US COMPANIES IN UK
We surveyed a wide range of US companies operating in the UK.

- **54** US companies operating in the UK
- **~3000** total years of doing business in the UK
- **>220,000** UK-based employees represented

**Locations of Respondents**

Which region(s) of the UK do you operate in with meaningful scale?

- London: 47
- North West: 24
- South East: 28
- South West: 16
- East Midlands: 20
- West Midlands: 13
- Yorkshire: 17
- Scotland: 13
- North East: 10
- Wales: 13
- Northern Ireland: 12

Number of respondents who selected each region:

- London: 47
- North West: 24
- South East: 28
- South West: 16
- East Midlands: 20
- West Midlands: 13
- Yorkshire: 17
- Scotland: 13
- North East: 10
- Wales: 13
- Northern Ireland: 12

**Sectors and Roles of Respondents**

What sector does your company operate in?

- Retail
- Logistics / transport
- Professional services / legal services
- Life sciences / healthcare
- Manufacturing
- Financial services / financial investor
- Technology / media / telecom
- Other

How would you describe your role?

- Other
- Global / headquarters CXO
- UK Country General Manager
- Government Relations

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
US companies report moderate levels of confidence in the overall health of US-UK transatlantic business corridor.

On a scale from 0-10, what is your view of the overall health of the US-UK transatlantic business corridor?

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
US companies report moderate confidence in the UK as a place to invest and do business.

On a scale from 0–10, what is your confidence in the UK as a place to do business?

<table>
<thead>
<tr>
<th>Level of Confidence</th>
<th>1-5</th>
<th>6</th>
<th>7</th>
<th>8</th>
<th>9</th>
<th>10</th>
</tr>
</thead>
<tbody>
<tr>
<td>2021 Average</td>
<td>7.8</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>2022 Average</td>
<td>7.3</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

The UK has a "positive regulatory environment", "skilled, educated workforce" and "strong legal framework".

Do you believe your confidence in the UK as a place to do business is:

- Increasing
- Not changing
- Decreasing

How do you see your level of investment in the UK changing over the next 2 to 3 years?

- Increasing significantly
- Increasing modestly
- No change
- Decreasing modestly

The UK has a "strong science base, good academic links, talented workforce and unified strategy for science and innovation, stability – political, legal and economic".

Note: One respondent did not answer the question "How do you see your level of investment in the UK changing...".
Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
Respondents' view of the
UK’s most attractive & unattractive assets in 2022

LEAST ATTRACTIVE

Politics  Regulatory burden
No EU trading relationship
High taxes
Brexit
Cost
Low growth
Labour law
Skills shortage
Lack of M&A transparency

MOST ATTRACTIVE

Access to Europe
Financial services ecosystem
Ease of doing business
Education
Regulatory environment
Skill base
Culture
Technology
Talent
Liberal economy
Retailers
Market size
Access to Middle East
Political environment

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
UK’s regulatory system is seen largely positively

Visa system and tax environment seen on balance negatively

<table>
<thead>
<tr>
<th>Asset</th>
<th>Number of times chosen as unattractive</th>
<th>Number of times chosen as attractive</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rule of law</td>
<td>3</td>
<td>37</td>
</tr>
<tr>
<td>Access to workforce &amp; talent</td>
<td>8</td>
<td>38</td>
</tr>
<tr>
<td>R&amp;D (incentives)</td>
<td>6</td>
<td>27</td>
</tr>
<tr>
<td>Access to capital</td>
<td>1</td>
<td>22</td>
</tr>
<tr>
<td>Political stability</td>
<td>18</td>
<td>22</td>
</tr>
<tr>
<td>Regulatory certainty</td>
<td>18</td>
<td>22</td>
</tr>
<tr>
<td>Tax environment</td>
<td>17</td>
<td>13</td>
</tr>
<tr>
<td>Immigration / Visa System</td>
<td>32</td>
<td>4</td>
</tr>
<tr>
<td>Other</td>
<td>6</td>
<td>6</td>
</tr>
</tbody>
</table>

Others include ‘Brexit’ and ‘NHS policies’

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
US companies believe that in order to continue attracting investments, the UK government should focus on strengthening political and trade relations with the EU.

The UK should "define the value proposition for investing in the UK - demonstrate how UK stacks up against competitor countries on key metrics like generosity of capital allowances, R&D credits, energy and property costs, employment taxes, and the cumulative burden of regulation and reporting."

