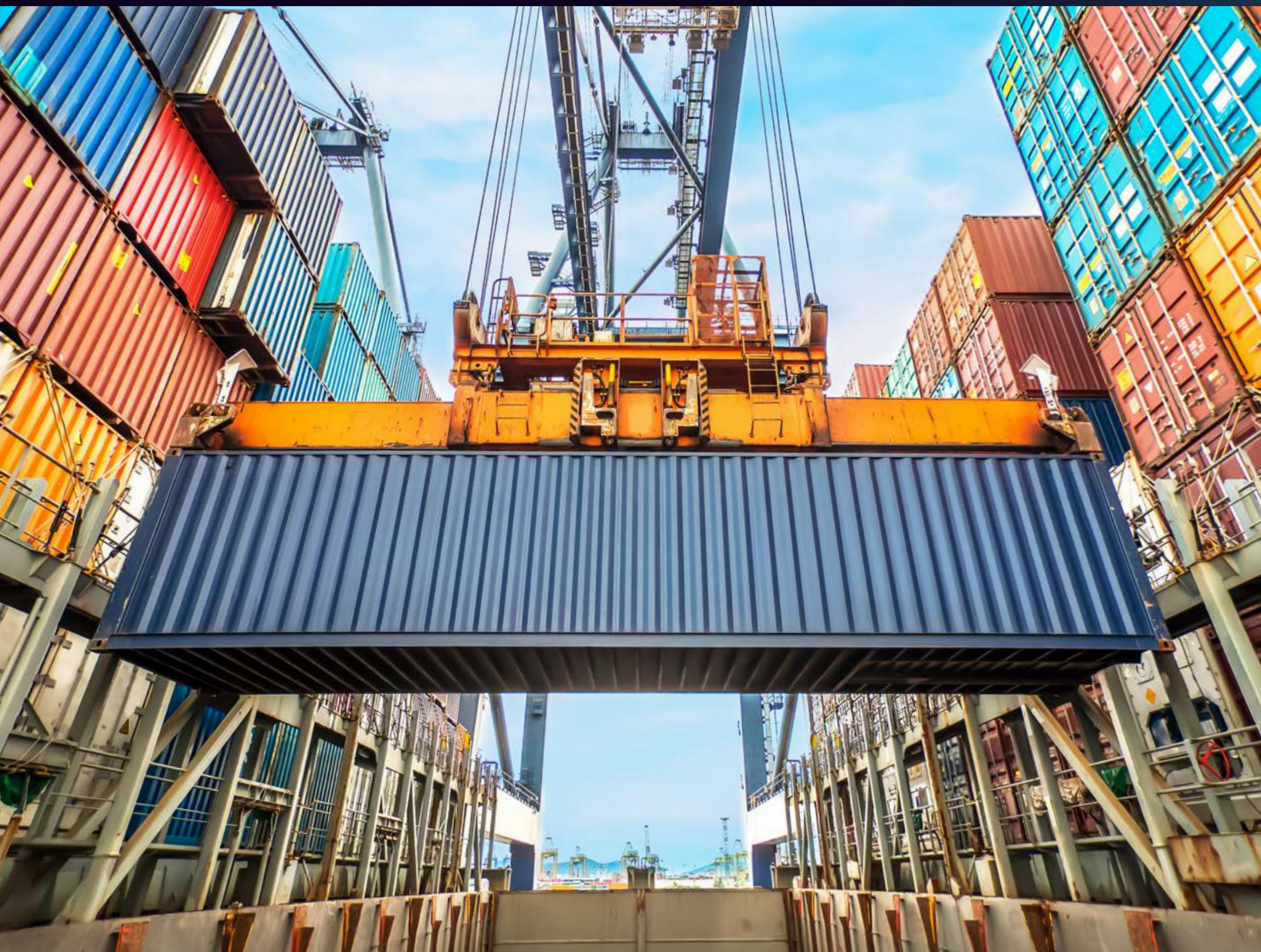


TURBULENT TIMES

What are business leaders thinking?

What can be done to navigate through safely?





Inform. Create. Shape.

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Navigating the turbulence

We all know that geopolitical disruptions are causing anxiety for businesses around the world. As Sandpiper is a pioneering reputation management consultancy headquartered in Asia and operating globally, with the largest team of consultants based in mainland China and a rapidly growing Government & Public Affairs division throughout the region, we wanted to find out what business leaders are thinking about these issues.

Who do they blame for the crisis? How long do they predict it will last? Who do they believe should make the first move to de-escalate it? What damage do they think it will inflict on the standing of different markets and the performance of their businesses?

Above all, we wanted to find out how prepared business leaders feel they are to face these threats. It is our job to advise businesses on how to navigate these troubled times, so we want our advice to be rooted in the real views and needs of our potential clients. Sandpiper Research & Insights, a specialist research consultancy led by Craig Young, provided the research design. Our team of researchers, leaning on decades of polling experience, developed an engaging and timely questionnaire to establish a benchmark of global business leaders' opinions on the issues that everyone is talking about and by which everyone is affected.

