THE REPUTATION ECONOMY 2026

Why Trust Drives More Than a Quarter of FTSE Value

UK REPUTATION VALUATION REPORT 2026

echo

REPUTATION DIVIDEND

Methodology

This report is grounded in the **Reputation Dividend® valuation model**, which applies robust statistical analysis to isolate and quantify the impact of corporate reputation on market capitalisation. Leveraging consensus financial data and long-standing executive perception surveys – Britain's Most Admired Companies (BMAC) and Fortune's Most Admired Companies (FMAC) – the model uses stepwise regression techniques to determine the proportion of shareholder value attributable to nine core dimensions of reputation.

By combining financial metrics such as EBITDA, EPS, and dividend yield with C-suite stakeholder assessments, the methodology distinguishes between tangible performance indicators and intangible reputational capital. Now housed within Echo Research, the model benefits from expanded capabilities in stakeholder insight, media intelligence, and strategic advisory, ensuring a comprehensive and actionable approach.

The result is a replicable, evidence-based framework that enables companies and investors to identify where reputation is driving value, where it is under-leveraged, and how it can be strategically optimised to enhance returns.

See the Appendix for further details.

About Echo Research

Echo Research is an international market research company dedicated to providing sound, objective insights to help demonstrate impact, improve performance and support transformation. Expert Witnesses on reputation, Echo has supported over 700 clients spanning all sectors since its inception in 1989.

Echo's expertise lies in researching stakeholder expectations, communications effectiveness, brand health performance and the drivers of reputation. Through stakeholder research, media analysis, social listening and perception audits, we focus on understanding reputation: for what, among whom, and for what purpose.

Our award-winning, global research and insights give our clients the confidence to make informed decisions to protect and build corporate and brand reputation for sustainable success. Echo Research has the rights and ownership of Reputation Dividend®.

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Foreword

In today's complex and fast-moving world, reputation is no longer a passive outcome – it is an asset to be actively managed, that directly influences both organisational performance and long-term value. Demonstrating this value to an organisation's investors and key stakeholders is critical and justifies the importance of a board's commitment to its communications with them.

What stands out in this year's Reputation Dividend® report is the increasing clarity with which reputation can be understood, measured and, importantly, optimised. The ability to link perception to tangible business outcomes marks a significant step forward for organisations seeking to prioritise and demonstrate the value of their investment and to drive meaningful impact.

As channels fragment and audiences become more discerning, effective engagement is not simply about reach, but also about relevance, credibility and context, all of which play a critical role in shaping stakeholder trust. At the same time, the rise of large language models and AI-driven discovery is fundamentally reshaping how corporate narratives are accessed, interpreted and acted upon. In this environment, clarity, consistency and strategic intent in communications are paramount. Reflecting these in such core outputs as the annual report are no longer standalone disclosures, but central pillars of a wider narrative ecosystem – feeding how organisations are understood by stakeholders, platforms and increasingly by AI. This redefines the role of the annual report, turning it from a retrospective compliance document into a strategic instrument for reputation, active stakeholder engagement, and measurable impact.

Over 50% of market value is driven by the quality of an organisation's products and services and long-term value potential, and underpinned by the quality of its management and financial soundness. This places a renewed emphasis on value-driven communication: ensuring that messaging is clear, coherent and aligned across channels, and that it articulates not just performance, but purpose, impact and future direction.

Ultimately, building trust, engagement and support today requires more integrated thinking, aligned to delivering an organisation's purpose in accordance with its values – connecting data, insight and content in a way that is both strategically grounded and adaptable to new modes of discovery and consumption.

This report gives leaders the clarity and evidence required to move beyond understanding reputation – to embedding it at the heart of integrated strategic planning and value creation.

Charles Tilley OBE
Chair, Integrated Reporting and Connectivity Council
Former Chief Executive, CIMA

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Executive Summary

Trust is no longer intangible.
It is priced into the UK economy.

In 2026, **£841 billion** of shareholder value across the FTSE 350 is directly attributable to corporate reputation, **representing 28% of total market capitalisation**. More than a quarter of listed enterprise value in the UK is now trust-based.

Trust – and the leadership that sustains it – has become one of the most powerful forces shaping market value.

On the back of market growth, **reputation value has increased 17.6% year-on-year**, with **96% of FTSE 350 companies** generating positive reputational contribution.

This is not a communications story. It is a capital markets story.

Reputation now functions simultaneously as:
- A resilience buffer
- A valuation stabiliser
- A competitive differentiator
- A licence-to-operate asset.

But its real power lies in how deliberately it is managed.

Reputation should be managed as an asset portfolio – not a communications programme.

Understanding the **DNA of your reputation** – *what* drives it, *where* it is concentrated, and *how* it translates into financial value – enables leadership teams to move from passive stewardship to active value creation.

