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# Board Sustainability, ESG & Climate Governance Dynamic Briefing

Generated 26 March 2022 for Exploring Leaders @ Digoshen & Boards Impact Forum

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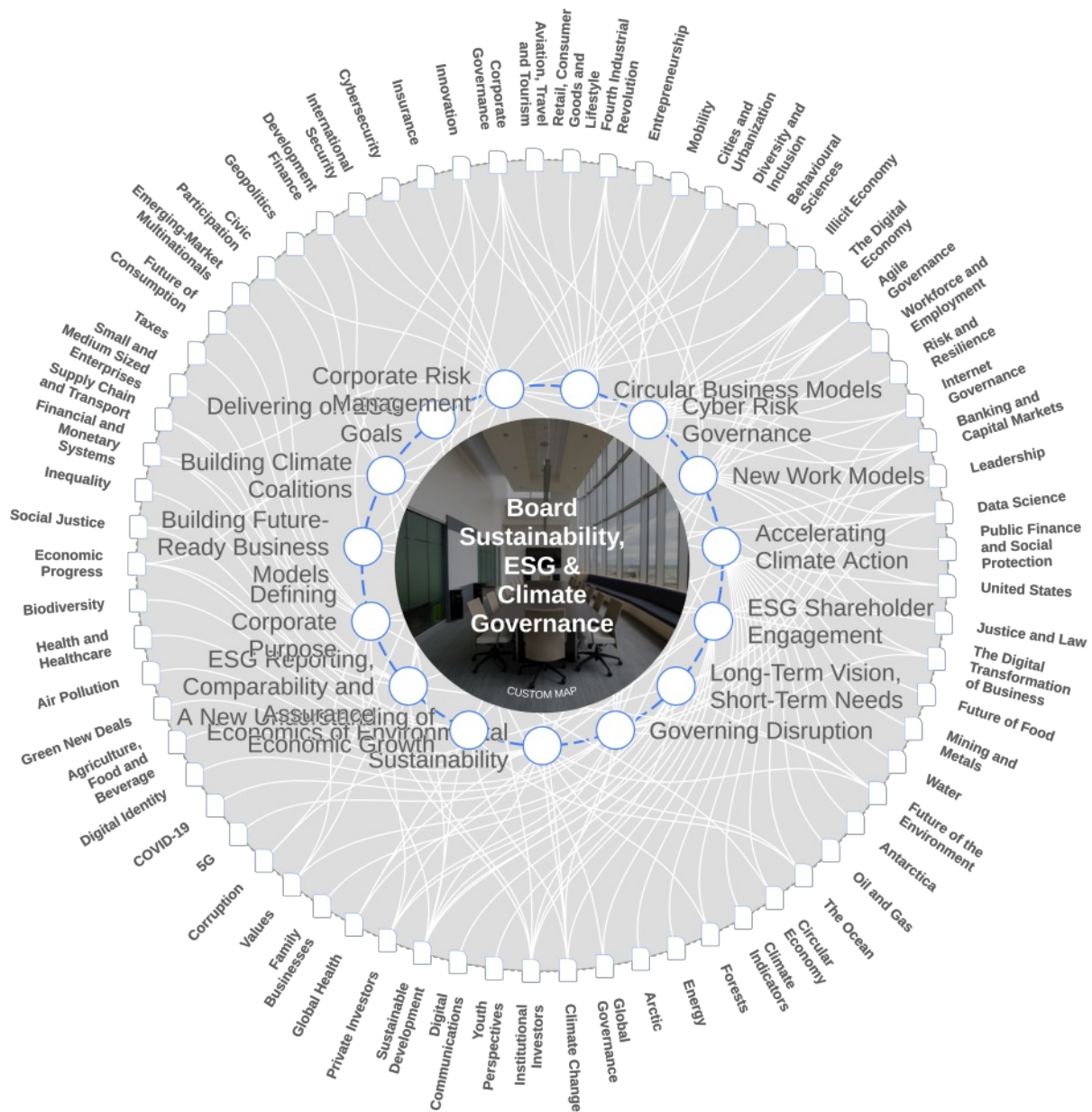


# Board Sustainability, ESG & Climate Governance

Last review on Sat 19 February 2022

## About

This dynamic briefing draws on the collective intelligence of the Forum network to explore the key trends, interconnections and interdependencies between industry, regional and global issues. In the briefing, you will find a visual representation of this topic (Transformation Map – interactive version available online via [intelligence.weforum.org](https://intelligence.weforum.org)), an overview and the key trends affecting it, along with summaries and links to the latest research and analysis on each of the trends. Briefings for countries also include the relevant data from the Forum’s benchmarking indices. The content is continuously updated with the latest thinking of leaders and experts from across the Forum network, and with insights from Forum meetings, projects communities and activities.



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# Executive summary

Board Sustainability, ESG & Climate Governance

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## 1. Circular Business Models

Opportunities abound to reimagine consumption with products designed for sharing, durability, and reuse.

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For boards, the volatility of risk scenarios is only increasing.

# Circular Business Models

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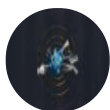
## Opportunities abound to reimagine consumption with products designed for sharing, durability, and reuse

Much of the material used for production ends up being wasted, and a lot of the value we attempt to create in the process is forfeited. Moving towards a more circular economy entails a radical shift away from this dynamic - and large companies can play a significant role by using their scale to drive circularity into the mainstream. Successful circular economy businesses and initiatives can inspire well-known brands to follow suit, and while models supporting the shift to a circular economy will vary, the key consideration is always whether a business is creating value through extraction and consumption, or through regeneration and restoration. Extending an item's lifespan can be achieved through designing for durability, though in order to truly unlock greater value sustainable design strategies should be deployed in combination with innovation related to maintenance, repair, the standardization of parts, disassembly, refurbishment, and re-manufacturing. Business models that emphasize access over ownership, and selling performance rather than the product itself, will likely be able to keep things in use longer - even as they are used more intensively.

Manufacturers can increase profitability through greater durability, reusability, and energy and water efficiency - and therefore have an incentive to use better-designed products. Customers can also benefit from greater circularity, as paying for a service instead of acquiring an asset means they can enjoy benefits without bearing responsibility for maintenance, repair, and disposal - while accessing products that might have otherwise been out of reach. While cars can be shared among multiple users on peer-to-peer platforms (such as Zipcar or Car2go), power tools can be made available by the hour from local libraries, and clothing can be rented as needed (the New York Public Library lent out professional attire intended use at job interviews in 2018, and the LENA fashion library in Amsterdam operates a membership-based clothing lending service). Ultimately, whereas companies used to only sell cars, they are now selling mobility, and while they once just sold clothes, they can now provide access. By actively rethinking consumption, businesses can be successfully reoriented for the circular economy, and help preserve the value in social and ecological systems.

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Related insight areas: [Corporate Governance](#), [Aviation, Travel and Tourism](#), [Innovation, Mobility, Cities and Urbanization](#), [Entrepreneurship, Diversity and Inclusion](#), [Retail, Consumer Goods and Lifestyle](#), [Behavioural Sciences](#), [Fourth Industrial Revolution](#)



**World Economic Forum**  
**Latin America Outlook | Davos Agenda 2022**

19 January 2022

Social unrest, polarization and economic challenges amid the pandemic and a backdrop of an intense electoral cycle and policy uncertainty define the perception of Latin America. What are the region's priorities at the start of the year and how can leaders cooperate decisively to overcome barriers and drive long-term prosperity?.



**World Economic Forum**  
**Renewing a Global Social Contract | Davos Agenda 2022**

18 January 2022

While governments have rolled out some of the largest social spending programmes ever seen, the pandemic's aftermath, technological change and the green transition risk further eroding skills, jobs and social cohesion. What new policies and business actions are needed to create social mobility, good jobs and an equitable society for all? .



**World Economic Forum**  
**Special Address by Kishida Fumio, Prime Minister of Japan | Davos Agenda 2022**

18 January 2022

Special Address by Kishida Fumio, Prime Minister of Japan with Klaus Schwab. .



**World Economic Forum**  
**Special Address by Narendra Modi, Prime Minister of India | Davos Agenda 2022**

17 January 2022

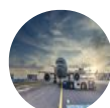
Special Address by Narendra Modi, Prime Minister of India at the World Economic Forum's Davos Agenda 2022. .



**Science Daily**  
**Inciting instead of coercing, 'nudges' prove their effectiveness**

17 January 2022

To get through challenges such as the pandemic or the climate change, citizens must change their habits and behaviors. But how can this be achieved without resorting to coercive measures? The answer to this question may be the 'nudges' that have been gaining popularity over the last decade. By making small changes in our environment, these interventions aim to encourage changes in our behavior, while preserving our freedom of choice. From adding informative labels to reorganizing the food offer in a cafeteria, the overall effectiveness of these interventions has now been demonstrated.



**The Conversation**  
**The wiring in your plane could soon be made from recycled plastic -- new research**

13 January 2022

Every aeroplane contains a complex network of electrical cabling that keeps it flying smoothly. For every four passengers in a modern aircraft, you can expect about one mile of cable. That means an average passenger plane has 100 to 200 miles of wiring snaking through its structure. Each plane offers different amenities. Some now boast electronically dimmable windows that use electricity to alter their transparency, while many flyers are used to enjoying individual video screens and even external cameras displaying the outside scenery.



**Social Europe**  
**'Leaving no one behind': putting words into actions**

13 January 2022

Mehtap Akgüç is senior researcher in the economic, employment and social policies unit of the European Trade Union Institute and an affiliate of the Institute of Labor Economics, focusing on labour markets and wage inequalities, migration and mobility, the green and circular economy and economic development. Kalina Arabadjieva is a researcher at the European Trade Union Institute, with a PhD in labour law. She is working on gender equality and the just transition. Béla Galgóczi is senior researcher for the European Trade Union Institute and author of Towards a Just Transition: Coal, Cars and the World of Work (ETUI, 2019).



# Cyber Risk Governance

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**The number of corporate boards with a dedicated cybersecurity committee is expected to increase sharply by 2025**

Governance relies on risk-based decision making as a fundamental means to both drive the efficient use of resources, and to improve confidence in an organization's ability to achieve strategic objectives. All organizations rely on their employees' ability to navigate a world of growing uncertainty, and to dodge threats to their ability to achieve its collective goals.

