

ONLINE APPENDIX A: TABLES

TABLE A1: INDUSTRY BREAKDOWN OF SUBSIDIARIES

NACE	Industry (NACE section)	Number of subsidiaries	Subsidiaries divested between 2012 and 2024
A	Agriculture, forestry & fishing	142	64
B	Mining & quarrying	69	32
C	Manufacturing	928	424
D	Electricity, gas, steam & AC	314	197
E	Water supply; sewerage, waste	109	57
F	Construction	596	332
G	Wholesale & retail trade	1,487	781
H	Transportation & storage	247	125
I	Accommodation & food	109	56
J	Information & communication	255	138
K	Financial & insurance	713	375
L	Real estate	1,541	932
M	Professional, scientific & technical	760	402
N	Administrative & support	251	116
O	Public administration & defence	2	1
P	Education	22	7
Q	Human health & social work	27	12
R	Arts, entertainment & recreation	34	12
S	Other service activities	29	23

Note: The relative importance of commercial allies and OFCs for rerouting transactions and the resource flows they involve may vary across sectors. For example, for real estate, commercial allies can be used for reputational buffering rather than goods rerouting, OFCs remain relevant for capital flows; for sectors like wholesale, both mechanisms apply directly. Source: Orbis; own calculation.

TABLE A2: INVESTOR CHARACTERISTICS

Description	Value
Total number of subsidiaries	7,635
Subsidiary-year observations	42,088
Number of host countries	17
Top 5 host countries (% of obs.)	CZ (25.39%); SK (14.26%); PL (13.33%); RO (11.61%); RU (11.21%)
Share of investors with subsidiary/-ies in commercially allied countries	16.77%
Share of investors with subsidiary/-ies in OFC	17.38%
Investors with subsidiary/-ies in:	
1 host country	1,308 (67.08%)
2-5 host countries	563 (28.87%)
6-10 host countries	67 (3.44%)
>10 host countries	12 (0.62%)

Note: CZ – Czech Republic, SK – Slovakia, PL – Poland, RO – Romania, RU – Russia.

TABLE A3: ESTABLISHED LISTS USED TO IDENTIFY OFCS

OFC	Data sources				
	Tax justice haven score over 70	Oxfam “world’s worst” list	OECD Residence by investment list	Garcia- Bernardo et al. (2017)	EU list of non- cooperative jurisdictions for tax purposes
Anguilla	X			X	X
Bahamas	X	X	X	X	
Barbados		X	X		
Bermuda	X	X		X	
British Virgin Islands	X	X		X	
Cayman Islands	X	X		X	
Curaçao	X	X		X	
Cyprus	X	X	X	X	
Hong Kong	X	X		X	
Ireland	X	X		X	
Jersey	X	X		X	
Liechtenstein	X			X	
Luxembourg	X	X		X	
Malta	X		X	X	
Mauritius	X	X		X	
Netherlands	X	X		X	
Panama	X				X
Samoa				X	X
Seychelles	X		X	X	
Singapore		X		X	
Switzerland	X	X		X	
Turks and Caicos Islands	X		X		
UAE	X			X	
Vanuatu			X		X

Source: Garcia-Bernardo et al. (2017), European Council (2024), Tax Justice Network (2021), Oxfam (2016), OECD (2018).

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TABLE A4: REGRESSION RESULTS USING NON-OVERLAPPING COUNTRY CLASSIFICATIONS

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)**	0.25 (0.08)**	0.24 (0.08)**	0.24 (0.09)**
Strong sanctions		0.94 (0.12)***	1.20 (0.15)***	1.33 (0.14)***	1.30 (0.16)***
Commercial ally			0.09 (0.05)†		
OFC				0.22 (0.06)***	
Weak sanctions × Commercial ally			-0.16 (0.11)		
Strong sanctions × Commercial ally			-0.52 (0.20)*		
Weak sanctions × OFC				-0.13 (0.11)	
Strong sanctions × OFC				-0.97 (0.22)***	
Commercial ally only					-0.22 (0.07)**
OFC only					-0.08 (0.08)
Both Commercial ally and OFC					0.32 (0.07)***
Weak sanctions × Commercial ally only					-0.11 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.10 (0.20)
Strong sanctions × OFC only					-0.69 (0.44)
Weak sanctions × Commercial ally and OFC					-0.16 (0.12)
Strong sanctions × Commercial ally and OFC					-0.98 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.03 (0.02)†	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)†
Subsidiary performance	-0.06 (0.05)	-0.05 (0.05)	-0.05 (0.05)	-0.05 (0.05)	-0.05 (0.05)
Subsidiary FDI stock	-0.30 (0.16)†	-0.30 (0.16)†	-0.30 (0.16)†	-0.32 (0.17)†	-0.32 (0.17)†
Subsidiary entry mode (M&A)	-0.03 (0.16)	-0.02 (0.16)	-0.03 (0.16)	-0.05 (0.16)	-0.05 (0.16)

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Manufacturing sector	-0.20 (0.06)***	-0.21 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***	-0.19 (0.06)***
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.13 (0.02)***	-0.11 (0.02)***
Investor performance	-0.06 (0.02)*	-0.06 (0.02)*	-0.06 (0.02)*	-0.06 (0.02)*	-0.06 (0.02)*
Investor size	-0.07 (0.04)†	-0.07 (0.04)*	-0.07 (0.04)†	-0.06 (0.04)	-0.05 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.05 (0.02)*	0.05 (0.02)*	0.06 (0.02)**	0.07 (0.02)***	0.04 (0.02)†
Investor multinationality	-0.15 (0.03)***	-0.14 (0.03)***	-0.16 (0.04)***	-0.20 (0.04)***	-0.28 (0.04)***
(Intercept)	-2.03 (0.06)***	-2.03 (0.06)***	-2.07 (0.07)***	-2.15 (0.07)***	-2.14 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,305/26,521	26,247/26,481	26,243/26,503	26,220/26,479	26,193/26,504
Brier Score	0.0863	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: Hong Kong appears on both the list of commercially allied countries and the list of OFCs. To address this, we conducted a robustness test excluding Hong Kong from one of the lists. All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A5: VARIABLE OPERATIONALIZATION

Variable	Measure	Source
Divestment	Binary: (1) if a MNE is no longer listed as the ultimate owner in year $t+1$ relative to its ownership status in year t ; (0) otherwise	Orbis
Weak sanctions	Binary: (1) if a host country is subject to weak sanctions in year t ; (0) otherwise	European Commission
Strong sanctions	Binary: (1) if a host country is subject to strong sanctions in year t ; (0) otherwise	European Commission
Commercial ally	Countries with strong trade flows with Russia, Belarus and parts of Ukraine after 2022 - binary: (1) if a MNE has subsidiaries in commercially allied countries in year t ; (0) otherwise	Astrov et al., 2024
OFC	Countries that are specialized in providing financial services to non-residents under favorable regulatory regimes - binary: (1) if a MNE has subsidiaries in OFCs in year t ; (0) otherwise	Garcia-Bernardo et al. (2017), European Council (2024), Tax Justice Network (2021), Oxfam (2016), OECD (2018)
Host country GDP growth	Percentage of growth of the GDP of the host country	World Bank's World Development Indicators
Host country political stability	Estimator of political stability: the country's score on the aggregate indicator, in units of a standard normal distribution	Worldwide Governance Indicators
Subsidiary age	Number of years since incorporation of the foreign subsidiary	Orbis
Subsidiary performance	Subsidiary's return on equity	Orbis
Subsidiary FDI stock	Total assets of a subsidiary in USD (the sum of all non-current assets and current assets)	Orbis