With independent delivery partners in 27 markets across the globe, we have surveyed a substantial sample of 3,050 leaders – owners, board members, C-suite and director level – from small, medium and large enterprises, covering all functions in 17 sectors.

The results are startling. More global business leaders blame the US (73%) than China (61%) for the current tariffs and trade dispute, and by the same margins more think the US should make the first moves to de-escalate it. Though it is clear that nobody wins from this, 70% of business leaders think it will shrink the standing of the US in the world, compared to 60% who think it will reduce China in the same way. In fact, more than half (56%) believe the US economy will be "heavily impacted", the worst affected of all markets. Worryingly, almost half (43%) rate the level of risk to their business of

this trade dispute as 8 or more out of 10, and more than half expect these risks to rise over the next 6, 12 and 24 months. And yet, despite high levels of anxiety, 38% of business leaders in ASEAN countries and 21% in China say they are not well prepared to deal with these risks. This should be of huge concern to us all.

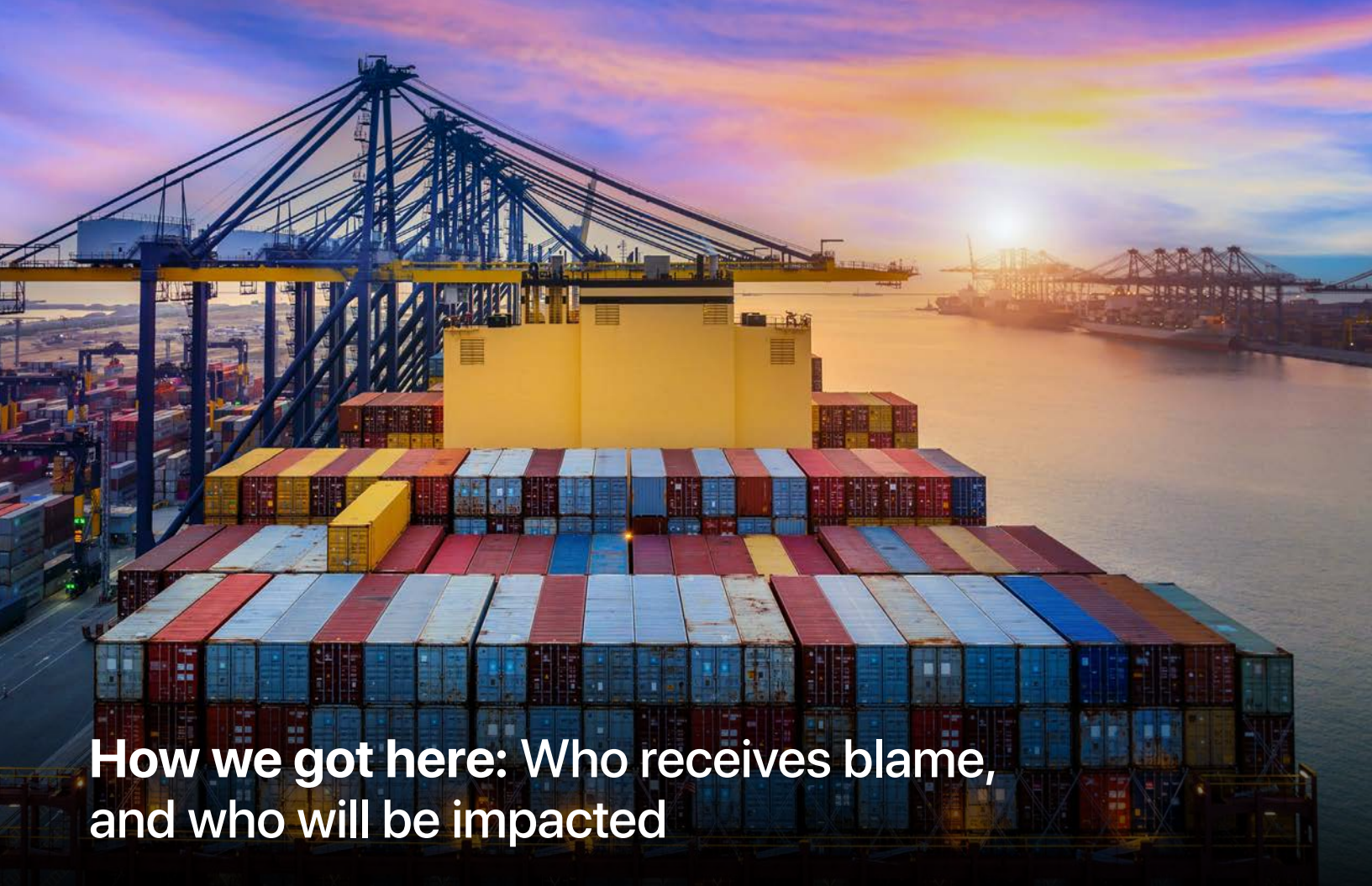
We consulted our business leaders about a series of tools that we believe are essential for them and their corporate affairs teams to use to manage their way through this turbulence. Drawing on their responses, we have developed a Toolkit for Turbulent Times that is explained in this report.