Companies that have the blueprints to their reputation:
- **Protect value more effectively** in periods of volatility
- **Prioritise investment with greater precision**
- **Align communications, strategy and operations** around what the market actually rewards
- **Anticipate risks before they are realised.**

Those that do not are not simply exposed – they are **leaving measurable value on the table.**

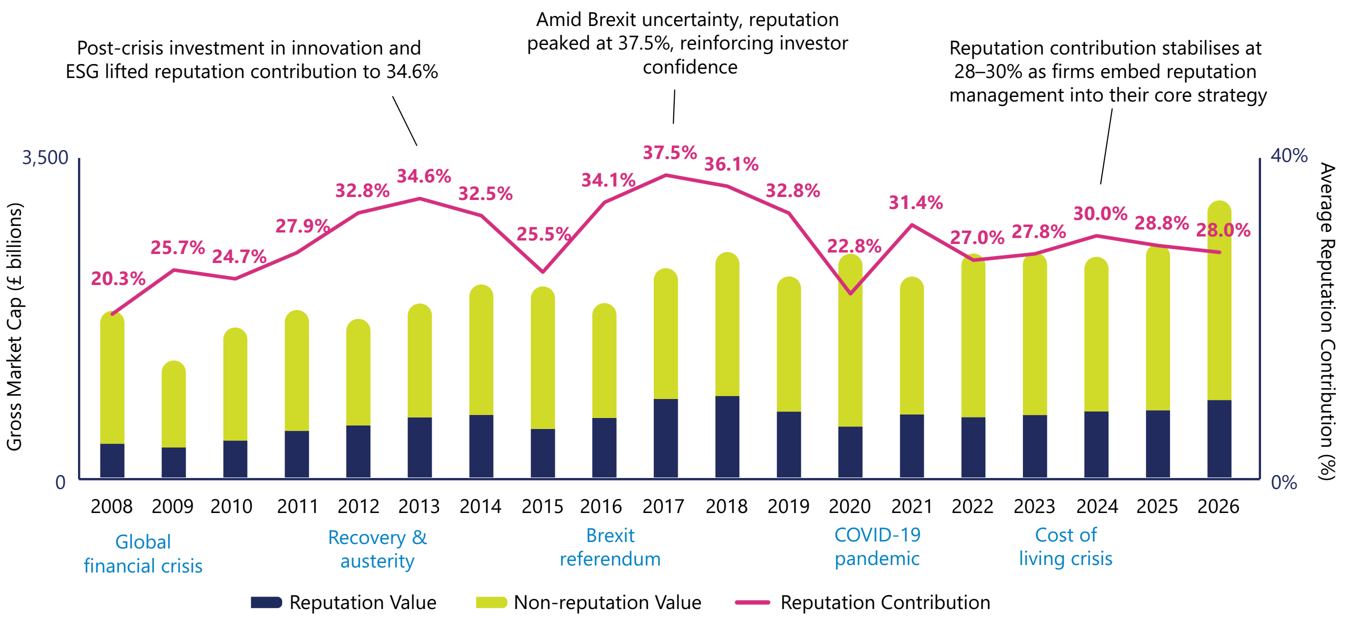
The difference is not reputation itself. It is the ability to **measure it, manage it, and deploy it as a strategic planning tool.**

> **Reputation is not a by-product of performance. It is a driver of it. And in today's market, it is something that can be actively engineered by those who understand its DNA.**

Long-Term Trends: From Intangible to Structural

Over nearly two decades, Reputation Contribution to market capitalisation has ranged between **20% and 38%**, peaking during periods of systemic uncertainty including the Global Financial Crisis, Brexit, COVID-19, and the cost-of-living crisis.

UK Reputation Value and Contribution: 2008-2026



Historically, Reputation Contribution has risen during periods of crisis – as investors place greater weight on leadership credibility, resilience and long-term viability when short-term financial performance is under pressure – and moderated in more stable conditions, when markets revert to prioritising tangible financial metrics and near-term earnings visibility.

In 2026, stabilisation at **28%** suggests something more profound.

Reputation is not episodic. It is structurally embedded in valuation.

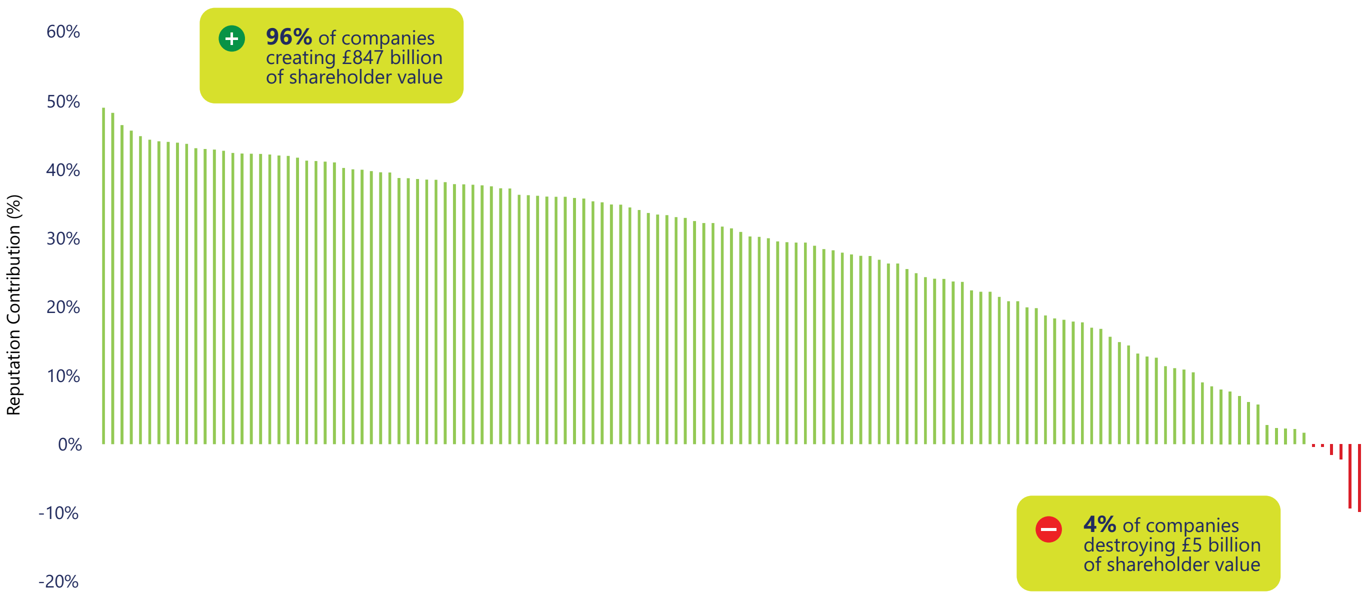
Markets consistently reward:
- Leadership credibility
- Operational discipline
- Strategic clarity
- Long-term value orientation.