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Variable	Measure	Source
Subsidiary entry mode (M&A)	Binary: (1) if the foreign subsidiary was acquired; (0) if it was established as a greenfield investment by the focal MNE	Orbis Crossborder Investments
Manufacturing sector	Binary: (1) if the subsidiary is categorized as operating in manufacturing industries; (0) otherwise	Orbis
Investor age	Number of years since incorporation	Orbis
Investor performance	MNE's return on equity	Orbis
Investor size	MNE's total operating revenues in USD	Orbis
Depth of host country presence	Count of foreign affiliates the MNE holds in a respective host country	Orbis
Warsaw Pact exposure	Number of the MNE's subsidiaries in former Warsaw Pact countries divided by its total number of subsidiaries	Orbis
Investor multinationality	Number of host countries in the MNE's foreign subsidiary network	Orbis

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TABLE A6: REGRESSION RESULTS USING A TWO-YEAR LEAD OF THE DEPENDENT VARIABLE

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.16 (0.07)*	0.28 (0.08)**	0.27 (0.09)**	0.30 (0.09)***
Strong sanctions		0.92 (0.13)***	1.41 (0.17)***	1.51 (0.15)***	1.56 (0.18)***
Commercial ally			0.16 (0.05)**		
OFC				0.26 (0.06)***	
Weak sanctions × Commercial ally			-0.25 (0.12)*		
Strong sanctions × Commercial ally			-0.93 (0.23)***		
Weak sanctions × OFC				-0.22 (0.12)†	
Strong sanctions × OFC				-1.53 (0.26)***	
Commercial ally only					-0.13 (0.07)†
OFC only					-0.02 (0.08)
Both Commercial ally and OFC					0.39 (0.07)***
Weak sanctions × Commercial ally only					-0.36 (0.28)
Strong sanctions × Commercial ally only					-0.04 (0.30)
Weak sanctions × OFC only					-0.09 (0.22)
Strong sanctions × OFC only					-1.39 (0.63)*
Weak sanctions × Commercial ally and OFC					-0.25 (0.13)*
Strong sanctions × Commercial ally and OFC					-1.61 (0.29)***
Host country GDP growth	0.02 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)
Host country political stability	-0.15 (0.02)***	-0.10 (0.02)***	-0.09 (0.02)***	-0.09 (0.02)***	-0.09 (0.02)***
Subsidiary age	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)	0.01 (0.02)
Subsidiary performance	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*
Subsidiary FDI stock	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)
Subsidiary entry mode (M&A)	-0.07 (0.16)	-0.06 (0.16)	-0.07 (0.16)	-0.10 (0.16)	-0.10 (0.16)
Manufacturing sector	-0.24 (0.06)***	-0.24 (0.06)***	-0.24 (0.06)***	-0.23 (0.06)***	-0.22 (0.06)***

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-0.13 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.14 (0.02)***	-0.12 (0.02)***
Investor performance	-0.04 (0.05)	-0.04 (0.05)	-0.04 (0.05)	-0.04 (0.05)	-0.04 (0.05)
Investor size	-0.09 (0.04)†	-0.08 (0.04)†	-0.08 (0.04)†	-0.07 (0.04)	-0.05 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.14 (0.02)***	0.13 (0.02)***	0.13 (0.02)***
Warsaw Pact exposure	0.06 (0.02)**	0.06 (0.02)**	0.07 (0.02)**	0.09 (0.02)***	0.06 (0.02)*
Investor multinationality	-0.12 (0.03)***	-0.11 (0.03)**	-0.14 (0.04)***	-0.17 (0.04)***	-0.25 (0.04)***
(Intercept)	-1.96 (0.06)***	-1.97 (0.06)***	-2.05 (0.07)***	-2.12 (0.07)***	-2.12 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	24,824/25,039	24,779/25,011	24,759/25,017	24,727/24,985	24,705/25,015
Brier Score	0.0849	0.0847	0.0846	0.0845	0.0844
N	40,138	40,138	40,138	40,138	40,138

Note: All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A7: REGRESSION RESULTS USING A THREE-YEAR LEAD OF THE DEPENDENT VARIABLE

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1	Model 2	Model 3	Model 4	Model 5
	Log-odds (SE)	Log-odds (SE)	Log-odds (SE)	Log-odds (SE)	Log-odds (SE)
Weak sanctions		0.15 (0.07)*	0.25 (0.09)**	0.23 (0.09)*	0.26 (0.09)**
Strong sanctions		1.12 (0.13)***	1.80 (0.18)***	1.87 (0.16)***	1.99 (0.19)***
Commercial ally			0.18 (0.05)**		
OFC				0.30 (0.06)***	
Weak sanctions × Commercial ally			-0.19 (0.12)		
Strong sanctions × Commercial ally			-1.19 (0.24)***		
Weak sanctions × OFC				-0.15 (0.12)	
Strong sanctions × OFC				-1.90 (0.28)***	
Commercial ally only					-0.15 (0.08)†
OFC only					-0.01 (0.08)
Both Commercial ally and OFC					0.43 (0.07)***
Weak sanctions × Commercial ally only					-0.33 (0.29)
Strong sanctions × Commercial ally only					-0.19 (0.30)
Weak sanctions × OFC only					-0.04 (0.22)
Strong sanctions × OFC only					-1.83 (0.76)*
Weak sanctions × Commercial ally and OFC					-0.18 (0.13)
Strong sanctions × Commercial ally and OFC					-2.03 (0.31)***
Host country GDP growth	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)	0.03 (0.02)
Host country political stability	-0.15 (0.02)***	-0.10 (0.02)***	-0.09 (0.02)***	-0.09 (0.02)***	-0.09 (0.02)***
Subsidiary age	0.01 (0.02)	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)
Subsidiary performance	-0.03 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)
Subsidiary FDI stock	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)	0.00 (0.02)
Subsidiary entry mode (M&A)	-0.10 (0.16)	-0.08 (0.16)	-0.10 (0.16)	-0.13 (0.16)	-0.13 (0.16)
Manufacturing sector	-0.14 (0.06)*	-0.15 (0.06)*	-0.14 (0.06)*	-0.14 (0.06)*	-0.13 (0.06)*

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-0.12 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.13 (0.02)***	-0.12 (0.02)***
Investor performance	-0.02 (0.06)	-0.02 (0.06)	-0.02 (0.06)	-0.02 (0.05)	-0.02 (0.05)
Investor size	-0.08 (0.04)*	-0.08 (0.04)*	-0.07 (0.04)†	-0.06 (0.04)	-0.05 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.14 (0.02)***	0.13 (0.02)***	0.12 (0.02)***
Warsaw Pact exposure	0.07 (0.02)**	0.07 (0.02)**	0.08 (0.02)***	0.10 (0.02)***	0.07 (0.02)**
Investor multinationality	-0.11 (0.03)**	-0.10 (0.03)**	-0.14 (0.04)***	-0.17 (0.04)***	-0.26 (0.04)***
(Intercept)	-2.05 (0.06)***	-2.05 (0.06)***	-2.14 (0.07)***	-2.22 (0.07)***	-2.23 (0.08)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	23,589/23,803	23,527/23,758	23,499/23,756	23,456/23,712	23,430/23,738
Brier Score	0.0838	0.0835	0.0834	0.0832	0.0831
N	38,483	38,483	38,483	38,483	38,483

Note: All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A8: REGRESSION RESULTS USING TWO-YEAR LAGGED COMMERCIAL ALLY AND OFC

VARIABLES

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.18 (0.07)**	0.25 (0.08)**	0.24 (0.09)**	0.25 (0.09)**
Strong sanctions		0.99 (0.12)***	1.25 (0.15)***	1.39 (0.14)***	1.36 (0.16)***
Commercial ally			0.10 (0.05)†		
OFC				0.24 (0.06)***	
Weak sanctions × Commercial ally			-0.15 (0.11)		
Strong sanctions × Commercial ally			-0.52 (0.21)*		
Weak sanctions × OFC				-0.12 (0.11)	
Strong sanctions × OFC				-1.00 (0.22)***	
Commercial ally only					-0.22 (0.08)**
OFC only					-0.06 (0.08)
Both Commercial ally and OFC					0.33 (0.07)***
Weak sanctions × Commercial ally only					-0.12 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.09 (0.20)
Strong sanctions × OFC only					-0.83 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.15 (0.12)
Strong sanctions × Commercial ally and OFC					-0.99 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.05 (0.02)*	0.05 (0.02)*	0.05 (0.02)*	0.05 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***
Subsidiary age	-0.02 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)
Subsidiary performance	-0.04 (0.07)	-0.04 (0.07)	-0.04 (0.07)	-0.04 (0.07)	-0.04 (0.07)