The UK should support "the role of the public sector including the NHS as a major purchaser and potential innovation driver."

Note: 7 respondents did not answer the question "Which would you recommend to the UK government as their top priorities to continue to attract inward investment?"

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)

Which would you recommend to the UK government as their top priorities to continue to attract inward investment?

<table>
<thead>
<tr>
<th>Priority</th>
<th>Percentage of Respondents (N=47)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Strengthening political and trade relations with the EU</td>
<td></td>
</tr>
<tr>
<td>Discussions over UK-US Free Trade Agreement</td>
<td></td>
</tr>
<tr>
<td>Sustainability/Achieving the &quot;net-zero&quot; plan</td>
<td></td>
</tr>
<tr>
<td>Implementing UK industrial strategy</td>
<td></td>
</tr>
<tr>
<td>Expanding the UK Trade Agenda with rest of the world</td>
<td></td>
</tr>
<tr>
<td>Implementing the &quot;levelling up&quot; agenda</td>
<td></td>
</tr>
<tr>
<td>Expanding UK trade and investment incentive initiatives</td>
<td></td>
</tr>
<tr>
<td>Others (reduce base operating costs to retain talent, defining value propositions of investing in the UK, role of public sector, investment in supporting financial services, transparency in M&amp;A)</td>
<td></td>
</tr>
</tbody>
</table>

High Priority: 1 2 3 4 5 6 7 8 Low Priority
Moderate confidence has been shown by US companies in the UK’s continued ability to manage COVID-19 recovery.

On a scale from 0-10
How confident are you in the UK’s continued ability to manage COVID-19 recovery?

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
How important is it for the UK to respond to global geopolitical crises, such as the war in Ukraine, even though it has economic repercussions for business and the economy?

US companies believe that it is important for the UK to respond to geopolitical crises.

However, they are not overly confident in the future of the UK-EU economic relationship.

Average: 8.5

What is your confidence in the future of the UK-EU economic relationship?

Average: 5.3

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)
UK COMPANIES IN US
We surveyed a wide range of UK companies operating in the US

LOCATIONS OF RESPONDENTS

Which region(s) of the US do you operate in with meaningful scale?

SECTORS AND ROLES OF RESPONDENTS

What sector does your company operate in?

Options:
- Professional Services / Legal Services
- Life Sciences / Healthcare
- Energy
- Retail
- Logistics / Transport
- Manufacturing
- Technology / Media / Telecom
- Financial services / Financial Investor
- Others

How would you describe your role?

Options:
- Other
- Global/headquarters CXO
- US Country General Manager
- Government Relations

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
UK companies report moderate levels of confidence in the overall health of US-UK transatlantic business corridor.

On a scale from 0-10, what is your view of the overall health of the US-UK transatlantic business corridor?

Average Health: 7.2

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23); Data for 2021 not present for the US survey.
UK companies report relatively high confidence in the US as a place to invest and do business

2022 Average 8.0

On a scale from 0–10, what is your confidence in the US as a place to do business?

LEVEL OF CONFIDENCE

5 6 7 8 9 10

Do you believe your confidence in the US as a place to do business is:

- Increasing
- Not changing
- Decreasing

How do you see your level of investment in the US changing over the next 2 to 3 years?

- Increasing significantly
- Increasing modestly
- No change
- Decreasing modestly

Note: 2 respondents did not answer the question “Do you believe your confidence in the US as a place to do business is” and 4 did not answer the question “How do you see your level of investment in the US changing over the next 2 to 3 years?” Data for 2021 not present for the US survey. Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
Respondents' view of the US's most attractive assets in 2022

Tax structure
Non discriminatory taxation system
Consumer market size
Air connectivity
Talent
Low tariffs
Trade
Public disclosure laws
Regulatory model
Economic growth

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
US’s regulatory system is seen largely positively

Immigration / Visa system seen on balance negatively

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</tr>
<tr>
<td>Access to workforce &amp; talent</td>
<td>2</td>
<td>14</td>
</tr>
<tr>
<td>R&amp;D (incentives)</td>
<td>1</td>
<td>10</td>
</tr>
<tr>
<td>Rule of law</td>
<td>1</td>
<td>8</td>
</tr>
<tr>
<td>Leadership / Lack in D&amp;I in business</td>
<td>1</td>
<td>5</td>
</tr>
<tr>
<td>Regulatory certainty</td>
<td>3</td>
<td>6</td>
</tr>
<tr>
<td>Political stability</td>
<td>6</td>
<td>5</td>
</tr>
<tr>
<td>Tax environment / cost of doing business</td>
<td>8</td>
<td>6</td>
</tr>
<tr>
<td>Immigration / Visa System</td>
<td>12</td>
<td>2</td>
</tr>
<tr>
<td>Other</td>
<td>2</td>
<td>2</td>
</tr>
</tbody>
</table>