Trust is a structural economic asset – clearly illustrating how prosperity is created – and protected – in the UK.

The Trust Divide Intensifies

A defining feature of 2026 is an increasing concentration of trust-driven value among leading firms. In 2025, 95% of companies generated positive Reputation Contribution, with 5% collectively destroying £9bn in value. **By 2026, 96% of companies generate a positive contribution, and value destruction has reduced to £5bn.**

Reputation Contribution 2026



At first glance, this suggests improvement. However, the more significant shift lies elsewhere. Reputation value is increasingly concentrated among a smaller group of high-performing, globally scaled companies, while weaker performers continue to struggle to convert trust into measurable valuation uplift.

This creates a structural divergence:

- Capital concentrates around trusted institutions
- Underperformers face greater scrutiny and higher recovery thresholds
- Sector averages become more sensitive to outliers
- Public and regulatory pressure intensifies around perceived weak links.

Reputation is dynamic capital.

It does not stand still – it moves, reacts and, at times, drifts.

When strategy is disjointed, messaging misaligned, or priorities unclear, reputation and the value attached to it **reallocates, erodes, or underperforms.**

Trust compounds. So does distrust.

This divergence is not cosmetic. It is financial. Across the market, low or negative Reputation Contribution is costing billions in unrealised or lost value.

When trust fragments, so does prosperity. **But this volatility is not inevitable. It is manageable.**

Companies that understand how their reputation works – what drives it, where it is vulnerable, and how it translates into value – are able to:

- Stabilise performance in uncertain conditions
- Align strategy, communications and delivery
- Prevent value leakage before it is priced in.

Reputation will move. The question is whether you are directing it or reacting to it?

Market Leaders

Reputation value remains concentrated among globally scaled operators.

UK Leaders by Reputation Value and Contribution 2026

	Top 5 companies	Reputation Value
1	Shell	£70.6 bn
2	AstraZeneca	£68.8 bn
3	Rolls Royce	£50.3 bn
4	RioTinto	£46.1 bn
5	Unilever	£41.9 bn

	Top 5 companies	Reputation Contribution
1	Rolls Royce	49.0%
2	BAE SYSTEMS	48.2%
3	informa	46.4%
4	Shell	45.7%
5	M&S	44.8%

Shell (£70.6bn), **AstraZeneca** (£68.8bn) and **Rolls-Royce** (£50.3bn) lead in absolute reputation value.

Rolls-Royce (49.0%), **BAE Systems** (48.2%) and **Informa** (46.4%) rank highest by Reputation Contribution percentage.

These are strategically critical, export-driven, capital-intensive businesses.

Their reputations act as:

- **Crisis shields in volatile geopolitical environments**
- **Stabilising anchors during regulatory or macro disruption**
- **Competitive moats in international markets.**

Decade of Distinction: The UK's Most Valuable Reputation Leaders 2017-2026

The decade shows a clear evolution in what drives reputational value. Earlier years were dominated by **consumer and healthcare giants**, where brand strength and trust were paramount.

More recently, leadership has shifted towards companies like **Rolls-Royce, BAE Systems and Informa**, signalling a market that is placing greater emphasis on **strategic relevance, operational performance and future-facing value.**

UK Leaders by Reputation Contribution: 2017-2026

2026

Company	RC %
Rolls-Royce	49.0%
BAE Systems	48.2%
Informa	46.4%
Shell	45.7%
M&S	44.8%
SSE	44.3%
Rio Tinto	44.1%
IAG	44.0%
Halma	43.9%
Next	43.7%

2025

Company	RC %
Shell	51.0%
BP	46.6%
Rio Tinto	46.5%
Tesco	46.0%
BAE Systems	45.0%
Unilever	44.8%
RELX	44.7%
Next	44.5%
Harbour Energy	43.2%
Berkeley Group	43.2%

2024

Company	RC %
Shell	53.7%
AstraZeneca	53.3%
BP	50.5%
Diageo	50.2%
Unilever	50.2%
Ashtead Group	50.2%
Tesco	48.3%
Next	46.6%
BAE Systems	46.3%
Rio Tinto	46.1%

2023

Company	RC %
Unilever	46.5%
Anglo American	45.8%
JD Sports	45.6%
AstraZeneca	45.5%
Shell	44.5%
Diageo	43.9%
BAE Systems	43.4%
RELX	43.2%
Next	42.7%
Barratt Developments	42.6%

2022

Company	RC %
Anglo American	47.6%
Ashtead Group	46.2%
BHP Group	46.1%
Diageo	46.0%
Unilever	45.5%
Tesco	44.0%
BP	43.9%
AstraZeneca	43.6%
Experian	43.0%
Shell	43.0%

2021

Company	RC %
Unilever	56.6%
AstraZeneca	53.9%
Halma	53.2%
Ashtead Group	53.0%
GSK	52.5%
JD Sports	51.7%
Diageo	51.2%
BHP Group	50.6%
Berkeley Group	49.9%
Experian	49.3%

