

The Five ESGT Megatrends into 2023

Setting the Scene

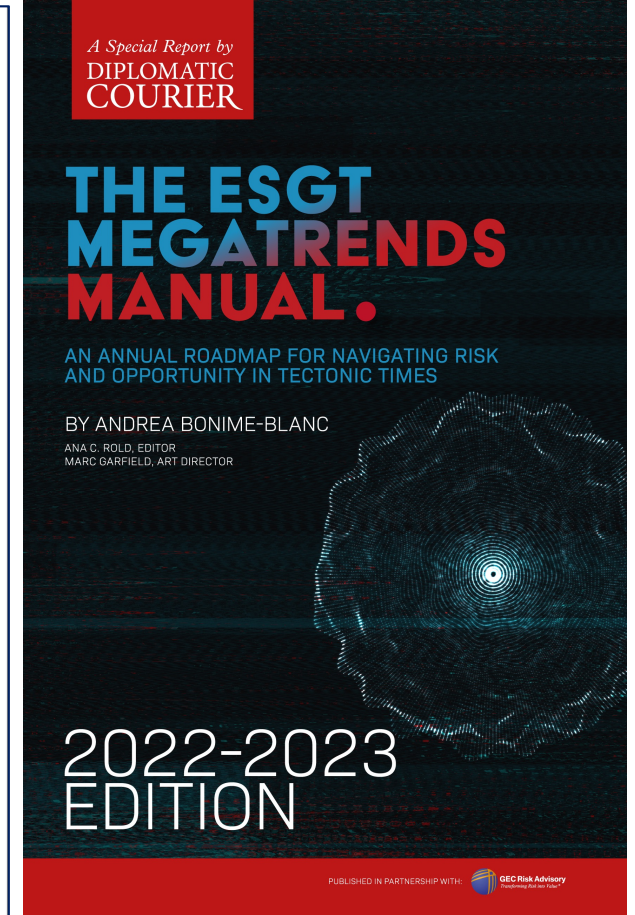
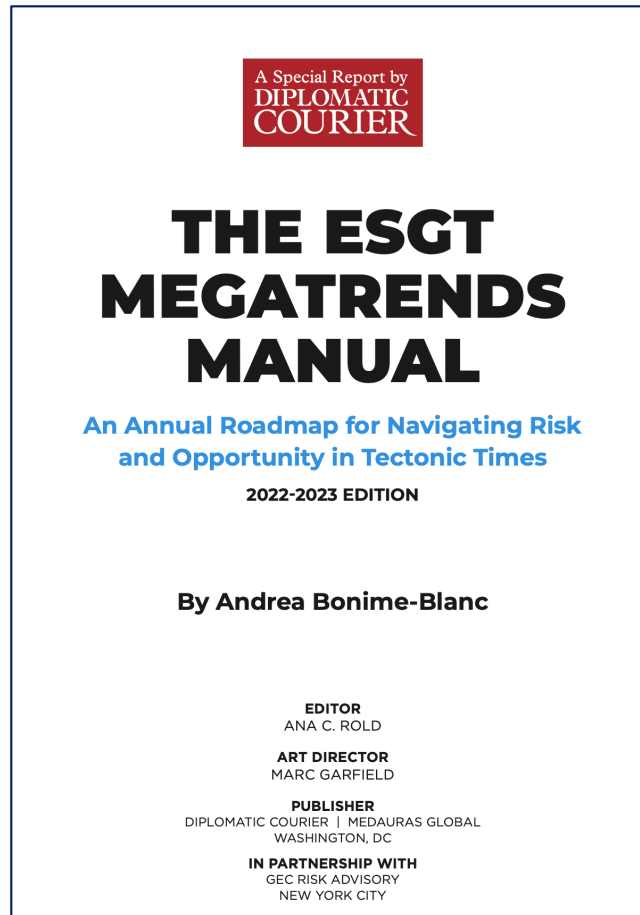
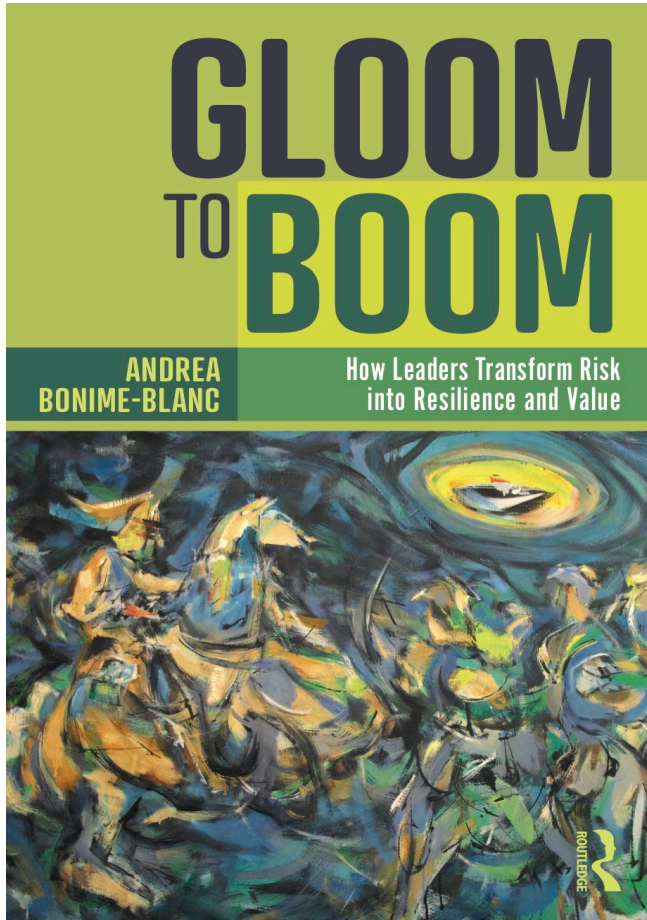
The Five ESGT Megatrends into 2023

The 21st Century -so far- has been a century of continuous risk and crisis with numerous environmental, social, governance and technological (ESGT) shocks to the global system. What are the ESGT megatrends that should be top of mind for all leaders—whether in business, non-profits, or government, as they lead and participate in strategic and tactical risk and opportunity planning and implementation before it creates an even deeper economic impact? How can you (yes, YOU) get out of your comfort zones and understand these new dynamics so that you can help steer your respective organisations, communities and nations in the right and most beneficial direction? What are the new leadership blueprints needed for the [bold + brave] boards?



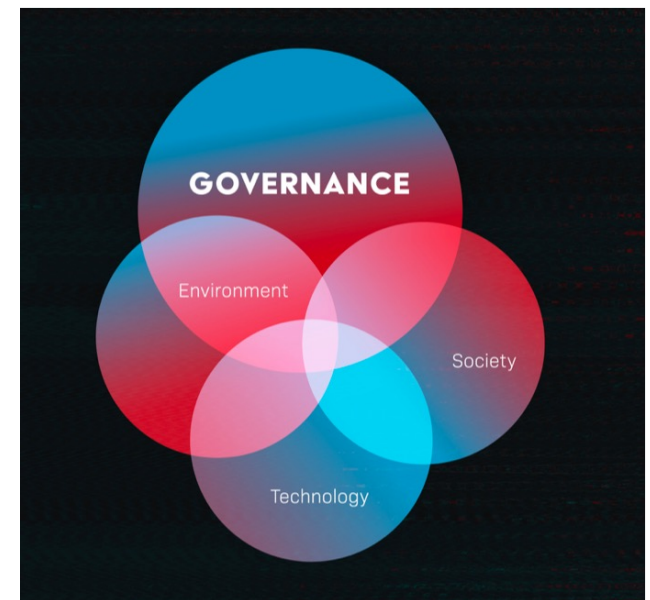
Who Remembers Scylla & Charybdis from Greek Mythology?



