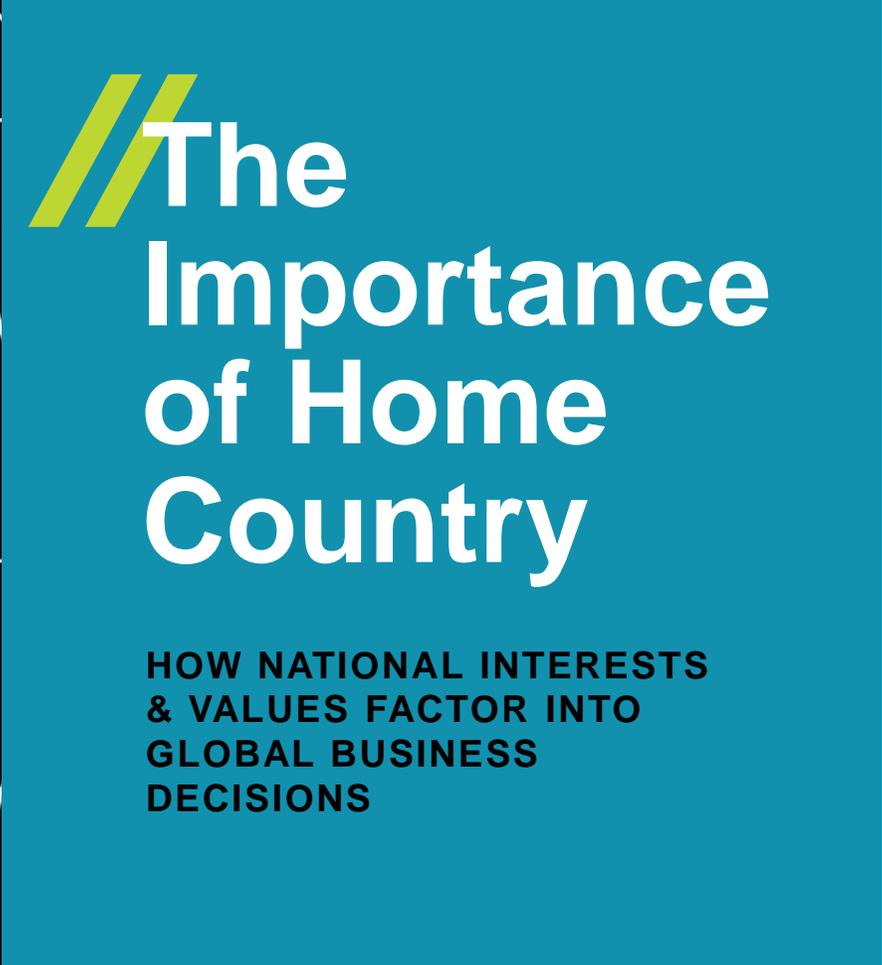
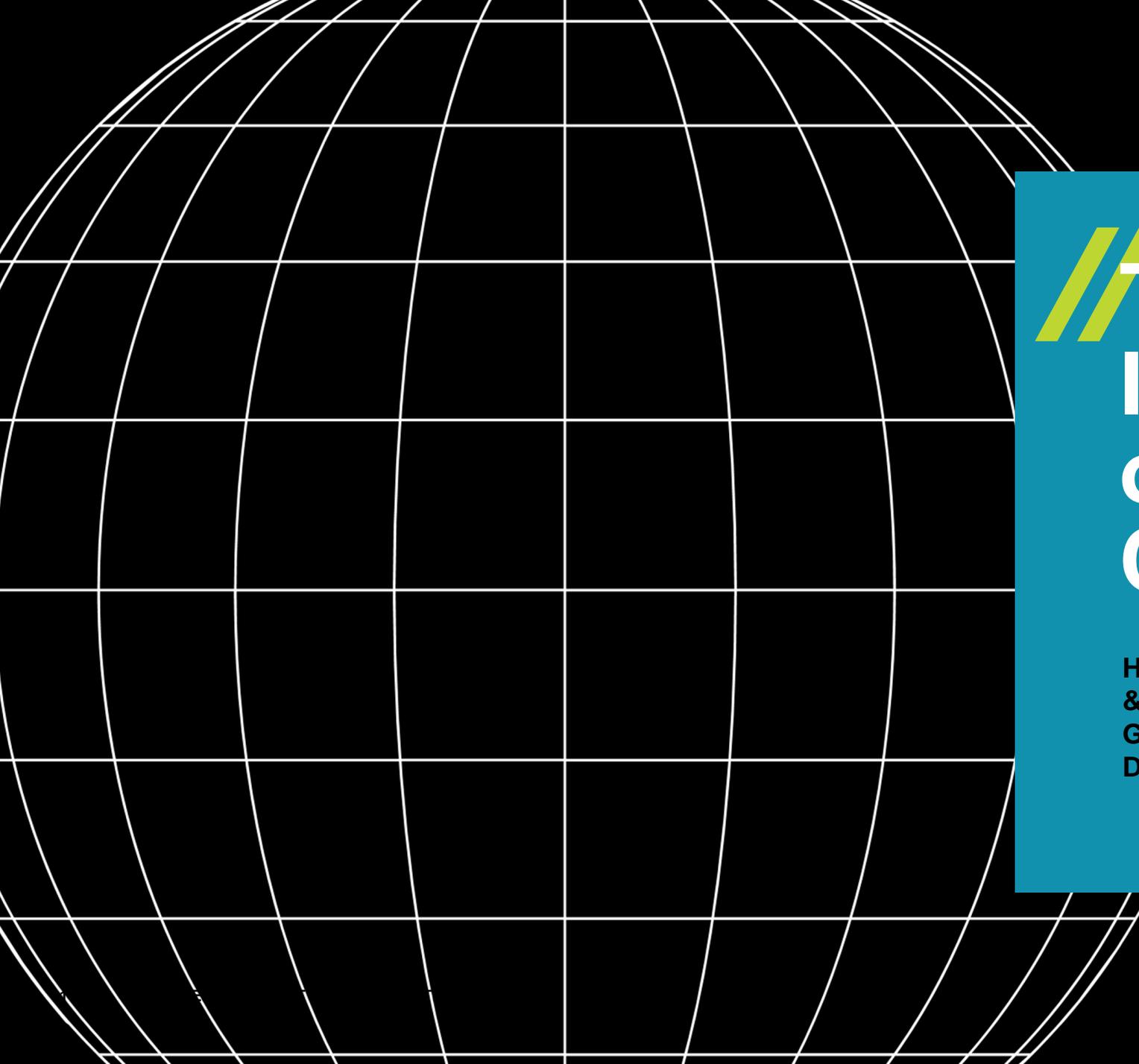


Every organisation must not compromise their home country's interest and should work together to protect the nation and people to ensure safety and prosperity.

– UK EXECUTIVE OF A CONSUMER PACKAGED GOODS COMPANY

Note: Based on open-ended responses to question "In what ways or how can or should a multinational company protect or advance their home country's national interests?"





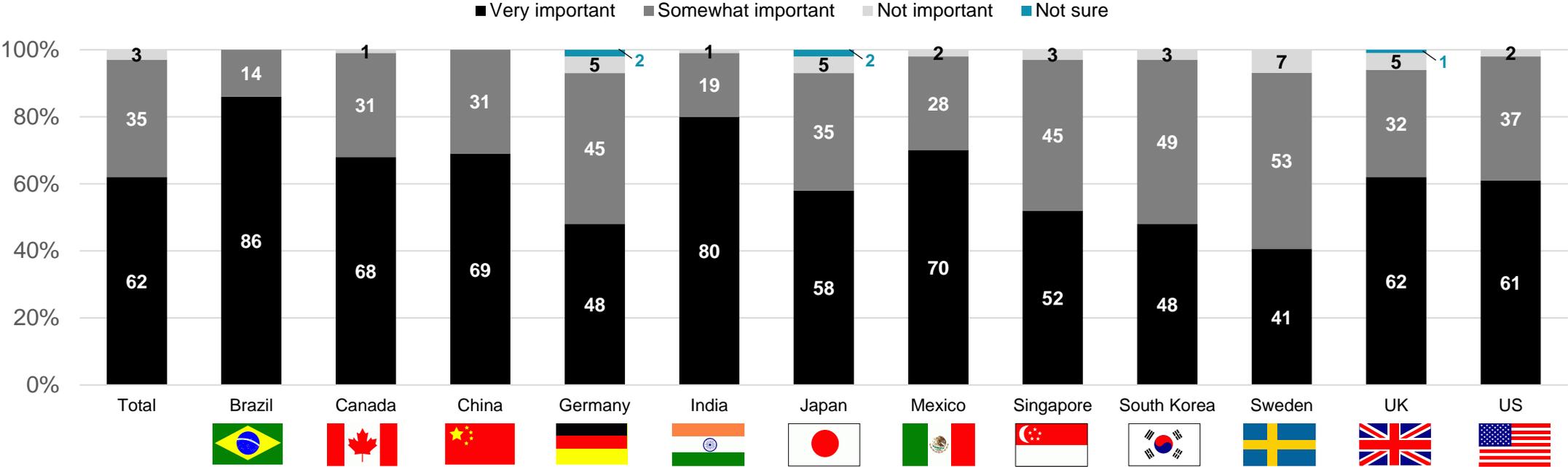
 **The
Importance
of Home
Country**

**HOW NATIONAL INTERESTS
& VALUES FACTOR INTO
GLOBAL BUSINESS
DECISIONS**

Home country interests are critical to business decision-making.