Unfortunately, complex organizations can easily be overwhelmed; each risk demands a distinct analysis and potential investment of additional resources, to respond in ways that adequately reduce exposure. A good governance structure will provide a framework that enables the right managers to make the right decisions, which will help prioritize and allocate resources as needed. All risks don't necessarily require analytic rigour or subsequent investment - immediate hazards like icy sidewalks or commonplace cyber incidents like phishing emails can be addressed at lower management levels. That is not the case for strategic risks like global pandemics or advanced, persistent cyber threats that have the potential to disrupt or damage an organization indefinitely. A structure that effectively prioritizes and adjudicates risks to the right organizational level is required.

Responsibility for risks is typically apportioned in accordance with an organization's willingness to accept them, also called "risk appetite." A risk-appetite statement can be used to direct employees and clarify who has the necessary level of authority to decide how to respond to any given situation. The National Institute of Standards and Technology Special Publication 800-37 addresses the divvying up of risk with a three-tier structure including the organization, the mission, and the system. Meanwhile the ISO 27000 series of standards provides recommendations for the use of policy and organizational structure to reduce risk, and the COSO framework connects governance to culture by highlighting the importance of board oversight, culture requirements, core values, and human resource development. Vigorous, board-level engagement in risk governance is essential for success. Thankfully, boards are increasingly recognizing the importance of cyber risk governance; a study published by Ernst and Young in 2020 found that 81% of board members categorize cybersecurity as "highly relevant," and Gartner researchers predict that 40% of all boards will have a dedicated cybersecurity committee by the year 2025 (currently, just 10% of boards have one).

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Related insight areas: [Leadership](#), [Workforce and Employment](#), [The Digital Economy](#), [Fourth Industrial Revolution](#), [Internet Governance](#), [Banking and Capital Markets](#), [Illicit Economy](#), [Risk and Resilience](#), [Corporate Governance](#), [Agile Governance](#)



**World Economic Forum**  
**How the cyber world can support Ukraine**

19 March 2022

The conflict in Ukraine has invoked fears over escalated cyberattacks. The international cyber community is showing its support to Ukraine through various means. To ensure a safe cyber society for all, we must unite around shared cyberspace values and ideals. Since the start of the Russian-Ukrainian conflict in 2014, most media reporting has centred on conflict within the physical world. Less attention has been paid to the very real cyber-component of the struggle.



**The Conversation**  
**Open-source intelligence: how digital sleuths are making their mark on the Ukraine war**

18 March 2022

For months now, a large and very active community of digital sleuths has been closely tracking the escalating crisis in Ukraine. These people have been using open-source intelligence to investigate and document the build-up to – and now execution of – Vladimir Putin’s war of choice. What exactly is open-source intelligence? How is it helping efforts to understand what’s happening on the ground in Ukraine?.



**Harvard Kennedy School - Belfer Center for Science and International Affairs**  
**Cybercriminal Statecraft**

15 March 2022

Over the last decade, financially motivated operations have come to play a central role in North Korea’s cyber strategy. The illicit revenue those operations generate helps blunt the impact of tough global sanctions and supports the regime’s ballistic-missile and nuclear-weapons programs. This report explores North Korean financially motivated actors’ convergence of interests and tradecraft with cybercriminals, focusing on their dealings with the Russian-language underground.



**World Economic Forum**  
**Can closing the cybersecurity skills gap change the world?**

10 March 2022

Digital infrastructure supports almost every aspect of our lives, from healthcare and banking to energy. Cyber attacks can therefore have catastrophic consequences for businesses, governments and citizens. There is an urgent need to close the current cybersecurity skills gap to ensure critical assets are protected. It’s a bold statement to be sure: that by creating a sustainable pipeline of cybersecurity talent we might change the world. Yet, it’s one we should not hesitate to investigate as we watch cyber attacks grow at an exponential rate, threaten entire infrastructures, and put human wellbeing at risk.



**RAND Corporation**  
**It's Getting Harder to Do**

09 March 2022

Terrorists continue to use the Internet to plan, train, recruit, and execute terrorist attacks. This book chapter examines how terrorist Internet use has changed over time and new social media platforms make terrorism investigations harder to do.



**Harvard Business Review**  
**What Russia’s Ongoing Cyberattacks in Ukraine Suggest About the Future of Cyber Warfare**

07 March 2022

Between 1946 and 1958, the Bikini Atoll, in the North Pacific Ocean, was used as a testing ground for 23 new nuclear devices that were detonated at various spots on, above, or beneath it. The point of the tests was primarily to understand (and, in many cases, show off) how these new weapons really worked — and what they were capable of. The era of nuclear testing may now be over, but the age of cyber warfare is just beginning. For Russia, the war on Ukraine is likely serving as a live testing ground for its next generation of cyber weapons.



**Electronic Frontier Foundation**  
**Cybersecurity Experts Urge EU Lawmakers to Fix Website Authentication Proposal That Puts Internet Users’ Security and Privacy at Risk**

03 March 2022

Electronic Frontier Foundation (EFF) technologists, along with 36 of the world’s top cybersecurity experts, today urged European lawmakers to reject proposed changes to European Union (EU) regulations for securing electronic payments and other online transactions that will...

# New Work Models

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## Temporary, part-time, and independent work remain overlooked in research and policy-making, even as they replace permanent employment

Global labour statistics tend to overlook temporary, part-time, and independent contracting work, and focus solely on full-time and permanent employment. Yet, research suggests that a significant portion of net employment growth since 2005 has occurred in the independent and self-employed categories - meaning that what was once deemed “non-standard” work is becoming the new norm. Managers are now more likely to oversee diverse, geographically-dispersed teams, to assess worker performance with new types of analytics, and to expand their searches for new recruits to non-traditional environments. The rise of “platform” economies (based on broad, far-reaching digital entities like Amazon or Uber) has created more flexible work opportunities and a “gig” economy. However, this flexibility is only rarely an advantage for workers, and mostly only a benefit for contracting entities. Workers must rely on their prioritization skills to maintain a work-life balance, and on their ability to cope with demands for near-immediate availability and instant comparisons (in the form of ratings) with their gig worker competition - which is constantly expanding. Customers are meanwhile exerting their own power via ratings and related algorithm tweaks, which creates more risk for individual workers than for the companies hiring them on a contract basis.

Concerns related to the lack of governance and legal protections for contractual work have increased, not least because its prevalence is poorly captured in current statistics. Most related studies have relied on data shared by relatively few digital talent platforms, and few countries have completed comprehensive labour market analyses that include these new forms of work. Data published by the US Bureau of Labor Statistics in 2017, for example, showed a surprising decline in American workers with “alternative work arrangements” compared with 2005, according to a report published by the Brookings Institution. However, it is estimated that by the year 2027 more than half of the roughly 145 million working Americans will fall within the “independent worker” category. Current legal standards in many countries for what constitutes an actual employee, rather than a contractual worker, are vague at best. Worker classification and related labour model regulation require updating, in order to formally recognize the needs of growing segments of the global workforce. It is crucial that more related data, research, and information be made available, and that relevant terminology and measurement standards are harmonized within and across countries.

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Related insight areas: [United States](#), [The Digital Economy](#), [The Digital Transformation of Business](#), [Public Finance and Social Protection](#), [Justice and Law](#), [Entrepreneurship](#), [Fourth Industrial Revolution](#), [Internet Governance](#), [Data Science](#), [Agile Governance](#)





**Harvard Business School Working Knowledge**  
**Why Cutting Jobless Aid Isn't the Answer to Worker Shortages**

24 March 2022

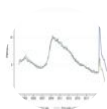
Many policymakers thought that halting COVID-related unemployment insurance would be a "silver bullet" to addressing worker shortages. In reality, cutting aid undermined consumer spending, says research by Raymond Kluender.



**MIT Sloan Management Review**  
**Leading Change Means Changing How You Lead**

21 March 2022

To develop effective strategy amid constant change, leaders must hone their ability to determine which changes will boost their organization's competitiveness. This series examines data from companies worldwide to provide practical insights for business leaders seeking advantage as they navigate complexity and change.



**VoxEU**  
**How tight are US labour markets?**

17 March 2022

Since the beginning of the pandemic, labour market indicators have been sending different signals about the degree of slack in the US labour market. This column uses time-series and cross-section data to show that firm-side unemployment – a measure that ties together the unemployment rate with the vacancy and quits rate – predicts wage inflation better than the unemployment rate or the employment ratio, and that firm-side unemployment currently experienced in the US corresponds to a degree of tightness previously associated with sub 2% unemployment. The findings suggest that labour markets in the US are extremely tight and will likely contribute to inflationary pressures for some time to come.



**Harvard Kennedy School – Journalist's Resource**  
**Minimum wage hikes linked to reduced eviction risk: Research**

07 March 2022

Facebook Twitter LinkedIn Reddit Email In the months after a state raises its minimum wage, fewer residents miss their rent payments, staving off the risk of eviction, finds a comprehensive analysis of U.S. residential leases forthcoming in the Journal of Urban Economics. The paper, "Minimum Wage Increases and Eviction Risk," also finds that when minimum wages go up, the default rate declines more for tenants with low monthly rent payments, compared with tenants who pay relatively high rents. The authors define a default as a tenant missing rent for a month, a potential precursor to eviction. Rent is "one of the most important expenses that low-income households will face," says Moussa Diop, one of the authors and an assistant professor at the University of Southern California, who studies rental markets.



**Brookings**  
**The state of jobs and the US labor market**

25 February 2022

Stephanie Aaronson, vice president and director of Economic Studies at Brookings, discusses the state of jobs and the U.S. labor market.



**International Finance Corporation**  
**Pivoting during the pandemic: Protecting workers, protecting jobs**

17 February 2022

When the pandemic hit Kenya, Hela Clothing was forced to close its factory south of Nairobi. But the Sri Lankan apparel company found opportunity in the midst of crisis. With demand skyrocketing for medical equipment, Hela started producing personal protective equipment (PPE), including masks. The company now aims to be a leading PPE manufacturer—and expand its footprint to South America and Southeast Asia.



**International Labour Organization**  
**Creating decent jobs for youth through digital transformation**

17 February 2022

An introduction to the ILO/ITU/AU Joint Programme on Boosting Decent Jobs and Enhancing Skills for Youth in Africa's Digital Economy.