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Subsidiary FDI stock	-0.22 (0.20)	-0.22 (0.20)	-0.23 (0.20)	-0.24 (0.21)	-0.24 (0.21)
Subsidiary entry mode (M&A)	-0.04 (0.17)	-0.03 (0.17)	-0.04 (0.18)	-0.06 (0.18)	-0.06 (0.18)
Manufacturing sector	-0.21 (0.06)***	-0.22 (0.06)***	-0.22 (0.06)***	-0.21 (0.06)***	-0.21 (0.06)***
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.13 (0.02)***	-0.11 (0.02)***
Investor performance	-0.06 (0.03)	-0.06 (0.03)	-0.06 (0.03)	-0.05 (0.03)	-0.05 (0.03)
Investor size	-0.07 (0.04)	-0.07 (0.04)	-0.06 (0.04)	-0.06 (0.04)	-0.05 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.04 (0.02)†	0.05 (0.02)*	0.05 (0.02)*	0.07 (0.02)**	0.04 (0.02)†
Investor multinationality	-0.15 (0.03)***	-0.14 (0.03)***	-0.16 (0.04)***	-0.20 (0.03)***	-0.27 (0.04)***
(Intercept)	-1.97 (0.07)***	-1.97 (0.07)***	-2.02 (0.08)***	-2.11 (0.08)***	-2.09 (0.08)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	24,726/24,941	24,665/24,897	24,661/24,919	24,634/24,892	24,610/24,920
Brier Score	0.0847	0.0845	0.0844	0.0843	0.0842
N	40,138	40,138	40,138	40,138	40,138

Note: All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A9: REGRESSION RESULTS USING THREE-YEAR LAGGED COMMERCIAL ALLY AND OFC

VARIABLES

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.19 (0.07)**	0.27 (0.09)**	0.26 (0.09)**	0.27 (0.09)**
Strong sanctions		1.01 (0.12)***	1.30 (0.16)***	1.45 (0.14)***	1.43 (0.16)***
Commercial ally			0.12 (0.06)*		
OFC				0.28 (0.06)***	
Weak sanctions × Commercial ally			-0.17 (0.12)		
Strong sanctions × Commercial ally			-0.55 (0.21)**		
Weak sanctions × OFC				-0.13 (0.12)	
Strong sanctions × OFC				-1.08 (0.23)***	
Commercial ally only					-0.22 (0.08)**
OFC only					-0.03 (0.08)
Both Commercial ally and OFC					0.37 (0.07)***
Weak sanctions × Commercial ally only					-0.18 (0.28)
Strong sanctions × Commercial ally only					0.21 (0.28)
Weak sanctions × OFC only					0.10 (0.21)
Strong sanctions × OFC only					-1.04 (0.50)*
Weak sanctions × Commercial ally and OFC					-0.15 (0.13)
Strong sanctions × Commercial ally and OFC					-1.04 (0.25)***
Host country GDP growth	0.06 (0.02)*	0.05 (0.02)*	0.05 (0.02)*	0.05 (0.02)†	0.05 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***
Subsidiary age	-0.02 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.02 (0.02)	-0.02 (0.02)
Subsidiary performance	-0.08 (0.04)†	-0.08 (0.04)†	-0.08 (0.04)†	-0.08 (0.04)†	-0.08 (0.04)†

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Subsidiary FDI stock	-0.39 (0.17)*	-0.39 (0.17)*	-0.40 (0.18)*	-0.42 (0.19)*	-0.43 (0.19)*
Subsidiary entry mode (M&A)	0.00 (0.16)	0.02 (0.16)	0.01 (0.16)	-0.01 (0.16)	-0.02 (0.16)
Manufacturing sector	-0.22 (0.06)***	-0.23 (0.06)***	-0.23 (0.06)***	-0.22 (0.06)***	-0.21 (0.06)***
Investor age	-0.11 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Investor performance	-0.05 (0.03)	-0.06 (0.03)†	-0.06 (0.03)†	-0.05 (0.03)	-0.05 (0.03)
Investor size	-0.06 (0.05)	-0.07 (0.04)	-0.06 (0.05)	-0.04 (0.04)	-0.03 (0.05)
Depth of host country presence	0.17 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.05 (0.02)*	0.05 (0.02)*	0.06 (0.02)*	0.08 (0.02)***	0.05 (0.02)*
Investor multinationality	-0.14 (0.03)***	-0.13 (0.03)***	-0.15 (0.04)***	-0.20 (0.04)***	-0.28 (0.04)***
(Intercept)	-1.95 (0.07)***	-1.95 (0.07)***	-2.02 (0.08)***	-2.12 (0.08)***	-2.10 (0.09)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	23,428/23,642	23,365/23,596	23,359/23,616	23,327/23,584	23,303/23,611
Brier Score	0.0834	0.0832	0.0831	0.0830	0.0829
N	38,483	38,483	38,483	38,483	38,483

Note: All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A10: REGRESSION RESULTS USING MEAN IMPUTATION AS A MISSING-DATA TREATMENT

Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.19 (0.07)**	0.26 (0.08)**	0.25 (0.08)**	0.25 (0.09)**
Strong sanctions		0.93 (0.12)***	1.17 (0.15)***	1.31 (0.14)***	1.28 (0.16)***
Commercial ally			0.05 (0.05)		
OFC				0.18 (0.06)**	
Weak sanctions × Commercial ally			-0.16 (0.11)		
Strong sanctions × Commercial ally			-0.48 (0.20)*		
Weak sanctions × OFC				-0.13 (0.11)	
Strong sanctions × OFC				-0.95 (0.22)***	
Commercial ally only					-0.24 (0.07)**
OFC only					-0.09 (0.08)
Both Commercial ally and OFC					0.25 (0.07)***
Weak sanctions × Commercial ally only					-0.12 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.08 (0.20)
Strong sanctions × OFC only					-0.80 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.15 (0.12)
Strong sanctions × Commercial ally and OFC					-0.94 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.04 (0.02)†	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Subsidiary performance	-0.08 (0.02)***	-0.07 (0.02)***	-0.08 (0.02)***	-0.07 (0.02)***	-0.07 (0.02)***
Subsidiary FDI stock	-0.12 (0.05)*	-0.12 (0.05)*	-0.12 (0.05)*	-0.12 (0.06)*	-0.13 (0.06)*
Subsidiary entry mode (M&A)	-0.06 (0.16)	-0.05 (0.16)	-0.05 (0.16)	-0.07 (0.16)	-0.07 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.20 (0.06)***	-0.20 (0.06)***	-0.20 (0.06)***	-0.20 (0.06)***

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-0.14 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.14 (0.02)***	-0.12 (0.02)***
Investor performance	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**
Investor size	-0.19 (0.04)***	-0.19 (0.04)***	-0.19 (0.04)***	-0.16 (0.04)***	-0.14 (0.04)***
Depth of host country presence	0.15 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.13 (0.02)***	0.13 (0.02)***
Warsaw Pact exposure	0.06 (0.02)**	0.07 (0.02)**	0.07 (0.02)**	0.08 (0.02)***	0.05 (0.02)*
Investor multinationality	-0.11 (0.03)***	-0.10 (0.03)***	-0.10 (0.04)**	-0.15 (0.04)***	-0.22 (0.04)***
(Intercept)	-1.99 (0.06)***	-1.99 (0.06)***	-2.01 (0.06)***	-2.09 (0.06)***	-2.07 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,306/26,523	26,249/26,482	26,248/26,507	26,227/26,487	26,205/26,516
Brier Score	0.0863	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression. Missing values are imputed using mean imputation implemented with MICE package in R as an alternative to the main specification. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A11: REGRESSION RESULTS WITH NORMAL MODEL IMPUTATION METHOD AS A MISSING-DATA TREATMENT