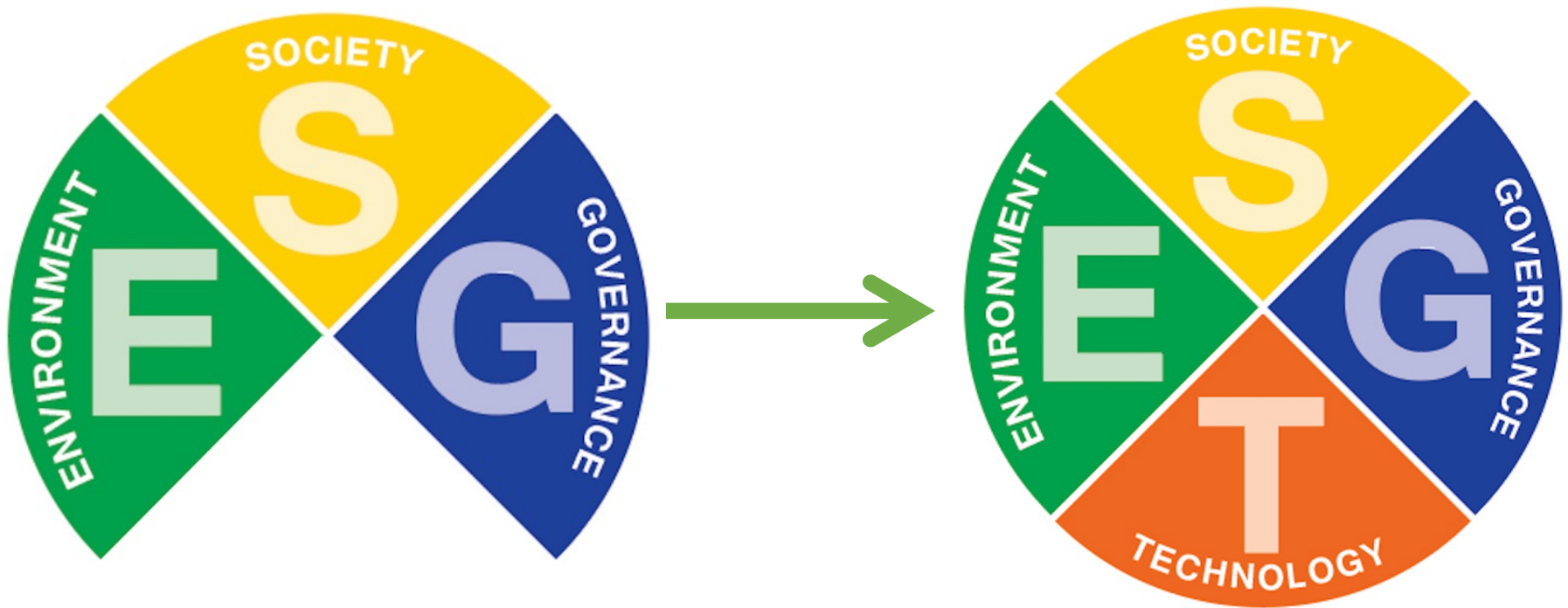


OVERVIEW

- The 5 ESGT Megatrends for 2022-2023
- A Deeper Dive into the ESGT Role of Leaders
- A Leadership ESGT Blueprint



What is ESG? What is ESG+T?



What is “ESG+T”?

Table I.1 A sampling of ESGT issues – a sneak preview

<i>Environmental</i>	<i>Social</i>	<i>Governance</i>	<i>Technology</i>
<ul style="list-style-type: none"> • Climate Change • Sustainability • Water • Air • Earth • Carbon Emissions • Energy Efficiency • Natural Resources • Hazardous Waste • Recycled Material Use • Clean Technology • Green Buildings • Biodiversity • Animal Rights • Pandemics 	<ul style="list-style-type: none"> • Human Rights • Labor Rights • Child Labor • Human Trafficking • Human Slavery • Health & Safety • Workplace Conditions • Workplace Violence • Product Safety • Fair Trade • Data Privacy • Discrimination • Harassment • Bullying / Mobbing • Diversity & Inclusion 	<ul style="list-style-type: none"> • Corporate governance • Leadership • Culture • Business ethics • Geopolitics • Corruption/ bribery • Fraud • Money laundering • Anti-competition/ anti-trust • Regulatory compliance • Conflicts of interest • Compensation disclosure 	<ul style="list-style-type: none"> • Cyber-security • Ai geopolitics • Data mining • Internet of things • Artificial intelligence • Machine learning • Deep learning • Robotics • Automated robotic processing • Military robotics • Surveillance • Dark web • Fake news • Deep fakes – visual • Deep fakes – audio • Biometrics • Wearables • Nanotechnology • Bioengineering • Crispr

Source: Author.

SOURCE: A. BONIME-BLANC. GLOOM TO BOOM. ROUTLEDGE 2020.

What Are “Megatrends”?

THE FIVE ESGT MEGATRENDS FOR 2022-2023

- 1.** Geopolitical Tectonic Shifts Catalyzing.
- 2.** Climate and War Propelling Complex Risk.
- 3.** Tech Disruption Becoming Multidimensional.
- 4.** Stakeholder Capitalism and ESG Intertwining.
- 5.** Leadership and Institutional Trust Recalibrating.

2021-2022 to 2022-2023 ESGT Megatrends Comparison

Table 6 - ESGT Megatrends Compared 2021/22 to 2022/23

2021-2022 & 2022-2023 ESGT MEGATRENDS COMPARED	
2021-2022	2022-2023
1. Tech Disruption at the Speed of Light	1. Geopolitical Tectonic Shifts Catalyzing
2. Leadership & Institutional Trust Plummeting	2. Climate & War Propelling Complex Risk
3. Complex Interconnected Risk Rising	3. Tech Disruption Becoming Multidimensional
4. Global Geopolitical Tectonics Shifting	4. Stakeholder Capitalism & ESG Intertwining
5. Stakeholder Capitalism Rising	5. Leadership & Institutional Trust Recalibrating

2022-2023 - The Year of Systemic Situational Awareness

Figure 2 - North Pole Map Showing Agriculture Climate Change 2001-2099

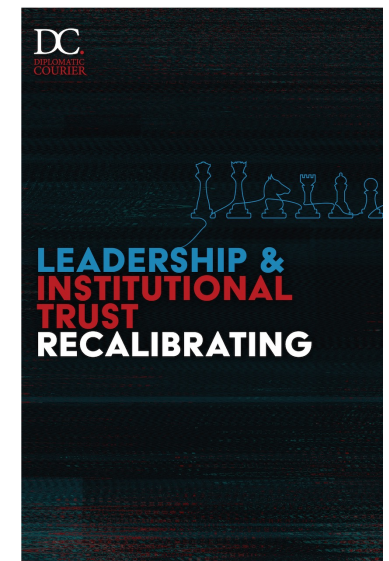
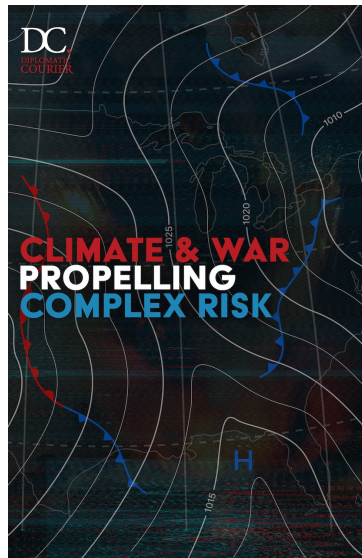


The Year Systemic Situational Awareness Became an Imperative

It's time for the world to recognize that we are living in an era of continuous risk and crisis and that denying it, avoiding it, or considering it a passing thing is no longer tenable. The truth is that the 21st Century has been a century—so far—of periodic, diverse, and material environmental, social, governance and technological (ESGT) shocks to the global system. A look at the (incomplete) list in Table 1 should suffice to make this point.

Source: The Economist.