These include:

1. Establishing a geopolitical risk assessment framework
2. Developing alternative scenario plans
3. Strengthening relationships between policy makers and executives
4. Engaging in consultations about government and corporate policy
5. Seeking out and strengthening alliances wherever possible
6. Aligning corporate messaging with national economic priorities
7. Enhancing all direct communication channels to stakeholders
8. Developing internal sources of data from key stakeholders
9. Pooling intelligence from inevitably siloed organisations
10. Leveraging technology to rapidly deepen insights

Nobody is pretending this is easy. But this is a moment for ministers, boards, CEOs and corporate affairs teams to show leadership and help their nations and organisations navigate safely through increasingly treacherous waters. The loadstar is this: control what you can, accelerate the application of tech/AI, communicate constantly and clearly with internal teams and external stakeholders, while trying to filter out some of the noise and not make short-term decisions that will have long-term implications. Be a constant and steady hand on the tiller. It is worrying that so many global business leaders are reeling from the recent geopolitical upheavals, and that they fear significant increased risks to their businesses in the short, medium and long term. It is even more shocking that so many admit they do not feel highly confident they have the tools in place to manage their way through. This is a huge challenge for leaders, and especially corporate affairs teams, to step up and protect their firms.

Sandpiper is ready to help.



How we got here: Who receives blame, and who will be impacted

Leaders understand the complexity of the issues facing global businesses and their responses highlight that there are multiple stakeholders influencing the landscape. However, when asked to identify the fundamental causes for the current trade conflict, leaders are much more likely (+9 points) to agree that the US' unfair trade policies are to blame, rather than China's.

Regardless, everyone will be impacted. More than two thirds of leaders (70%) think the conflict will reduce the standing of the US in the world as they describe US trade policy as erratic and unpredictable (72%), while a slightly smaller majority (60%) believe that it will reduce the standing of China.

This has a direct impact on businesses operating in both markets. 73% believe risks around operating in the US have increased significantly, mirrored by 67% that believe the same about operating in China.

For business leaders, this is a no-win situation for all involved. In fact, 72% note that the conflict poses a major threat to the future success of their organisation. The impacts are also likely to be long felt; 72% of leaders note that higher tariffs will be a feature of the global economic order for the foreseeable future.

Who's to blame for the trade war and what will be the consequences?



Geopolitical risks that are impacting businesses

Global business leaders regard all types of geopolitical risks as having increased over the past 6 months.

The highest perceived increase in risk levels relates to disagreements between states and political pressure from the US – three quarters (76%) of global business leaders believing that risks arising from both of these factors have increased compared with 6 months ago. Risks arising from US trade and economic policies and a widespread economic contraction are also believed to have increased by at least 70% of global business leaders.

Inflationary risks and risks resulting from supply chain disruption are also believed to be higher than 6 months ago according to almost seven out of ten business leaders.

China's trade and economic policies and political pressure are also regarded as being bigger risk dividers than they were 6 months ago by just under two thirds (64%) of business leaders.

While China and US trade policies are at the epicentre of the heightened risk environment, European trade policies and political pressure are also seen as driving greater risk compared with 6 months ago by almost six out of ten global business leaders.

It is noteworthy that global business leaders see increased risks coming from all quarters too, not just as a direct result of the trade conflict. A clear majority of business leaders see increased business risks resulting from AI, managing social media and consumer activism.

% of business leaders agreeing that risk is higher than 6 months ago

| | |
|---|-----|
| Diplomatic controversies or disagreements between states | 76% |
| Political pressure from the United States | 75% |
| Trade and economic policies of the United States | 73% |
| A widespread economic contraction | 72% |
| The risk of high inflation | 70% |
| Supply chain disruption resulting from a tariff / trade war | 69% |
| Political pressure from China | 64% |
| Trade and economic policies of China | 64% |
| Political pressure from other governments | 63% |
| Trade and economic policies of the EU | 60% |
| Consumer action or consumer activism | 60% |
| Political pressure from the EU | 59% |
| Challenges posed by Artificial Intelligence | 59% |
| Challenges in managing social media | 57% |

No winners in a trade war (except India and Malaysia!)

| | | | |
|----------------|--------|----------------------|---------------|
| Hong Kong | -15.1% | USA | -8.1% |
| Vietnam | -14.7% | Australia | -7.1% |
| Brazil | -13.8% | Saudi Arabia | -6.8% |
| Taiwan | -12.9% | Germany | -6.4% |
| Mainland China | -12.8% | Philippines | -5.8% |
| Japan | -12.6% | South Africa | -5.0% |
| South Korea | -10.9% | Indonesia | -4.8% |
| Netherlands | -9.8% | UK | -4.4% |
| Thailand | -9.8% | Singapore | -2.9% |
| France | -9.7% | Switzerland | -2.4% |
| Italy | -9.6% | UAE | -1.7% |
| Spain | -9.1% | Malaysia | +1.4% |
| New Zealand | -8.5% | India | +2.7% |
| Canada | -8.5% | TOTAL AVERAGE | -7.90% |



Which businesses will bear the brunt of the current geopolitical climate?