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)**	0.24 (0.08)**	0.23 (0.08)**	0.24 (0.09)**
Strong sanctions		0.95 (0.12)***	1.20 (0.15)***	1.33 (0.14)***	1.30 (0.16)***
Commercial ally OFC			0.09 (0.05)†	0.22 (0.05)***	
Weak sanctions × Commercial ally			-0.14 (0.11)		
Strong sanctions × Commercial ally			-0.50 (0.20)*		
Weak sanctions × OFC				-0.12 (0.11)	
Strong sanctions × OFC				-0.96 (0.22)***	
Commercial ally only					-0.23 (0.07)**
OFC only					-0.07 (0.08)
Both Commercial ally and OFC					0.31 (0.07)***
Weak sanctions × Commercial ally only					-0.11 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.06 (0.20)
Strong sanctions × OFC only					-0.81 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.14 (0.12)
Strong sanctions × Commercial ally and OFC					-0.95 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.04 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.04 (0.02)*
Subsidiary performance	-0.05 (0.02)**	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*
Subsidiary FDI stock	-0.03 (0.02)	-0.04 (0.02)	-0.04 (0.02)	-0.04 (0.02)	-0.04 (0.02)

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Subsidiary entry mode (M&A)	-0.07 (0.16)	-0.05 (0.16)	-0.06 (0.16)	-0.09 (0.16)	-0.09 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.21 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***	-0.19 (0.06)***
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Investor performance	-0.03 (0.02)†	-0.03 (0.02)†	-0.03 (0.02)†	-0.03 (0.02)†	-0.03 (0.02)†
Investor size	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.04)	-0.04 (0.04)	-0.03 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.04 (0.02)†	0.05 (0.02)*	0.05 (0.02)*	0.07 (0.02)**	0.04 (0.02)
Investor multinationality	-0.17 (0.03)***	-0.16 (0.03)***	-0.18 (0.03)***	-0.21 (0.03)***	-0.29 (0.04)***
(Intercept)	-2.00 (0.06)***	-2.00 (0.06)***	-2.04 (0.06)***	-2.12 (0.06)***	-2.11 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,338/26,554	26,280/26,513	26,277/26,536	26,252/26,512	26,227/26,539
Brier Score	0.0864	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression. Missing values are imputed using normal model imputation (R command “norm” in MICE package in R) as alternative specifications. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A12: REGRESSION RESULTS WITH NORMAL MODEL WITHOUT BAYESIAN DRAW AS A MISSING-DATA TREATMENT

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)**	0.24 (0.08)**	0.23 (0.08)**	0.24 (0.09)**
Strong sanctions		0.95 (0.12)***	1.20 (0.15)***	1.33 (0.14)***	1.31 (0.16)***
Commercial ally			0.09 (0.05)†		
OFC				0.22 (0.05)***	
Weak sanctions × Commercial ally			-0.14 (0.11)		
Strong sanctions × Commercial ally			-0.50 (0.20)*		
Weak sanctions × OFC				-0.12 (0.11)	
Strong sanctions × OFC				-0.97 (0.22)***	
Commercial ally only					-0.23 (0.07)**
OFC only					-0.07 (0.08)
Both Commercial ally and OFC					0.31 (0.07)***
Weak sanctions × Commercial ally only					-0.10 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.06 (0.20)
Strong sanctions × OFC only					-0.81 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.14 (0.12)
Strong sanctions × Commercial ally and OFC					-0.96 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.04 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.04 (0.02)*
Subsidiary performance	-0.04 (0.02)*	-0.04 (0.02)†	-0.04 (0.02)†	-0.03 (0.02)†	-0.03 (0.02)†
Subsidiary FDI stock	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Subsidiary entry mode (M&A)	-0.07 (0.16)	-0.05 (0.16)	-0.06 (0.16)	-0.08 (0.16)	-0.09 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.21 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***	-0.19 (0.06)***
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Investor performance	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)
Investor size	-0.05 (0.03)†	-0.05 (0.03)†	-0.05 (0.03)†	-0.04 (0.03)	-0.04 (0.03)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.04 (0.02)*	0.05 (0.02)*	0.05 (0.02)*	0.07 (0.02)**	0.04 (0.02)†
Investor multinationality	-0.17 (0.03)***	-0.16 (0.03)***	-0.18 (0.03)***	-0.21 (0.03)***	-0.28 (0.04)***
(Intercept)	-2.00 (0.06)***	-2.00 (0.06)***	-2.04 (0.06)***	-2.12 (0.06)***	-2.11 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,343/26,559	26,284/26,518	26,281/26,541	26,257/26,516	26,232/26,543
Brier Score	0.0864	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression. Missing values are imputed using normal model imputation without Bayesian parameter draws (R command “norm.nob” in MICE package in R). All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A13: REGRESSION RESULTS WITH SIMPLE RANDOM DRAW METHOD AS A MISSING-DATA

TREATMENT

Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)**	0.24 (0.08)**	0.23 (0.08)**	0.24 (0.09)**
Strong sanctions		0.95 (0.12)***	1.20 (0.15)***	1.33 (0.14)***	1.31 (0.16)***
Commercial ally			0.09 (0.05)†		
OFC				0.22 (0.05)***	
Weak sanctions × Commercial ally			-0.14 (0.11)		
Strong sanctions × Commercial ally			-0.50 (0.20)*		
Weak sanctions × OFC				-0.12 (0.11)	
Strong sanctions × OFC				-0.96 (0.22)***	
Commercial ally only					-0.22 (0.07)**
OFC only					-0.07 (0.08)
Both Commercial ally and OFC					0.32 (0.07)***
Weak sanctions × Commercial ally only					-0.11 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.06 (0.20)
Strong sanctions × OFC only					-0.81 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.14 (0.12)
Strong sanctions × Commercial ally and OFC					-0.96 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.04 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Subsidiary performance	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Subsidiary FDI stock	-0.06 (0.04)	-0.06 (0.04)	-0.06 (0.04)	-0.06 (0.04)	-0.06 (0.04)

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Subsidiary entry mode (M&A)	-0.06 (0.16)	-0.04 (0.16)	-0.05 (0.16)	-0.07 (0.16)	-0.08 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.21 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***	-0.19 (0.06)***
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Investor performance	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Investor size	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)	-0.03 (0.03)	-0.03 (0.03)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.04 (0.02)†	0.05 (0.02)*	0.05 (0.02)*	0.07 (0.02)**	0.04 (0.02)†
Investor multinationality	-0.17 (0.03)***	-0.16 (0.03)***	-0.18 (0.03)***	-0.21 (0.03)***	-0.29 (0.04)***
(Intercept)	-2.00 (0.06)***	-2.00 (0.06)***	-2.04 (0.06)***	-2.12 (0.06)***	-2.11 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,338/26,555	26,280/26,513	26,277/26,536	26,252/26,512	26,227/26,539
Brier Score	0.0864	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression. Missing values are imputed using simple random draw method (R command "sample" in MICE package in R). All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A14: REGRESSION RESULTS WITHOUT IMPUTATION