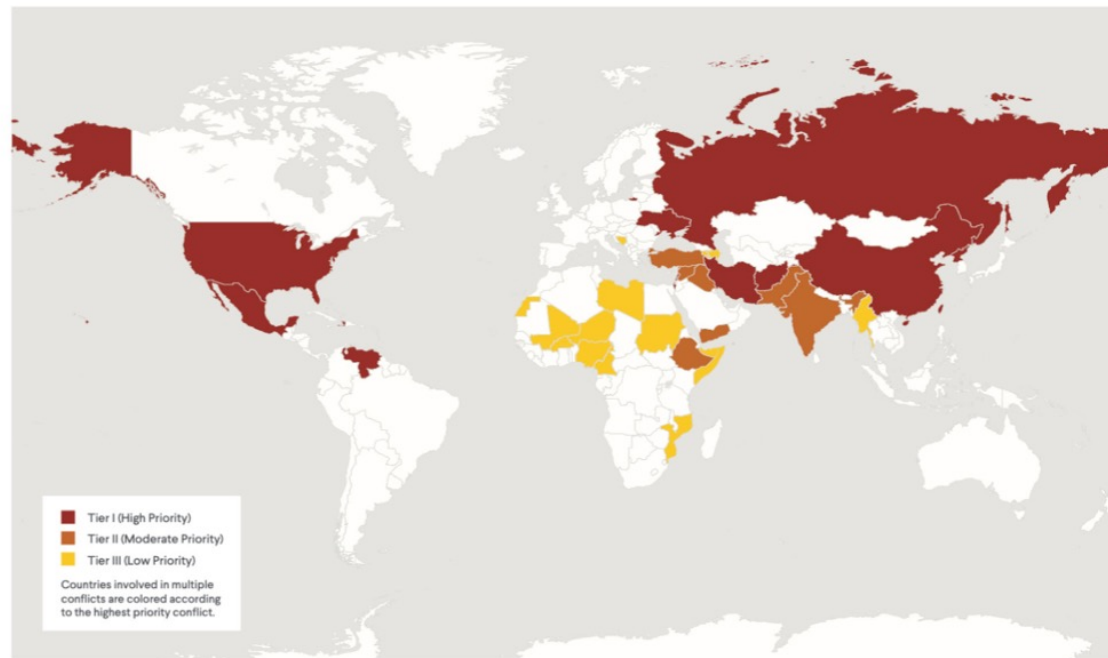
The 2022-2023 ESGT Megatrends





The Danger and the Risk of Geopolitical Tectonic Shifts Catalyzing

Figure 3
High, Medium, and Low Priority Preventive Conflict Priorities



Source: Council on Foreign Relations. Preventive Priorities Survey 2022.



Over 1,000 Companies Have Curtailed Operations in Russia— But Some Remain

July 21, 2022



Table 12
Sampling of Potential ESG/ESGT Issues, Risks, Opportunities
of Companies Located or Doing Business in Russia and Ukraine

Environment	Society	Governance	Technology
<ul style="list-style-type: none"> Destruction of habitats, cities, plants, infrastructure, facilities, offices Pollution from destruction – water, air, earth Destruction of agriculture, food supplies Vicinity of nuclear plants, potential ecological disaster Biodiversity loss 	<ul style="list-style-type: none"> Health, safety, wellbeing of employees, contractors, partners, their families Human rights Political speech Labor rights Migration issues Discrimination Harassment Bullying Social media use 	<ul style="list-style-type: none"> Reputation risk management Resilience building CEO public comments/ support for democracy Sanctions understanding & compliance Review of investments, partnerships & joint ventures Review of supply chain contracts Review of sales contracts 	<ul style="list-style-type: none"> Internet access/usage Social media Digital chatter Cyber-security Data privacy Data back up Damage or destruction of technology Hardware maintenance Device maintenance IoT Drones

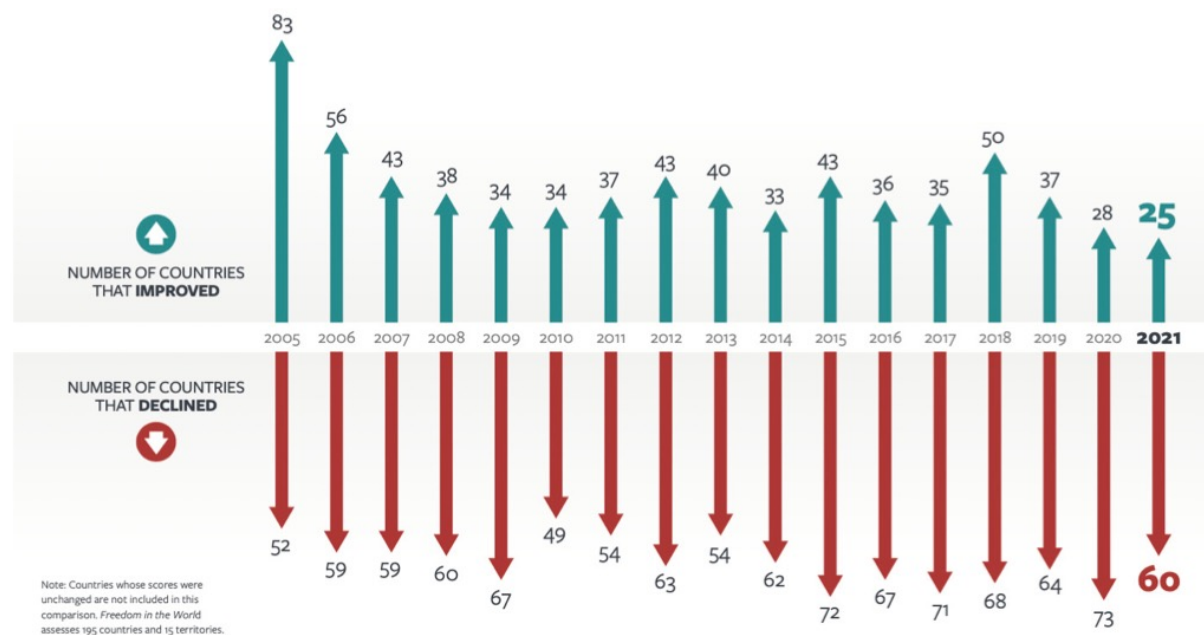
Source: GEC Risk Advisory 2022



Figure 4
Growing Democracy Gap: 16 Years of Democratic Decline

A GROWING DEMOCRACY GAP: 16 YEARS OF DEMOCRATIC DECLINE

Countries with aggregate score declines in *Freedom in the World* have outnumbered those with gains every year for the past 16 years.



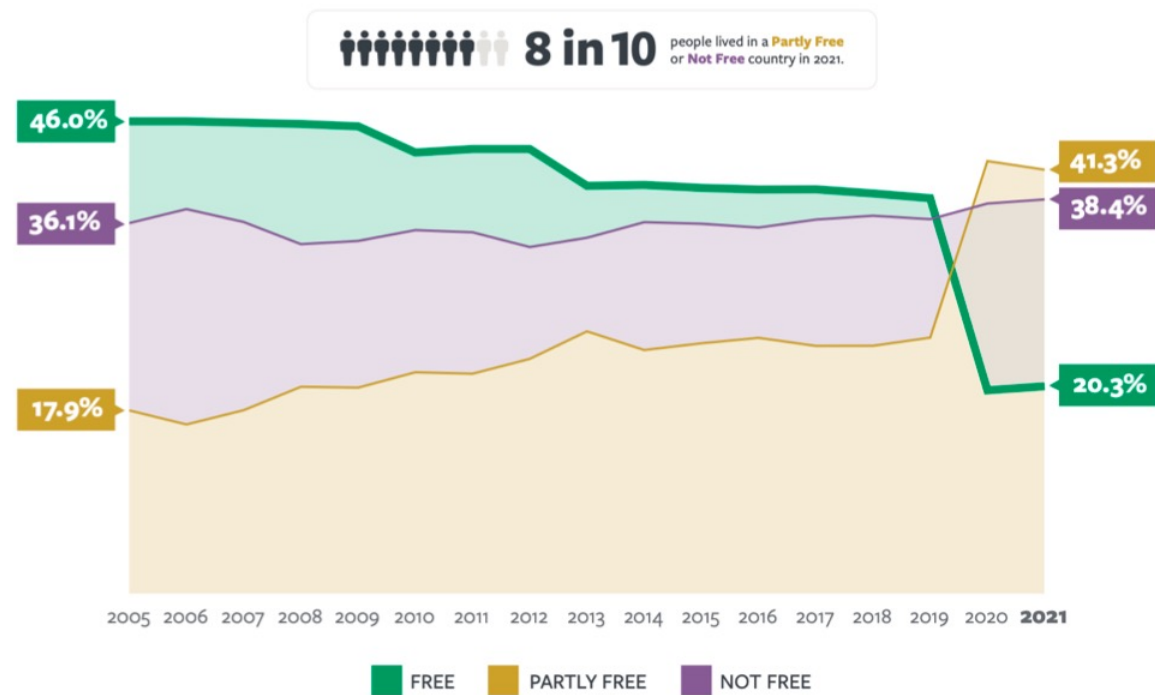
Source: Freedom House *Freedom in the World* 2022.



Figure 5 Living in a Less Free World

LIVING IN A LESS FREE WORLD

The share of the world's population living in Free environments has fallen as authoritarian practices proliferate.



Source: Freedom House Freedom in the World 2022.