Pain is anticipated to be widespread – with US businesses being perceived most likely to be “impacted a great deal” by the current geopolitical events (56% “impacted a great deal”). This perception holds even amongst US headquartered businesses (59%). India (62%) and ASEAN nations (62%) were most likely to see US businesses as being the most heavily impacted.

Chinese businesses and business operations are also considered likely to be “impacted a great deal” (by 49% of global business leaders), though respondents from China-based companies were more sanguine about their prospects (43%). Leaders from US-based businesses were more likely to anticipate major impacts on Chinese businesses (54%), whereas Australia (38%) and New Zealand (30%), both with very high dependencies on exports to China, were much more optimistic about Chinese business prospects.

For those nations further removed either geographically or strategically from the US and China impacts are expected to be lower, but still severe, with more than one third of global business leaders believing East Asia, Southeast Asia and South Asia, South and Central America, and the UK and Europe will be heavily impacted. Impacts are expected to be lowest in Africa and Australia-New Zealand, though one in four business leaders still believe these regions will have their businesses heavily impacted by the current geopolitical risks.

Impact of the geopolitical climate on different business functions

There is a widespread perception that the trade war will increase risk across all business areas, with supply chain and logistics being especially impacted, based on half of business executives believing these functions would be impacted “a great deal”. Perceived impacts were somewhat lower but still severe for manufacturing (44% “impacted a great deal”), products and services (43%) and sales and marketing functions (42%).

% of global business leaders saying will be heavily impacted

| | |
|-----------------|-----|
| USA | 56% |
| China | 49% |
| EU | 41% |
| Canada | 39% |
| UK | 38% |
| Southeast Asia | 38% |
| East Asia | 37% |
| Central America | 35% |
| South Asia | 34% |
| South America | 34% |
| Mexico | 34% |
| Africa | 27% |
| ANZ | 24% |

% say “will be impacted a great deal”

| | |
|--|-----|
|  Supply Chain & Logistics | 49% |
|  Manufacturing | 44% |
|  Products & Services | 43% |
|  Sales & Marketing | 42% |
|  Accounting & Finances | 38% |
|  Employee retention & recruiting | 34% |
|  Corporate affairs and communications | 33% |
|  Corporate services | 32% |
|  Legal | 29% |



Here to stay: Leaders predict the current situation won't abate soon

Perceptions of risk in the current geopolitical climate

We asked business leaders to rate the level of latent business risk in the current geopolitical environment on a scale from 1 to 10 where 1 is very low risk and 10 is very high risk. A high 43% of global business leaders rate the level of latent risk in the current geopolitical climate as 8 out of 10 or higher. In mainland China this rose to 57% against 49% in the US. For markets that could potentially be expected to be caught in the crossfire, levels were even higher – 52% in Vietnam, 58% in the Philippines and 74% in Hong Kong. Elsewhere in East Asia, levels of concern were lower – 34% in Japan and 40% in South Korea. Western European nations had relatively low risk perceptions as well – 34% in the UK, 34% in Germany and 22% in the Netherlands.

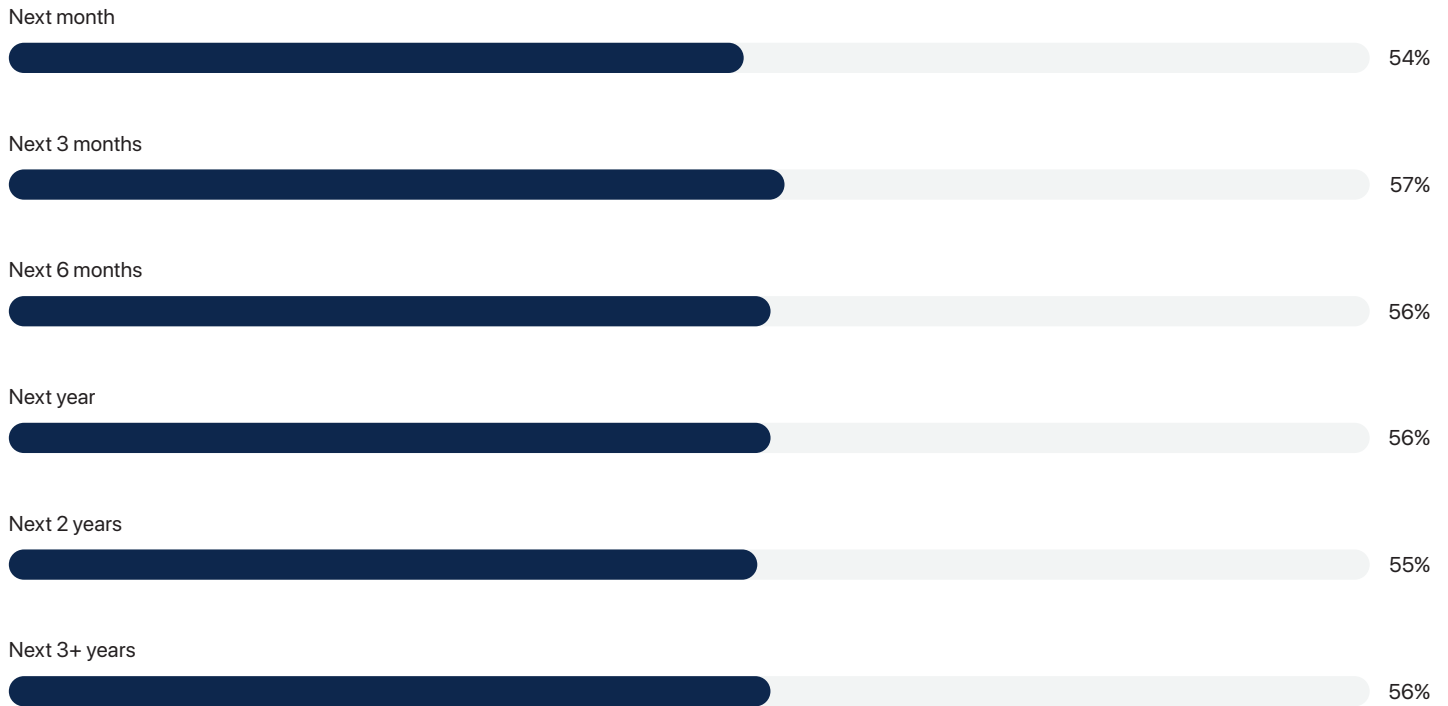
Business leaders believe business risk will increase in the short, medium and long term