97% of all executives believe it is important – 62% say “very” important – for multinational companies to make business decisions that consider their home country’s national interests. This includes 93% and 50% of European executives, respectively.

Overall, how important is it for multinational companies to make business decisions that consider their home country's national interests?



Percentages may not total 100 due to rounding.

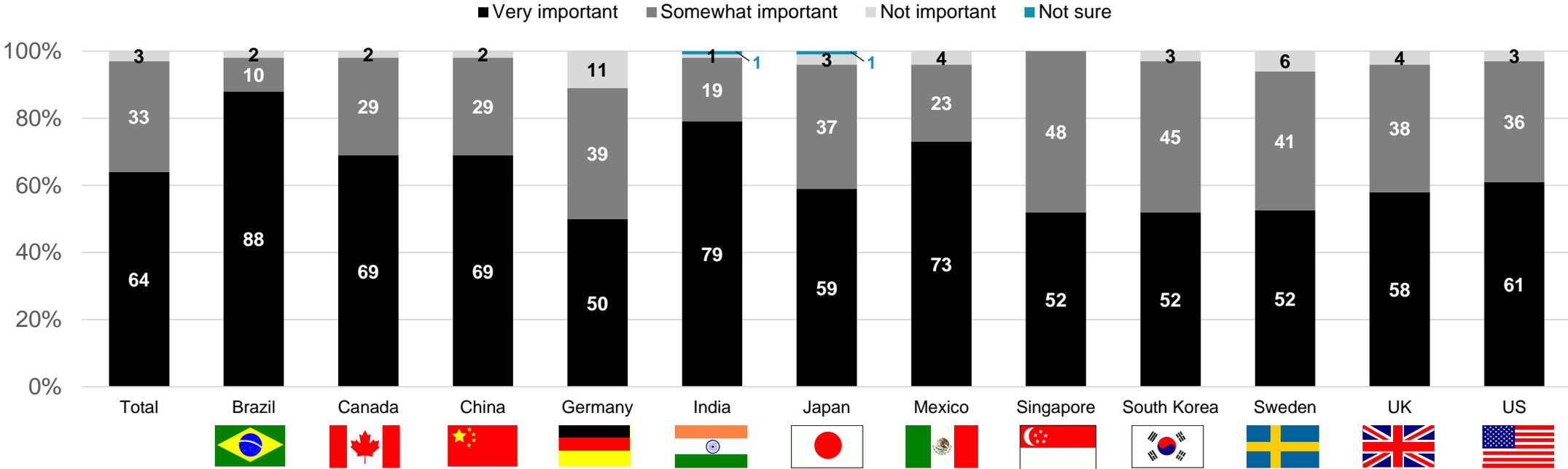
Home country is defined as where a multinational company is headquartered. National interests are defined as the security, economic prosperity, values and ambitions of a country.



Executives say corporate and home country national values must align.

Nearly two-thirds (64%) of all executives say it's "very" important for multinationals to make decisions aligned with their home country's national values. Although fewer than all executives, more than half of European executives (54%) also agree.

How important is it for multinational companies to make business decisions that are aligned with their home country's national values?



Percentages may not total 100 due to rounding.

Note: National values were defined as follows: National values are generally accepted beliefs in a country about what is good and desirable as well as what is undesirable and unacceptable in that nation. National values may vary across countries. Examples of national values include liberty, the rule of law, equality, self-governance, justice and freedom.

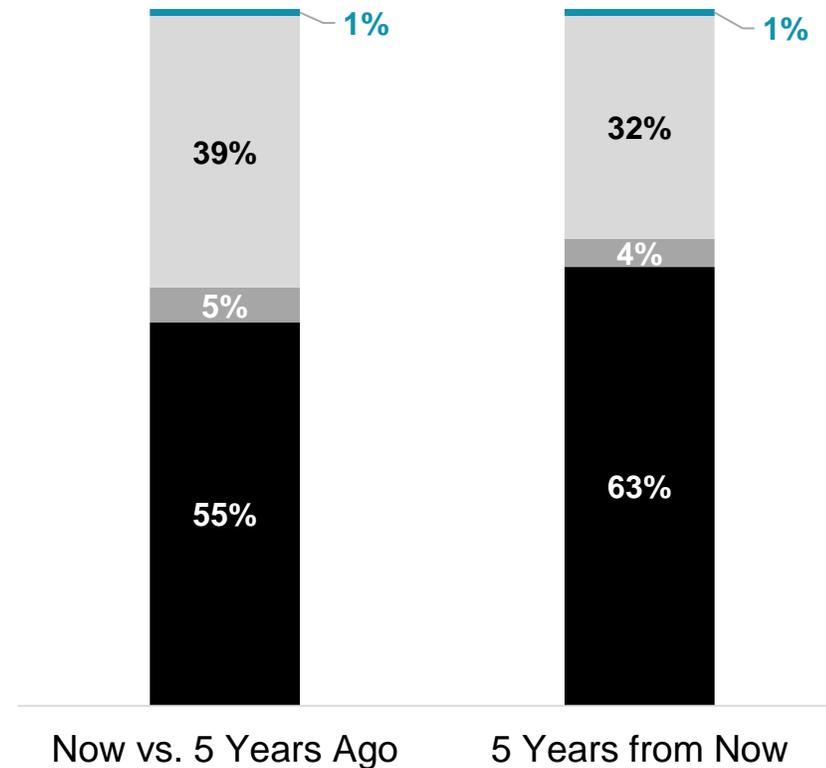


Consideration of home country interests has grown – and is growing – in importance to business.

More than half (53%) of European executives expect to give more consideration to home country national interests in the next five years.