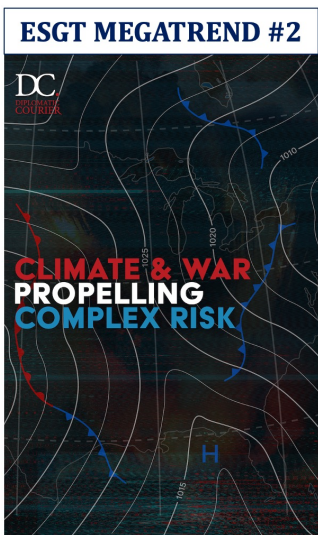
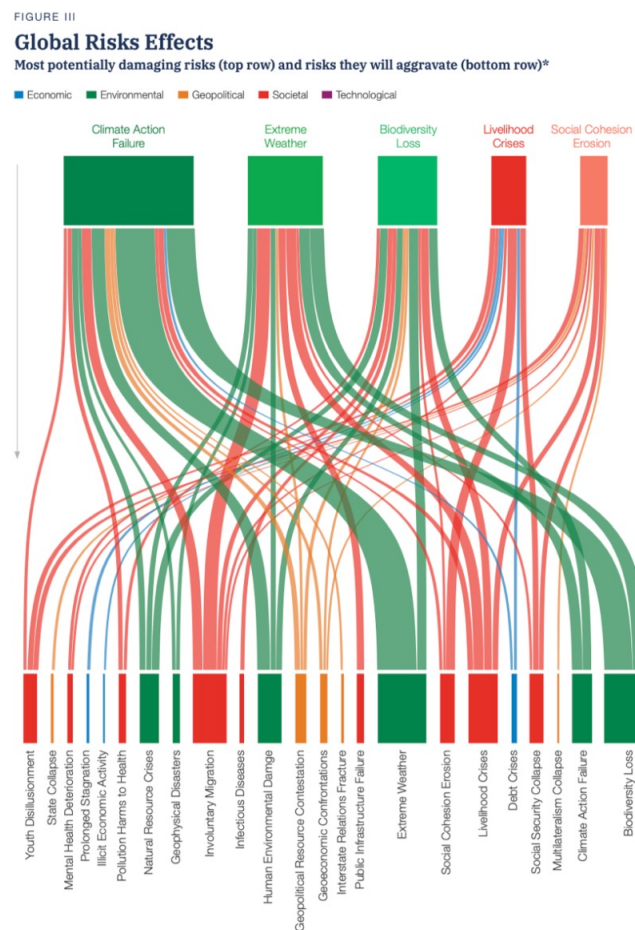


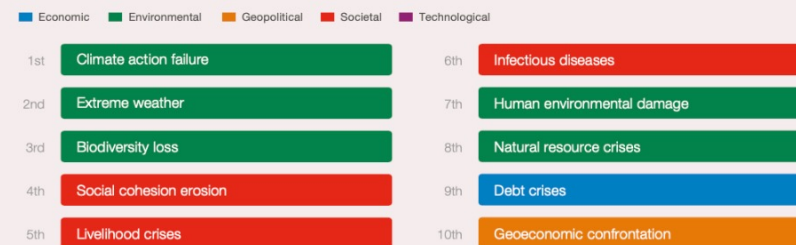
Figure 11
World Economic Forum - Global Risks Effects 2022



Source: World Economic Forum Global Risks Report 2022.

Figure 12
Most Severe Global Risks For The Next 10 Years

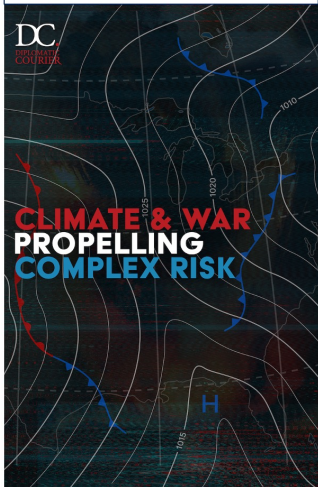
FIGURE 1.3
“Identify the most severe risks on a global scale over the next 10 years”



Source: World Economic Forum Global Risks Perception Survey 2021-2022

Source: World Economic Forum Global Risks Report 2022 (WEF GRR 2022)

ESGT MEGATREND #2

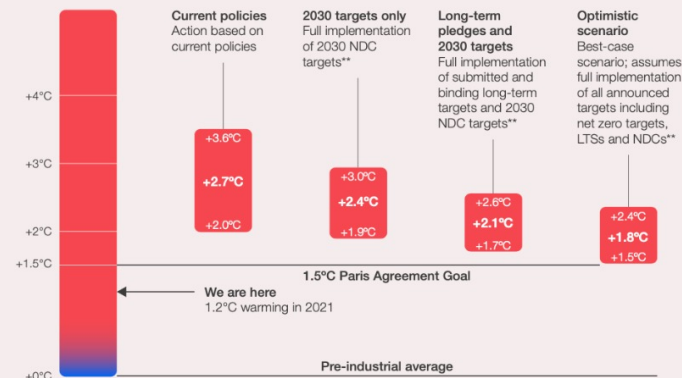


Climate Truth...

Figure 14
Global Temperature Scenarios By 2100

FIGURE 2.1

Global Temperature Scenarios by 2100



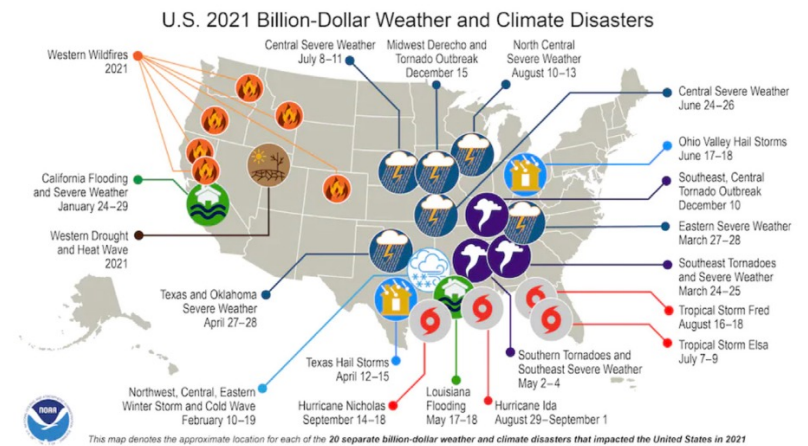
** Nationally determined contributions (NDCs) are non-binding national plans for climate action, including targets for GHG emissions reductions. Long-term strategies (LTSs) are national mid-century development plans for confronting climate change. If 2030 NDC targets are weaker than projected emissions levels under current policies, then current policies are used here.

Source: Based on the Climate Action Tracker. <https://climateactiontracker.org/>

Source: World Economic Forum Global Risks Report 2022.

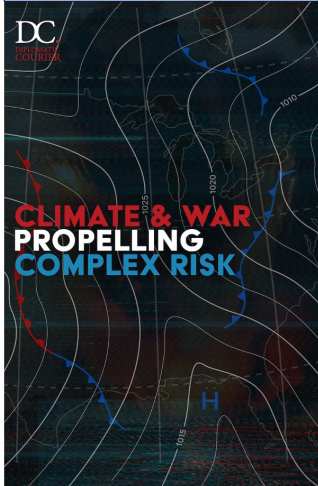
Climate Consequences...

