Risk vs. Reward

Navigating the terrain of social impact

August 20, 2025







We're living in an Age of Disequilibrium



Every brand is facing a conundrum

Consumers expect them to speak and act on critical societal issues

51% OF AMERICANS

say they believe companies should take public stances on current issues (13% from 2024)

Hot-button issues include:

FREE SPEECH

IMMIGRATION POLICY

CLIMATE CHANGE **HEALTHCARE**

But they want their employers to remain mostly neutral

60%
OF AMERICANS

Say they prefer their employers not communicate a stance on current events

Exceptional issues include:

MENTAL HEALTH HEALTHCARE

DIVERSITY & INCLUSION

FREE SPEECH

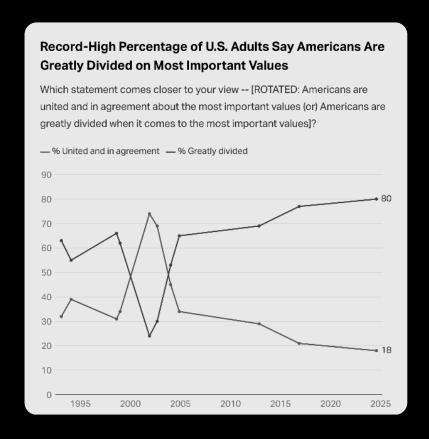


There is no clear line to separate culture and politics.



The convergence of politics, media & technology is redefining culture

Culture is increasingly downstream from political polarization





Want to understand why Trump won the election? Look at pop culture.



Superman or 'Superwoke'? Right-wing critics of the new DC movie say the latter



How American Eagle's Sydney Sweeney Ads Became a Culture War Flashpoint



Brands navigate political tightrope amidst heightened culture war risks



Culture is filtered through an individual lens. People want to understand how companies are delivering

emotional

value

for them personally.







personal emotional value is more important than societal value







Primary importance

23%

Makes me feel secure or safe

22% Makes me feel healthier

Gives me joy or happiness

Secondary importance

15% Entertains me

14% Empowers me

14% Excites me









How we protect orands





CM Business

Bud Light boycott likely cost Anheuser-Busch InBev over \$1 billion in lost sales







How the Trump administration is working to 'combat' DEI in the private sector

Trump directed federal agencies to "encourage" companies to abandon DEI actions.

By <u>Deena Zaru</u> January 29, 2025, 11:00 AM





BUSINESS

Elon Musk's X sues Lego, Nestlé and more brands, accusing them of advertising boycott

EBRUARY 1, 2025 - 7:11 PM ET

The New York Times

The Anti-D.E.I. Agitator That Big Companies Fear Most

From his home in Tennessee, the social media rabble-rouser Robby Starbuck is waging war on "woke" policies at places like Lowe's and Ford. His timing is impeccable.



We're at a brand risk boiling point

Newsweek

Target Facing 'Permanent Boycott': What to Know

Published Jun 02, 2025 at 8:47 AM EDT

Updated Jun 02, 2025 at 10:31 AM EDT



There's no such thing as safe ground for brands today









Non-political brand actions are pulled into politics.

Employee activists mobilize from within.

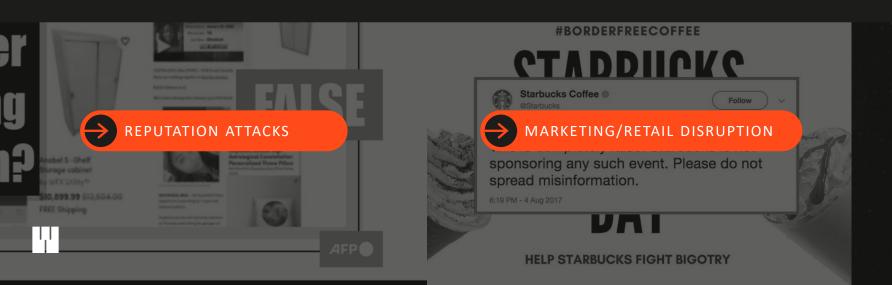
Every brand or celebrity carries risk.

Brands are defined more by haters, not fans.





And mis/disinformation are reputation & business concerns





Companies must mitigate these risks to enable social impact initiatives that enhance reputation



Developing a brand security culture



Discover

Review and assess current crisis response.