2020

Company	RC %
Shell	55.3%
BP	51.4%
Unilever	50.5%
Diageo	49.2%
BHP Group	48.1%
Anglo American	45.4%
Compass Group	44.7%
Associated British Foods	43.5%
GSK	43.2%
Ashtead Group	43.2%

2019

Company	RC %
Diageo	56.4%
Unilever	54.4%
Reckitt Benckiser	53.9%
Shell	53.8%
GSK	53.5%
AstraZeneca	53.2%
BHP Billiton	52.3%
RELX	49.7%
Experian	48.9%
Croda International	48.6%

2018

Company	RC %
Unilever	56.3%
Shell	55.0%
Diageo	50.5%
GSK	50.4%
Berkeley Group	50.2%
BP	50.0%
Rio Tinto	48.3%
BHP Billiton	48.2%
AstraZeneca	47.4%
RELX	46.3%

2017

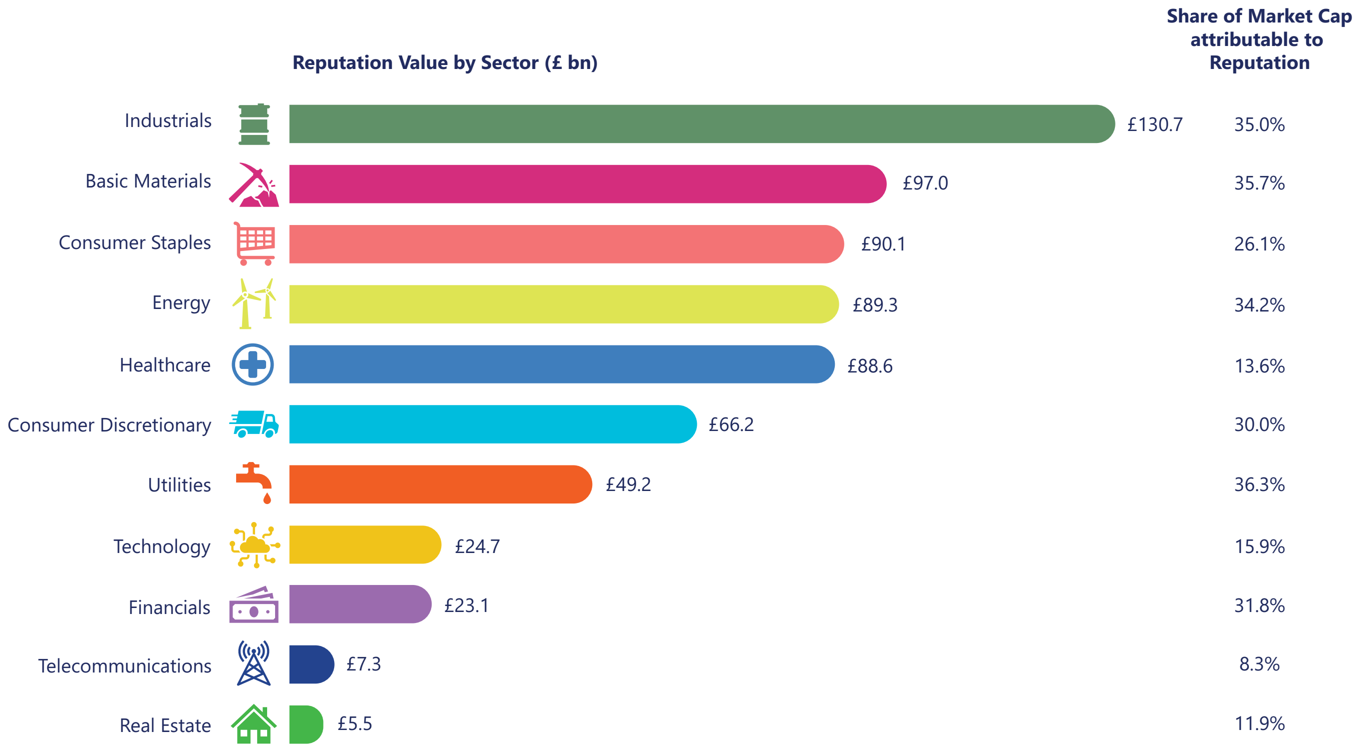
Company	RC %
Shell	57.1%
Unilever	55.9%
Berkeley Group	50.4%
BHP Billiton	50.2%
GSK	49.7%
Diageo	49.6%
Reckitt Benckiser	49.4%
BP	49.3%
AstraZeneca	49.0%
Experian	48.7%

Reputation leadership is not static - it moves with the priorities of the market. Those who align fastest with what investors value most rise to the top.

Sector Dynamics

Industrials sector shows that trust pays

Reputation Value and Contribution by Sector 2026



Industrials (according to FTSE classification includes businesses involved in the manufacturing of machinery, tools, and heavy equipment, as well as aerospace, defence, construction, and logistics services) lead sectors on total reputation value, demonstrating that in capital-intensive industries exposed to geopolitical risk, trust carries disproportionate weight.

Conversely, **Utilities and other regulated sectors** illustrate how rapidly public scrutiny and regulatory pressure can reshape reputation performance.

Reputation is dynamic capital.