Figure 15
2021 U.S. Billion Dollar Weather and Climate Disasters

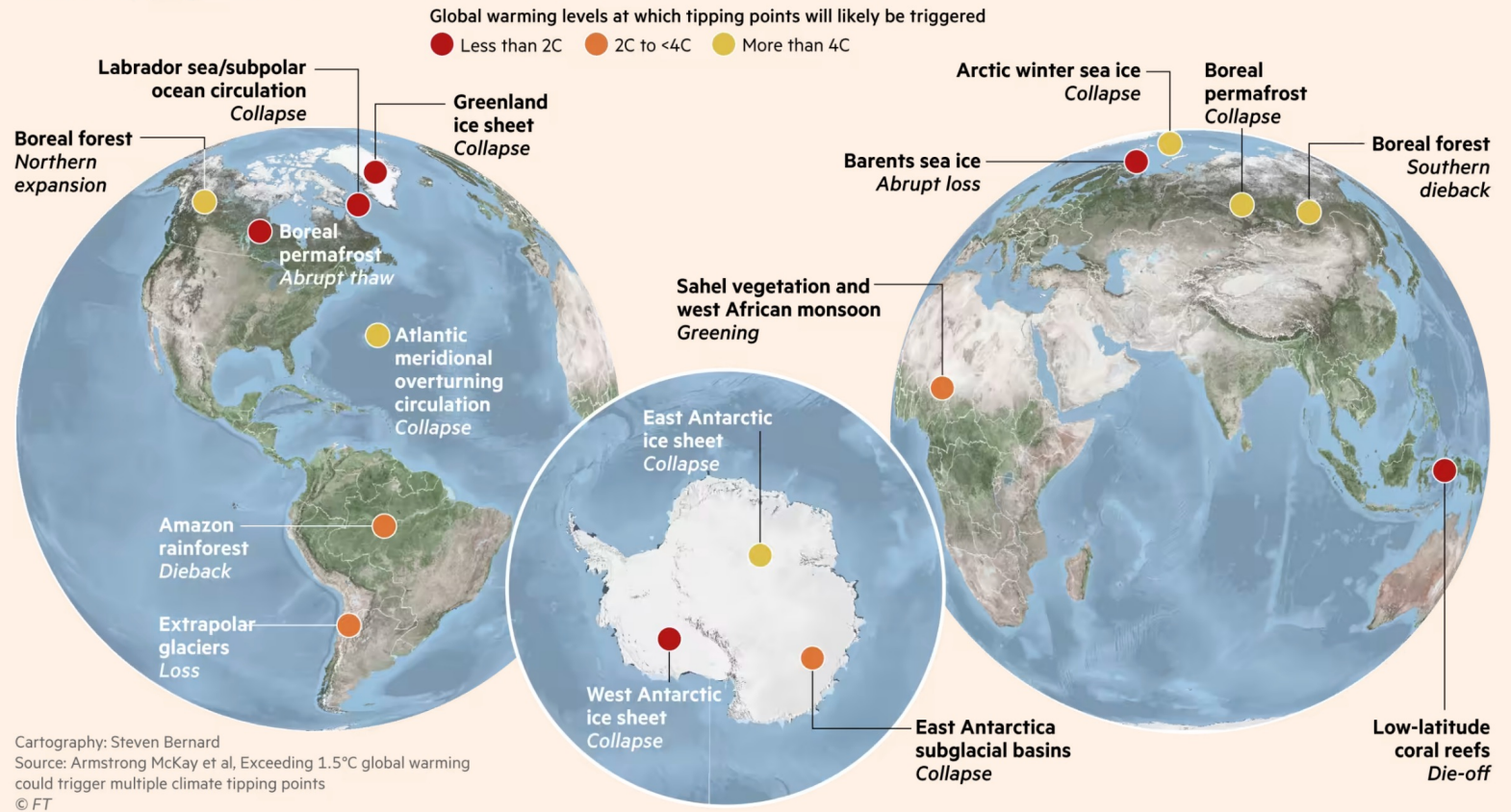


Source: NOAA 2022.

ESGT MEGATREND #2



Climate tipping elements



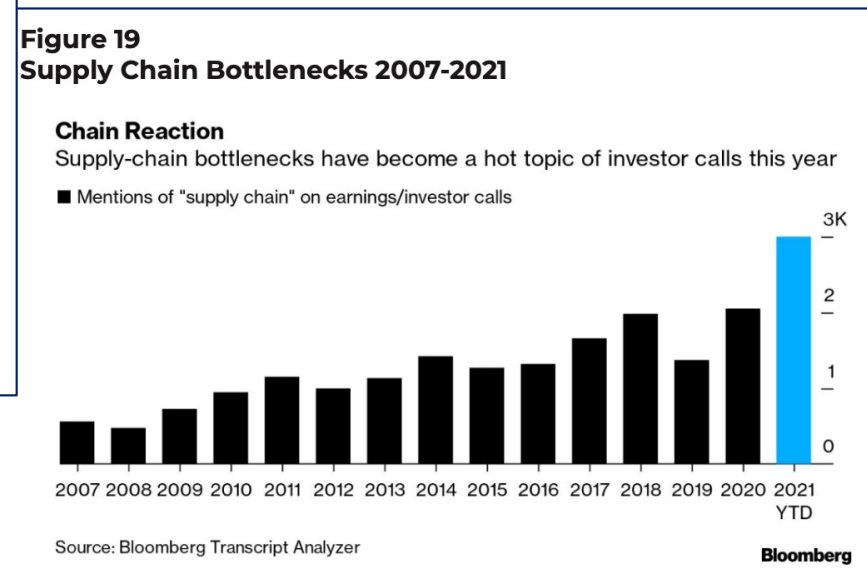
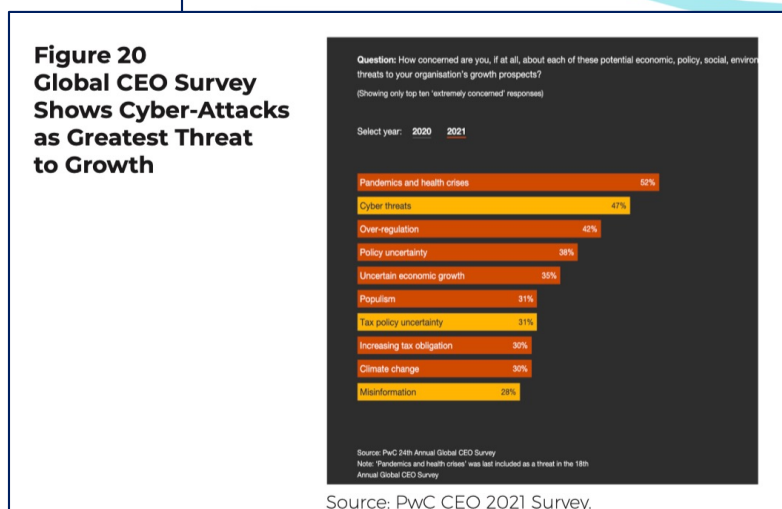
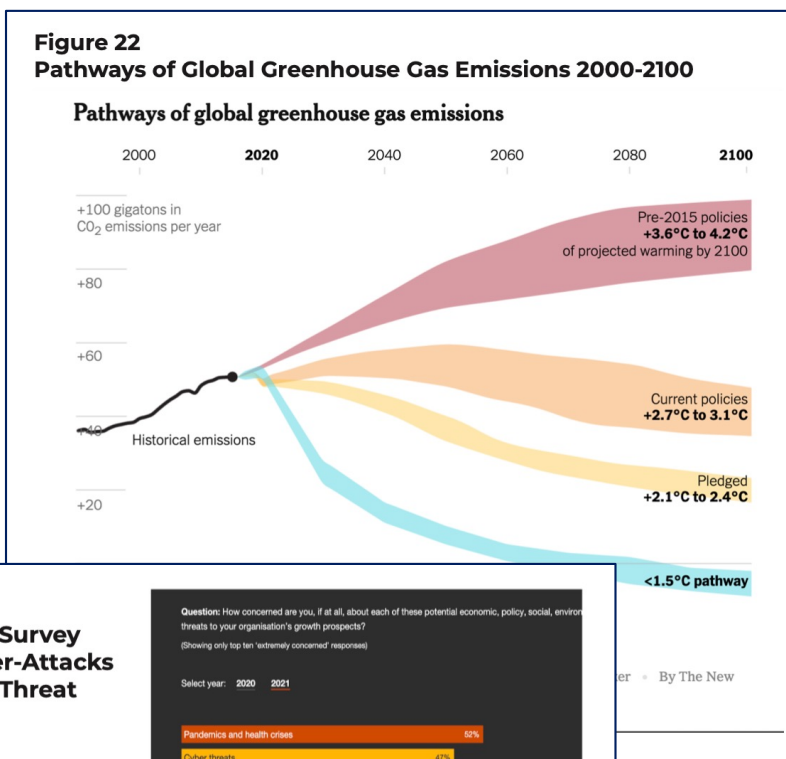
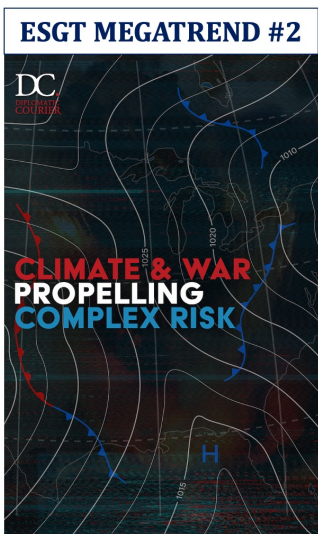