Analyze how your narratives are currently received — and prepare for potential issues.



Develop or enhance your crisis communications playbook.

Conduct scenario planning on key issues to establish baseline responses.



Train

Train principals on crisis communications response through workshops and simulations.



Protect

Implement real-time response when issues occur.

Establish always-on monitoring to stay ahead of shifts in the external environment.



Dive deep to understand

how to effectively prepare for and respond to crises



Evaluate current crisis communications protocols, as well as business continuity, cybersecurity, safety & security plans and procedures.



Assess business and operations footprint to map priority issues areas for scenario planning and outcomes.



Analyze media coverage and social media posts to identify areas for preparedness and training and intersection points for sponsorships, influencer integration, press outreach, and management.



Interview key executives and leaders responsible for crisis mitigation to identify potential gaps in preparedness and opportunities for company-wide education.



Analyze how your narratives are perceived in the external environment

Combining owned data and insights — including recent reputation research, consumer/stakeholder insights, existing narrative and key messages, business goals and priorities — with insights derived from AI-enabled tools, conduct three types of analysis to get a 360-degree understanding of how your brand is perceived in the external environment.

Narrative Analysis

Conduct an external landscape analysis to understand:

- The narratives/counter-narratives on key issues relevant to your brand
- How individuals and networks are interacting with those narratives
- Where those conversations are taking place across the media ecosystem

Stakeholder Analysis

Gain a better understanding of your key stakeholder groups:

- Where they engage with your brand
- What motivates them what they think/feel/do
- Current and predictive trends associated with each cohort

Content Analysis

Engage in "red teaming" to understand how different stakeholders may react to your messaging, positioning and actions, and ultimately predict impact.

This analysis helps you understand how to immediately strengthen content — from press releases and holding statement to campaign creative and paid advertisements— in ways that mitigate risk.



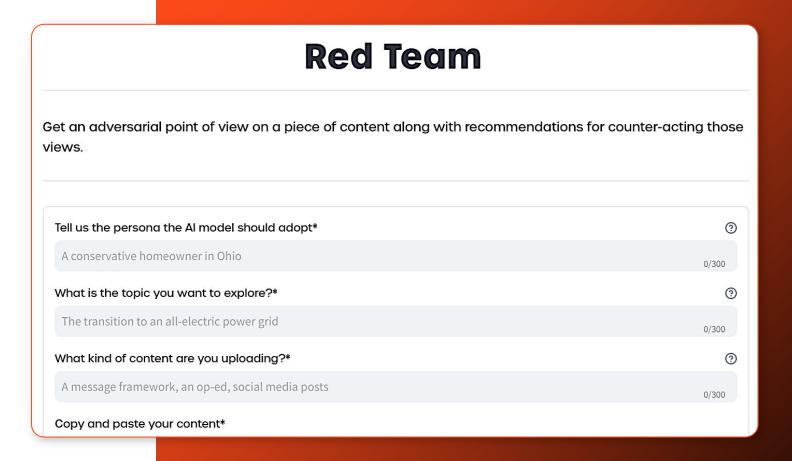
A closer look:

Red Teaming

"Red Teaming" is a scenario planning best practice that utilizes Al to predict how potential adversaries may interact with your content to proactively mitigate risk while strengthening the positive impact of our messaging.

We typically exercise this capability at the following moments and milestones:

- Ahead of an announcement or activation,
 to predict how consumers may react to your social impact initiative
- To prepare leaders for media interviews by predicting what questions journalists may pose
- To combat criticism from detractors, including policymakers





Build a crisis communications playbook to codify the plan and protocols



Crisis comms plan & protocols

- Identify and assess issue risk levels
- Define roles and responsibilities to activate crisis response
- Establish best practices to ensure rapid response