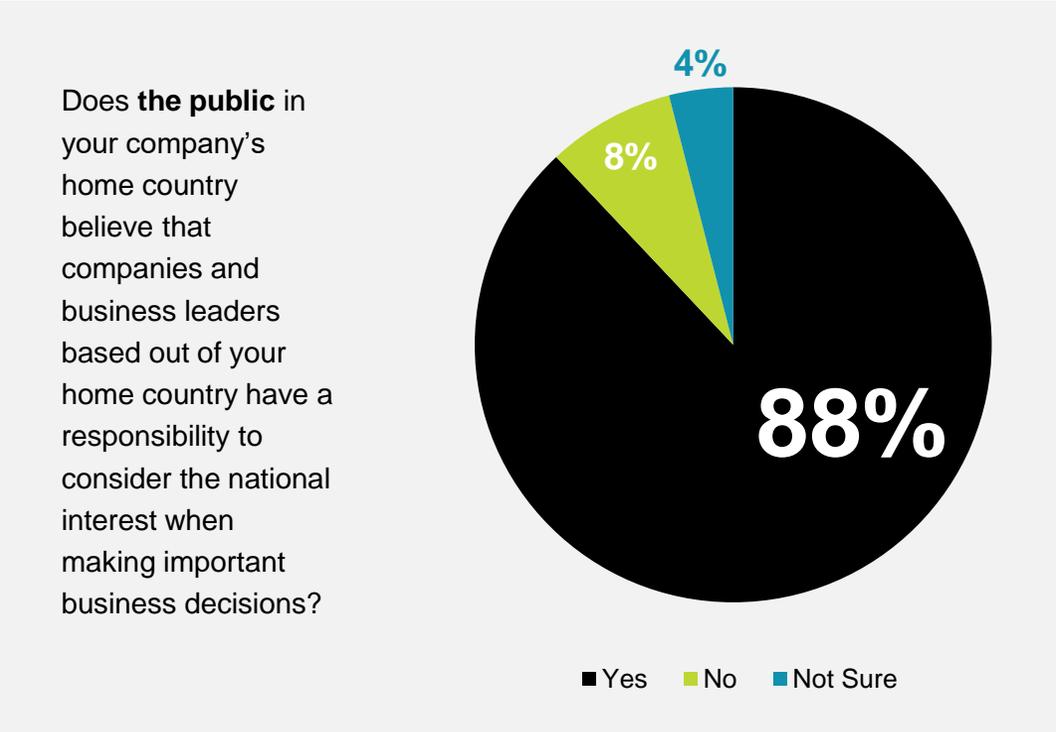
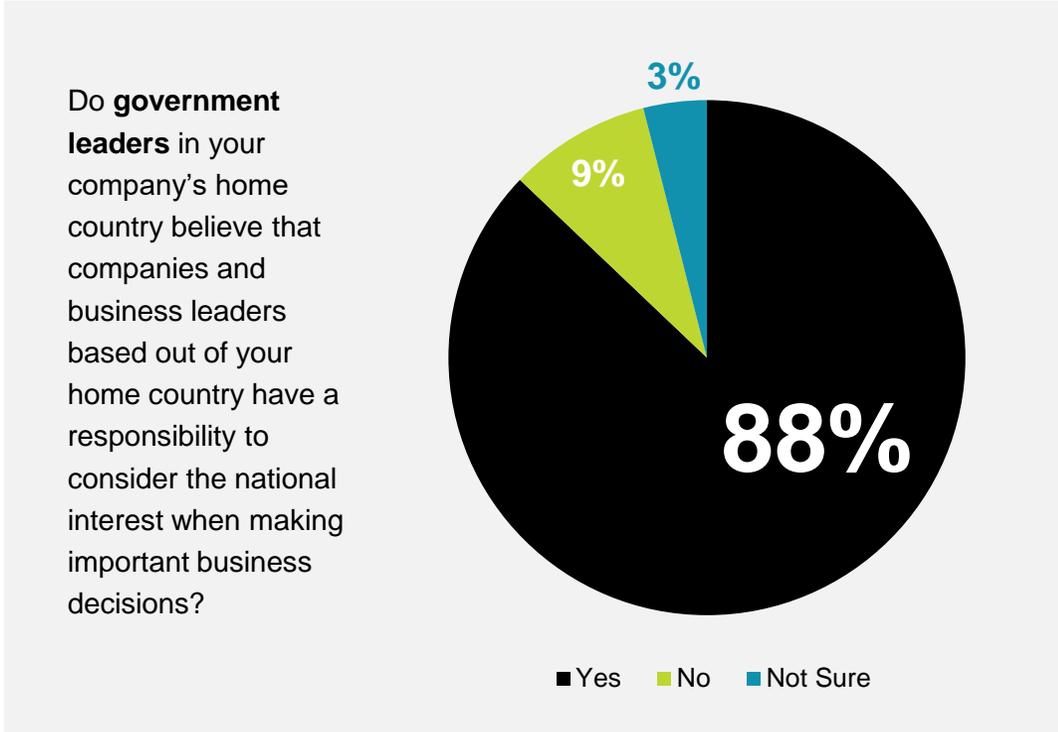
Consideration Given by Multinational Companies to Their Home Countries' National Interests

■ More Consideration ■ Less Consideration ■ About the Same ■ Not Sure



Executives believe their home country government and public expect them to consider the national interest.

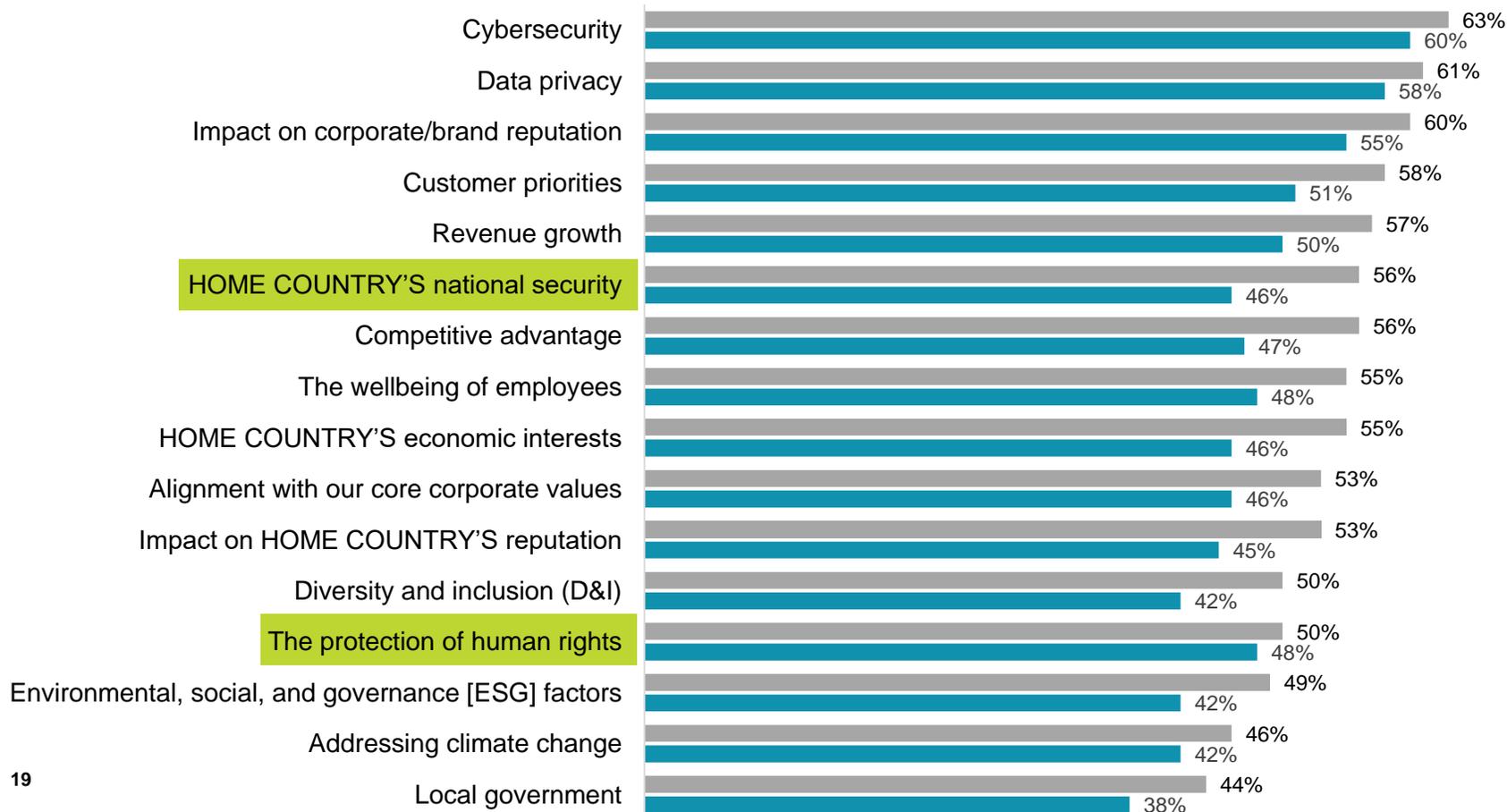
Nearly nine in 10 of all executives (88%) say that both government leaders and the public in their company's home country believe they have a responsibility to consider the national interest in their business decisions. This includes an equally large 81% and 84% of European executives, respectively.



National security exceeds diversity & inclusion, ESG and climate change in decision-making importance among all and European executives.

How important is each factor to your company when making important business decisions?

Ranked by “Very” Important



46%
of European executives rate national security as “very” important to business decisions – ninth among the list of 16 decision-making factors. Unlike total executives, European executives rate the protection of human rights higher in importance (48%) than national security.



National security is the top-rated decision-making factor among Indian and Chinese executives and a top five factor in Canada and the UK.