Figure 26 Fake News Concerns at All Time Highs 2022

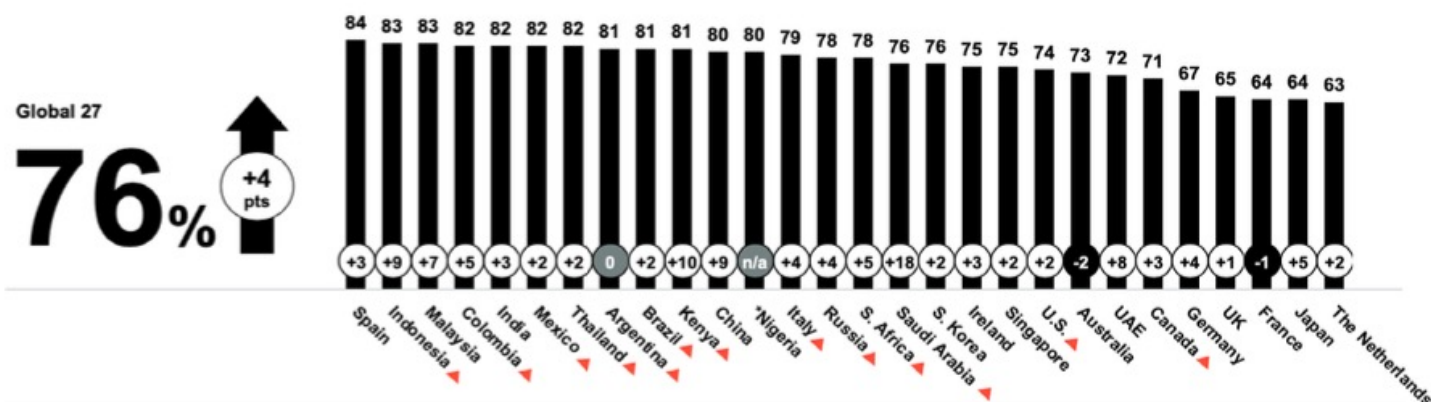
FAKE NEWS CONCERNS AT ALL-TIME HIGHS

Percent who agree

Change, 2021 to 2022

▲ All-time high in 13 of 27 countries

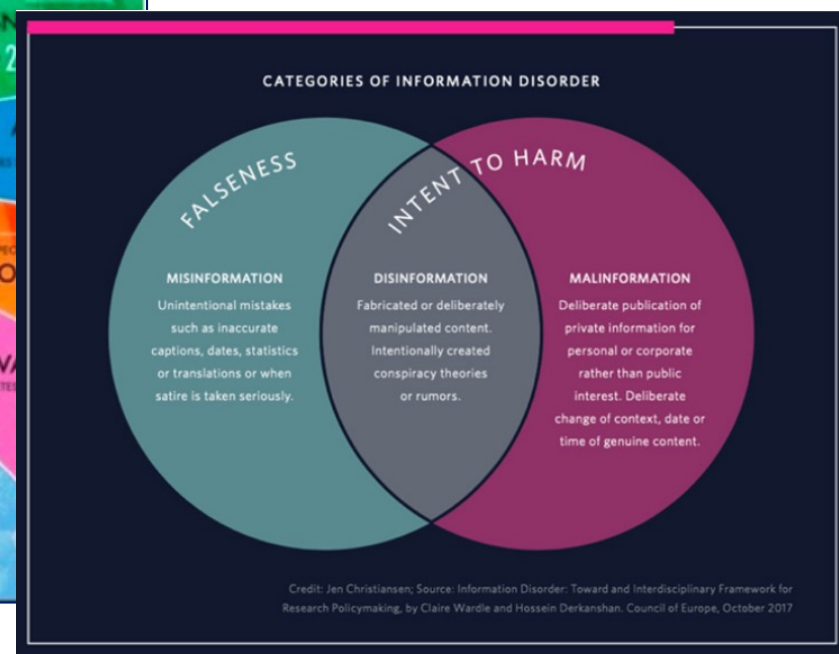
I worry about **false information or fake news** being used as a weapon



2022 Edelman Trust Barometer. ATT_MED_AGR. Below is a list of statements. For each one, please rate how much you agree or disagree with that statement using a nine-point scale where one means "strongly disagree" and nine means "strongly agree". 9-point scale; top 4 box, agree. Question asked of half the sample. General population, 27-mkt avg. *Nigeria is not included in the global average

Edelman 8

Source: Edelman Trust Barometer 2022.



Source: Crisp Presentation 2022.

Figure 29 Information Quality Is an Institutional Trust Builder

GLOBAL 24 Not asked in China, Russia, Thailand

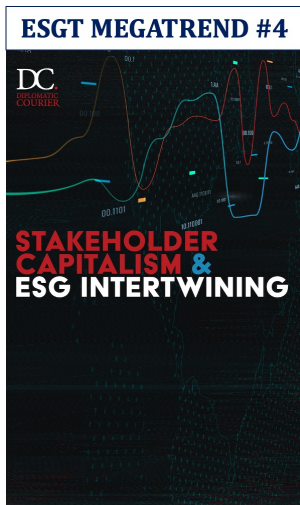
INFORMATION QUALITY NOW MOST POWERFUL TRUST BUILDER ACROSS INSTITUTIONS

Potential trust gains associated with doing each well (top 5)

Business	% pt gains	NGOs	% pt gains	Government	% pt gains	Media	% pt gains
Information quality	3.0	Information quality	3.2	Information quality	6.1	Information quality	6.6
Hold others accountable	2.5	Exert power effectively	2.4	Take a leadership role	3.7	Communication and transparency	3.2
Communication and transparency	2.3	Work with other institutions and organizations	2.3	Exert power effectively	3.5	Exert power effectively	2.5
Exert power effectively	2.1	Take a leadership role	2.1	Long-term thinking and planning	3.2	Change management	2.2
Get results	1.8	Change management	2.0	Hold others accountable	3.2	Hold others accountable	2.0

2022 Edelman Trust Barometer. Regression analysis. CMP_ARE_[INS]. Thinking about [institution] as they are today, please indicate whether you consider each of the following dimensions to be one of their areas of strength or weakness. 5-point scale; top 2 box, strength. Question asked of half of the sample. TRU_INS. Below is a list of institutions. For each one, please indicate how much you trust that institution to do what is right. 9-point scale; top 4 box, trust. General population, 24-mkt avg. For a full explanation of how this data was calculated, please see the Technical Appendix. Data not collected in China, Thailand and Russia for CMP_ARE_[INS].

Source: Edelman Trust Barometer 2022.



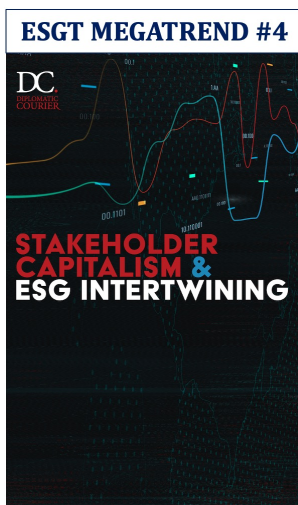
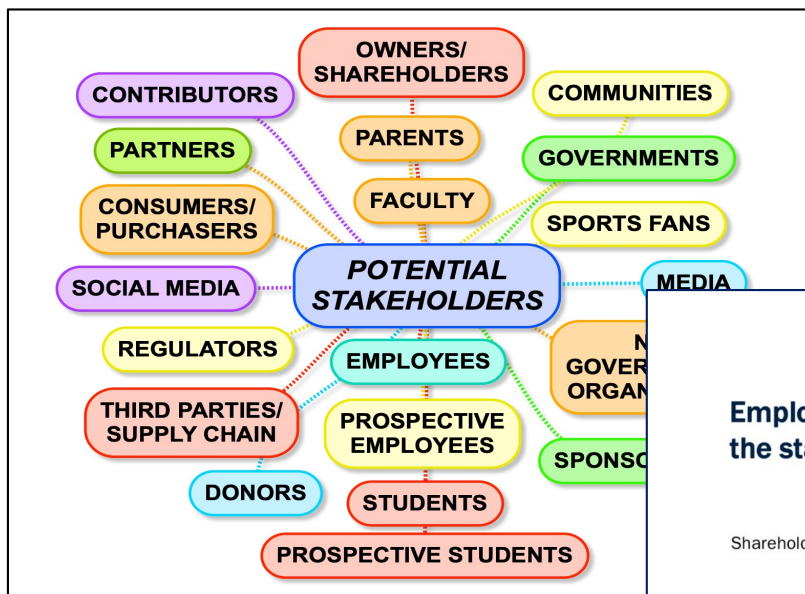
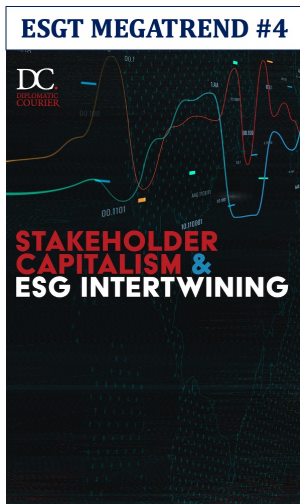