Others include ‘Air connectivity’ and ‘Leaders in tech’

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
UK companies believe that in order to continue attracting investments, the US government should focus on a comprehensive global trade agenda and sustainability.

What should the US government prioritize to continue to attract inward investment?

- Re-launching a comprehensive global trade agenda
- Sustainability / Achieving “net zero” goals
- Engaging in discussions over UK-US Free Trade Agreement
- Implementing the Infrastructure Bill
- Passing Build Back Better legislation (as package or separate)
- Strengthening trade relations with Canada and Mexico
- D&I in business and government
- Expanding Select USA offering

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
Moderate confidence has been shown by UK companies in the US’s continued ability to manage COVID-19 recovery.

On a scale from 0-10
How confident are you in the US’s continued ability to manage COVID-19 recovery?

Average confidence: 7.1

Note: 3 respondents did not answer the question “How confident are you in the US’s continued ability to manage COVID-19 recovery?”
Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)
UK companies believe that it is important for the US to respond to geopolitical crises. However, they are not very confident in the future of US-China relationship.

How important is it for the US to respond to global geopolitical crises, such as the war in Ukraine, even though it has economic repercussions for business and the economy?

Source: BAB/Bain Confidence Index Survey, May 2022 (n=54)

Average 8.6

What is your confidence in future US-China trade relations?

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)

Average 4.7
Most UK companies have middling views of the Biden Administration’s “worker-centered” trade policy.

On a scale from 0-10
What is your view of the Biden Administration’s “worker-centered” trade policy?

Average: 5.7

Source: BAB/Bain Confidence Index Survey, May 2022 (n=23)

Note: 3 respondents did not answer the question “What is your view of the Biden Administration’s “worker-centered” trade policy?”
### What issues should the **UK** prioritize in its relationship with the US in the absence of an FTA?

<table>
<thead>
<tr>
<th>Issue</th>
<th>% of Mentions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sectoral agreements in financial services, professional services, technology, or digital trade</td>
<td>62%</td>
</tr>
<tr>
<td>Simplified US-UK business mobility</td>
<td>58%</td>
</tr>
<tr>
<td>US-UK data transfer agreement</td>
<td>57%</td>
</tr>
<tr>
<td>Multilateral policy initiatives on trade and investment from the WTO, OECD, or other international institutions</td>
<td>42%</td>
</tr>
<tr>
<td>A joint US-UK sustainability agenda</td>
<td>42%</td>
</tr>
<tr>
<td>Revival of the UK-US SME Dialogue and SME Agenda</td>
<td>13%</td>
</tr>
<tr>
<td>Others (strengthening IP provisions; collaborations on research and innovation; US-UK trade facilitation agreement; visa simplicity; recognition of technically equivalent standards)</td>
<td>9%</td>
</tr>
</tbody>
</table>

### What issues should the **US** prioritize in its relationship with the UK in the absence of an FTA?

<table>
<thead>
<tr>
<th>Issue</th>
<th>% of Mentions</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sectoral agreements in financial services, professional services, technology, or digital trade</td>
<td>26%</td>
</tr>
<tr>
<td>Simplified US-UK business mobility</td>
<td>68%</td>
</tr>
<tr>
<td>US-UK data transfer agreement</td>
<td>53%</td>
</tr>
<tr>
<td>Multilateral policy initiatives on trade and investment from the WTO, OECD, or other international institutions</td>
<td>47%</td>
</tr>
<tr>
<td>A joint US-UK sustainability agenda</td>
<td>53%</td>
</tr>
<tr>
<td>Revival of the UK-US SME Dialogue and SME Agenda</td>
<td>16%</td>
</tr>
<tr>
<td>Joint initiatives around global supply chain security, market-distorting practices, and worker-centered trade policy</td>
<td>53%</td>
</tr>
</tbody>
</table>

Source: BAB/Bain Confidence Index Survey, May 2022 (n for the UK=54, n for the US=23)