How important is each factor to your company when making important business decisions?

| | |  |  |  |  |  |  |  |  |  |  |  |  |
|---|-------|---|--|---|---|---|---|---|---|---|---|---|---|
| | Total | Brazil | Canada | China | Germany | India | Japan | Mexico | Singapore | South Korea | Sweden | UK | US |
| Very Important | % | % | % | % | % | % | % | % | % | % | % | % | % |
| Cybersecurity | 63 | 89 | 60 | 63 | 67 | 72 | 51 | 76 | 59 | 39 | 51 | 62 | 70 |
| Data privacy | 61 | 88 | 58 | 61 | 61 | 75 | 41 | 60 | 66 | 45 | 47 | 67 | 62 |
| Impact on corporate/brand reputation | 60 | 79 | 57 | 63 | 61 | 72 | 46 | 66 | 62 | 44 | 42 | 60 | 65 |
| Customer priorities | 58 | 78 | 57 | 54 | 53 | 74 | 47 | 68 | 57 | 45 | 46 | 54 | 65 |
| Revenue growth | 57 | 78 | 47 | 51 | 49 | 75 | 46 | 69 | 57 | 51 | 46 | 53 | 64 |
| HOME COUNTRY'S national security | 56 | 74 | 58 | 67 | 48 | 75 | 43 | 65 | 55 | 41 | 37 | 54 | 58 |
| Competitive advantage | 56 | 63 | 60 | 66 | 49 | 66 | 37 | 61 | 62 | 50 | 45 | 48 | 65 |
| The wellbeing of employees | 55 | 87 | 48 | 48 | 53 | 71 | 44 | 72 | 56 | 32 | 38 | 52 | 60 |
| HOME COUNTRY'S economic interests | 55 | 75 | 60 | 54 | 49 | 75 | 44 | 64 | 46 | 43 | 35 | 54 | 60 |
| Alignment with our core corporate values | 53 | 72 | 53 | 57 | 49 | 62 | 36 | 57 | 59 | 52 | 38 | 50 | 50 |
| Impact on HOME COUNTRY'S reputation | 53 | 77 | 50 | 56 | 46 | 74 | 38 | 59 | 47 | 47 | 49 | 41 | 48 |
| Diversity and inclusion (D&I) | 50 | 72 | 47 | 54 | 36 | 67 | 39 | 63 | 41 | 41 | 37 | 53 | 52 |
| The protection of human rights | 50 | 75 | 39 | 49 | 48 | 69 | 38 | 58 | 40 | 35 | 42 | 53 | 50 |
| Environmental, social, and governance [ESG] factors | 49 | 71 | 42 | 52 | 39 | 62 | 49 | 65 | 44 | 38 | 37 | 50 | 42 |
| Addressing climate change | 46 | 57 | 41 | 46 | 42 | 63 | 41 | 61 | 49 | 29 | 38 | 46 | 43 |
| Local government | 44 | 62 | 46 | 42 | 35 | 56 | 34 | 52 | 50 | 34 | 41 | 39 | 41 |



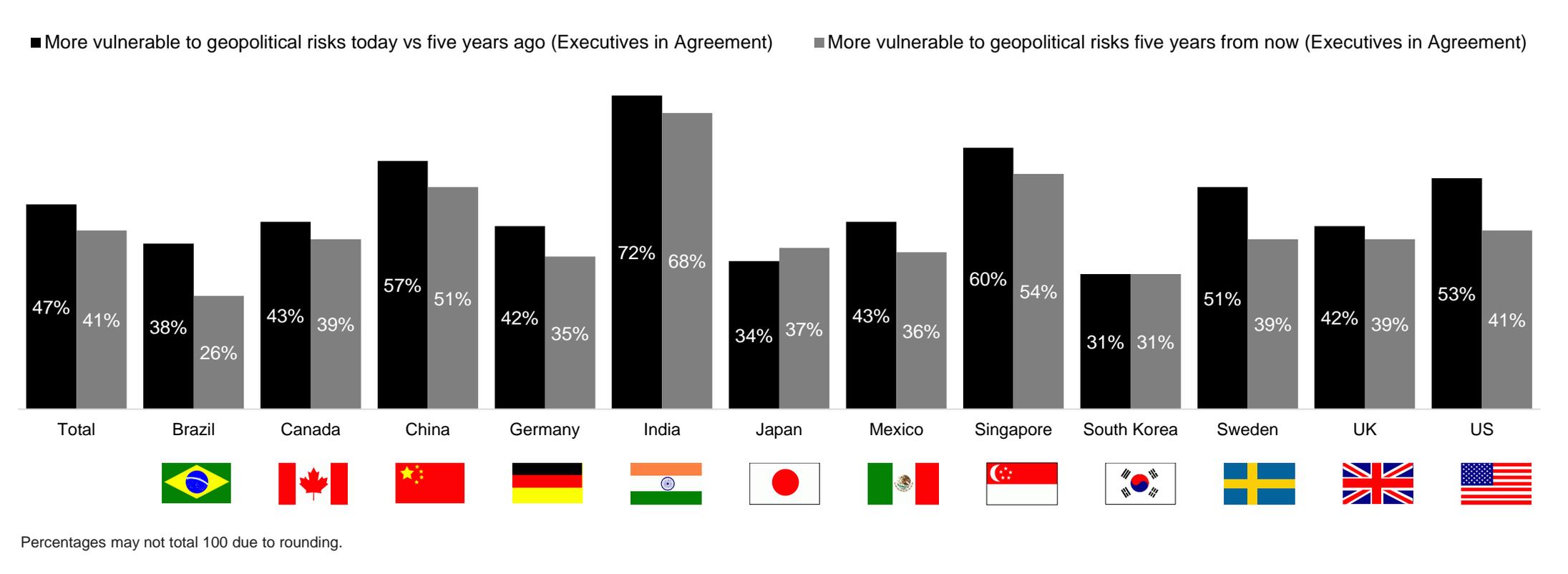


New Geopolitical Risks & Opportunities

AMID THE RISE OF THE
HOME COUNTRY
STAKEHOLDER

Executives say vulnerability to geopolitical risks will grow.

47% of all executives – 45% of European executives – report that their company is more vulnerable to geopolitical risks now compared to five years ago. 41% of all executives – 38% of European executives – expect their company to be more vulnerable in five years.



Pandemics, cyber attacks & data privacy are top-of-mind geopolitical risks among all executives.

How concerned is your company about these geopolitical risks or threats?

| TOP TIER | | Total | MIDDLE TIER | | Total | BOTTOM TIER | | Total |
|--|--|-------|--|--|-------|---|--|-------|
| Very Concerned | | % | Very Concerned | | % | Very Concerned | | % |
| Pandemic and public health crises | | 56 | Intellectual property theft | | 46 | Gender, ethnic or racial discrimination | | 40 |
| Cyber attacks | | 56 | Climate change | | 45 | Attacks on press freedom | | 40 |
| Data privacy | | 55 | Trade disputes/embargoes | | 45 | Civil unrest and violence | | 40 |
| Economic downturn | | 53 | Human rights violations | | 44 | Rise of nationalism | | 39 |
| Supply chain disruption | | 50 | Conflict or war | | 43 | Income inequality | | 38 |
| Business disruption | | 49 | Natural disasters | | 43 | Censorship | | 35 |
| Disinformation about the company | | 49 | Threats from emerging technologies, like artificial intelligence | | 43 | Rise of populism | | 35 |
| Political instability | | 48 | Access to natural resources | | 42 | Cultural and social missteps | | 34 |
| Corruption | | 47 | Terrorist attacks [including chemical, biological, nuclear] | | 42 | The space race | | 28 |
| Disinformation about your home country | | 47 | Rise of authoritarianism | | 41 | | | |

Cyber attacks (50%), pandemic and public health crises (45%) and data privacy (44%) similarly top the list of geopolitical risk concerns among European executives.

Relatively low on the geopolitical risk agenda for all executives, including European executives, are concerns that predominate in broader business and media conversations today.



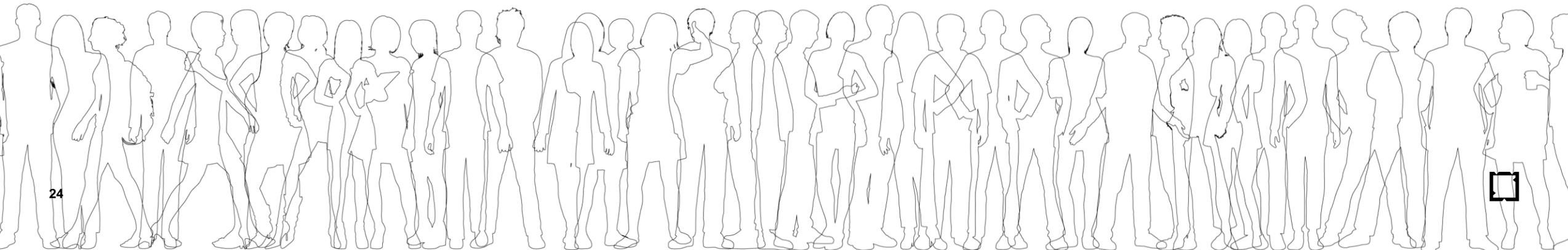
Eight in 10 executives are concerned about the impact of geopolitical tensions on employees.

82%

of all executives – 72% of European executives – agree that increasing tensions between countries could negatively impact the commitment of employees outside of their company's home country.