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)*	0.23 (0.08)**	0.23 (0.08)**	0.23 (0.09)**
Strong sanctions		0.95 (0.12)***	1.21 (0.15)***	1.34 (0.14)***	1.32 (0.16)***
Commercial ally			0.10 (0.05)†		
OFC				0.24 (0.05)***	
Weak sanctions × Commercial ally			-0.13 (0.11)		
Strong sanctions × Commercial ally			-0.51 (0.20)*		
Weak sanctions × OFC				-0.12 (0.11)	
Strong sanctions × OFC				-0.97 (0.22)***	
Commercial ally only					-0.22 (0.07)**
OFC only					-0.06 (0.08)
Both Commercial ally and OFC					0.33 (0.07)***
Weak sanctions × Commercial ally only					-0.09 (0.26)
Strong sanctions × Commercial ally only					0.21 (0.28)
Weak sanctions × OFC only					0.06 (0.20)
Strong sanctions × OFC only					-0.81 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.14 (0.12)
Strong sanctions × Commercial ally and OFC					-0.96 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.04 (0.02)*	-0.05 (0.02)**	-0.05 (0.02)**	-0.05 (0.02)**	-0.05 (0.02)*
Subsidiary entry mode (M&A)	-0.08 (0.15)	-0.07 (0.15)	-0.08 (0.15)	-0.11 (0.15)	-0.11 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.20 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***	-0.19 (0.06)***
Investor age	-0.11 (0.02)***	-0.10 (0.02)***	-0.10 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Depth of host country presence	0.17 (0.02)***	0.17 (0.02)***	0.16 (0.02)***	0.14 (0.02)***	0.14 (0.02)***

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Warsaw Pact exposure	0.03 (0.02)	0.04 (0.02)†	0.04 (0.02)*	0.06 (0.02)**	0.03 (0.02)
Investor multinationality	-0.19 (0.02)***	-0.19 (0.02)***	-0.20 (0.03)***	-0.24 (0.03)***	-0.31 (0.03)***
(Intercept)	-2.00 (0.06)***	-2.00 (0.06)***	-2.05 (0.06)***	-2.13 (0.06)***	-2.12 (0.07)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,356/26,538	26,297/26,496	26,294/26,519	26,267/26,492	26,242/26,518
Brier Score	0.0864	0.0862	0.0862	0.0861	0.0860
N	42,088	42,088	42,088	42,088	42,088

Note: "Without imputation" indicates that all variables containing missing values were excluded from the regression models. The reported estimates are based on the reduced set of explanatory variables for which complete data are available. All models were estimated using binary logistic regression. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A15: REGRESSION RESULTS WITH SUBSIDIARY RANDOM EFFECTS

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.30 (0.08)***	0.33 (0.10)**	0.33 (0.10)**	0.34 (0.11)**
Strong sanctions		1.25 (0.14)***	1.61 (0.18)***	1.69 (0.17)***	1.74 (0.19)***
Commercial ally			0.10 (0.07)		
OFC				0.23 (0.07)***	
Weak sanctions × Commercial ally			-0.06 (0.14)		
Strong sanctions × Commercial ally			-0.70 (0.24)**		
Weak sanctions × OFC				-0.05 (0.14)	
Strong sanctions × OFC				-1.07 (0.26)***	
Commercial ally only					-0.22 (0.09)*
OFC only					-0.07 (0.09)
Both Commercial ally and OFC					0.33 (0.09)***
Weak sanctions × Commercial ally only					-0.12 (0.30)
Strong sanctions × Commercial ally only					-0.06 (0.33)
Weak sanctions × OFC only					0.05 (0.25)
Strong sanctions × OFC only					-1.01 (0.53)†
Weak sanctions × Commercial ally and OFC					-0.07 (0.15)
Strong sanctions × Commercial ally and OFC					-1.14 (0.29)***
Host country GDP growth	0.07 (0.02)**	0.07 (0.03)**	0.07 (0.03)**	0.07 (0.03)**	0.07 (0.03)**
Host country political stability	-0.23 (0.02)***	-0.15 (0.02)***	-0.15 (0.02)***	-0.15 (0.02)***	-0.14 (0.02)***
Subsidiary age	0.03 (0.02)	0.02 (0.02)	0.02 (0.02)	0.02 (0.02)	0.02 (0.02)
Subsidiary performance	-0.05 (0.03)	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)	-0.04 (0.03)
Subsidiary FDI stock	-0.30 (0.20)	-0.30 (0.20)	-0.31 (0.20)	-0.31 (0.21)	-0.32 (0.21)
Subsidiary entry mode (M&A)	-0.16 (0.20)	-0.15 (0.20)	-0.16 (0.20)	-0.18 (0.20)	-0.18 (0.20)
Manufacturing sector	-0.24 (0.07)***	-0.26 (0.07)***	-0.25 (0.07)***	-0.24 (0.07)***	-0.24 (0.07)***

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-0.12 (0.03)***	-0.11 (0.03)***	-0.11 (0.03)***	-0.12 (0.03)***	-0.11 (0.03)***
Investor performance	-0.05 (0.02)*	-0.06 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*
Investor size	-0.05 (0.04)	-0.05 (0.04)	-0.05 (0.04)	-0.04 (0.05)	-0.03 (0.05)
Depth of host country presence	0.18 (0.02)***	0.17 (0.02)***	0.17 (0.03)***	0.15 (0.03)***	0.15 (0.03)***
Warsaw Pact exposure	0.07 (0.03)*	0.07 (0.03)**	0.08 (0.03)**	0.10 (0.03)***	0.06 (0.03)*
Investor multinationality	-0.18 (0.03)***	-0.18 (0.04)***	-0.20 (0.04)***	-0.24 (0.04)***	-0.31 (0.05)***
Year FE	Yes	Yes	Yes	Yes	Yes
Subsidiary RE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,185/26,409	26,111/26,353	26,106/26,375	26,089/26,357	26,074/26,394
Brier Score	0.0753	0.0745	0.0744	0.0744	0.0745
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using hierarchical linear modeling with subsidiary level random effects. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

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TABLE A16: REGRESSION RESULTS WITH CONTROLS FOR SUBSIDIARY FIXED EFFECTS

Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Coefficient (SE)	Model 2 Coefficient (SE)	Model 3 Coefficient (SE)	Model 4 Coefficient (SE)	Model 5 Coefficient (SE)
Weak sanctions		0.05 (0.01)***	0.05 (0.01)***	0.07 (0.02)***	0.07 (0.02)***
Strong sanctions		0.19 (0.02)***	0.30 (0.04)***	0.33 (0.04)***	0.35 (0.04)***
Commercial ally			0.01 (0.01)		
OFC				0.01 (0.01)	
Weak sanctions × Commercial ally			0.00 (0.02)		
Strong sanctions × Commercial ally			-0.18 (0.04)***		
Weak sanctions × OFC				-0.02 (0.02)	
Strong sanctions × OFC				-0.26 (0.04)***	
Commercial ally only					-0.00 (0.01)
OFC only					0.01 (0.01)
Both Commercial ally and OFC					0.02 (0.01)
Weak sanctions × Commercial ally only					-0.03 (0.03)
Strong sanctions × Commercial ally only					-0.08 (0.07)
Weak sanctions × OFC only					-0.04 (0.03)
Strong sanctions × OFC only					-0.26 (0.07)***
Weak sanctions × Commercial ally and OFC					-0.02 (0.02)
Strong sanctions × Commercial ally and OFC					-0.29 (0.05)***
Host country GDP growth	0.00 (0.00)*	0.01 (0.00)**	0.01 (0.00)**	0.01 (0.00)**	0.01 (0.00)**
Host country political stability	-0.02 (0.01)***	-0.01 (0.01)*	-0.01 (0.01)**	-0.01 (0.01)*	-0.01 (0.01)**
Subsidiary age	0.16 (0.02)***	0.15 (0.02)***	0.15 (0.02)***	0.16 (0.02)***	0.16 (0.02)***
Subsidiary performance	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)	-0.00 (0.00)
Subsidiary FDI stock	-0.01 (0.00)***	-0.01 (0.00)***	-0.01 (0.00)***	-0.01 (0.00)***	-0.01 (0.00)***
Investor age	-0.00 (0.01)	-0.01 (0.01)	-0.00 (0.01)	-0.00 (0.01)	-0.00 (0.01)
Investor performance	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)

