

## FOR IMMEDIATE RELEASE









### UK Corporate Reputations Stand Fast in Face of Uncertainty

- Reputations contribute £790bn of shareholder value – over a third of the total market capitalization in the FTSE 350.
- Unilever has the most economically impactful reputation, with important gains seen at Shell and RB, in second and third places. Shire joins the top ten for first time.
- The economic impact of reputational qualities related to '*corporate responsibility*' grew more than for any of the other factors tracked, with positive perceptions now boosting investor confidence worth £53bn of shareholder value across the index.

**LONDON, 4<sup>TH</sup> February 2016** – In an increasingly volatile market, the latest study from Reputation Dividend has found that corporate reputation supports investor confidence to the extent that it is adding £790bn of shareholder value across the FTSE 350, 36% of the total market capitalization.

The 2016 UK Reputation Dividend Report summarises the state of corporate reputation and its impact on shareholder value. This is the ninth annual study and is based on analysis of more than 200 of the country's largest public companies. Unilever has the most economically impactful reputation, with important gains seen at Shell and RB, in second and third places. Shire joins top ten for first time.

#### The Most Economically Impactful Reputations in the UK 2016

Company	Reputation Contribution	Reputation Contribution change (% points)	2015 Rank	Reputation Value (Jan 2016)
 Unilever	57.8%	8.1%	1	£48.356m
 Shell	53.8%	8.5%	8	£62.061m
 RB	48.3%	2.3%	7	£20.302m
Johnson Matthey	47.5%	0.1%	5	£2.181m
 AstraZeneca	47.4%	7.1%	13	£25.198m
 easyJet	46.2%	-0.1%	6	£2.855m
 sky	46.2%	1.3%	10	£8.056m
bhpbilliton	44.7%	28.7%	119	£14.897m
 Shire	44.3%	8.1%	23	£10.845m
 nationalgrid	44.1%	9.3%	30	£15.450m

The study shows how reputation value is created when recognised strengths and qualities of individual companies coincide with investor interest. This latest analysis of UK company performance highlighted the single most valuable component of corporate reputations this year is the impression of '*financial soundness*'. The second and third most significant factors are the ability to '*attract, develop and retain talent*' and '*quality of leadership*'. The economic impact of '*corporate responsibility*' grew more than any of the other headline factors tracked and positive perceptions are now boosting investor confidence to create £53bn of shareholder value.

"After mis-placed optimism in the markets last year, all signs point to the fact that reputation played a substantial part in softening the impact of uncertainty, mitigating downward pressure on share prices and stemming otherwise larger falls in the indices in the latter half of the year. Indeed, without the up-ticks in reputation impact, we calculate that the lead index could have ended the year as much as 10% lower and the secondary index down by nearly 7%," according to Reputation Dividend founder, Simon Cole.

"Looking ahead," said Reputation Dividend Director Sandra Macleod, "with volatility set to continue, not least because of the forthcoming EU referendum, the winners over the next twelve months will be those companies that focus on the operational and messaging priorities which support continued confidence through turbulent times. Reputation may be intangible but it has a very tangible value. "

The full study is freely available at <http://reputationdividend.com/recent-studies/>

#### BACKGROUND

Founded by ex Interbrand specialists and a team of analysts, Reputation Dividend is the only recognised index of the financial value of corporate reputation as measured as a percentage of market capitalisation. This is the ninth Annual Report, covering some 160 of the largest companies in the UK. The 2016 UK study was run in parallel with its sister US study, and is based on data reported from late 2015 through to the start of 2016.

Clients include Airbus, Allstate, Amgen, Arrow, eBay, GE, GKN, Johnson & Johnson, MetLife, Phillips 66, Serco, Shire, Zurich, Zerox

#### FOR FURTHER INFORMATION:

Simon Cole  
Founding Partner  
+44 (0) 795 642 3843  
[simon@reputationdividend.com](mailto:simon@reputationdividend.com)

Sandra Macleod  
Director  
+44 (0) 7770 328 724  
[sandra@reputationdividend.com](mailto:sandra@reputationdividend.com)

[www.reputationdividend.com](http://www.reputationdividend.com)