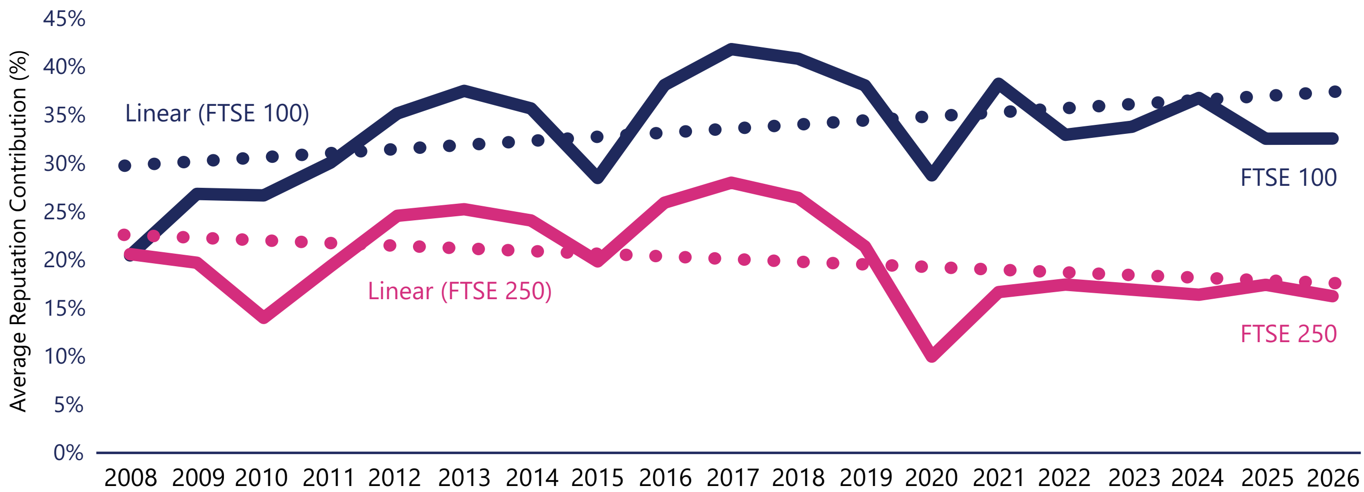
It must be managed with discipline.

Divergence Insight: FTSE 100 vs. FTSE 250

Over the past decade, Reputation Contribution trends for the FTSE 100 and FTSE 250 have moved in structurally opposite directions.

The **FTSE 100 demonstrates a clear upward long-term trajectory**, stabilising in the low-to-mid 30% range in recent years after peaking above 40% during periods of uncertainty. By contrast, the **FTSE 250 shows a sustained downward trend**, with post-2016 and post-pandemic levels settling materially below earlier highs.

Reputation Contribution of FTSE 100 & 250: 2008-2026



This is not cyclical fluctuation. It is structural divergence.

Three factors help explain the gap:

Scale and diversification.
Typically FTSE 100 companies are better capitalised and more globally diversified, and strategically visible.
In volatile conditions, markets place greater reputational weight on international resilience and financial strength.

Perceived resilience.
Mid-cap firms tend to be more domestically exposed and sector-concentrated, which can dampen the reputation premium attached to their valuations during periods of UK-specific uncertainty.

Flight to quality.
Reputation increasingly functions as a capital allocation filter.
Investors concentrate around trusted, systemically important firms, widening the premium attached to large-cap leaders.

The implication is significant.

If 28% of total market value is reputation-driven, and that premium increasingly favours the largest firms, trust capital is becoming more concentrated. As reputation-driven value increases, so too does the exposure associated with it.

For FTSE 250 boards, this elevates reputation from a supporting asset to a competitive differentiator.

Trust must be scaled deliberately – or valuation divergence will persist.

What Markets Actually Reward in 2026

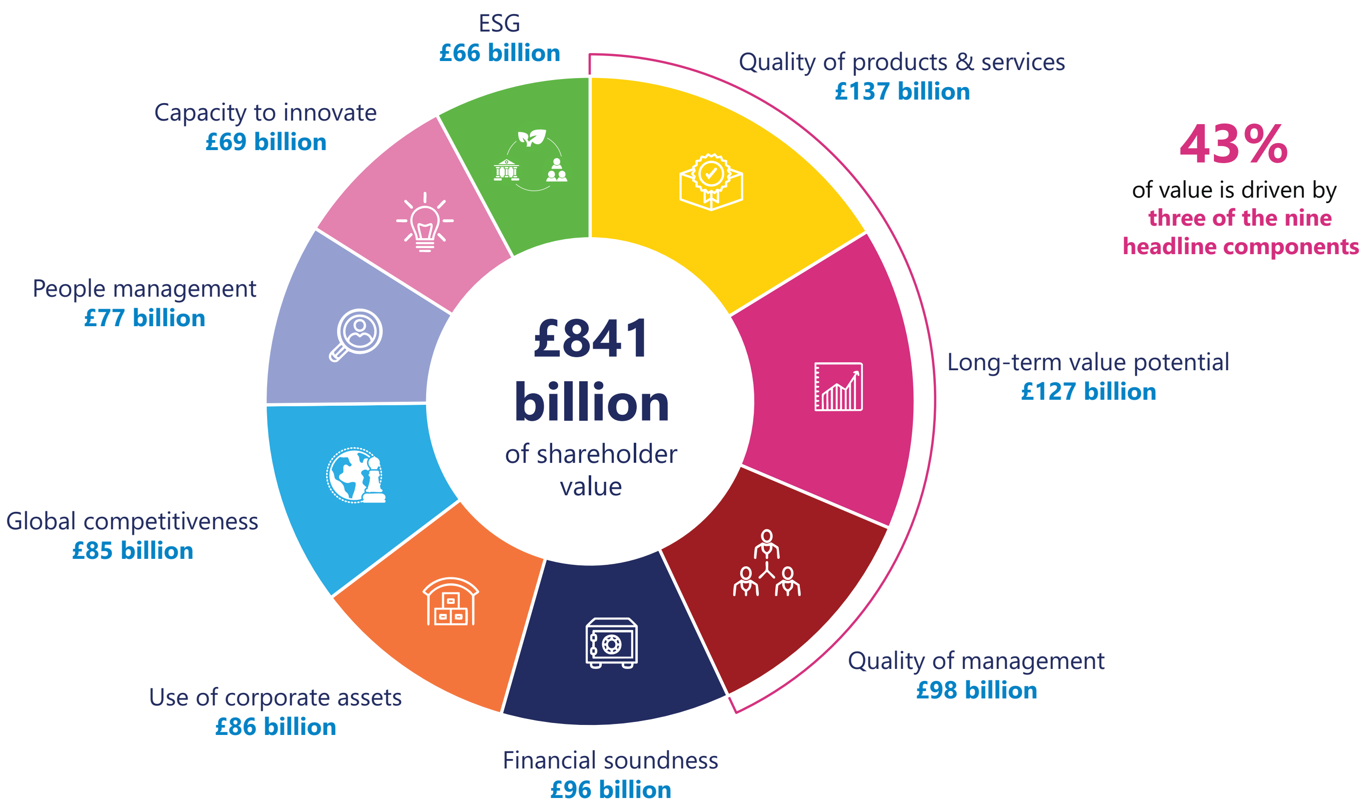
The dominant drivers of reputation value remain:

Quality of Products & Services

Long-Term Value Potential

These pillars anchor investor confidence.

UK Drivers of Reputation Value 2026



Supporting drivers include:

Quality of Management

Financial Soundness

Markets are rewarding competence, not commentary.

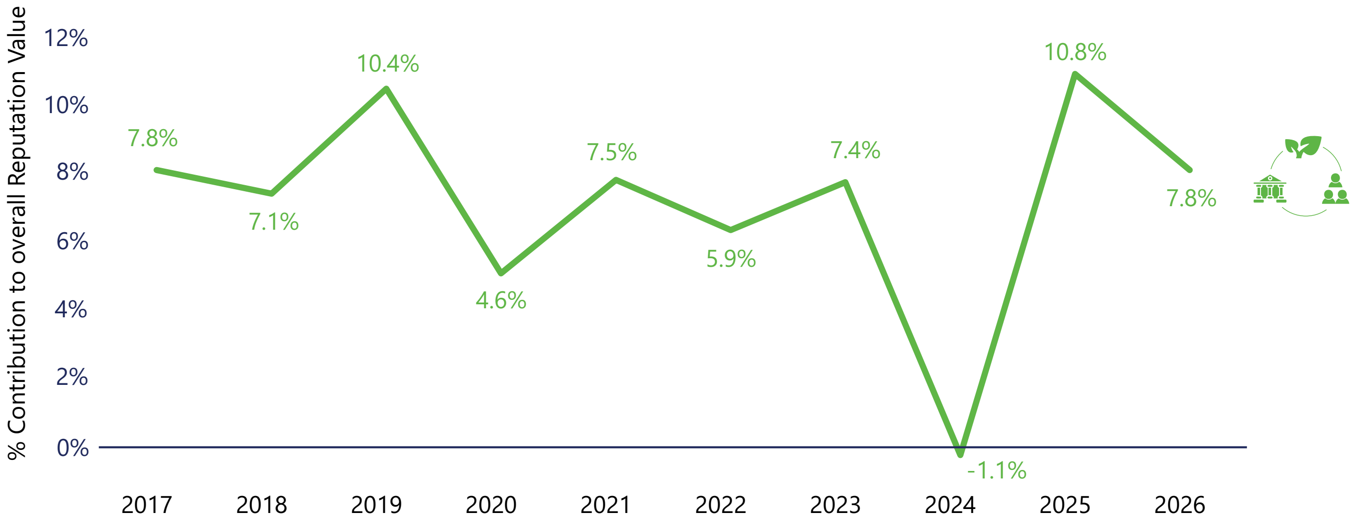
Delivery, not declarations.

The shifting priorities within ESG

ESG contributes 7.8% of total reputation value, with Commitment to DEI now the largest component within ESG, marking a shift from prior governance-led emphasis.

This signals evolution rather than retreat.

Proportion of Reputation Value attributed to ESG: 2017-2026

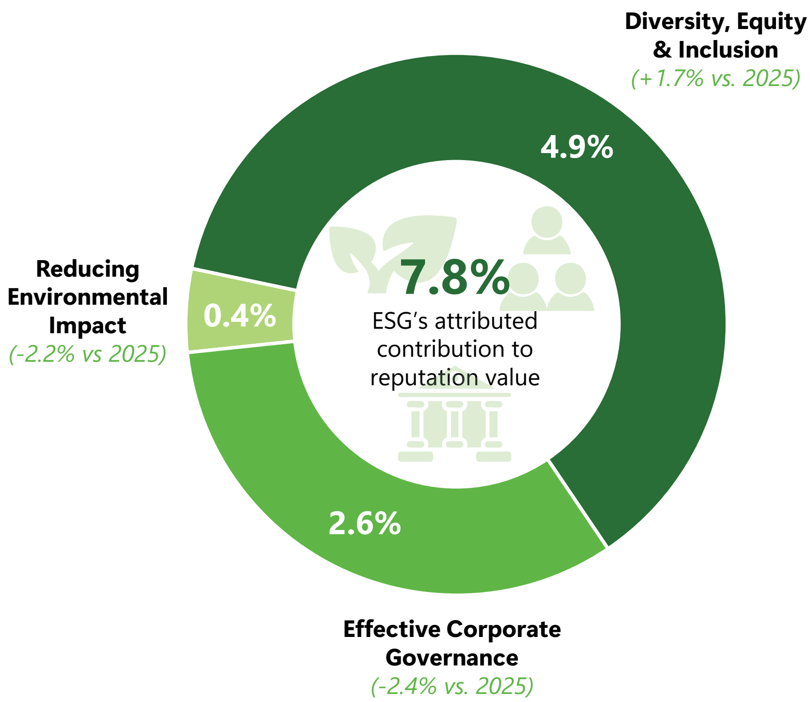


Trust now incorporates:

Social legitimacy

Inclusion credibility

Demonstrable responsibilty



Reputation is multi-dimensional.