Figure 31
Types of Capitalism

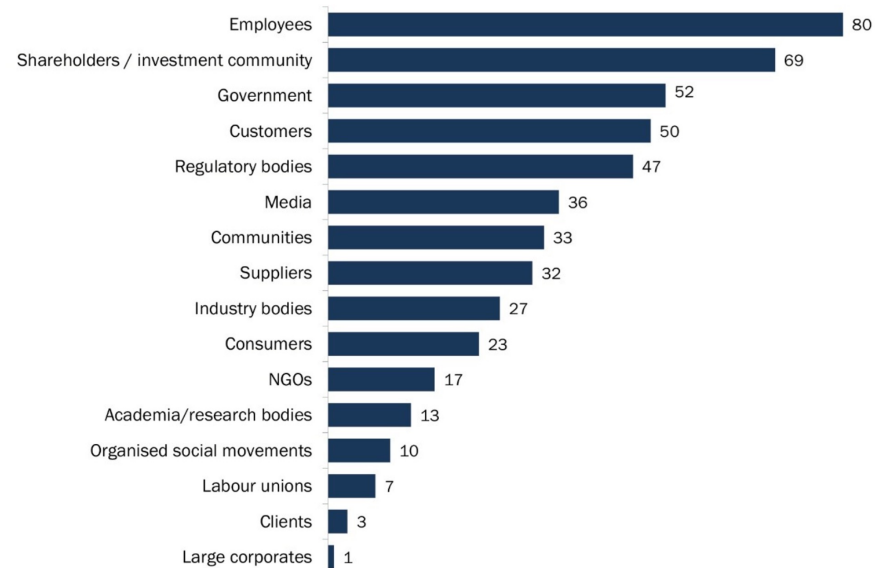
Types of Capitalism	State Capitalism	Shareholder Capitalism	Stakeholder Capitalism
Key Stakeholder	Government	Company Shareholders	All stakeholders matter equally
Key Characteristic	Government steers the economy, can intervene where necessary	The social responsibility of business is to increase its profits	Society's goal is increase the well-being of people and the planet
Implication for Companies	Business interests are subsidiary to state interests	Short-term profit maximization as highest good	Focus on long-term value creation and ESG measures
Advocated by		Milton Friedman ('70) «Shareholder Theory»	Klaus Schwab ('71) «Davos Manifesto» ('73)

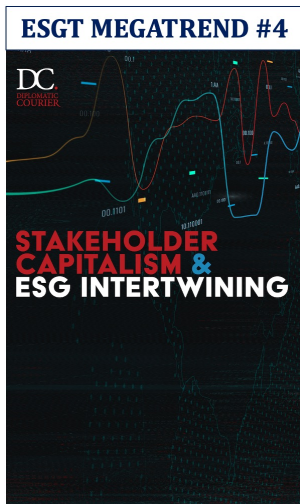
Visualisation by Peter Vanham, World Economic Forum, based on «Stakeholder Capitalism: A Global Economy that Works for Progress, People and Planet»



OXFORD GLOBESCAN 2021 REPORT

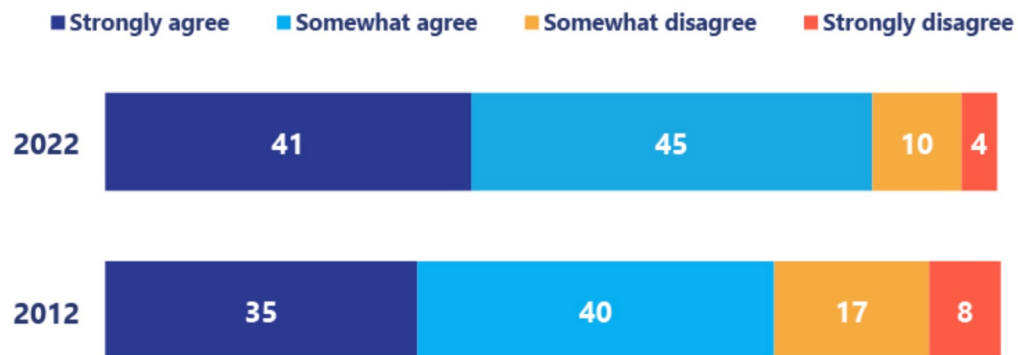
Employees and shareholders are higher in the general hierarchy of the stakeholder ecosystem





Over Eight in Ten Now Say That Current Environmental, Economic, and Social Challenges Are Unprecedented

Current Environmental/Social/Economic Challenges Are the Largest the World Has Ever Faced, Average of 15 Countries,* 2012–2022



*Includes Australia, Brazil, Canada, China, France, Germany, India, Indonesia, Kenya, Mexico, Nigeria, Spain, Turkey, UK, and USA.



Compared to a decade ago, people are now more likely to say that we are currently facing environmental and socio-economic challenges at an unprecedented scale globally.

Over eight in ten people now agree with this sentiment compared to three-quarters in 2012. Strikingly, this agreement is similarly strong across all demographics and geographies.

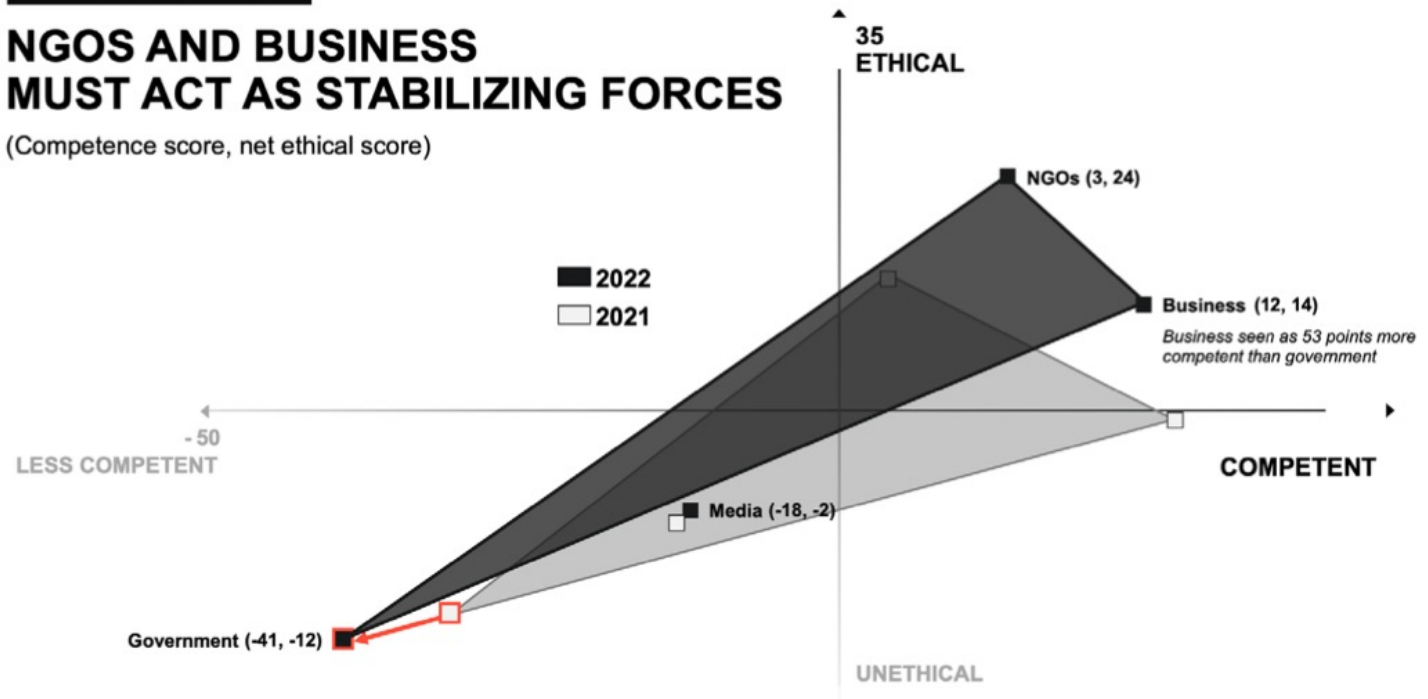
Source: GlobeScan Radar Report 2022 (survey of 29,293 people in the general public in June – July 2022)

Figure 49 Business & NGOs Most Stabilizing Institutions

GLOBAL 24 Not asked in China, Russia, Thailand.