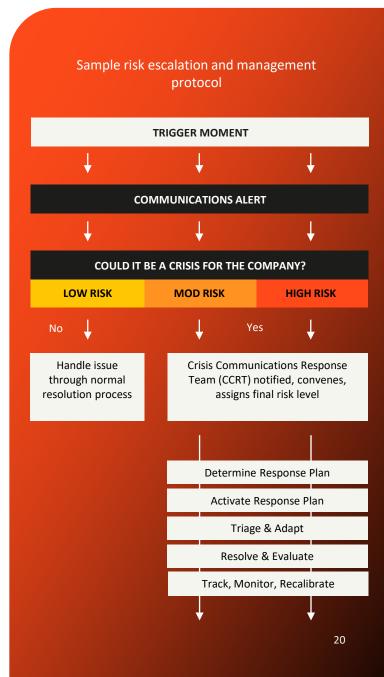
Bespoke risk escalation process & tools

- Create a customized escalation protocol to guide intake, evaluation, and triage of issues, and activation of crisis team
- Develop guidance for classifying and escalating risks



Crisis scenario plans & issues guides

- Scenario plan against specific issues, including creation of templated materials
- Create comms toolkits around perennial issues (e.g., environment, ethics, activism)





A brand secure culture infuses risk intelligence into everything you do

Leveraging AI-powered data and technology to:



Better understand key stakeholders



Make sense of the constantly changing media ecosystem



Pressure test communications narratives & content



Reach target audiences with precision



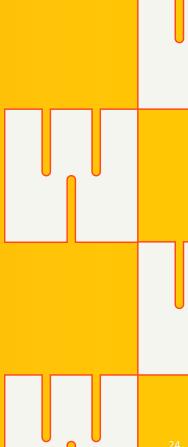
Predict and measure impact of social initiatives







How we promote brands



Moving beyond mitigating and managing risks to identify opportunities

to lead.



The future of American philanthropy: Cuts, conflicts, and the legacy of Trump





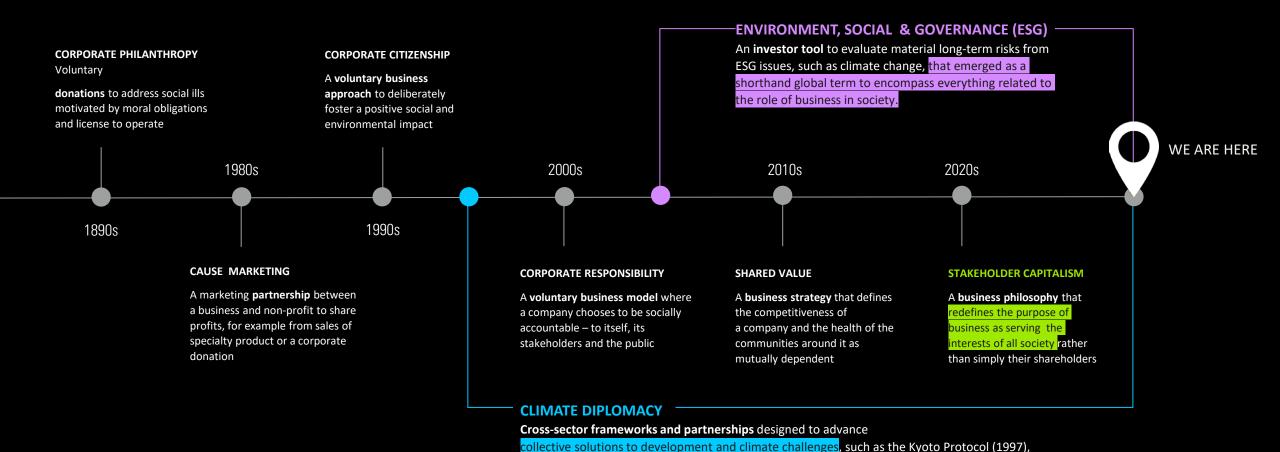
Ricardo AP Garcia 21 January 2025

Philanthropy is at a pivotal moment where it has an opportunity to redefine itself, not just as the traditional grantmaker or funding source it has always been, but also as a movement that protects and promotes democracy and upholds values of justice and equity while adapting to new contexts and realities.

At its essence, philanthropy is a vital partner to governments. Its mission is to advance social welfare, address unmet needs, innovate, take risks, add value, and inspire action. Philanthropy can exemplify the best of human values – empathy and altruism – standing as a beacon for communities worldwide.

In this turbulent landscape, maybe the true strength of philanthropy lies not in its resources but in its ability to inspire hope and spark change.

We're in a moment of inflection



Agreement (2025.