77%

of all executives – 75% of European executives – agree international tensions will make it more difficult to recruit talent outside of their company's home country.

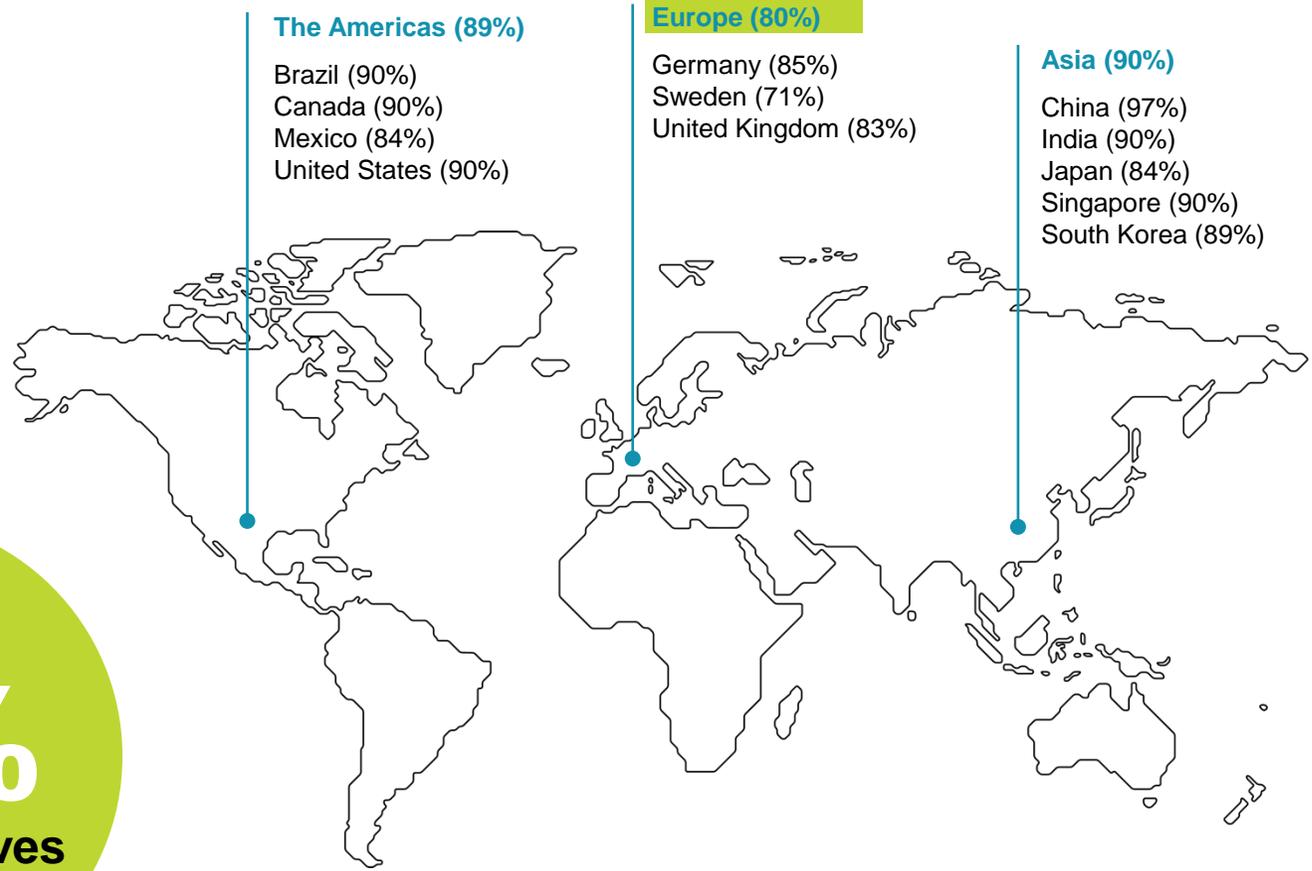


Most executives agree their companies should prepare to take a more public position on geopolitical issues.


87%
of all executives agree

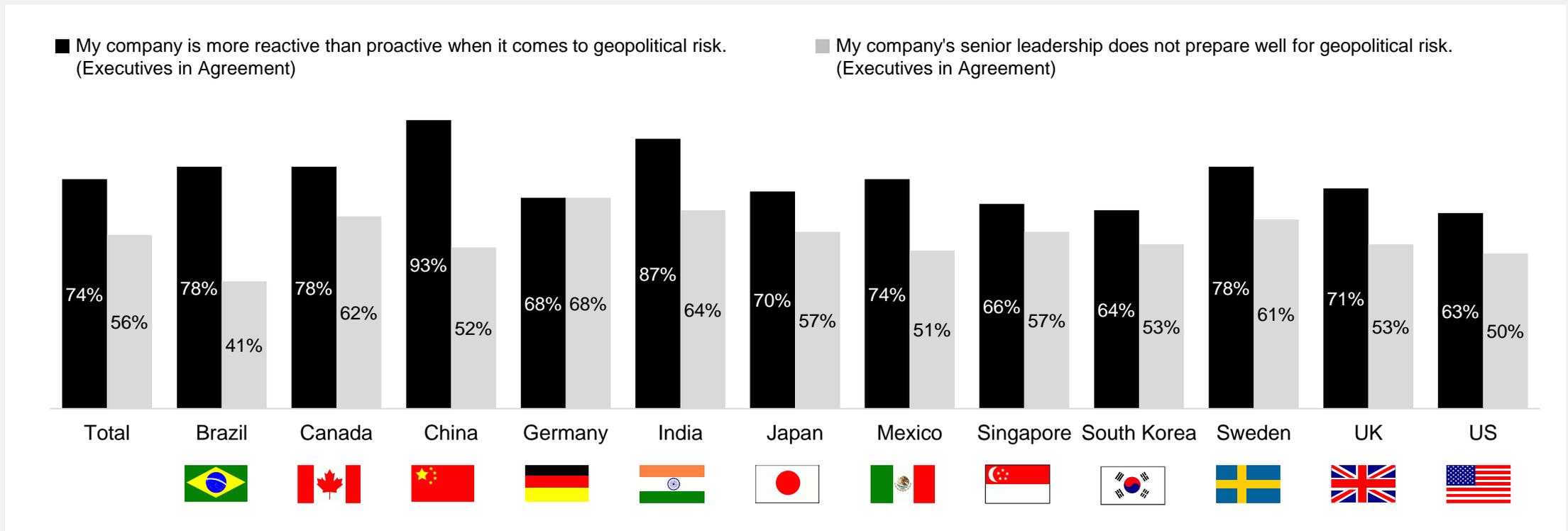
My company should be prepared to take a more public position on geopolitical issues in the next five years.

Executives in Agreement



Are business leaders prepared for geopolitical risks?

- Nearly three-quarters (74%) of all executives – 72% of European executives – agree their companies are more reactive than proactive about managing geopolitical risk.
- Respectively, 55% and 56% of all executives say their company's Board of Directors and senior leaders are not well prepared for geopolitical risk, including a higher 61% each among European executives.

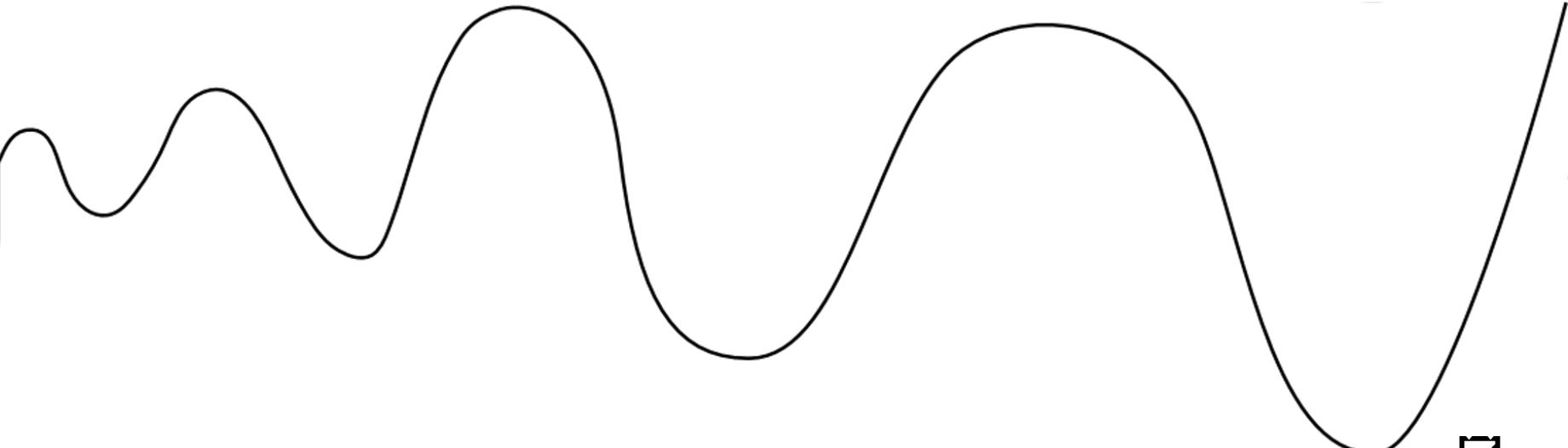




Executives in Europe are saying they are on their heels when it comes to geopolitical risk.