The majority of global business leaders are pessimistic about the level of business risk improving any time soon. This pessimism applies to the short, medium and long term. Short-term pessimism is highest in China where two in three (62%) business leaders believe that business risk will increase in the next 30 days, compared with 67% in India and 56% in the US, 59% across ASEAN markets, and only 20% in New Zealand.

There is an even greater sense of pessimism in the very long term (more than 3 years from now) with 69% of Chinese, 52% of US and 66% of Indian business leaders believing business risk will increase over that time period. Six in ten ASEAN business leaders (63%) and around half of those in Australia-New Zealand (46%) and Europe (50%) felt the same.

Here to stay: Leaders predict the current situation won't abate soon

% of business leaders believing business risk will increase in future



Short-term and long-term business risk perceptions by region

| For business leaders with HQs based in | % say risk increasing next month | % say risk increasing next 3+ years |
|--|----------------------------------|-------------------------------------|
| India | 71% | 65% |
| Mainland China | 65% | 66% |
| ASEAN | 58% | 62% |
| Middle East (Saudi Arabia, United Arab Emirates) | 55% | 58% |
| USA | 54% | 56% |
| East Asia (Japan, South Korea, Taiwan) | 49% | 53% |
| ANZ | 49% | 47% |
| Europe | 47% | 51% |
| TOTAL | 54% | 56% |

Here to stay: Leaders predict the current situation won't abate soon

How long until the US and China reach an agreement?



What are businesses likely to do during the US government's 90-day tariff pause?

| | |
|---|-----|
| Decrease investment exposure in the US | 44% |
| Decrease investment exposure in China | 36% |
| Halt on major investment / business decisions | 35% |
| Hold off on profile raising / marketing initiatives | 30% |
| Decrease investment exposure in the EU | 24% |
| Decrease investment exposure elsewhere | 19% |
| Hiring freeze | 19% |
| Make supply chain changes | 19% |
| Lower engagement within certain markets | 18% |



Managing the situation: Where businesses need to better prepare

Preparedness to deal with geopolitical turbulence

Given the heightened risk environment, it's concerning that many business leaders don't feel well prepared to deal with the upcoming turbulence.

Globally, almost four in 10 business leaders (40%) feel they are not well prepared to deal with the current level of geopolitical turbulence. Chinese businesses (80% well prepared) feel significantly better prepared than do US businesses (62% well prepared). Business leaders in traditional US allied markets in East Asia feel particularly exposed with a minority saying they are well prepared. European business leaders are scarcely better equipped for what's to come with just over half (52%) saying they are well prepared. Business leaders in India (73% well prepared) and ANZ (72% well prepared) feel relatively better prepared – which may reflect their strategic 'distance' from the US-China trade conflict.

