

Pursuing Certainty in Times of Uncertainty

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Times of uncertainty

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Heraclitus, a Greek philosopher 500 BC

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“Accelerating change is the only constant”

Executive in 2019

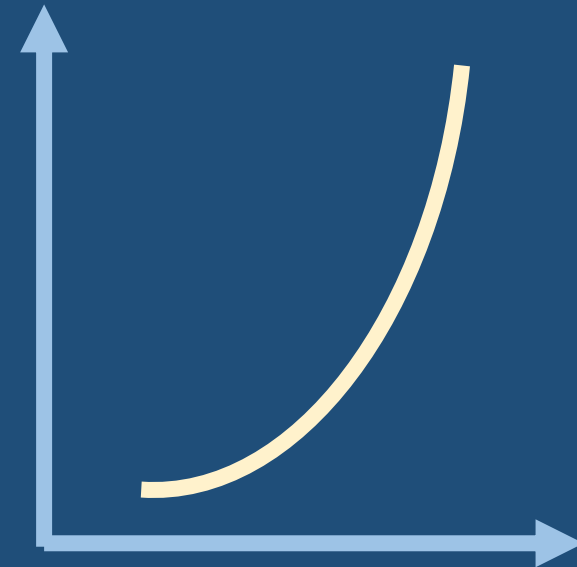
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Energy sources

Technology

Politics

Economic blocs

Terrorist action

Sanctions

Laws

Tariffs

Regulation

Non-tariff
barriers

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Consumer
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Forex rates

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Values: e.g. material vs. immaterial

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Globalization-related challenges of greatest concern

Survey among some 1000 executives, 2018

- Uncertainty over trade policy 33 %
- Changes in industry regulation 30 %
- Geopolitical risks 28 %
- Recent increases in tariffs 25 %
- Increased competition in our markets 25 %
- Volatility of exchange rates 19 %
- Disruptions in global supply chains 14 %
- Shorter product cycles in our industry 12 %
- Backlash from workers or consumers 9 %
- Changes in immigration policy 7 %

Change in globalization strategy in the next 3 years

Survey among 770 executives, 2018

- Investing or increasing our operations in one or more countries 49 %
- Investing more in our local supply chains 24 %
- Spending more on legal services and/or government relations 21 %
- Divesting or decreasing our operations in one or more countries 14 %
- *I do not believe we will change our strategy* 14 %
- Limiting and or delaying investments in our global supply chains 10 %

How well are we doing things?

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Why are we doing things?

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How well are we doing things?

What are we doing in the first place?

Why are we doing things?

How are we doing things?

How well are we doing things?