As Europe orients toward a new future, we are focused on helping our clients build the agility, readiness and resilience necessary to protect their reputation and deliver on their organisation's value – and values – to the world.

– GREG PRAGER, CHAIR, EMEA CORPORATE PRACTICE, WEBER SHANDWICK



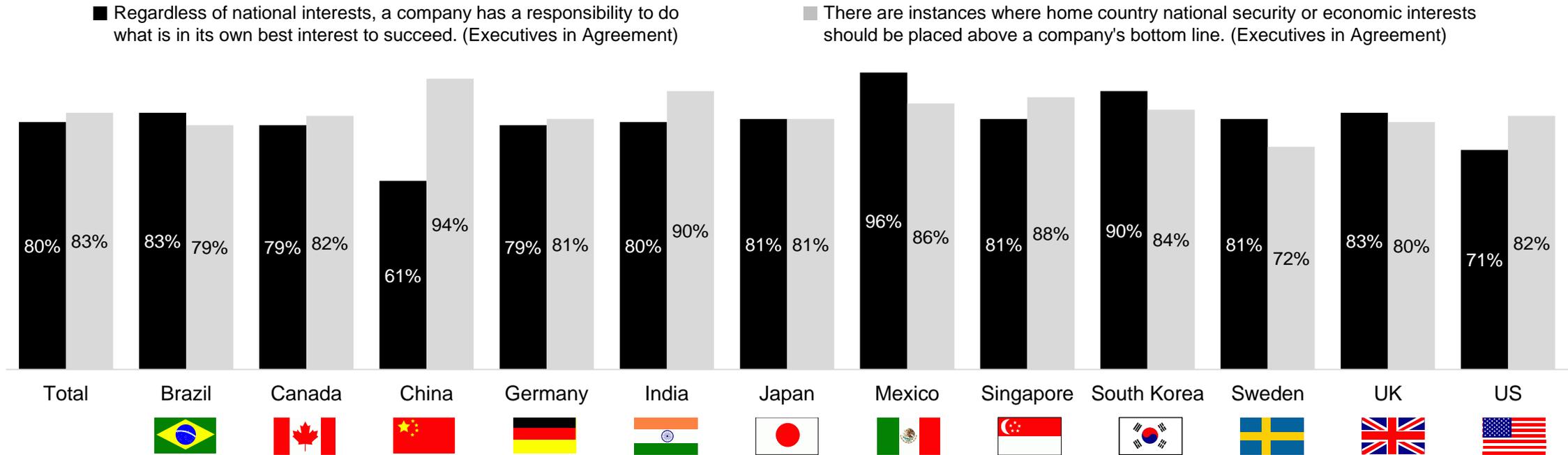


Company or Country First?

**NAVIGATING THE TENSION
BETWEEN COMPANY AND
HOME COUNTRY INTERESTS**

What comes first – the bottom line or national interest?

Eight in 10 of all executives (80%) – 81% of European executives – agree a company has a responsibility to do what is in its own best interest to succeed regardless of national interests. Yet, just as many also agree (83%) – 78% of European executives – that in some instances, national security or economic interests should come before the bottom line. This reveals the tension multinational business leaders are reckoning with as they balance multiple, and in some cases, competing priorities.



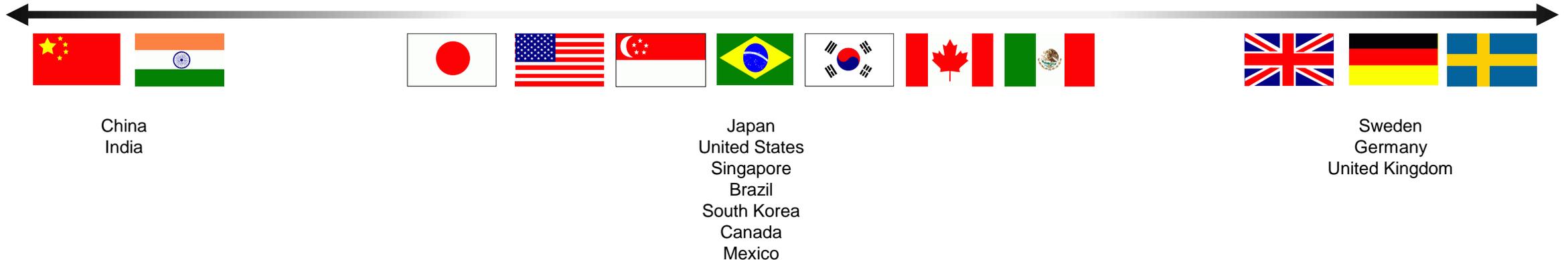
The prioritisation of company versus country varies across countries.

Chinese and Indian executives are the most likely to index toward prioritising country interests first while Swedish, German and UK executives are more likely to index toward placing company interests first.

Company-Country Allegiance Index

Skews toward COUNTRY interests first

Skews toward COMPANY interests first



The index is based on ratio scores derived from responses to two agree/disagree questions: (Q1) "Regardless of national interests, a company has a responsibility to do what is in its own best interest to succeed," and (Q2) "There are instances where your home country's national security or economic interests should be placed above a company's bottom line," whereas in both cases "1" was "strongly agree" and "4" was "strongly disagree."



Executives on how multinational companies can serve their home country's national interest, in their own words:



Top Open-Ended Response Categories: In what ways or how can or should a multinational company protect or advance their home country's national interests?

Lead and compete to grow jobs and the economy at home first. (37%)

"Reinvest in home country through revenues to expand, train and hire national employees." – **Canadian executive**

"Establish technological superiority." – **Japanese executive**

Partner with the government – federal, state and local. (17%)

"Collaborate with national ministries." – **Singaporean executive**

"The multinational should be very well informed about the national interests of the home country." – **German executive**

"Obey the command of the state." – **Chinese executive**

Protect – data, privacy, technology and intellectual property. (13%)

"Security of information." – **Swedish executive**

"Protecting research and innovation of national interest is a fundamental role of our company, always focusing on the home country." – **Brazilian executive**

"Protect customers and company data from cyber threats and data breaches." – **U.S. executive**

Comply with national laws and regulations. (11%)

"Do not do anything illegal." – **South Korean executive**

Operate ethically. (11%)

"Represent the values, ethics and morals of that country to good effect." – **UK executive**