# Accelerating Climate Action

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## Urgent action is required now to head off the impending climate catastrophe

Climate change poses an urgent threat to our existence. 2019 was the second-hottest year on record, according to the National Oceanic and Atmospheric Administration and NASA, and current temperatures are believed to be roughly 1°C above pre-industrial levels due to human activity. Temperatures are now poised to reach 1.5°C above pre-industrial levels - with terrible consequences for millions of people in the form of rising sea levels, agricultural impact and natural disasters - barring decisive action, according to the United Nations' Intergovernmental Panel on Climate Change. People around the world are already experiencing extreme impacts of climate change, including drought, floods, and wildfires. In Australia, for example, the worst fire season on record began in late 2019 - killing dozens of people, destroying thousands of homes, and burning an area nearly the size of England. One of the United Nations Sustainable Development Goals, which were established in 2015, calls for taking urgent action to combat climate change. A UN report published in 2019 found that while some progress had been made on the goal, "far more ambitious plans and unprecedented changes" are necessary.

2020 marks a crucial inflection point for the Paris Agreement on climate change, which entered into force in 2016 and aims to limit warming this century to well below 2°C above pre-industrial levels (though the US, the world's second-biggest emitter of greenhouse gases, said it began the process of withdrawing from the deal in 2019) - because participating countries are being asked to submit their next set of climate commitments. It is now more vital than ever that climate efforts being made by states, businesses, cities, and regions are consolidated, in order to ignite sufficient change and halt the climate crisis. World leaders gathered at the UN Secretary-General's Climate Action Summit in September 2019 in New York to prepare for the critical year ahead. In the wake of this landmark summit and a surge in climate activism on the part of young people all over the world, the Secretary-General has prioritized a set of action portfolios with the potential to effectively curb greenhouse gas emissions. These action portfolios cover a range of critical areas including energy, industry, nature-based solutions, and urban infrastructure. Building resilience, and increasing financial support, are also high on the agenda.

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Related insight areas: [Circular Economy](#), [Antarctica](#), [Water](#), [Oil and Gas](#), [Climate Change](#), [Arctic](#), [Forests](#), [Future of the Environment](#), [The Ocean](#), [Climate Indicators](#), [Energy](#), [Future of Food](#), [Mining and Metals](#), [Global Governance](#)



Yale Environment 360

### Denmark Looks to Ramp Up Green Hydrogen to Help Meet Climate Goals

16 March 2022

Denmark is pledging to increase production of green hydrogen, its government announced Tuesday. The low-carbon fuel could supplant oil in airplanes, trucks, and cargo ships, and replace coal in the production of steel and cement, helping to curb pollution from transportation and heavy industry. Green hydrogen is produced through electrolysis, which uses electricity from renewable sources to split water into hydrogen and oxygen. Denmark is aiming to build up to six gigawatts of electrolysis capacity, which will demand a greater buildout of clean energy. The effort will be supported by subsidies of 1.25 billion Danish crowns (\$184.83 million).

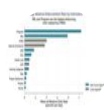


World Economic Forum

### A cleaner future for coal power plants and coal-reliant communities

16 March 2022

Most emerging economies are still heavily reliant on coal power for energy generation. As the world moves to a renewable energy future, it is important to pursue responsible solutions for coal assets and for the communities where they create jobs. Companies like Enel and EDP are finding innovative solutions to repurpose their coal assets and create new jobs for coal power employees. At the B20 launch earlier this year, President Joko Widodo of Indonesia emphasized his country's potential for 418GW of renewable energy production. In a country where up to 60% of the energy mix is from coal, he added that his government is getting ready to retire up to 5,5GW of coal generation capacity, while cautiously exploring how this transition could adversely affect Indonesian people's lives.



Center for Global Development

### Multilateral Development Banks' Crisis Response: What Instruments Do MDBs Offer and How Fast Do They Act?

14 March 2022

In the face of sudden economic shocks and natural disasters that limit the ability of economies to rapidly raise revenue, MDBs have the potential to play a leading role in crisis response to minimize the damage. One key factor in their success in this role is the speed of their financing instruments — how quickly do they get funds to where they are needed after a crisis strikes? Using a calculated metric we term “relative disbursement rate,” our analysis finds that at both the World Bank and the Asian Development Bank, budget support operations are by far the fastest instrument, in some cases even outpacing crisis-specific instruments. We also find that most of the crisis-response specific instruments used by these institutions are contingency-based, meaning they are approved well before they would conceivably need to be disbursed.



Center for China and Globalization

### Swedish Amb. to China Helena Sångeland on feminist development policy application in climate change

10 March 2022

On March 8, 2022, CCG and UN Women China office co-hosted an event to celebrate the International Women's Day, bringing together a group of experts from government agencies, embassies, UN entities, financial institutions, practitioners, academia and think tanks to share their views and best practices in gender responsive climate change and environmental policies and programs and to identify methods that can enable gender just climate actions. H.E. Ms. Helena Sångeland, Ambassador of Sweden to China, introduced Sweden's feminist development policy and its application in climate change and environmental protection actions.



World Economic Forum

### Baobab & Moringa are Transforming Women's Lives in Burkina Faso | Green Solutions

10 March 2022

Here's how Baobab & Moringa are transforming women's lives in Burkina Faso.

# ESG Shareholder Engagement

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## Environmental, Social and Governance-based engagement can help drive climate action and address public health issues

In addition to shaping their portfolios through ESG integration, investors may choose to actively drive related improvements at companies through greater shareholder engagement. Evidence suggests this is a far more effective way of shaping corporate behaviour than simply buying and selling stock. The ways in which investors can approach this depends on asset class, however. Private equity investors, for example, are likely to have relatively large ownership stakes and therefore more direct access to management teams (large PE funds like KKR and TPG regularly engage with senior and middle managers, as well as front line workers, to identify ESG issues and encourage development of related strategies, measurement, disclosures, and operational practices). For buyers of public equities, the style of engagement depends on their scale and objectives. Large asset managers with long-term investment styles are likely to have greater and more prolonged access to management teams, similar to what is afforded to private equity backers. Meanwhile activist hedge funds tend to take large stakes in firms for short periods of time, through leveraged capital and borrowing - and then use that time to mount aggressive campaigns.

Examples of ESG-centred shareholder engagement include Aviva Investors' push for Apple to address youth smartphone addiction, and Engine No. 1's campaign to drive stronger climate action at Exxon Mobil by replacing board members. Smaller, socially-responsible asset management firms like Boston Trust Walden, and values-based asset owners like religious pension funds, often engage firms by initiating shareholder proxy votes that call for stronger ESG strategies. Individual retail investors can join campaigns mounted by larger activists, though most delegate their voting power to index fund managers like BlackRock or Vanguard (which tend to follow shareholder voting guidance from firms like ISS and Glass Lewis). ESG shareholder action tends to focus on three objectives: disclosure, target setting, and governance. Disclosure, the most common, relates to the frequency of, quality of, and auditor assurances behind ESG information. Target setting can occur once ESG data is made available, and can be used to improve things like greenhouse gas emissions. In terms of governance, investors may simply ask for more rigour from a firm - both for its own sake, and as an enabler of the greater good through instruments like aligning executive compensation with sustainability goals.

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Related insight areas: [Institutional Investors](#), [Corporate Governance](#), [Digital Communications](#), [Sustainable Development](#), [Youth Perspectives](#), [Climate Change](#), [Banking and Capital Markets](#), [Private Investors](#), [Global Health](#)



VoxEU

### Accounting for companies' value creation and societal impact

18 March 2022

There is ongoing debate over how to judge a company's performance beyond profits alone. This column devises a way of accounting for who benefits from a company's value creation and why. The authors identify eight pathways through which economic value from corporations flows to households and the economy, and how these have evolved over the past 25 years. The analysis also suggests a growing disparity between types of companies in terms of their impacts on the eight pathways.



Center for China and Globalization

### UNDP China Representative Beate Trunkmann on embedding SDG principles in climate financing

10 March 2022

On March 8, 2022, CCG and UN Women China office co-hosted an event to celebrate the International Women's Day, bringing together a group of experts from government agencies, embassies, UN entities, financial institutions, practitioners, academia and think tanks to share their views and best practices in gender responsive climate change and environmental policies and programs and to identify methods that can enable gender just climate actions. Ms. Beate Trunkmann, Resident Representative of UNDP China, shared some good practice and lessons learned from around the world in terms of embedding SDG principles in climate financing and investments.



Wharton School of the University of Pennsylvania - Knowledge@Wharton

### How Financial Reporting Affects Consumers

21 February 2022

It's not part of Marketing 101, but the next uptick in your firm's sales could be in the days after its earnings announcement. In the 10 days after an earnings announcement, publicly held firms see an average increase of 1.1% in consumer footfalls at their brick-and-mortar stores and in online sales, according to a recent research paper by Wharton accounting professor Christina Zhu along with Stanford University accounting professor Suzie Noh and MIT Sloan School professor of management and accounting Eric C.



GreenBiz

### Paul Polman wants your company to make these 3 shifts

17 February 2022

The world has reached a tipping point in terms of climate action, according to former Unilever CEO Paul Polman. Awareness of environmental, social and governance issues reached new levels around COP26 in Glasgow, and more corporations are clamoring to share their good environmental intentions lately, including net-zero goals. However, this tipping point is a negative one, he said Tuesday at the GreenBiz 22 event in Scottsdale, Arizona. "Why is this the most dangerous point? Everybody feels that they're doing more than they've ever done before.



Refinitiv

### How developments in data, insights and indexes enhance sustainable investing

16 February 2022

Sustainable investing is an established part of the investment universe that can enable financial firms to manage their decarbonisation strategies, align with international frameworks, perform risk management, conduct performance analysis and contribute positively to society. However, investors that pursue a sustainable investing strategy rely on access to best-in-class data, insights and indexes to make critically important, informed investment decisions. The next phase of sustainable investing is being shaped by regulation.



GreenBiz

### Investors Aviva, BMO toughen the line on net zero pledges

26 January 2022

Environmental campaigners may remain sceptical over the investment industry's ability to translate its myriad net zero pledges into real world action, but pressure from institutional investors on corporates that do not have credible net zero strategies is continuing to move in only one direction. Just days after BlackRock CEO Larry Fink reiterated his view that CEOs needed to embrace a new form of stakeholder capitalism that would allow them to turn the net zero transition into the "greatest investment opportunity of our lifetime," two of Europe's leading investors stepped up warnings that they would vote against boards that fail to deliver ambitious and effective climate strategies. First up, Aviva Investors announced updates to its sustainability expectations, alongside its annual letter from CEO Mark Versey to the 1,500 companies in its \$354 billion portfolio.