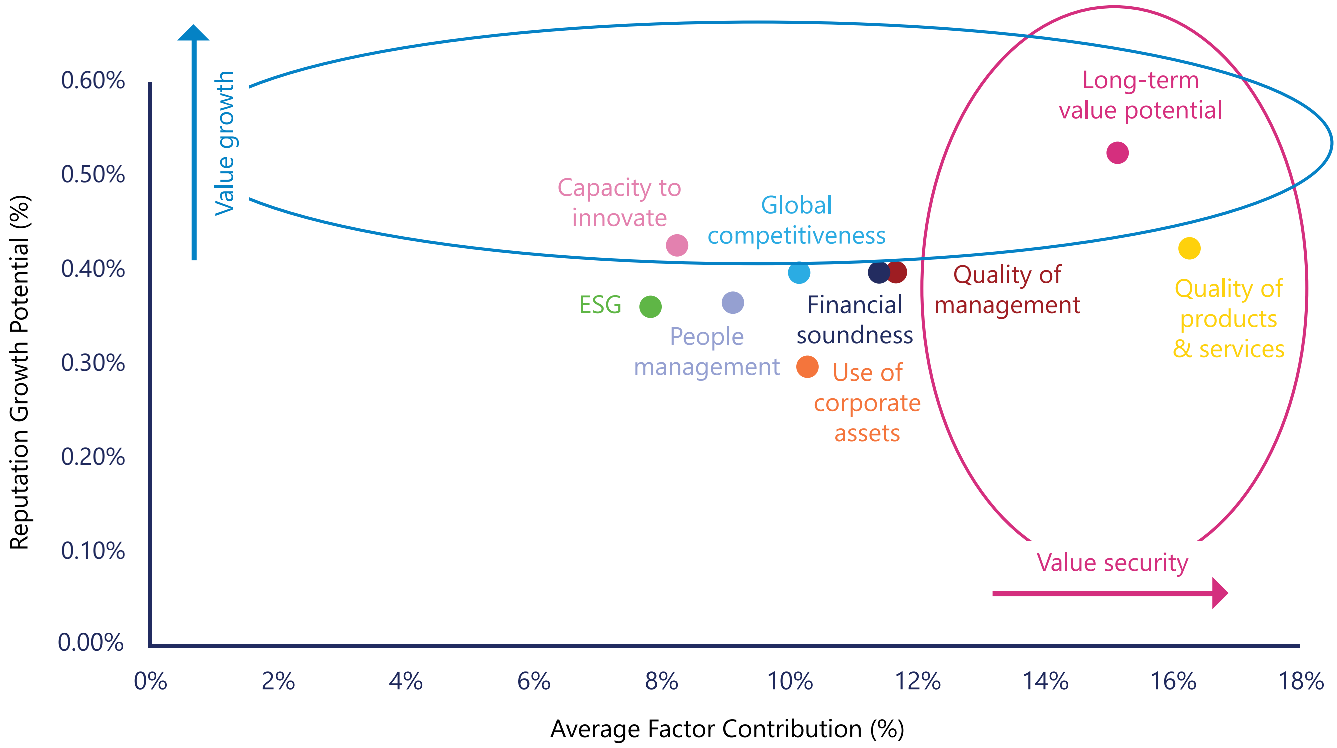
It requires sustained performance across financial, operational, social and strategic domains.

Protecting Value. Building Advantage

Reputation should be managed as an asset portfolio – not a communications programme.

In 2026, with **£841 billion of FTSE 350** value attributable to reputation, trust is embedded in valuation. Managing it is therefore a capital allocation discipline.

Overall Map for Reputation Investment - All Companies



The reputation investment map reveals two core levers.

Value Security Drivers: Quality of Products & Services, Long-Term Value Potential and Quality of Management, anchor valuation and protect against downside risk. Weakness here directly exposes enterprise value.

Value Growth Drivers: Innovation and Global Competitiveness, expand future multiples and shape how markets price resilience and opportunity.

Financial Soundness, People Management, ESG and Use of Corporate Assets act as amplifiers, reinforcing credibility and societal legitimacy.

Crucially, this architecture differs by company, even within the same sector. The strategic imperative is diagnostic, not generic.

Boards must know where their unique trust capital is concentrated, where vulnerabilities threaten value, and where under-leveraged drivers create competitive advantage.

Trust, Leadership and UK Prosperity

The most sophisticated leaders go further, identifying white space where competitors are underinvesting and building a disproportionate trust advantage.

Reputation management is not uniform investment.

It is disciplined capital allocation across a bespoke trust architecture.

If more than a quarter of FTSE 350 value is reputation-based, then UK prosperity is intrinsically linked to:

Leadership credibility

Institutional competence

Operational excellence

Social alignment

Trust is no longer an abstract virtue. It is an economic multiplier.

The UK's competitiveness depends not only on productivity and capital formation, but on the integrity and clarity of its leading institutions.

Reputation is now one of the UK's most economically material assets.