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Investor size	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)	0.00 (0.00)
Depth of host country presence	-0.02 (0.01)**	-0.01 (0.01)	-0.01 (0.01)*	-0.01 (0.01)*	-0.01 (0.01)*
Warsaw Pact exposure	0.01 (0.00)†	0.01 (0.00)†	0.01 (0.00)*	0.01 (0.00)†	0.01 (0.01)†
Investor multinationality	-0.03 (0.01)***	-0.04 (0.01)***	-0.04 (0.01)***	-0.04 (0.01)***	-0.04 (0.01)***
Year FE	Yes	Yes	Yes	Yes	Yes
Subsidiary FE	Yes	Yes	Yes	Yes	Yes
Within R ²	0.4459	0.4483	0.4492	0.4500	0.4501
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using a linear probability model with subsidiary-level fixed effects by adding subsidiary IDs as additional controls. Time-invariant subsidiary-level variables like Entry mode (M&A) and Manufacturing sector were excluded from all specifications as they are perfectly collinear with the subsidiary fixed effects and cannot be identified. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † p < 0.10, * p < 0.05, ** p < 0.01, *** p < 0.001. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A17: REGRESSION RESULTS WITH CONTROLS FOR INVESTOR FIXED EFFECTS

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.11 (0.09)	0.21 (0.14)	0.06 (0.14)	0.22 (0.16)
Strong sanctions		1.11 (0.14)***	2.03 (0.23)***	1.83 (0.20)***	2.20 (0.25)***
Commercial ally			0.23 (0.13)†		
OFC				0.36 (0.17)*	
Weak sanctions × Commercial ally			-0.04 (0.17)		
Strong sanctions × Commercial ally			-1.45 (0.27)***		
Weak sanctions × OFC				0.18 (0.17)	
Strong sanctions × OFC				-1.47 (0.27)***	
Commercial ally only					0.20 (0.16)
OFC only					0.32 (0.20)†
Both Commercial ally and OFC					0.51 (0.21)*
Weak sanctions × Commercial ally only					-0.53 (0.39)
Strong sanctions × Commercial ally only					-0.88 (0.37)*
Weak sanctions × OFC only					0.25 (0.33)
Strong sanctions × OFC only					-0.93 (0.62)
Weak sanctions × Commercial ally and OFC					-0.01 (0.19)
Strong sanctions × Commercial ally and OFC					-1.95 (0.32)***
Host country GDP growth	0.03 (0.03)	0.02 (0.03)	0.03 (0.03)	0.02 (0.03)	0.03 (0.03)
Host country political stability	-0.05 (0.03)*	0.01 (0.03)	0.00 (0.03)	0.01 (0.03)	0.00 (0.03)
Subsidiary age	-0.02 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)	-0.03 (0.02)
Subsidiary performance	-0.05 (0.05)	-0.04 (0.05)	-0.04 (0.05)	-0.05 (0.05)	-0.05 (0.05)
Subsidiary FDI stock	-0.69 (0.30)*	-0.69 (0.31)*	-0.70 (0.31)*	-0.71 (0.31)*	-0.71 (0.31)*
Subsidiary entry mode (M&A)	0.00 (0.19)	0.02 (0.19)	0.03 (0.19)	0.01 (0.19)	0.02 (0.19)
Manufacturing sector	-0.21 (0.09)*	-0.21 (0.09)*	-0.21 (0.09)*	-0.21 (0.09)*	-0.21 (0.09)*

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-54.20 (20.23)**	-54.33 (20.22)**	-54.34 (20.22)**	-54.27 (20.21)**	-54.27 (20.21)**
Investor performance	-0.07 (0.04)†	-0.07 (0.04)†□	-0.07 (0.04)†	-0.07 (0.04)†	-0.07 (0.04)†
Investor size	0.00 (0.06)	0.01 (0.06)	0.02 (0.06)	0.02 (0.06)	0.02 (0.06)
Depth of host country presence	0.00 (0.03)	0.01 (0.03)	0.00 (0.03)	0.00 (0.03)	-0.00 (0.03)
Warsaw Pact exposure	0.54 (0.09)***	0.55 (0.09)***	0.56 (0.09)***	0.56 (0.09)***	0.57 (0.09)***
Investor multinationality	-0.02 (0.12)	-0.06 (0.12)	-0.11 (0.13)	-0.15 (0.12)	-0.18 (0.13)
(Intercept)	-50.14 (18.28)**	-50.36 (18.27)**	-50.43 (18.27)**	-50.40 (18.26)**	-50.43 (18.26)**
Year FE	Yes	Yes	Yes	Yes	Yes
Investor FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	24,207/41,277	24,151/41,238	24,123/41,237	24,115/41,228	24,116/41,282
Brier Score	0.0684	0.0682	0.0680	0.0680	0.0679
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression with investor-level fixed effects by adding investor IDs as additional controls. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A18: REGRESSION RESULTS WITH CONTROLS FOR COUNTRY FIXED EFFECTS

Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		-0.25 (0.12)*	-0.22 (0.12)†	-0.22 (0.12)†	-0.24 (0.13)†
Strong sanctions		0.56 (0.14)***	0.75 (0.17)***	0.88 (0.16)***	0.83 (0.18)***
Commercial ally			0.10 (0.06)†		
OFC				0.21 (0.06)***	
Weak sanctions × Commercial ally			-0.09 (0.11)		
Strong sanctions × Commercial ally			-0.41 (0.21)*		
Weak sanctions × OFC				-0.06 (0.11)	
Strong sanctions × OFC				-0.86 (0.22)***	
Commercial ally only					-0.23 (0.08)**
OFC only					-0.10 (0.08)
Both Commercial ally and OFC					0.33 (0.08)***
Weak sanctions × Commercial ally only					-0.08 (0.26)
Strong sanctions × Commercial ally only					0.26 (0.28)
Weak sanctions × OFC only					0.12 (0.20)
Strong sanctions × OFC only					-0.74 (0.47)
Weak sanctions × Commercial ally and OFC					-0.07 (0.12)
Strong sanctions × Commercial ally and OFC					-0.83 (0.25)**
Host country GDP growth	0.05 (0.02)*	0.03 (0.03)	0.03 (0.03)	0.03 (0.03)	0.03 (0.03)
Host country political stability	-0.30 (0.07)***	-0.20 (0.07)**	-0.21 (0.07)**	-0.20 (0.07)**	-0.20 (0.07)**
Subsidiary age	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**	-0.06 (0.02)**
Subsidiary performance	-0.05 (0.06)	-0.04 (0.06)	-0.04 (0.06)	-0.04 (0.06)	-0.04 (0.06)
Subsidiary FDI stock	-0.33 (0.13)*	-0.33 (0.13)*	-0.34 (0.13)*	-0.35 (0.14)*	-0.36 (0.14)*
Subsidiary entry mode (M&A)	-0.07 (0.16)	-0.08 (0.16)	-0.08 (0.16)	-0.10 (0.16)	-0.10 (0.16)
Manufacturing sector	-0.19 (0.06)***	-0.19 (0.06)***	-0.18 (0.06)**	-0.18 (0.06)**	-0.17 (0.06)**
Investor age	-0.12 (0.02)***	-0.12 (0.02)***	-0.12 (0.02)***	-0.13 (0.02)***	-0.12 (0.02)***
Investor performance	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*	-0.05 (0.02)*
Investor size	-0.09 (0.06)	-0.08 (0.06)	-0.08 (0.06)	-0.07 (0.06)	-0.06 (0.06)
Depth of host country presence	0.17 (0.02)***	0.18 (0.02)***	0.17 (0.02)***	0.16 (0.02)***	0.16 (0.02)***
Warsaw Pact exposure	0.05 (0.02)*	0.05 (0.02)*	0.06 (0.02)*	0.07 (0.02)**	0.04 (0.02)†