# Long-Term Vision, Short-Term Needs

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## Balancing short- and long-term pressures is one of the most difficult business leadership challenges

There is a commonly-held view that investors pursue short-term profit at the expense of long-term value. According to the results of a survey published by the Rock Center for Corporate Governance at Stanford University in 2019, 70% of CEOs and CFOs at S&P 1500 Index companies were facing pressure to maximize short-term returns at the expense of long-term growth. When firms focus on the short term, it often translates into lower investment in the long-term sustainability of a company at the expense of other stakeholders. Management has to be able to both articulate a long-term strategy and deliver sufficient short-term returns in order to ensure support and continued investment. Consistent metrics for measuring the success of long-term strategies are important. Corporate governance can play an important role in this regard by implementing incentives and pay aligned with these long-term metrics. Another means to tilt the balance towards a longer-term approach has been the increased adoption of Environment, Social and Governance (ESG) criteria in corporate strategies and investment decisions - which can draw the attention of shareholders zeroing in on firms with a longer-term, socially-conscious approach.

According to a white paper published by the World Economic Forum in 2019, quarterly reporting requirements are not the sole reason for short-termism - though corporate leaders describe them as a “necessary evil.” According to the white paper, these leaders must become better storytellers about their companies, by framing each quarter as a step in a longer-term story. Management and their boards must engage in constant conversation about how the company will grow, and the risks it will take to get there. Leaders of global companies have been signing a World Economic Forum compact for responsive and responsible leadership, committing them to ensure that their boards oversee the definition and implementation of corporate strategies that pursue sustainable long-term value creation, to encourage the periodic review of corporate governance, long-term objectives and strategies at the board level, to promote meaningful engagement between the board, investors, and other stakeholders that builds mutual trust and promotes the highest possible standards of corporate conduct, and to implement policies, practices, and long-term strategies aimed at cultivating sustainable growth for the benefit of all stakeholders.

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Related insight areas: [Leadership](#), [Sustainable Development](#), [Values](#), [Private Investors](#), [Corruption](#), [Family Businesses](#), [Future of the Environment](#), [Banking and Capital Markets](#), [Institutional Investors](#)



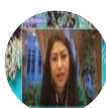
[LSE Business Review](#)  
**Demystifying the ‘dividend puzzle’ and making sense of government regulations in times of pandemics**  
 16 March 2022

In the early days of 2020, when measures to contain the coronavirus pandemic hurt economies worldwide, many publicly listed firms omitted or suspended their dividend payments. For investors across the world, who seek for or solely rely on dividend income, this situation caused great difficulty. By the end of 2021, dividends had bounced back. Globally, 90 ... Continued.



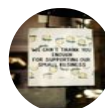
[Institute for Human Rights and Business](#)  
**Tech Companies Have Crucial Responsibilities in the Attack on Ukraine – Misinformation, Virtual Warfare and Arbitrating Truth**  
 03 March 2022

Companies are distancing themselves from the unfolding invasion of Ukraine by the Russian federation: Major western oil companies such as BP , Shell , and Exxon Mobil have cut ties with Russian oil companies and joint ventures, decisions which will have significant impacts on their bottom line. Total is under similar pressure and said it would not pump more capital into Russia. Western sanctions will make it nearly impossible for Russian oligarchs to move money easily across countries, or to acquire overseas assets. Two Russian billionaires with vast business interests in both countries and elsewhere have expressed anguish.



[World Economic Forum](#)  
**Social Intrapreneurship for ESG Targets | Sustainable Development Impact Summit**  
 16 February 2022

A global ESG survey suggests that 46% of companies find the “S” component of their ESG strategy the most difficult to embed. This session aims to build partnerships in intrapreneurship and explore innovative approaches for companies to achieve sustainability goals. Speakers: Harald Nusser, Steve Krouskos, Ben R. Jordan, Ezgi Barcenas, François Bonnici, Saskia Bruysten, Kyle Zimmer, Gib Bulloch.



[World Economic Forum](#)  
**3 reasons why private equity will enable the post-pandemic economy**  
 27 January 2022

As we emerge from the COVID-19 pandemic, any meaningful and sustainable economic recovery will again be driven by small and medium-sized enterprise (SMEs). SMEs were affected disproportionately by 3 trends: inflation of materials and goods; the “Great Resignation”; and a once-in-a-generation need for investment. Through partnership with a private equity firm, SMEs can overcome the structural headwinds and level the playing field. For three-quarters of a century, small and medium-sized enterprises (SMEs) have been the growth engine of the global economy. In recent years, they have created 62% of net new jobs in the U.S , and even more in developing economies .



[World Economic Forum](#)  
**Two ways corporates can support women entrepreneurs**  
 20 January 2022

Women founders currently face serious challenges in accessing venture capital and this lack of investment in women means many opportunities are being missed. 2 main ideas emerged from our research: improve opportunities for women entrepreneurs via non-financial investment; grow the pipeline of women with skills to serve on investment teams. SAP, in collaboration with efino, McKinsey & Co. and PwC Germany, has developed an actionable idea to reduce the opportunity gap for women entrepreneurs. Corporate venture capital (CVC) teams are responsible for 24% of all venture capital investment , accelerating hundreds of startups a year. Yet CVC teams are potentially missing out on investment opportunities by not doing more to actively seek out and support women entrepreneurs with bankable projects.



[World Economic Forum](#)  
**Fast-Tracking Circular Solutions for Net-Zero Industries | Sustainable Development Summit 2021**  
 09 January 2022

To reach net-zero emissions from heavy industry sectors by 2050, new approaches and solutions will need to be deployed at scale across supply and demand-side industries. This session explores collaboration models, policies and pathways that hold the greatest promise to fast-track circular economy solutions and accelerate the race to net zero. .

# Governing Disruption

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**Organizations must be able to evolve and adapt, as the COVID-19 crisis has illustrated**

A board of directors has the responsibility to drive the continuous reinvention of an organization - in a way that ensures it is fit for purpose relative to shifting customer demands, social expectations, and unexpected calamities. Technological innovation at the core of the Fourth Industrial Revolution is changing the way we live, work, and relate to one another - and forcing the decision-makers guiding organizations to rethink how they can create value and reinvent the ways they function. As the global economy weathers the impact of the COVID-19 pandemic, for example, many organizations that had previously focused on maximizing resilience through technologies like cloud computing may find themselves in better shape than others. Innovation impacts many of a board's core responsibilities, including long-term planning, fostering a corporate culture, executive compensation, setting strategy, and making investments and acquisitions. While established incumbents are at risk of lacking sensitivity to evolving technology needs and responsibilities, younger players need the financial resources and data enjoyed by their older counterparts - and each can gear their corporate governance efforts towards sharing resources in a way that creates value.

New collaborative models may require entirely new corporate governance approaches that are much less based on traditional vertical control and siloed mechanisms - while still maintaining accountability to shareholders. The United Nations has emphasized the critical potential for breakthrough innovation to help achieve the Sustainable Development Goals, which are designed to enable a more sustainable global economy by 2030. It is a matter of corporate governance to consider how this innovation can both enable sustainable economic growth and help fulfil a specific organization's purpose. In terms of investor stewardship, for example, shareholders must be engaged on the topic of innovation in order to better understand long-term prospects both for the business and for society as a whole. Some organizations have specific board committees dedicated to technology and innovation, while others bring on consultants or other external advisors. Boards at the most forward-looking companies consider the long-term prospects of a business alongside its internal capabilities - essentially looking into the future in order to assess whether a company might be impacted by a paradigm shift in technology and business models, or a global crisis, and whether there are related opportunities and risks.

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Related insight areas: [Diversity and Inclusion](#), [Leadership](#), [COVID-19](#), [Private Investors](#), [Internet Governance](#), [Fourth Industrial Revolution](#), [Data Science](#), [The Digital Economy](#), [Digital Identity](#), [Sustainable Development](#), [The Digital Transformation of Business](#), [Mobility](#), [Institutional Investors](#), [5G](#)



GreenBiz

### The ESG bar is high this proxy season: Is your board prepared?

07 March 2022

Last year saw a record number of ESG and climate-focused shareholder proposals winning majority support in 2021. Therefore, we can only expect the same for 2022 as shareholders' and stakeholders' expectations continue to rise. The success of hedge fund Engine No. 1 in securing board seats at Exxon Mobil in 2021 was a major warning sign for what will come. So, what can companies and their boards expect this year and are they prepared?.



VoxEU

### The private equity industry in the new interest rate environment

24 February 2022

As interest rates shift from a decades-long decline to hovering at the zero lower bound and potentially increasing significantly, the private equity industry will face new pressures. The inflow of capital to the asset class will decelerate, leading to an increased scrutiny of costs and an opportunity to shift bargaining power to limited partners. The first LTI Report argues that while the private equity industry has made promising steps towards innovation to preserve momentum, the adverse macroeconomic pressures will likely still prevail, affecting the industry's growth and, subsequently, its cost structure, which remains a controversial subject.



London School of Economics and Political Science

### Times Higher Education is expanding, but what is it becoming?

10 February 2022

Since its origins as a newspaper supplement, the Times Higher Education (THE) has become so much more than a higher education news company. As its business model and commercial raison d'être changed, so has its rankings-related journalism. In this post, Morten Hansen and Astrid Van den Bossche explain how recent research on THE rankings output ... Continued.



World Economic Forum

### What makes a great startup leader? 13 views on leadership

07 February 2022

Any organization – even whole countries – can rise or fall depending solely on how capable their leader is. What exactly makes a great leader? For startups, a capable leader is even more crucial as uncertainty prevails in nearly every area of business. Here are the results of more than 30 chief executive officers of innovative startups in the World Economic Forum Technology Pioneers community what their number one leadership trait is. What comes to mind when you think of a true leader?.

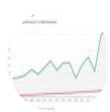


ReliefWeb

### The Impact of COVID-19 on Education Systems in the Commonwealth - World

24 January 2022

A new education study has identified strategies governments can use to address the disruptions and learning gaps created by school closures and other responses to the COVID-19 pandemic. Produced by the Commonwealth Secretariat and South Africa-based JET Education Services, the report urges governments to build more resilient education systems that can withstand future crises and ensure continuity of educational provision and access to education services, especially for marginalised populations. The publication, The Impact of COVID-19 on Education Systems in the Commonwealth report (PDF), which is a collation of eleven research papers, drew on the experience and expertise of several researchers and established experts to provide insight into early interventions and mitigation strategies.



World Economic Forum

### What Microsoft's acquisition of Activision Blizzard means for the metaverse

19 January 2022

Microsoft plans to buy a video-game company in a deal valued at roughly \$75 billion. Experts say the move could solidify its place in an anticipated, more immersive iteration of the internet.