Maintaining business continuity

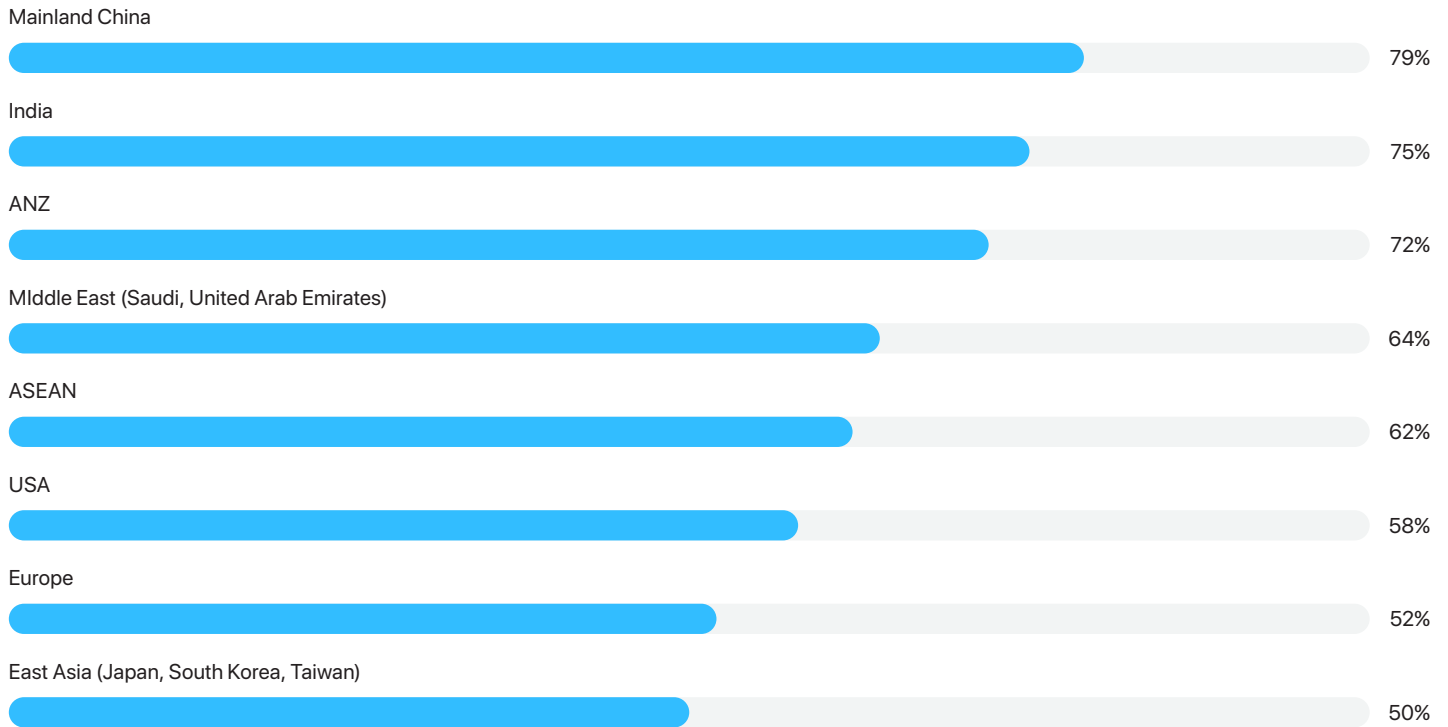
Global business leaders were presented with a range of tools that could be used to help maintain business continuity during the current geopolitical turbulence.

Three out of four business leaders validate the importance of being prepared with the tools required to deal with the current geopolitical risk environment.

Are businesses equipped with the tools to deal with geopolitical risks?

Two out of three business leaders lack a high degree of confidence that they are well prepared with the tools required to deal with the current geopolitical risk environment.

% say "our business is well prepared to meet the current level of geopolitical turbulence"



% say measure is 'very' or 'quite' important to business continuity

| | |
|---|-----|
| An accurate and realistic assessment of risks that we constantly update | 77% |
| Realistic scenario plans to deal with threats and crises | 76% |
| Close monitoring of political developments | 75% |
| Strong relationships with key policy-makers | 75% |
| A geopolitical risk assessment framework | 74% |
| Robust alliances with other relevant companies / organisations on non-competitive issues | 73% |
| A strategy to ensure corporate messaging is not misaligned with government policy | 73% |
| Optimised use of multiple communication channels to reach relevant stakeholders | 73% |
| The ability to leverage relevant technology to gather social media and other data sources to stay abreast of issues | 73% |
| Pooled intelligence from across your organisation | 72% |

% less than 'highly confident' in preparedness

| | |
|---|-----|
| A geopolitical risk assessment framework | 66% |
| Robust alliances with other relevant companies / organisations on non-competitive issues | 65% |
| Pooled intelligence from across your organisation | 65% |
| Realistic scenario plans to deal with threats and crises | 65% |
| Strong relationships with key policy-makers | 64% |
| Close monitoring of political developments | 63% |
| A strategy to ensure corporate messaging is not misaligned with government policy | 63% |
| Optimised use of multiple communication channels to reach relevant stakeholders | 63% |
| The ability to leverage relevant technology to gather social media and other data sources to stay abreast of issues | 63% |
| An accurate and realistic assessment of risks that we constantly update | 62% |





Toolkit for Turbulent Times

1. Establish a geopolitical risk assessment framework

It is imperative to identify crucial risk criteria – including media and stakeholder communications, regulatory compliance, market distribution, supply chain diversification, operating model resilience and so on – with an agreed internal grading framework.

