



Geopolitical triage for the boardroom

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Board directors today face an enormous task: managing risk against a volatile backdrop of on-again/off-again tariffs, contested sustainability rules, renewed great-power rivalry and increasingly polarised societies alongside the implications of AI and growing politicisation of brands. How do you do this to ensure company management remains focused on core strategy rather than distracted by reactive tactics?

To make sense of today's unstable and rapidly changing geopolitical environment, we have borrowed from the world of medicine to create a simple framework to help Board members **triage geopolitical risk to determine what should take priority for action.**

Assessing materiality should be every board's first step in managing geopolitical risk. From there, boards can prioritise action based on the identified top issues and the drivers that shape them. Finally, translating these into scenarios, trip wires and an effective monitoring system allows boards to turn down geopolitical noise and focus on managing the risks that truly matter.

A simple toolkit for complex times – geopolitical triage

In emergency medical triage, patients are separated into those who: (1) won't get better even with intervention; (2) will get better on their own; (3) are likely to get better with direct medical intervention. For boards, effectively managing geopolitical risks while staying true to corporate strategy means focusing on the commercial equivalent of the third bucket.

But how to determine if board and management intervention might make a significant difference regarding a specific risk or trend? We believe two questions are sufficient:

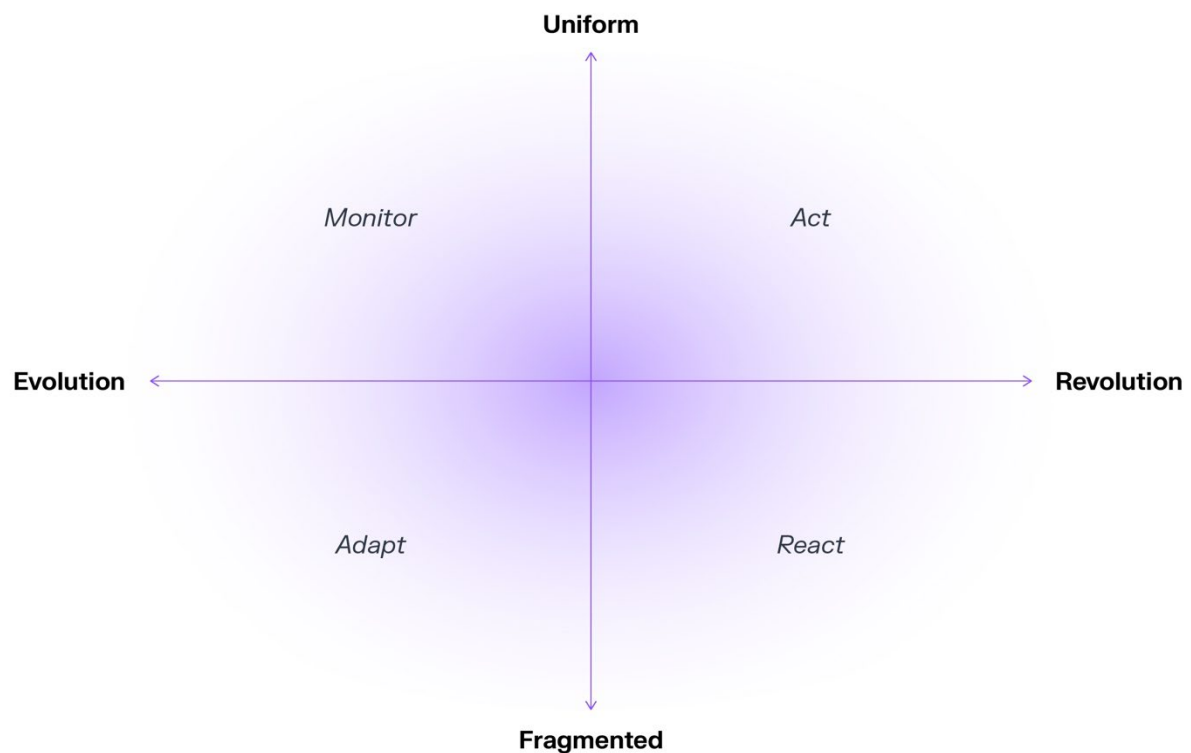
First, is the risk/trend an **evolution or a revolution?** Here, evolution means an incremental, path-dependent change. Revolution means a discontinuity (slow or rapid) that rewrites the rules. If a shift looks **evolutionary**, you can phase in changes and test as you go. If it feels **revolutionary**—say, a regulatory or geopolitical break point—then incrementalism is risky: assume non-linear effects and move earlier and bolder.

Second, is the impact of the risk/trend **uniform or fragmented?** By uniform we mean the effects are broadly consistent across your operational geographies or competitors. Fragmented means the impact is highly varied by market or unevenly affects your specific market competitors.

Uniform trends lend themselves to enterprise-wide playbooks. **Fragmented** ones call for portfolio thinking: what works in one region might backfire in another. Stress-test your assumptions at the country, customer and product level; aggregation can hide real exposure.

Bringing it together and implications

Bringing these questions into a 2x2 grid, we get the following:



This makes the choice for boards relatively straight forward: **React** - acute, idiosyncratic risks require rapid response. **Act** when you see a discontinuity with broad impact; take time to **Adapt** when change is steady and affects you and your competitors unequally; and **Monitor** when a risk is a step-change impacting sectors or geographies evenly.

In geopolitical triage, fragmented revolutions are the patient that gets priority treatment. In these situations, the risk you're monitoring changes the rules of the game and unevenly affects your firm or one of the geographies in which your firm operates. Much of the current global tariff volatility would fall into this camp, as would your brand becoming politicised (e.g. Cracker Barrel or Goya Foods).

Uniform revolutions get second priority - they require action to adjust to new rules of the game, but affect all geographies or companies in a given sector the same – OECD global minimum taxation regimes (if implemented) might fall into this category.

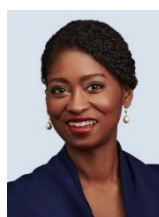
For everything else, boards have time to consider appropriate long-term strategy changes or to simply “wait and see” if they get better on their own.



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