# Economics of Environmental Sustainability

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## Climate change and rising temperatures promise to severely hinder production and health

In late 2018, the UN's Intergovernmental Panel on Climate Change issued an alarming report noting that global temperatures are on track to be 1.5°C higher than the preindustrial era as soon as 2030. Currently, at 1°C warmer than the preindustrial era, we are already experiencing severe consequences of climate change including forest fires in the Arctic, and the increased intensity of hurricanes. A 1.5°C increase would mean more rapid sea level rise, hot extremes in most inhabited parts of the world, a higher probability of drought, and other risks to human security and economic growth, according to the UN report. Climate change, pollution, and resource depletion have been impacting the economic productivity of both countries and private companies. These forces also disproportionately impact the poor, exacerbating socio-economic inequality. According to an edition of the International Monetary Fund's World Economic Outlook published in 2017, the per capita GDP in a typical low-income country will be 9% lower by 2100 than it would have been in the absence of climate change-related temperature increases. A subsequent edition of the outlook published in late 2018 noted that robust global economic growth will require better buffering low-income countries against the effects of climate change, with things like climate-smart infrastructure.

While weather shocks tied to climate change have an immediate impact on agricultural production, they also have broader impacts related to labour productivity, mortality, health, and conflict - as threats to food security aggravate already-simmering issues in fragile states. According to IMF calculations, a temperature increase of 1°C to the median, low-income developing country temperature of 25°C can reduce crop production and agriculture value added (the processing of raw materials) by between 1% and 2% annually. Agriculture and farming in the oceans also face significant climate-related challenges. Climate change-related changes in marine fisheries production may be just as large as those in crop agriculture, according to a report published by the Food and Agriculture Organization of the United Nations in 2018; primary production of the global ocean is expected to decline by 6% by 2100 (and by 11% in tropical zones), according to the report. Economic policies and business practices need to better take environmental constraints into account, in order to make stable growth and freedom from conflict realistic possibilities for future generations.

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Related insight areas: [Agile Governance](#), [Sustainable Development](#), [Agriculture](#), [Food and Beverage](#), [Air Pollution](#), [Global Health](#), [Forests](#), [The Ocean](#), [Health and Healthcare](#), [Green New Deals](#), [Climate Change](#), [Future of the Environment](#)





**Asian Development Bank (ADB)**  
**SEADS 2022: Sustainable Solutions for Southeast Asia's Recovery**

15 March 2022

The coronavirus disease (COVID-19) pandemic hit Southeast Asia, and the rest of the world, hard, reversing the region's hard-won gains in reducing poverty, creating jobs, and enhancing health and well-being. But the seeds of recovery are starting to take root. To help address COVID and other development challenges, in 2020, ADB launched the Southeast Asia Development Symposium or SEADS. The first two SEADS took place amidst the onset of the COVID-19 crisis, and accordingly focused on helping Southeast Asian countries counter the immediate impacts of COVID-19. As countries continue to grapple with the severe economic, health, and social impacts of the pandemic, SEADS 2022, "Sustainable Solutions for Southeast Asia's Recovery," will focus on innovative solutions to build back better and rebound from the COVID-19 crisis.



**Institute for New Economic Thinking**  
**Paper: Digital Access and Economic Transformation in Africa**

14 March 2022

This document provides an overview of the current digital access landscape in Africa. It considers the intersections between digital access, rights, economy, and transformation, using evidence from a series of country case studies that illustrate the various themes, and depict the dynamics faced by different countries when it comes to the digital landscape. To understand the state of digital access in Africa, one has to delve into the key interests driving investment in this sector. The World Summit on the Information Society (WSIS) in 2003 was one of the early global platforms where internet access and its potential were discussed. The WSIS sought to inform and address the issues raised by information and communication technologies (ICTs).



**London School of Economics and Political Science**  
**The Anti-Politics of concentrated poverty**

10 March 2022

MSc student in Anthropology and Development Jack Portman examines how the conceptual frame of concentrated poverty obscures the role of the market in (re)producing poverty. Instead, he argues, it locates poverty in an imagined apolitical space untraversable by, and illegible to, institutional resources. Ferguson observes that development institutions, such as the World Bank, are positioned primarily to offer technocratic solutions to technical problems.



**Frontiers**  
**Investigating Relationships Between Tourism, Economic Growth, and CO2 Emissions in Brazil: An Application of the Nonlinear ARDL Approach**

07 March 2022

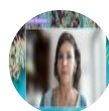
Global tourism has witnessed a significant positive implication on the development of developing economies. Despite the positive implication of tourism, it imposes a serious environmental cost such as environmental pollution. Brazil receives a large number of tourists each year that potentially affects economic growth and development. Therefore, this study investigates the effect of tourism on GDP and CO 2 emissions in Brazil. We used a nonlinear ARDL approach to examine the nexus between tourism, economic growth, and CO 2 emissions in Brazil for the period 1995–2018. The outcomes of this study reveal both short-run and long-run associations between tourism, GDP per capita, and CO 2 emissions in Brazil. Nevertheless, both tourism and economic growth cause significant deterioration of the environment quality in Brazil.



**Brookings Institution**  
**Investment in science and technology is key to an Africa economic boom**

02 March 2022

In this episode of Foresight Africa, Her Excellency Ameenah Gurib-Fakim, former president of Mauritius, shares her journey from science to presidency while highlighting challenges she faced as a woman in STEM with AGI Senior Fellow Landry Signé. She also discusses her Foresight Africa 2022 piece and argues for increase investment in science and technology for Africa's economic growth. .



**World Economic Forum**  
**Advancing Central America's Long Term Prosperity | Sustainable Development Impact Summit**

02 March 2022

From expanding internet access to agricultural development, governments and businesses are mobilizing to address the structural factors hindering an inclusive, sustainable and resilient economies and societies in Northern Central America. This session aims to identify and scale-up opportunities that will build local capacities for the long-term.

# A New Understanding of Economic Growth

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## Prioritizing people and ecological systems can create more sustainable economies

Traditional economic systems and growth expectations generate unhealthy tension by being extractive by design. On one hand, such linear, extractive approaches have generated unprecedented economic gains and prosperity - by 2015, a record low 10% of the global population was living in extreme poverty, according to the World Bank. And, these approaches have generally spurred the provision of natural resources and workers in ways designed to achieve optimal profitability and productivity. On the other hand, any extractive economy will eventually be faced with potentially dire threats to biological and cultural diversity, an inevitable increase in the intensification of resource exploitation, and an ever-present threat of resource scarcity. There is also no guarantee that the short-term gains afforded by this model will be equally shared and accessed. Its trajectory usually involves simply regenerating itself by shifting focus to a new type of resources to be extracted and exploited - which by definition is not sustainable. This pattern often results in periods of relative short-term abundance, followed by periods of progressive scarcity prior to the identification of new resources to tap.

It is important to understand exactly how a circular economy approach can break the vicious cycle inherent in linear and extractive economies - and forge a new way forward. According to the United Nations, the conception and application of a circular economy has the potential to positively impact the progress made on several of its Sustainable Development Goals, which provide a framework for putting the global economy on a healthier, more sustainable path by 2030. The potential for a circular economy to limit the extraction of resources and instead regenerate the material necessary for further production can bolster Sustainable Development Goal 12, ensuring sustainable consumption and production, not to mention SDG 6 (ensuring the availability of water and sanitation for everyone), SDG 8 (promoting sustainable economic growth and decent work), SDG 11 (making cities more inclusive and sustainable), SDG 13 (taking urgent action to combat climate change), SDG 14 (sustainably use the ocean and seas), and SDG 15 (halting and reversing land degradation biodiversity loss). Ultimately, the circular model also has positive implications for SDG 10 - reducing inequality.

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Related insight areas: [Social Justice](#), [Inequality](#), [Sustainable Development](#), [Cities and Urbanization](#), [Biodiversity](#), [Economic Progress](#), [Workforce and Employment](#), [Climate Change](#), [The Ocean](#), [Global Health](#)



**World Economic Forum**  
**This is how to ensure sustainable alternatives to plastic**

09 March 2022

In trying to solve the plastic pollution problem, we may have created another problem: we are replacing plastic with materials that have a carbon footprint up to 3 times higher than plastics themselves, some of which are not even biodegradable in real-life conditions.



**Project Syndicate**  
**Governing an Ocean of Plastics**

02 March 2022

The ocean provides livelihoods for millions of people around the world and absorbs up to a third of global carbon-dioxide emissions. But with the health of maritime ecosystems threatened by plastic pollution, a new international treaty is urgently needed.



**UN Environment**  
**A participatory approach towards a new global agreement on marine litter and plastic pollution**

02 March 2022

This event is available in English only. .



**World Economic Forum**  
**Turning plastic trash into Picasso | Green Solutions**

03 February 2022

This artist turns plastic trash into Picasso art pieces.



**World Economic Forum**  
**What are low-carbon emitting technologies? An expert explains**

03 February 2022

Access to affordable renewable energy and their deployment are key enablers for decarbonization of heavy industries. Technologies required to clean up the most polluting sectors – such as hydrogen to reduce iron ore, green ammonia to fuel ships, or carbon capture and storage – are either not available or not yet commercially viable. There is a need to foster a market environment that rewards supply of low-carbon emitting technologies and circular products and promotes bio-based technologies. In the Net Zero Emissions by 2050 Scenario , industry emissions fall 2.3% annually to 6.9 Gt CO2 by 2030 – despite expected industrial production growth. Industrial energy consumption has risen considerably in the past two decades - increasing an average 1% per year between 2010 and 2019, along with demand for industrial products and CO2 emissions.



**ReliefWeb**  
**Global analysis of health care waste in the context of COVID-19 - Status, impacts and recommendations - World**

01 February 2022

Tens of thousands of tonnes of extra medical waste from the response to the COVID-19 pandemic has put tremendous strain on health care waste management systems around the world, threatening human and environmental health and exposing a dire need to improve waste management practices, according to a new WHO report. The WHO Global analysis of health care waste in the context of COVID-19: status, impacts and recommendations bases its estimates on the approximately 87,000 tonnes of personal protective equipment (PPE) that was procured between March 2020-November 2021 and shipped to support countries' urgent COVID-19 response needs through a joint UN emergency initiative. Most of this equipment is expected to have ended up as waste. The authors note that this just provides an initial indication of the scale of the COVID-19 waste problem.



**GreenBiz**  
**Setting the standard for reusable packaging**

28 January 2022

In the years leading up to the COVID-19 pandemic, reuse gained traction. Back in 2019, Berkeley, California, for one, established an ordinance for restaurants to make the switch to reusable foodware . That includes utensils, plates, cups and even smaller items such as sauce containers. Since then, other cities in the state — Arcata, Culver City, Fairfax, Palm Springs and San Anselmo — have adopted similar ordinances, according to a recent report from Upstream . In seattle, there's an effort to create a reuse network that includes stadiums, universities, restaurants and businesses in the region.