To stay current, this geopolitical risk framework needs to be assessed constantly, giving a forward-looking analysis to identify hotspots on the horizon.

Ensure reviews are on the leadership-agenda to facilitate decisions at speed.

2. Develop scenario plans

In the event of significant direct upheavals, scenario plans and emergency contingencies need to have been prepared, enabling decisions to be taken and implemented at pace.

3. Strengthen relationships between policymakers and executives

At times of common strife, national governments and major corporations can together protect the interests of both parties. Therefore, even closer contact than usual is essential to understand fully the hidden pressures each facing, and to avoid being caught out by pre-emptive decisions they take.

This requires a much broader stakeholder map than in normal times, to build wider sets and multiple levels of relationships within key departments.

4. Engage in consultations about government and corporate policy

Beyond established relationships, it is especially important during turbulent times for policy-makers in governments and executives steering major corporates to consult each other, informally and formally. This is particularly important for emerging policy options on trade, diplomacy, AI, and other issues of direct relevance to reputation and performance.

5. Seek out and strengthen alliances where it makes sense

In addition to national government alliances, corporates can enlarge support by building and strengthening alliances on important non-competitive issues with other companies, trade associations, chambers of commerce and other industry bodies.

6. Align corporate messaging with economic priorities

At moments of unpredictability, it is important for ministers and executives to avoid stepping onto controversial territory. It is simply not necessary to comment on every passing media fancy and it is safest to steer away from all issues of less direct relevance.

To ensure nuanced messages are delivered accurately, this is also a good time to refresh executives' media skills and experience by delivering a comprehensive programme of coaching.

7. Enhance direct communication channels

Ensure accurate information reaches key stakeholders effectively, through every channel where they have a presence and a voice in key conversations, including owned digital and social media, and offline forums including working groups and advisory panels.

8. Develop your own key sources of data

This is a moment to not only speak directly to key stakeholders but also hear from them as well. Understanding shifting dynamics, perceptions and attitudes is crucial to be able to take informed decisions and actions.

Qualitative insights derived through focus groups, research surveys and roundtable discussions will help to provide a less filtered and more nuanced picture of the emerging landscape.

9. Pool intelligence from across the organisation

It is very common for firms to operate in at least some form of silos, often leading to important information, data and intelligence not being shared or optimised across the organisation. Systems must be in place to collate and coordinate intelligence about policy, stakeholder sentiment and gathered across all departments.

Unlike many corporate departments, which are inevitably siloed in verticals, Corporate Affairs is horizontal with a broad scope of responsibility and oversight, so they have a big role to play right now.

10. Leverage technology and data to deepen insights

In addition to qualitative media and policy analytics based on market presence and relationships, Artificial Intelligence can generate real-time data-driven quantitative insights into emerging geopolitical threats by analysing social media, broadcast interviews and traditional news and comment.

Internal audits, driven by the internal stakeholders, can be supported by strategy workshops, facilitated by external experts to guide best practice on conducting consultations, gathering information and pooling resources.

About the Research

The report is based on the findings of a survey conducted in April 2025 of **3,050 leaders** including founders, C-suite and director-plus level executives. These leaders are responsible for **accounting; finance; general management; information technology; operations management; purchasing, distribution and logistics; production; research and development; sales and marketing; and strategy.**

The respondents interviewed were based in 27 markets across the globe: **Australia, Brazil, Canada, mainland China, France, Germany, Hong Kong, India, Indonesia, Italy, Japan, Malaysia, Netherlands, New Zealand, Philippines, Saudi Arabia, Singapore, South Africa, South Korea, Spain, Switzerland, Taiwan, Thailand, UAE, UK, USA, Vietnam.**

This survey honed in on the challenges faced by business leaders, with a minimum respondent organisation size of 250 employees and a weighting towards larger organisations. Respondents from smaller organisations (250–999 employees) represented 39% of the sample, with those from medium (1,000–1,499 employees) and large organisations (1,500 or more) making up 28% and 33% of our participants, respectively.

Our respondents were drawn from a wide range of industries: Business Services; Construction; Education; Engineering, Design, or Architecture; Financial Services; Healthcare; Manufacturing; Media and Communications; Natural Resources; Personal Care and Services; Public Sector or Government; Real Estate; Restaurant Services; Retail; Technology Services; Transportation; Travel Services; and Wholesaling.



About Sandpiper

Sandpiper is a pioneering reputation management consultancy headquartered in Asia and operating globally, proudly elevating the region on the world stage. Sandpiper offers government relations and public affairs services to business and political leaders across Asia-Pacific. As creators of business value, we are an independent, 100% employee-owned group comprising five specialist divisions: **Sandpiper Communications**, **Sandpiper Financial**, **Sandpiper Public Affairs**, **Sandpiper Health**, and **Sandpiper Research & Insights**.



Our core purpose is to help clients build, strengthen, and protect their reputations by directly contributing to their bottom-line business results.



Our technology-enabled services help clients future-proof their communications, leading industry transformation amid the rise of AI and emerging technologies.