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Independent variable	Dependent Variable: Subsidiary divestment				
	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor multinationality	-0.16 (0.04)***	-0.17 (0.04)***	-0.19 (0.04)***	-0.22 (0.04)***	-0.31 (0.05)***
Albania	0.41 (0.23)†	0.21 (0.26)	0.18 (0.26)	0.19 (0.26)	0.18 (0.26)
Bulgaria	0.29 (0.14)*	0.07 (0.18)	0.06 (0.18)	0.06 (0.18)	0.04 (0.18)
Belarus	-0.43 (0.36)	-0.62 (0.36)†	-0.56 (0.36)	-0.52 (0.36)	-0.52 (0.36)
Czech Republic	0.00 (0.19)	-0.32 (0.22)	-0.31 (0.22)	-0.32 (0.22)	-0.33 (0.22)
Estonia	-0.35 (0.26)	-0.62 (0.28)*	-0.62 (0.28)*	-0.61 (0.28)*	-0.67 (0.28)*
Georgia	-0.37 (0.48)	-0.47 (0.48)	-0.50 (0.48)	-0.51 (0.48)	-0.56 (0.48)
Hungary	0.28 (0.17)†	-0.01 (0.21)	-0.02 (0.21)	-0.02 (0.21)	-0.03 (0.21)
Kazakhstan	0.16 (0.37)	0.01 (0.38)	-0.02 (0.39)	-0.04 (0.39)	-0.00 (0.39)
Lithuania	0.60 (0.26)*	0.32 (0.28)	0.31 (0.29)	0.31 (0.28)	0.27 (0.29)
Latvia	0.42 (0.22)†	0.18 (0.25)	0.17 (0.25)	0.18 (0.25)	0.15 (0.25)
Moldova	0.18 (0.25)	0.06 (0.27)	0.04 (0.27)	0.04 (0.27)	-0.00 (0.27)
Poland	0.13 (0.16)	-0.14 (0.20)	-0.14 (0.20)	-0.15 (0.20)	-0.16 (0.20)
Romania	-0.75 (0.13)***	-0.96 (0.17)***	-0.97 (0.17)***	-0.97 (0.17)***	-1.00 (0.17)***
Slovakia	0.10 (0.17)	-0.19 (0.21)	-0.19 (0.21)	-0.19 (0.21)	-0.21 (0.21)
Ukraine	-0.62 (0.11)***	-0.63 (0.13)***	-0.65 (0.13)***	-0.64 (0.13)***	-0.66 (0.13)***
Uzbekistan	-9.33 (98.47)	-9.37 (98.47)	-9.39 (98.46)	-9.40 (98.46)	-9.46 (98.45)
(Intercept)	-2.04 (0.13)***	-1.84 (0.16)***	-1.89 (0.16)***	-1.96 (0.16)***	-1.94 (0.16)***
Year FE	Yes	Yes	Yes	Yes	Yes
Country FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,064/26,419	26,030/26,402	26,029/26,427	26,008/26,405	25,976/26,425
Brier Score	0.0857	0.0855	0.0855	0.0854	0.0853
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression with country-level fixed effects by adding country codes as additional controls. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations. Russia serves as the reference category for country fixed effects.

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TABLE A19: REGRESSION RESULTS WITH CONTROLS FOR INDUSTRY FIXED EFFECTS

Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.17 (0.07)*	0.21 (0.08)*	0.19 (0.08)*	0.19 (0.09)*
Strong sanctions		0.93 (0.12)***	1.15 (0.15)***	1.29 (0.14)***	1.25 (0.16)***
Commercial ally			0.09 (0.05)†		
OFC				0.21 (0.06)***	
Weak sanctions × Commercial ally			-0.07 (0.11)		
Strong sanctions × Commercial ally			-0.44 (0.21)*		
Weak sanctions × OFC				-0.04 (0.11)	
Strong sanctions × OFC				-0.91 (0.22)***	
Commercial ally only					-0.20 (0.07)**
OFC only					-0.06 (0.08)
Both Commercial ally and OFC					0.30 (0.07)***
Weak sanctions × Commercial ally only					-0.08 (0.26)
Strong sanctions × Commercial ally only					0.26 (0.28)
Weak sanctions × OFC only					0.11 (0.20)
Strong sanctions × OFC only					-0.77 (0.47)
Weak sanctions × Commercial ally and OFC					-0.05 (0.12)
Strong sanctions × Commercial ally and OFC					-0.88 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.21 (0.02)***	-0.15 (0.02)***	-0.15 (0.02)***	-0.15 (0.02)***	-0.15 (0.02)***
Subsidiary age	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)	-0.02 (0.02)
Subsidiary performance	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)	-0.05 (0.03)
Subsidiary FDI stock	-0.33 (0.14)*	-0.34 (0.14)*	-0.35 (0.15)*	-0.36 (0.15)*	-0.37 (0.15)*
Subsidiary entry mode (M&A)	-0.03 (0.16)	-0.02 (0.16)	-0.02 (0.16)	-0.04 (0.16)	-0.04 (0.16)
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***
Investor performance	-0.06 (0.02)*	-0.06 (0.02)*	-0.06 (0.02)*	-0.05 (0.02)*	-0.06 (0.02)*

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor size	-0.07 (0.03)*	-0.06 (0.03)*	-0.06 (0.03)*	-0.05 (0.03)*	-0.05 (0.03)†
Depth of host country presence	0.14 (0.02)***	0.14 (0.02)***	0.13 (0.02)***	0.12 (0.02)***	0.12 (0.02)***
Warsaw Pact exposure	0.06 (0.02)**	0.06 (0.02)**	0.06 (0.02)**	0.08 (0.02)***	0.05 (0.02)*
Investor multinationality	-0.14 (0.03)***	-0.14 (0.03)***	-0.16 (0.03)***	-0.18 (0.03)***	-0.25 (0.04)***
Nace code: B	0.02 (0.23)	-0.00 (0.23)	-0.02 (0.23)	-0.04 (0.23)	0.02 (0.23)
Nace code: C	0.08 (0.14)	0.05 (0.14)	0.04 (0.14)	0.05 (0.14)	0.06 (0.14)
Nace code: D	0.56 (0.15)***	0.49 (0.16)**	0.47 (0.16)**	0.49 (0.16)**	0.48 (0.16)**
Nace code: E	0.12 (0.19)	0.08 (0.19)	0.05 (0.19)	0.07 (0.19)	0.12 (0.19)
Nace code: F	0.27 (0.15)†	0.25 (0.15)†	0.24 (0.15)	0.23 (0.15)	0.25 (0.15)†
Nace code: G	0.22 (0.14)	0.18 (0.14)	0.17 (0.14)	0.18 (0.14)	0.19 (0.14)
Nace code: H	0.19 (0.16)	0.16 (0.16)	0.14 (0.16)	0.14 (0.16)	0.13 (0.16)
Nace code: I	0.28 (0.19)	0.26 (0.19)	0.26 (0.19)	0.21 (0.19)	0.24 (0.20)
Nace code: J	0.58 (0.16)***	0.57 (0.16)***	0.56 (0.16)***	0.54 (0.16)***	0.54 (0.16)***
Nace code: K	0.12 (0.15)	0.11 (0.15)	0.10 (0.15)	0.09 (0.15)	0.10 (0.15)
Nace code: L	0.44 (0.14)**	0.42 (0.14)**	0.40 (0.14)**	0.39 (0.14)**	0.38 (0.14)**
Nace code: M	0.31 (0.14)*	0.27 (0.14)†	0.26 (0.14)†	0.27 (0.14)†	0.27 (0.14)†
Nace code: N	0.16 (0.16)	0.14 (0.16)	0.13 (0.16)	0.13 (0.16)	0.14 (0.16)
Nace code: O	1.39 (1.24)	1.50 (1.24)	1.47 (1.24)	1.42 (1.25)	1.36 (1.25)
Nace code: P	-0.33 (0.41)	-0.36 (0.41)	-0.36 (0.41)	-0.37 (0.41)	-0.39 (0.41)
Nace code: R	0.42 (0.33)	0.42 (0.33)	0.42 (0.33)	0.44 (0.33)	0.43 (0.33)
Nace code: S	1.16 (0.27)***	1.19 (0.27)***	1.18 (0.27)***	1.19 (0.27)***	1.20 (0.27)***
(Intercept)	-2.29 (0.15)***	-2.26 (0.15)***	-2.30 (0.15)***	-2.37 (0.15)***	-2.37 (0.15)***
AIC/BIC	26,260/26,623	26,205/26,586	26,204/26,611	26,182/26,588	26,163/26,621
Brier Score	0.0861	0.0859	0.0859	0.0858	0.0857
N	42,088	42,088	42,088	42,088	42,088