# ESG Reporting, Comparability and Assurance

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## Environmental, Social and Governance reporting occurs too infrequently to keep up with evolving expectations

Corporate sustainability reporting has become common practice for large firms, and is the most widely used source of information about ESG performance. A KPMG survey in 2020 found that among 5,200 top-earning firms in 100 different countries, 80% were doing sustainability reporting - which rises to 96% for the world's 250 largest firms. However, generating sustainability reports can be labour-intensive and costly. The internal data collection necessary often requires dedicated staff and consultants, making it prohibitive for smaller firms. Even firms that do report on ESG factors only do so on an annual basis, even as quarterly reporting of financial results remains the norm. This lower frequency ESG reporting may be insufficient to keep up with rapidly increasing social and regulatory expectations on matters like greenhouse gas emissions. Another issue stems from the varying definitions of and expectations for ESG and sustainability. A firm may decide an issue is not worth disclosing, though investors and other stakeholders might disagree. As a result, if the only source of ESG data is corporate reporting, markets may not be able to react to some critical issues and stakeholders may seek out greater innovation in related data collection.

Another challenge is related to inconsistencies in data pulled from corporate reports, due to the different ways firms measure and reflect ESG factors. For example, firms might count greenhouse gas emissions only from their direct operations, or more comprehensively from their supply chains; those that are more rigorous and inclusive in their measurement might appear to be doing worse than those reporting in a more cursory way. For this reason, standards have been essential for the development of ESG reporting - such as the GHG Protocol, CDP, GRI, SASB, and IFRS. There is also the issue of reliability and trustworthiness, given the incentive firms have to indulge in greenwashing that makes their operations appear less risky and more virtuous. One key related development has been an increase in the auditing and assurance of corporate sustainability reporting. The KPMG survey found that 2020 was the first year in which a majority of large firms had invested in the independent assurance of sustainability reports (51% of the 5,200 top firms in 100 in countries, and 71% of the world's 250 largest). As regulatory requirements for ESG reporting increase, these figures are also likely to increase.

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Related insight areas: [Supply Chains](#), [Corporate Governance](#), [Private Investors](#), [Data Science](#), [Innovation](#), [Future of the Environment](#), [Values](#), [Financial and Monetary Systems](#), [Small and Medium Sized Enterprises](#), [Institutional Investors](#), [Economic Progress](#)



Refinitiv

### Supply Chain Compliance in an ESG World

16 March 2022

Against the backdrop of increased regulatory pressure and heightened public awareness, businesses have to consider their approach to the many aspects of ESG. Join our experts during this complimentary webinar as they explore these key discussion points: Setting the stage with: New and upcoming legislator obligations, such as US Forced Labour Litigation, the Australian modern slavery reform, and the German human rights due diligence legislation. The importance of ESG and how to establish an ESG framework. Prioritisation to determine which ESG factors are relevant to your business. Third-Party evaluation techniques and solutions – Best efforts is not sufficient. .



The Innovator

### How One SME Is Combining Profitability And Sustainability

11 March 2022

As the world moves away from single use disposables, beverage makers are looking to optimize the process of reusing plastic bottles up to 25 times. To make this work companies like Coca-Cola needs to be able to measure the quality of the bottles, determine how many times they are returned, why they are rejected and [...] The post How One SME Is Combining Profitability And Sustainability appeared first on The Innovator .



India Development Review

### Women farmers and the market: Can nonprofits bridge the gap?

10 March 2022

Manjari Foundation [1], the nonprofit I head, has been working with women in rural areas across issues such as livelihoods, enterprises, gender, and education. Over the years we have seen these women adopt better practices that have increased yields on their crops and livestock, and also take on leadership roles in their communities. However, during a women farmer producer interaction in 2016–17, when we asked them if the enhanced produce was translating into more income, the answer was no. This forced us to reflect on and rethink our approach. What was the point of intensive training and focus on inputs if they weren't resulting in prosperity for the women and their families?.



LSE Business Review

### Fighting epistemic pollution (fake news, business BS) with extended corporate social responsibility

07 March 2022

With the explosion of the internet and social media, it has become incredibly easy to disseminate unfounded rumours, “fake news” and other questionable information. Erwan Lamy and Isabelle Beyneix write that this genuine epistemic pollution, which undermines democracy and the trust necessary for the proper conduct of business, should be taken into account just like attacks ... Continued.



Wharton School of the University of Pennsylvania - Knowledge@Wharton

### How One Firm Has Baked Purpose into Its Business Model

14 February 2022

Roma McCaig joined Clif Bar & Company last May as the senior vice president of impact and communications. In this newly created position, she oversees sustainability strategy, community initiatives, corporate brand, and employee communications. McCaig said the role is a chance for her to live her values at work; the privately held company is on a mission to lift up people and the planet through sustainable practices. Its business model is guided by five aspirations that shape all decisions. She recently joined Katherine Klein , vice dean for the Wharton Social Impact Initiative , for an episode of the Dollars and Change podcast to talk about her work and the company.



The Innovator

### Interview Of The Week: Vilas Dhar, Patrick J. McGovern Foundation

27 January 2022

Vilas Dhar is President and Trustee of the Patrick J. McGovern Foundation, a global, \$1.5 billion philanthropy that aims to advance the frontiers of artificial intelligence, data science and social impact. He is also Co-Chair of the Global AI Action Alliance at the World Economic Forum and an expert contributor to OECD.AI. The post Interview Of The Week: Vilas Dhar, Patrick J. McGovern Foundation appeared first on The Innovator .



# Defining Corporate Purpose

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**An organization's reasons for being should extend well beyond financial gains**

The Business Roundtable, an association of CEOs of the largest American companies, has departed from a longstanding view that corporations exist solely to serve their shareholders. In 2019, the organization declared that companies should benefit all stakeholders, including customers, employees, suppliers, and communities - in addition to shareholders. This strongly reinforced the idea that profits are not the sole purpose of a business, and that corporations should exist to solve problems and provide services. If they are successful at doing this, long-term shareholder returns can increase, as society in general is better served. Establishing purpose is not an abstract exercise; it has proven to be essential for guiding decision making and for establishing priorities. London Business School Professor Alex Edmans has noted that as virtually all of the major decisions a company makes involve trade-offs, one of the main benefits of having a strong purpose is to guide these trade-offs. Purpose must not only be explicitly defined, however - it must also be implemented. Shareholders must understand the organization's purpose, and be able to identify the metrics (both quantitative and qualitative) related to delivering on it.

Some of these metrics incorporate the traditional concepts behind corporate social responsibility (CSR), such as maintaining positive working conditions and employee satisfaction, cultivating workforce diversity, and focusing on client satisfaction and product quality. But purpose can go well beyond CSR - one example is the clothing company Patagonia, which states that its reason for being is to help protect life on Earth. This is (presumably) understood by its investors, and implemented by designing, producing and selling products in the most environmentally sustainable way possible, and by building its supply chains and customer service around the circular economy ideas of repairing, reusing, and recycling. Responsible corporations create value for society and are motivated by the desire to do so. Survey results published by researchers at Stanford Graduate School of Business in 2018 showed that 65% of Americans believe CEOs at large companies should use their positions to address broad social, political, and environmental issues. That is to say, most Americans realize that corporations need to be committed to providing solutions and value to everyone - and that businesses have a responsibility to society.

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Related insight areas: [Financial and Monetary Systems](#), [Supply Chains](#), [Circular Economy](#), [Taxes](#), [Sustainable Development](#), [Values](#), [Justice and Law](#), [Future of Consumption](#), [Emerging-Market Multinationals](#), [Institutional Investors](#), [Leadership](#)



**World Economic Forum**  
**How ESG education can unlock the potential in supply chains**

10 March 2022

Supply chains are responsible for up to 90% of consumer companies' emissions and environmental impact. The sustainability knowledge gap remains the greatest obstacle to executing on ESG factors in the value chain. Effective ESG education enables supply chain professionals to improve sustainability and profitability of the supply chain. Pressure is mounting on companies to ramp up their sustainability efforts – and the supply chain is a hotspot for environmental and social impact. Developing procurement and supply chain management professionals' skills and capabilities in environmental, social, and governance (ESG) is a surefire way to enhance business productivity and improve sustainability.



**London School of Economics and Political Science (LSE)**  
**How can you help to shape the world?**

22 February 2022

Ben Plummer-Powell, Head of LSE's Philanthropy and Global Engagement and Campaign Director, invites you to join in our journey to shape the world for good.



**Wharton School of the University of Pennsylvania - Knowledge@Wharton**  
**How Should Investors Value Gold?**

08 February 2022

Investors of all kinds have always been lured by the king of metals, and even the most hardnosed of them know it holds extra value for those who adorn themselves with it. Wharton finance and economics professor Urban Jermann has devised a new approach to capture that extra value in gold jewelry, allowing investors a better way to price gold. "Because gold is used as an investment asset, it is believed to be worth more than its fundamental value as jewelry or as productive input. How much more?" jermann wrote in his research paper titled " gold's value as an investment ." "Investors that use a standard model that compares interest rates and gold prices might estimate gold prices to fall by, say 20%.



**London School of Economics and Political Science**  
**Public support for a universal basic income is dependent on the way it is funded**

25 January 2022

The concept of a universal basic income has received increased attention since the start of the Covid-19 pandemic. But what do the public think about the proposal? Drawing on a new study, Leire Rincón illustrates that a key factor affecting support for a universal basic income is the way it is funded, with more people ... Continued.



**Wharton School of the University of Pennsylvania - Knowledge@Wharton**  
**How Risk-shifting by Underperforming Funds Distorts Stock Prices**

18 January 2022

As fund managers of laggard mutual funds try to catch up with their peers, they tend to pursue high-risk stocks that may give higher than average returns. In the process, they push the prices of those risky stocks disproportionately higher than what the returns may justify, according to a new research paper by experts at wharton and elsewhere. The research explored the relationship between risk-shifting by underperforming mutual funds and "risk anomalies" such as subpar risk-adjusted performance of stocks with high market betas, or high volatility.