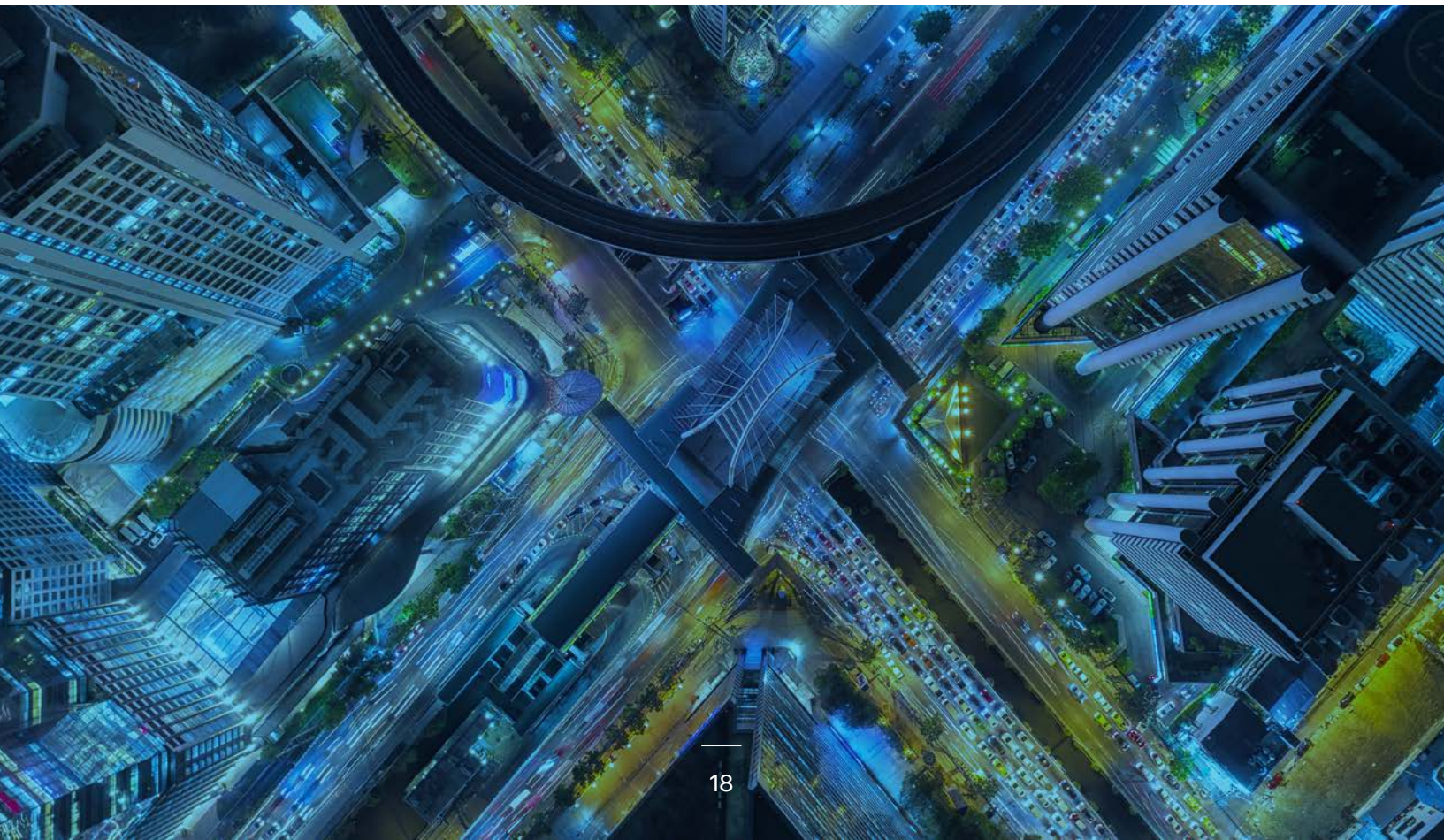


Operating with a single global P&L, we are nimble, innovative, and uniquely positioned to harness new technologies.

We are trusted advisors to industry leaders and market disruptors, combining deep regional market understanding with global perspectives and cutting-edge technology.

Our expertise spans seven specialist sectors characterized by complexity: **Energy, Financial Services, Government, Health, Insurance, Professional Services**, and **Technology**. We provide comprehensive end-to-end reputation management services that begin by uncovering critical insights to support global reputation strategies. We then leverage our global network of senior industry specialists to create tailored approaches, and finally implement integrated communications with precise channel expertise.

Sandpiper has been recognised with multiple prestigious awards, including **Global Corporate Agency of the Year** from PRovoke, **Asia Pacific Regional Network of the Year** from Public Affairs Asia, **Large Agency of the Year** and **ESG Specialist Agency** from PRCA, and **Asia Pacific Large Agency of the Year** from PRWeek. We have also been ranked among the top 10 fastest-growing agencies in Asia Pacific, the top 15 fastest-growing globally, and one of the top five creative agencies in Asia Pacific.





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