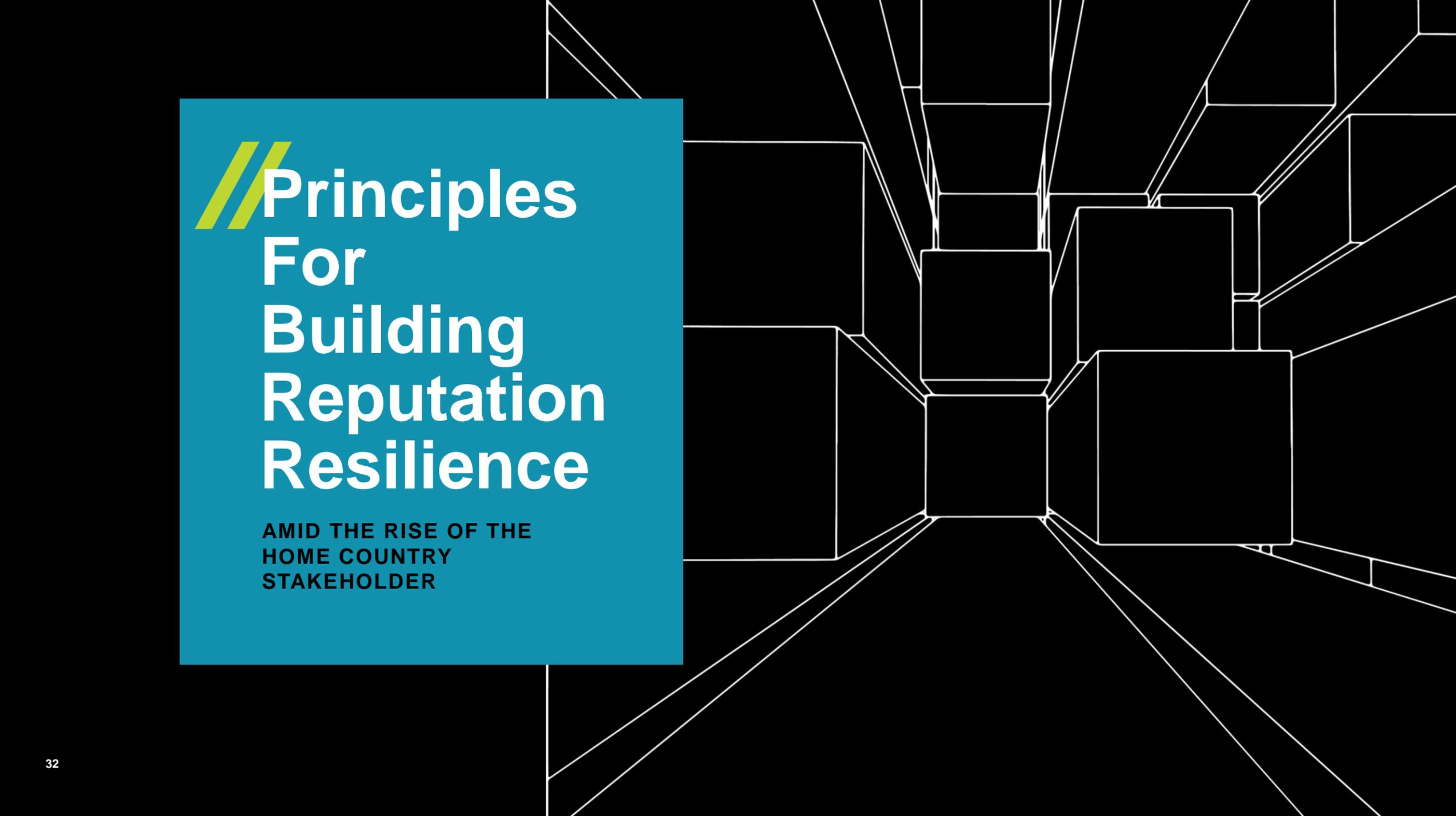
"Deal with suppliers, partners and customers from regions that do not conflict with Canada's standing on human rights and the environment." – **Canadian executive**

"Promoting responsible products that are innovate that represent the country of origin that is produced ethically from the beginning to the end." – **Mexican executive**

Bolster the image/reputation of your home country abroad. (9%)

"Give favourable impression about the country in international forums." – **Indian executive**





// Principles For Building Reputation Resilience

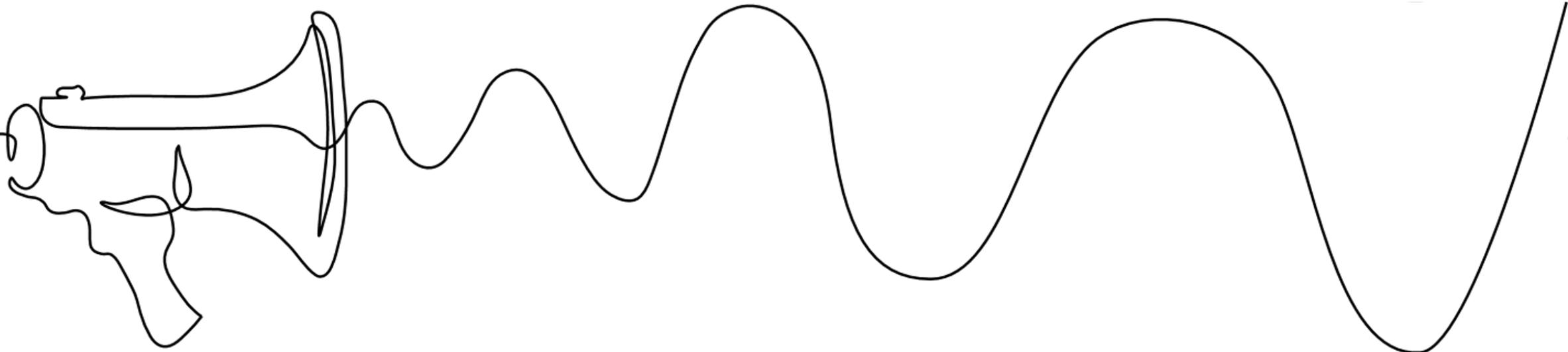
AMID THE RISE OF THE
HOME COUNTRY
STAKEHOLDER



The rising importance of home country and competing national priorities and values is compelling leaders to prepare to raise their voices on international issues and challenging them to choose when to put the company or country first.

Our study underscores how central this tension is to our clients' strategies.

– GAIL HEIMANN, CEO OF WEBER SHANDWICK



DATA & INSIGHTS

Know what your national stakeholders expect.

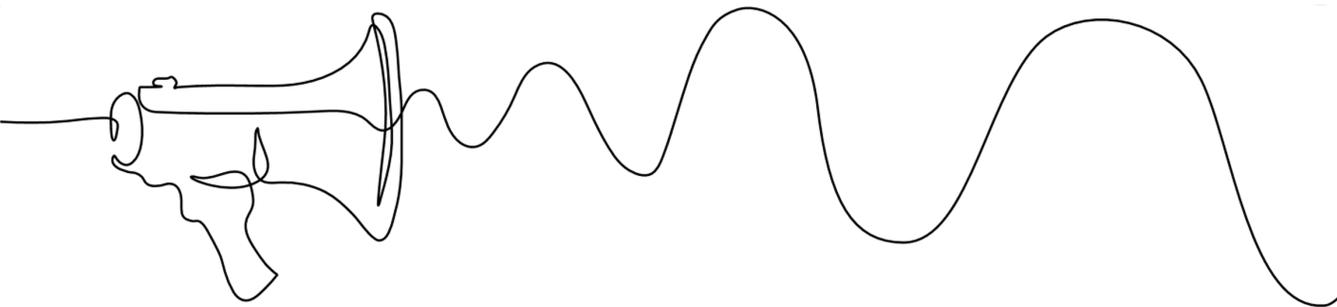
- + Gather the right intelligence to understand how constituencies within your company's home country – including customers, employees, communities, investors, media, and government and local officials alike – expect your industry, company and its leaders to advance or protect the national interest.
- + Incorporate relevant questions into existing surveys or implement new, ongoing polling for comprehensive insights that inform both global and local messaging.



PLANNING

Anticipate if, how and when you will take a public position on geopolitical issues.

- + Leverage data analytics as well as subject matter expertise for line of sight into emerging geopolitical issues and narratives across the markets and information space in which you operate.
- + Create a framework to assess the issues on which you have a mandate to speak out publicly and plan for when and how it is appropriate to do so.
- + Ensure communications leaders have a seat at the table alongside the CEO and board members to properly anticipate and prepare for reputation risks and opportunities.



89% of all executives agree – 51% “strongly” agree – that geopolitical risks not carefully managed can harm corporate/brand reputation. 84% of European executives agree and 48% “strongly” agree.



ASSESSMENT

Assess company versus home country priorities and business risks.