**STAT**  
**Institutional investors urge pharma boards to tie executive compensation to global Covid vaccine equity**

06 January 2022

More than 65 institutional investors are urging the directors of companies making Covid-19 vaccines to tie executive compensation to vaccine equity in hopes of holding management "accountable" for contributing to a global health problem. In a series of letters , the investors asked the heads of the board compensation committees at Pfizer ( PFE ), Johnson & Johnson ( JNJ ), Moderna ( MRNA ), and AstraZeneca ( AZN ) to adopt goals outlined recently by the World Health Organization to ensure 70% of the global population is vaccinated by the end of 2022.

# Building Future-Ready Business Models

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## Business model choices and strategies will shape long-term growth and success-being

Successful companies look beyond linear value chains and industry boundaries, to create dynamic value “maps.” They use technology to encourage collaboration, and create shared value in broader digital ecosystems. Instead of well-defined value pools and homogenous competitors, these companies thrive in networked, overlapping value pools with heterogeneous competitors. They invest in creating value that delivers for both the business and all of its stakeholders.

A Forum report published in 2020 highlighted the accelerating shift to “digital-at-the-core” business models - adaptive, data-led, asset-light, and based on services rather than products. Instead of extending traditional models and channels (such as brick-and-mortar stores) while enabling digital channels, companies are orchestrating entirely digitally-enabled platforms and marketplaces.

### KEY INSIGHTS FROM THE DISCUSSIONS

For many firms, there has been more change over the past 12 months than over the previous decade. What has occurred is an acceleration of trends that were already underway, rather than entirely new concepts. Organizations that were already planning for the future were well positioned to quickly adapt.

Platform or ecosystem approaches to value creation require a mindset shift for most firms, which were not built to collaborate and share. At the same time, the speed of digital transformation during the pandemic has highlighted the importance of organizational cultures that foster innovation, and education on new tech and business models across organizations - especially at senior levels.

Future-ready organizations are enabling greater flexibility and upskilling across workforces. For example, Publicis launched an internal “gig marketplace” that has enabled greater mobility for the organization and cross-skilling for employees.

In order to avoid disruption, one approach is to view compliance as an opportunity for innovation. NatWest, for example, has seen complying with open banking data-sharing requirements as a strategic opportunity to rethink how products are designed and delivered.

Increasingly, countries will need to bridge the digital divide to build inclusive economies (through initiatives like the EDISON Alliance). They will also need policy and regulatory frameworks that can quickly adapt to new technologies and business realities.

Across industries there is a desire to retain cultural habits that

have emerged over the past year, such as greater collaboration and moving at speed. ESG and purpose have also come to the forefront and the hope is for them to remain there. Additionally, there is a strong sentiment that this is the time to double down on investments, not the time to withdraw, in order to properly invest in the future.

When asked about business model opportunities, more than 63% of participants selected “alignment with environmental sustainability goals,” 56% selected both “increased value from digital platforms and marketplaces” and “value from data-sharing and collaboration,” 53% selected “expanding digital ecosystem and partnerships,” and 34% chose “data/AI-driven customer insights and personalization.”

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Related insight areas: [Fourth Industrial Revolution](#), [The Digital Economy](#), [The Digital Transformation of Business](#), [Innovation](#), [Data Science](#)



**Harvard Business School Working Knowledge**  
**How Racial Bias Taints Customer Service: Evidence from 6,000 Hotels**

28 February 2022

Hotel concierges provide better service to white customers than Black and Asian customers, says research by Alexandra Feldberg and colleague. They offer three strategies to help companies detect bias on the front line.



**LSE Business Review**  
**How to upskill for 2022**

31 January 2022

The ongoing COVID-19 pandemic has shown that we must expect the unexpected and upskilling ourselves is one way to help navigate and adapt to the everchanging situation. The World Economic Forum projects that by the end of 2022, at least 54 per cent of all employees will need re-skilling and upskilling to respond to the ... Continued.



**Asian Development Bank**  
**COVID-19, Fintech, and the Recovery of Micro, Small, and Medium-sized Enterprises: Evidence from Bangladesh**

27 January 2022

We assess the impact of the COVID-19 pandemic on micro, small, and medium-sized enterprises (MSMEs) and the role of fintech, in particular, mobile financial services (MFS), in their recovery from COVID-induced losses. We use data from a survey of 216 MSMEs from Bangladesh Small and Cottage Industries Corporation industrial estates in Bangladesh during January to March 2021. Our results suggest that firms have been recovering gradually after the withdrawal from lockdown in June 2020. So far, 80% of production of the firms compared with pre-COVID levels had recovered by the end of December 2020.



**Harvard Business School Working Knowledge**  
**7 Trends to Watch in 2022**

19 January 2022

As 2022 gets underway we asked our faculty to highlight some trends worth watching in the coming year. Ariel Stern: A new future for digital health care While 2020 and 2021 were years of rapid innovation and deployment of new health care technologies and delivery modalities, 2022 will be a big year for learning about what works in digital health. Recently, we have witnessed developments that would have been difficult to imagine just a few years ago. In Germany, the past 15 months have seen the rollout of “prescription apps” and the introduction of a system of nationwide health insurance coverage for digital health applications, the first of its kind worldwide.



**The Aspen Institute**  
**Predictions for Business & Society in 2022**

04 January 2022

What will we find at the crossroads of business and society in 2022? That’s the question we at the Aspen Institute Business & Society Program posed to business executives, activists, scholars and journalists, from Billie Jean King to Joe Nocera.



**World Economic Forum**  
**Preparing for the ‘New’ Future of Work | Sustainable Development Summit 2021**

02 January 2022

The live session is available for eligible participants on TopLink; the first part will be webcast to all shortly after the session ends. Industry-led and country collaboration could reduce reskilling costs and times by 30%, enabling nearly half of the disrupted workforce to be reskilled by employers, with a positive cost-benefit balance. Speakers: Sally Bundock, Gog Soon Joo, Dan Rosensweig, Mona Mourshed, Jeff Maggioncalda, Gabriel Dalporto, Robert E. Moritz, Andrew Baird.

# Building Climate Coalitions

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## Effective action requires engagement with many different stakeholders

Effective climate action will require commitments from a wide variety of players - businesses, national governments, international organizations, cities and regions, just to name a few. Businesses, regions and cities in particular took centre stage during the past few years, after the announcement that the Trump Administration planned to withdraw the world's largest economy from the Paris Agreement on climate change. While that withdrawal effort was later reversed, it provided an opportunity for others to step forward. The We Are Still In coalition, which includes investors, companies, and cities, gathered thousands of signatures in support of a pledge to uphold the Paris Agreement. Meanwhile We Mean Business, a coalition of non-profit organizations dedicated to partnering with the private sector, has engaged more than 1,500 companies (representing nearly \$25 trillion in market value) to act on climate change. More than 150 of the companies affiliated with the effort have committed to a goal of 100% renewable power, and many have committed to establishing science-based targets for reducing emissions of greenhouse gases in their operations.

Public-sector coalitions engaging local and regional governments are also becoming more prominent. The C40 Cities Climate Leadership Group, for example, is made up of more than 90 cities that have committed to 10,000 distinct "actions" to combat climate change. C40 cities represent about one quarter of the global economy and roughly 8% of the world's population, and aim to stir a global conversation that hastens progress towards a low-carbon economy. The Global Covenant of Mayors for Climate & Energy provides a similar platform for more than 9,000 cities that in total comprise about 10% of the world's population. Climate Action 100+ is yet another example of a global initiative systematically engaging with major corporate greenhouse gas emitters around the world. In addition, the World Economic Forum's Alliance of CEO Climate Leaders has sought to foster public-private collaboration that can support the Paris Agreement and the United Nations' Sustainable Development Goals. By joining forces with these coalitions, policy-makers, organizations, and companies can demonstrate a real commitment to climate action, share best practices, and demonstrate leadership.

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Related insight areas: [Sustainable Development](#), [Civic Participation](#), [Global Governance](#), [Cities and Urbanization](#), [United States](#), [Geopolitics](#), [Development Finance](#), [Agile Governance](#), [Social Justice](#)





Science Daily

**Increased tree cover in savannas provides limited benefit in climate fight**

16 March 2022

One proposed strategy in the fight against climate change is to increase tree cover in the world's savannas, either through the planting of new trees or fire suppression, to increase the uptake of atmospheric carbon dioxide. However, a new study of African savannas suggests this approach is far less effective than previously estimated.

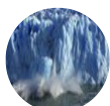


Brookings

**Climate change & the Fed: Navigating the transition to net zero**

07 March 2022

At a March 2022 Hutchins Center event, BlackRock's Isabelle Mateos y Lago shared her thoughts on how Fed Chair Jerome Powell and other central bankers might think and act on climate change most effectively.



Rocky Mountain Institute

**New York Set to Pioneer a Move to New All-Electric Buildings**

15 March 2022

The New York State Legislature is poised to take a leadership role nationwide by requiring all-electric new construction across the state. This comes on the heels of local all-electric legislation in New York City, which passed in December 2021. The post New York Set to Pioneer a Move to New All-Electric Buildings appeared first on RMI .



GreenBiz

**Climate goals and the collateral damage from Putin's war**

07 March 2022

The longer-range impacts of Vladimir Putin's war of choice on Ukraine are beginning to emerge. These include added uncertainties to financial markets, increases in defense spending within NATO member countries and the elevation of foreign policy as a major issue in 2022 elections in the western democracies. Add to this list the significant collateral damage to implementing climate change goals adopted by 190-plus nations in Paris in 2015. These goals aimed to limit a global temperature rise this century below 2 degrees Celsius, preferably to 1.5C. The recent Conference of the Parties summit in Glasgow, Scotland, in November reaffirmed this commitment.



Asian Development Bank

**Don't Look Up, Look into Solutions for Ocean Acidification**

14 March 2022

When calculating the existential risk posed by ocean acidification, the movie "Don't Look Up" comes to mind. How do we alert people to this looming crisis? Most people don't even know what ocean acidification is. Ocean acidification is caused by too much carbon being dissolved in the ocean, making the ocean increasingly acidic.



Nature

**The hardy Hawaiian corals that could thrive in warming seas**

14 March 2022

Two species of tropical coral kept growing even as the water in their tanks became hotter and more acidic.



Asian Development Bank

**Focus Climate Finance on Results**

10 March 2022

Climate finance investments need a clear purpose, showing how these investments will help climate mitigation by reducing greenhouse gas emissions or how they will help climate adaptation by improving the resilience of infrastructure, communities, and livelihoods.