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Note: All models were estimated using binary logistic regression with industry-level fixed effects by adding industry codes as additional controls. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

TABLE A20: REGRESSION RESULTS USING CONTINUOUS MEASURES OF COMMERCIAL ALLY AND OFC

Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Weak sanctions		0.18 (0.07)**	0.22 (0.08)**	0.17 (0.08)*	0.24 (0.09)**
Strong sanctions		0.94 (0.12)***	1.17 (0.14)***	1.22 (0.13)***	1.30 (0.16)***
Weak sanctions × Commercial ally			-0.03 (0.03)		
Strong sanctions × Commercial ally			-0.20 (0.07)**		
Weak sanctions × OFC				0.00 (0.02)	
Strong sanctions × OFC				-0.22 (0.06)***	
Commercial ally			-0.05 (0.02)*		
OFC				0.02 (0.02)	
Commercial ally only					-0.22 (0.07)**
OFC only					-0.07 (0.08)
Both Commercial ally & OFC					0.32 (0.07)***
Weak sanctions × Commercial ally only					-0.11 (0.26)
Strong sanctions × Commercial ally only					0.22 (0.28)
Weak sanctions × OFC only					0.06 (0.20)
Strong sanctions × OFC only					-0.80 (0.47)†
Weak sanctions × Commercial ally and OFC					-0.15 (0.12)
Strong sanctions × Commercial ally and OFC					-0.96 (0.25)***
Host country GDP growth	0.06 (0.02)**	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*	0.06 (0.02)*
Host country political stability	-0.19 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***	-0.13 (0.02)***
Subsidiary age	-0.03 (0.02)†	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Subsidiary performance	-0.07 (0.04)†	-0.07 (0.04)	-0.07 (0.04)	-0.07 (0.04)	-0.06 (0.04)
Subsidiary FDI stock	-0.31 (0.18)†	-0.32 (0.18)†	-0.31 (0.18)†	-0.32 (0.18)†	-0.34 (0.19)†
Subsidiary entry mode (M&A)	-0.03 (0.16)	-0.01 (0.16)	-0.02 (0.16)	-0.01 (0.16)	-0.04 (0.16)
Manufacturing sector	-0.20 (0.06)***	-0.21 (0.06)***	-0.21 (0.06)***	-0.20 (0.06)***	-0.19 (0.06)***

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Dependent Variable: Subsidiary divestment					
Independent variable	Model 1 Log-odds (SE)	Model 2 Log-odds (SE)	Model 3 Log-odds (SE)	Model 4 Log-odds (SE)	Model 5 Log-odds (SE)
Investor age	-0.12 (0.02)***	-0.11 (0.02)***	-0.12 (0.02)***	-0.11 (0.02)***	-0.11 (0.02)***
Investor performance	-0.05 (0.02)*	-0.05 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*	-0.04 (0.02)*
Investor size	-0.07 (0.04)†	-0.07 (0.04)†	-0.08 (0.04)*	-0.06 (0.04)	-0.04 (0.04)
Depth of host country presence	0.16 (0.02)***	0.16 (0.02)***	0.16 (0.02)***	0.15 (0.02)***	0.14 (0.02)***
Warsaw Pact exposure	0.05 (0.02)*	0.05 (0.02)*	0.06 (0.02)**	0.05 (0.02)*	0.04 (0.02)†
Investor multinationality	-0.15 (0.03)***	-0.15 (0.03)***	-0.04 (0.05)	-0.18 (0.05)***	-0.28 (0.04)***
(Intercept)	-2.02 (0.06)***	-2.02 (0.06)***	-1.95 (0.07)***	-2.07 (0.08)***	-2.13 (0.08)***
Year FE	Yes	Yes	Yes	Yes	Yes
AIC/BIC	26,314/26,530	26,256/26,490	26,246/26,505	26,244/26,504	26,204/26,515
Brier Score	0.0863	0.0861	0.0861	0.0860	0.0859
N	42,088	42,088	42,088	42,088	42,088

Note: All models were estimated using binary logistic regression. Commercial ally and OFC variables are continuous variables and represent the count of unique commercially allied countries and OFCs in the subsidiary networks of each investor. All models include year fixed effects. Robust standard errors in parentheses. Significance levels: † $p < 0.10$, * $p < 0.05$, ** $p < 0.01$, *** $p < 0.001$. Source: Orbis, Orbis Crossborder Investments, World Bank; own calculations.

ONLINE APPENDIX B: ESTIMATION APPROACH

We estimate binary logistic regression models, employing a binomial specification with subsidiary-year as the unit of analysis. This approach models the probability that a subsidiary is divested in year $t+1$ based on covariates measured at t . It is well suited for our annual panel data structure, in which divestments are observed in discrete time intervals. We include year fixed effects to capture shocks common across the observation period.

$Y_{ijct+1} \in \{0,1\}$ is subsidiary divestment for subsidiary i of investor j in host country c in year $t+1$. The probability of divestment is:

$$\Pr(Y_{ijct+1} = 1) = \Lambda(\eta_{ijct}), \Lambda(x) = \frac{1}{1+e^{-x}}.$$

The linear predictor η_{ijct} for the baseline specification (Model 2) is:

$$\eta_{ijct} = \beta_0 + \beta_1 \text{WeakSanctions}_{ct} + \beta_2 \text{StrongSanctions}_{ct} + \sum_{l=1}^L \gamma_l X_{lijct} + \delta_t \text{ or in the logit form}$$

$$\log\left(\frac{P(Y_{ijct+1} = 1)}{(1 - P(Y_{ijct+1} = 1))}\right) = \eta_{ijct}.$$

For the moderated specifications (Models 3–5), the linear predictor is augmented with the relevant moderator M_{jt} and its interaction with sanctions:

$$\eta_{ijct} = \beta_0 + \beta_1 \text{WeakSanctions}_{ct} + \beta_2 \text{StrongSanctions}_{ct} + \beta_3 M_{jt} + \beta_4 \text{WeakSanctions}_{ct} \times M_{jt} + \beta_5 \text{StrongSanctions}_{ct} \times M_{jt} + \sum_{l=1}^L \gamma_l X_{lijct} + \delta_t.$$

where:

- $\beta_1 (\text{WeakSanctions}_{ct})$ and $\beta_2 (\text{StrongSanctions}_{ct})$ are binary indicators equal to 1 if host country c is subject to weak or strong sanctions in year t , and 0 otherwise, respectively;
- M_{jt} is the moderating variable (Commercial ally, OFC, depending on the model; for Model 5, we distinguish between three mutually exclusive network configurations: investors with subsidiaries only in commercially allied countries, only in OFCs, or in both);
- X_{lijct} are control variables on subsidiary-, investor-, and host-country-level, all measured at time t , indexed by l ($l = 1 \dots 13$);
- γ_l is the corresponding vector of coefficients;
- δ_t represents year fixed effects.