Millennium Development Goals (2000), Sustainable Development Goals (2015) and Paris



This is a moment to reinvent corporate responsibility



DISCLOSURE

Ongoing global debate on standards for non-financial reporting and what defines table stakes responsible business practices and good governance

- Policy
- Regulation
- Reporting frameworks

IMPACT

Bespoke strategies and initiatives that **build and protect long-term license to operate** in ways that are responsive to stakeholder expectations and needs in this volatile time

- Reputation
- Storytelling
- Stakeholder engagement



Redefining corporate responsibility through an impact lens.

- Decouple short-term disclosure and performance reporting from strategies designed to protect and enhance sustainable value creation.
- Integrate table stakes expectations and practices into operations and disclosure.
- Identify signature long-term impact areas that differentiate the business to elevate in reputation, storytelling and stakeholder engagement programs.
- Leverage impact strategies to drive transformation ahead of disruption.



Enabling transformation
– for today
& tomorrow – requires a
new playbook.

Performance & Growth

Manage

& Mitigate Risk

Deliver

Build Brand & Org Culture

Navigate Shifts in Political Culture



- **Define** credible and authentic leadership opportunities
- Vet positions and policies within a stakeholder context
- Respond with agility to complex and convergent pressures
- **Build** cross-functional sustainability fluencies
- **Invest** in relevant innovation and partnerships
- Calibrate when and how to speak up and engage

Deliver Performance & Growth

Manage & Mitigate Risk Build Brand & Org Culture

Prove

How the business delivering stakeholder value by balancing its **competitive advantage** and investments in **collective solutions** for challenges shared across the value chain

Navigate Shifts in Political Culture



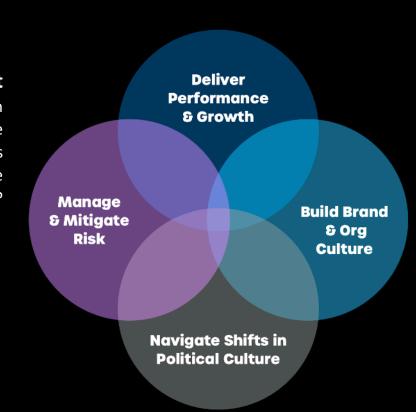
A model to evaluate corporate responsibility white space

Business & Culture Context

What values or issues are of high priority to your most critical stakeholders that are currently not being supported by the business strategy but are suitable for a CR approach?

Emerging Risks & Threats

What are the social challenges emerging in the current political culture and adjacent to the business strategy that CR could help to anticipate or solve?



Strategic Gaps

Can a CR approach help fill gaps where business strategy, culture and stakeholder expectations diverge? What can corporate philanthropy do that business can't for reputation/regulatory reasons?

Collective Solutions

Where might an industry-wide initiative or cross-sector partnership help address social issues that are too complex or risky for any one organization to address?



Key areas ripe for innovation and early adopter leadership

Ethical Tech & Ai

Elevate the ethics and human impact of emerging technologies as a central business responsibility and transparency issue

Information Integrity

Advance positions, policies and solutions that address mis/disinformation and champion fact checking and transparency in media and advertising

Future of Human Work

Advocate for human-first values within corporate culture, workforce development, and digital transformation

Mental Health & Connection

Embed policies and solutions for social isolation, loneliness and the mental health challenges of this age in products and services

Stakeholder Health

Cultivate public health fluency as a leadership mindset to inform how organizations lead, engage and innovate stakeholder solutions

Next Gen Community Impact

Reimagine corporate philanthropy and community partnerships to strengthen the workforce, unlock innovation and cultivate stakeholder loyalty



Social impact initiatives designed to meet the moment

Share a broad long-term impact agenda



Identify mission-critical areas where you can make the most difference and support coalitions working on other priorities

Communicate about the whole impact strategy



Narrow communications to a core set of investments aligned with your values that matter to stakeholders right now Elevate expertise and evidence-based arguments



Communicate frequently about the outcomes of your work and the impact on American communities

Fact check and set the record straight



Pre-bunk
misinformation and
rumors to inoculate
against the potential for
persuasive viral attacks
on the issues you care
about

Follow and respond to trending topics



Validate viral realities vs.
echo chambers
to understand if and how
to proactively or reactively
insert your voice in
conversation about
priority issues





The 2025 opportunity

Deliver impact across a dynamic stakeholder ecosystem at the nexus of business, politics & culture