# Delivering on ESG Goals

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## Companies are reorienting business strategies and operating models to deliver on their goals

A clear consensus is emerging: for a company to enjoy sustainable value creation and long-term success, it must clearly understand who its key stakeholders are, engage with them, and bring their voice into decision-making. According to the Forum's Future of Corporation 2021 white paper, recent years have seen a clear shift towards greater stakeholder activism. Certainly, the pandemic has changed the rhetoric from "returns" to "value creation," and investors and shareholders are demanding more transparency and meaningful engagement with boards on environmental, social, and governance (ESG) issues.

The white paper also emphasizes that for a corporation to maintain its licence to operate, it must gain and retain the trust of its material stakeholders: those who can reasonably be expected to be significantly affected by its activities, products and services; and those whose actions can reasonably be expected to affect the ability of the corporation to implement its strategies and achieve its objectives.

### KEY INSIGHTS FROM THE DISCUSSIONS

When asked to rank their company on its ESG journey, 38% of participants said it is in "advanced deployment" (10+ metrics), while 25% said it is at a "moderate" deployment level (5-10 metrics), and 25% described it as being in "initial" deployment (1-5). Only one participant saw his/her organization at an early stage with no deployment. 45% described their company's adoption of ESG metrics as strategically driven, while 26% deemed it culturally driven, 24% saw it as functionally driven, and only 5% as "ad hoc."

When it comes to implementing and delivering on ESG goals, companies should not wait to be perfect – but instead get started now and evolve. It is also important not to get distracted by competition over ratings. What is key is to focus on the purpose of the effort, and to communicate that effectively.

Smart incentive plans can be instrumental in the acceleration of ESG integration processes. Individual employee targets can be personalized through variable compensation.

Companies must engage with peers and join coalitions, as many contemporaries are working through the same challenges.

As companies embrace ESG-related goals, the most important issues for strategy are: diversity and inclusion, employee mental and physical health, an internal ESG narrative to get everyone on board (and explain the influence their organization can exert

on these issues). Companies also need to ensure that they are credible - and deliver on their commitments.

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Related insight areas: [Institutional Investors](#), [Corporate Governance](#), [Economic Progress](#)



### Harvard Business School Working Knowledge Effective Leaders Share the Spotlight with Their Teams

07 March 2022

Many executives make decisions alone and take credit for every win. Research by Yuan Zou and Ethan Rouen shows how leaders—and their companies—directly benefit when they engage and elevate colleagues.



### Science Direct - family business strategy Family firm succession through the lens of technology intelligence

14 February 2022

Succession is a critical event (Miller et al., 2013). Scholars have observed that the tenure of family-firm leaders is three times that of non-family firms (McConaughy, 2000). For decades, scholars have recognized that the difficulty pertaining to family firm succession is not the leader's willingness to let go or the firm's process of choosing a successor, but it is steering the succession planning, communicating it, and winning the buy-in from the whole organization (e.g., Trow, 1961).



### World Economic Forum 3 keys to a resilient post-pandemic recovery

01 February 2022

The global economy has shown remarkable resilience throughout the pandemic, but history shows that real recoveries depend on adaptability and decisive decision-taking. As many parts of the world look forward to the most acute parts of the Covid-19 pandemic subsiding, we must unify around a sustainable, inclusive growth agenda. With a prosperous future for life on the planet at stake, decisions and financial commitments made now will have a lasting impact on the global economic direction. The global economy has demonstrated significant resilience through the pandemic, bouncing back faster than expected. Economic momentum remains strong, but nations and organizations are encountering cross-currents in supply-chains, workforce availability, and inflation.



### Harvard Business School Working Knowledge Innovation Isn't Just for Startups: How Big Companies Can Succeed

01 February 2022

Innovation doesn't have to be limited to the Teslas and Amazons of the world. In a new book, Michael Tushman and Andrew Binns share how an explorer's mentality can help incumbent companies strike gold.



### World Economic Forum Here's how to choose the right fund manager for the future

18 January 2022

One of the most important decisions for investors when constructing a portfolio is to choose a fund manager. Investors tend to look at a fund manager's track record in quantitative terms – but the numbers don't tell the whole story. The most sophisticated limited partnerships look at qualitative evidence to find a manager capable of executing a proposed strategy. In constructing a future-ready investment portfolio in private markets, one of the most important decisions an investor can make is choosing a fund manager. A key element of manager selection is understanding his or her past track record.

# Corporate Risk Management

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## For boards, the volatility of risk scenarios is only increasing

Every organization is confronted with some type of risk - operational, financial, technological, environmental, regulatory - which can have devastating consequences. Effective corporate governance requires continuous and systematic management of all types of risk, both current and anticipated. First, risks must be prioritized, and here the board of directors can play a key role by deciding in what priority they should be addressed, what is to be deemed simply unacceptable, and how they should be addressed from a structural perspective. For example, evidence gathered from the 2007 global financial meltdown indicates that banks with boards that had identified a need to establish a separate risk management committee managed the crisis better than those with integrated committees. The benefits of this type of separation have become only more evident as fiduciary duties have come to include oversight of a broad range of matters, including compliance with international accounting rules and stability measures that require banks to set aside capital in case of potential losses. Implementing a robust risk management system requires the integration of different parts of an organization, including the board's risk committee, internal auditing, finance, legal, and operations.

Increasingly complex and rapidly changing economic, environmental, social, and technological conditions have multiplied potential risk scenarios. Worsening climate change, geopolitical tensions, trade wars, and social upheaval like the protests that spread in Hong Kong in 2019 require corporate governance that is proactive when it comes to identifying risks and addressing them. Determining an appropriate board structure and approach to risk management will depend upon both a company's industry and stage of its life cycle; risk exposure is very different for financial institutions than it is for petrochemical firms. Even within the financial sector, different approaches are required - from insurers exposed to extreme weather events related to climate change, to retail banks making loans to small businesses during volatile periods. Organizations are dealing with complexity and litigiousness like never before, forcing their boards to assess current and past organizational exposure. Still, there are some strategic advantages to taking risks; after all, achieving sustained growth requires some degree of risk-taking. Incorporating risk management into corporate strategy is therefore crucial.

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Related insight areas: [International Security](#), [Cybersecurity](#), [Illicit Economy](#), [Civic Participation](#), [Development Finance](#), [Banking and Capital Markets](#), [Climate Change](#), [Justice and Law](#), [Corruption](#), [Insurance](#), [Risk and Resilience](#), [Financial and Monetary Systems](#)



**Duke Fuqua School of Business**  
**Untangling the Risk Management Paradox**

09 March 2022

"You might think that the firms that are more constrained can least afford to bear these various risks, but in fact, something makes them choose to forego this type of financial hedging," Rampini said. "The paradox is that a firm's financial constraints are both the reason they should be hedging and the reason why they don't do it." Rampini and colleagues have examined hedging in many contexts, from how people use household insurance policies to how airlines hedge fuel expenses. Their insights have prompted new questions about the foundations of risk management theory. Using data from airlines, the authors also developed a model to predict when a financially constrained firm is likely to abandon hedging and use its resources to finance investment or to avoid downsizing and focus on staying operable.



**Wharton School of the University of Pennsylvania**  
 - Knowledge@Wharton  
**Questions to Help You Pick Your Next Leader**

21 February 2022

This article was written by Wharton professor emeritus of management Michael Useem . Useem is also director of the Wharton Center for Leadership and Change Management . You are about to interview three finalists for a senior position in your enterprise. The candidates have all worked for the company for years, and your search committee believes all are qualified. What questions should you ask in the final interview to help you decide who is best qualified to lead one of your premier divisions or functions?.



**London Business School Review**  
**How corporate tax policy affects foreign investment**

20 January 2022

By exploiting location-specific night-time luminosity data and data from the African Demographic and Health Surveys, the researchers also detected increased economic activity and higher employment rates of African citizens within close proximity (10 kilometres) of UK-owned subsidiaries.



**Australian Institute of International Affairs**  
**The World's Oldest Democracy Debates How It Functions**

19 January 2022

President Biden's speech to Atlanta last week saw a renewed focus on protecting the "heart and soul" of American democracy – voting rights. What does this strategy reveal about Biden's plans for 2022?.



**World Economic Forum**  
**Stakeholder Capitalism - EP.5 | Stakeholder Capitalism at Work | World Economic Forum**

13 January 2022

In this concluding episode we ask how can the idea of 'stakeholder capitalism' work in the real world. Joining hosts Peter Vanham and Natalie Pearce are: Emily Bayley, project lead of the World Economic Forum's ESG Initiative Jonas Prising, CEO of Manpower Group Geraldine Matchett, CFO and co-CEO of Royal DSM .



**London School of Economics and Political Science**  
**Senate opposition means Democrats will struggle to pass voting rights bills.**

10 January 2022

Democrats have begun 2022 with a renewed effort to pass voting rights legislation. And while President Joe Biden and senior Senate Democrats have been pushing for two key voting rights bills and changes to Senate rules to enable them to pass, they continue to be blocked by Republicans. Julie Norman discusses the context and content of the bills, the options [...].



**World Economic Forum**  
**Stakeholder Capitalism | EP3 - Planet vs. Profit: Can Growth be Green?**

06 January 2022

While the value of big tech companies has soared, what problems has that created? A lack of market competition and the impact that has on economies; data protection concerns; falling public trust. Is big tech too big, and what should be done? .



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- Some URLs have been shortened for readability. Please follow the URL given to visit the source of the article. A full URL can be provided on request.

# Continue the experience online

## Explore the collective intelligence of the World Economic Forum

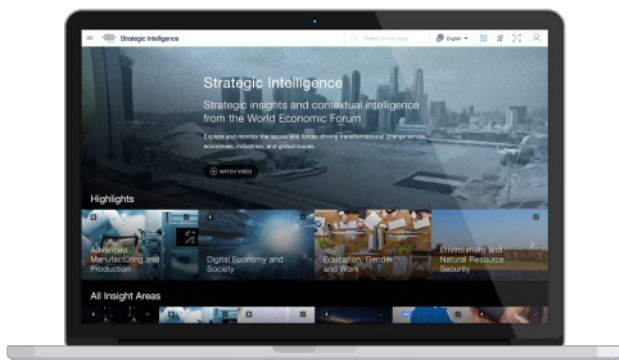
In today's world, individuals and organizations can find it difficult to keep up with the latest trends or to make sense of the countless transformations taking place around them.

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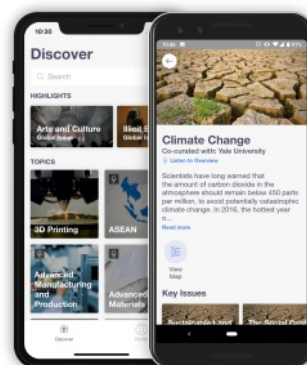
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