But while most organisations recognise that reputation matters, far fewer can confidently answer:

- **What is driving our reputation today?**
- **Where is value being created – or lost?**
- **Which levers will matter most tomorrow?**

This is where the gap lies.

Because in today's market, the question is not whether reputation matters. It is:

Do you understand how your reputation works – and are you using a diagnostic framework to safeguard resilience and strengthen future enterprise health?

Your Reputation DNA: A Tool for Better Decisions

Echo's **Reputation DNA Assessment** transforms reputation from a concept into a **decision-making tool.**

It enables leadership teams to:
- **Protect value** by identifying reputational risk before it is priced in
- **Unlock growth** by focusing on the drivers that increase market confidence
- **Prioritise investment** based on what actually moves valuation
- **Align leadership, strategy and communications** around measurable value drivers
- **Strengthen resilience** in the face of market, regulatory and stakeholder pressure.

What You Get
A clear, evidence-based view of your reputation as a financial asset:
- Your **Reputation Contribution** to market capitalisation
- A **reputation driver-level map** of what is creating (or eroding) value
- **Benchmarking** against your chosen peers
- Identification of under-leveraged opportunities
- A focused set of **strategic priorities** to guide resourcing and action.

Why It Matters Now
In today's market, reputation doesn't just influence performance.
It **shapes how performance is valued.**

Companies that understand and manage their reputation:
- Recover faster in downturns
- Command stronger investor confidence
- Deliver more consistent long-term returns.

Those that don't are **leaving value to chance.**

The value is already there. Echo helps you see it clearly - and act on it decisively.

It is a board-level responsibility.

Commission your Reputation DNA Assessment to quantify, protect and grow your trust capital.

For tailored insights on your company please contact Echo's Reputation Dividend® team:

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Appendix: How it's Done

Echo Research's Reputation Dividend® methodology is based on rigorous statistical analysis of publicly available financial data, analysts' consensus forecasts, and individual corporate reputation scores. For the UK, the analysis draws on Britain's Most Admired Companies (BMAC) study, while the equivalent analysis for the United States uses data from Fortune's Most Admired Companies (FMAC).

Both datasets are long-established and widely regarded as authoritative, particularly for their focus on professional stakeholder perceptions. The objective of this modelling is to isolate and quantify the contribution of intangible assets – specifically corporate reputation – to a company's market capitalisation. It examines how reputation, alongside financial indicators such as EBITDA, dividends, and earnings per share (EPS), helps to explain variations in stock price performance and investor confidence across sectors.

The methodology is:

- **Empirically grounded**, based on observable financial and perceptual data,
- **Transparent**, with clearly defined inputs and replicable procedures,
- **Logically robust**, supporting actionable insights for business leaders and boards,
- **Adaptable**, to reflect evolving investor priorities and market conditions.

The modelling framework comprises four key stages:

1. Data Definition and Capture

The analysis focuses on leading publicly listed companies in the UK and US. For each company, a wide array of financial metrics is collected from established databases such as FactSet and Bloomberg. These include:

- EBITDA (earnings before interest, tax, depreciation, and amortisation)
- EBIT (earnings before interest and tax)
- EPS (earnings per share)
- Return on Assets
- Dividend Yield
- Total Assets and Liabilities
- Stock Liquidity.

Reputation data are derived from BMAC and FMAC studies. These surveys collect ratings from C-suite executives and investment professionals across nine key dimensions of corporate reputation:

1. Quality of management
2. Quality of products and services
3. Financial soundness
4. Capacity to Innovate
5. Long-term value potential
6. Ability to attract, develop & retain top talent (People management)
7. Global competitiveness
8. ESG
9. Use of corporate assets.

These dimensions are chosen for their relevance to investors and professional stakeholders, as opposed to consumer perception surveys, which are less indicative of stock market performance.

2. Econometric Analysis

At the core of the methodology is a multi-stage econometric approach, primarily employing cross-sectional stepwise regression analysis.

- Initial correlation analysis identifies potential predictor variables for market capitalisation.
- Variables with high interdependence are either consolidated or excluded to avoid multicollinearity.
- A refined model is constructed to isolate the impact of each factor – financial and reputational – on market capitalisation.
- Once the overall role of reputation is established, each of the nine reputation dimensions is analysed individually to determine its relative contribution and statistical significance.

This allows for the breakdown of a company's market capitalisation into tangible (financial) and intangible (reputational) components.

3. Company-Level Outputs

The model generates a set of key ouputs for each company analysed, enabling strategic insights into the role of corporate reputation:

Reputation Contribution
The proportion of a company's market capitalisation attributable to its reputation - this is the central metric of reputation value.

Reputation Risk Profile
A breakdown showing how the reputation value is distributed across the nine component drivers, revealing strengths and vulnerabilities.

Reputation Leverage
An estimation of the potential economic return (i.e. marketcap uplift) from strengthening specific areas of reputation.

These metrics help companies assess where reputation is already adding value and where targeted improvements could enhance shareholder returns.

4. Market Behaviour and Strategic Insights

By aggregating company-level data, the methodology also provides a view of reputation trends at the sector and market level.
This includes:

- The overall scale and distribution of reputation assets across the market
- Year-on-year changes in Reputation Contribution
- Identification of companies gaining or losing reputational value
- The latent potential for enhancing shareholder value through improved reputation management.

These insights support investor relations, boardroom strategy, and stakeholder communications by articulating how reputation translates into economic performance.

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Reference

For further methodological detail, see:
WORLD ECONOMICS • Vol. 13 • No. 3 • July–September 2012. 61.
The Impact of Reputation on Market Value.