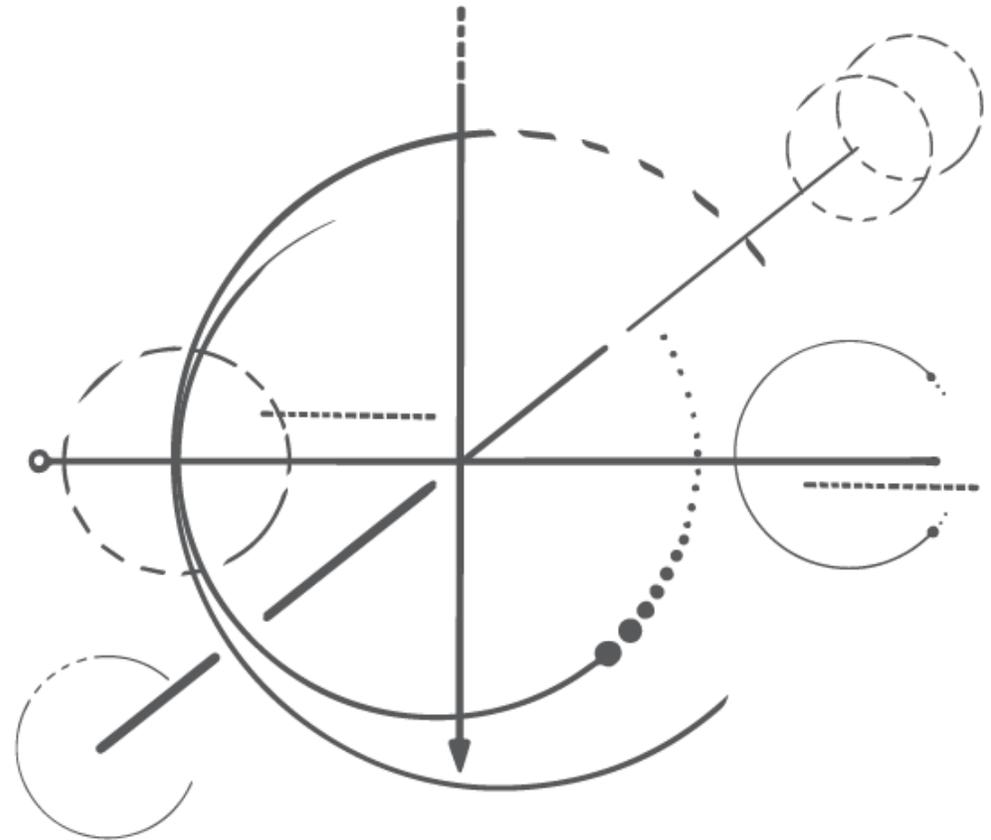
- + Make sure your company has a foreign policy and know how it aligns, or not, with that of its home country.
- + Establish a cross-region, whole enterprise taskforce with internal and external advisors as a governance mechanism to regularly anticipate the issues that create tension between company and home country priorities.
- + Examine the company's exposure in key markets as geopolitical issues arise, and the potential business cost of speaking out or taking action.



VALUES

Anchor your actions and message in values.

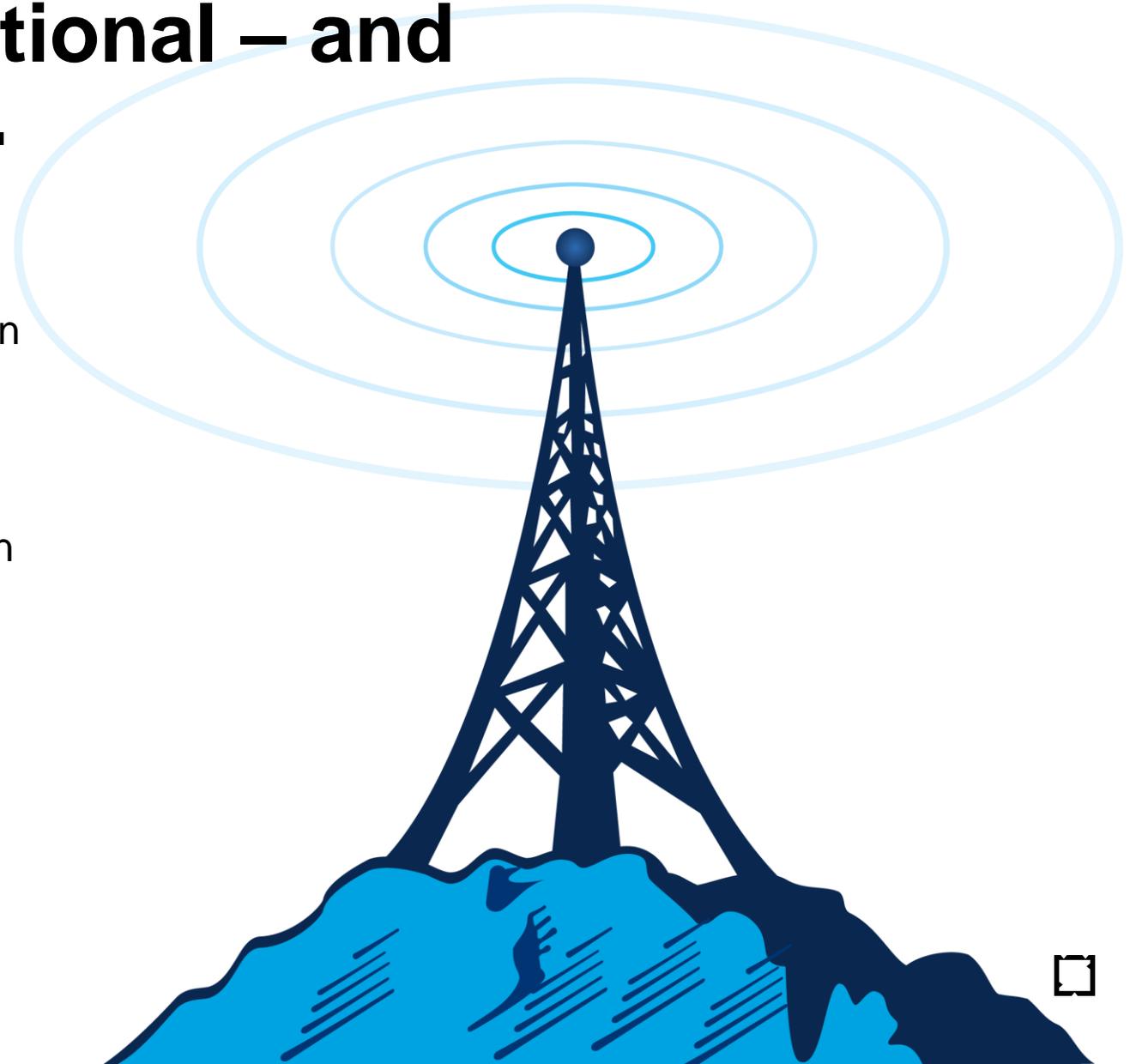
- + 52% of all executives – 43% of European executives – “strongly” agree that their company’s core values align with their home country’s national values.
- + Proactively demonstrate how these shared or complementary values guide company decision-making and public positions on critical geopolitical issues to best advance or defend your position.



ENGAGEMENT

Communicate your national – and international – impact.

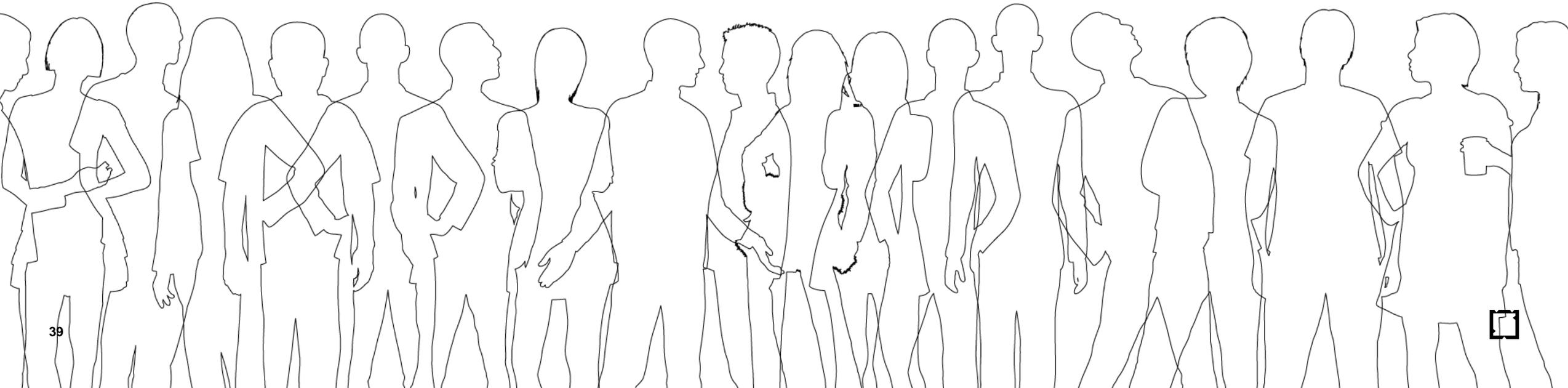
- + Showcase ways in which your company is advancing the interests of its home country, in addition to its own financial interests and the company's value-add in all markets of operation.
- + Be mindful of how this impacts the perception of your company across its global and local footprint.
- + Communications should highlight shared interests and values where possible, while recognising and managing differences, disagreements and potential conflicts. Diplomacy is required.



ENGAGEMENT

Be mindful of employees.

- + Employee retention and talent recruitment can be at risk as geopolitical tensions arise.
- + Eight in 10 (82%) of all executives – 72% of European executives – agree increasing tensions between countries could negatively impact the commitment of employees outside of the company's home country. And 77% – 75% of European executives – agree increasing tensions between countries will make it more difficult to recruit talent outside of their company's home country.
- + Work closely with your C-suite officers and local HR heads to consider concerns of non-home country employees.



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