NGOS AND BUSINESS MUST ACT AS STABILIZING FORCES

(Competence score, net ethical score)



Source: Edelman Trust Barometer 2022.



ENLIGHTENED LEADER:
Transforms ESGT into Sustainable Value

RESPONSIBLE LEADER:
Provides Strong ESGT Tone & Resources

SUPERFICIAL LEADER:
Views ESGT as a Marketing & PR Tool

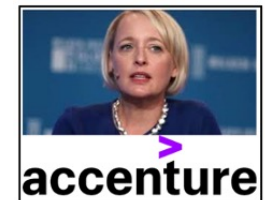
IRRESPONSIBLE LEADER:
Hostile to or Ignorant about ESGT



ENLIGHTENED LEADER:
Transforms ESGT into Sustainable Value

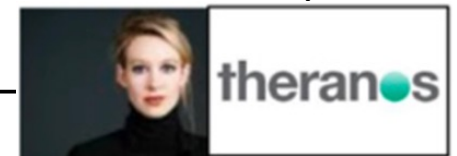


RESPONSIBLE LEADER:
Provides Strong ESGT Tone & Resources



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Views ESGT as a Marketing & PR Tool

IRRESPONSIBLE LEADER:
Hostile to or Ignorant about ESGT



LEADERSHIP &
INSTITUTIONAL
TRUST
RECALIBRATING

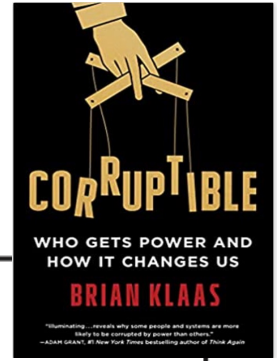


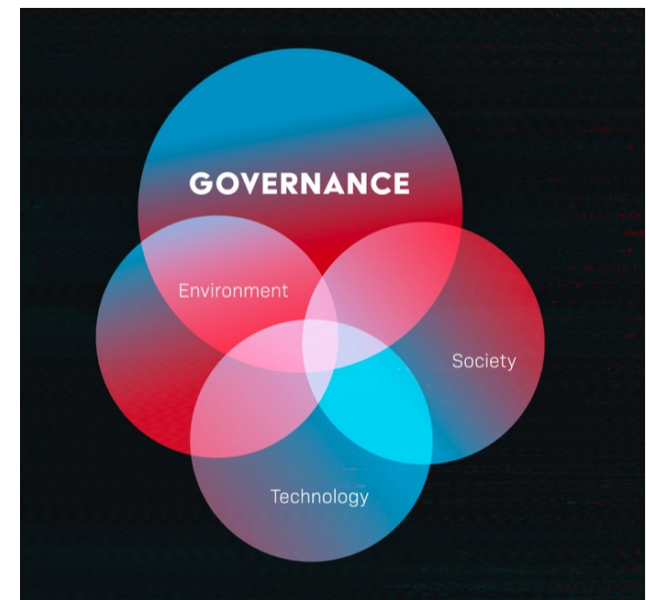
Table 15

The Ten Lessons of Brian Klaas' *Corruptible: Who Gets Power and How it Changes Us* (Scribner 2021)

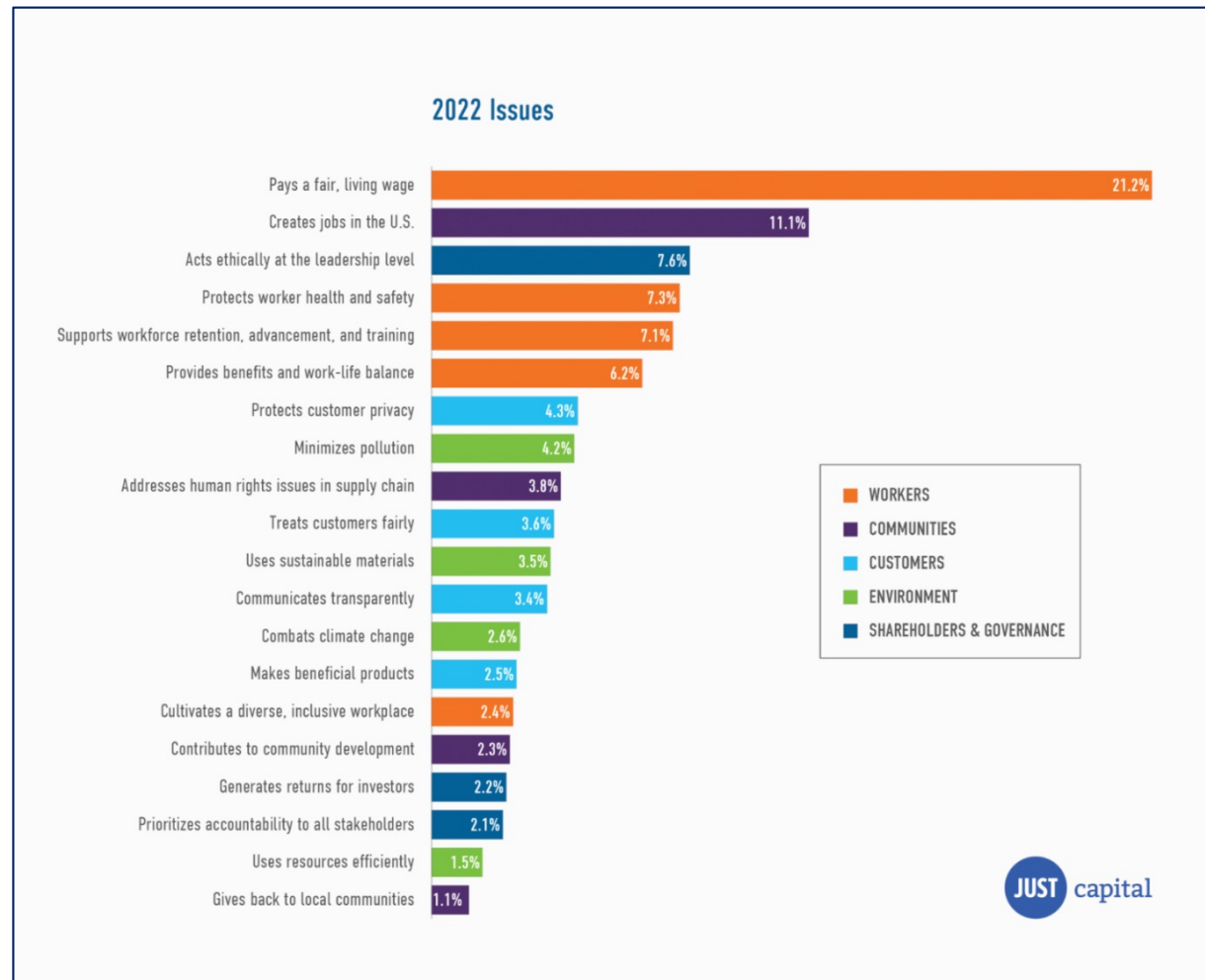
1. Actively recruit incorruptible people and screen out corruptible ones
2. Use sortition and shadow governance for oversight
3. Rotate to reduce abuse
4. Audit decision-making processes not just results
5. Create frequent, potent reminders of responsibility
6. Don't let those in power see people as abstractions
7. Watched people are nice people
8. Focus oversight on the controllers not the controlled
9. Exploit randomness to maximize deterrence while minimizing invasions of privacy
10. Stop waiting for principled saviors, make them instead

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The Stakeholder View



How Stakeholders Rate Some of the Top US Tech Companies



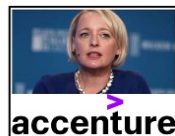
	 Alphabet Inc View details	 Microsoft Corporation View details	 Apple Inc View details	 Accenture plc	 General Motors Company	 Amazon.com Inc View details	 Tesla Inc View details	 Meta Platforms Inc View details
Overall Rank	1 st of 954 companies	3 rd of 954 companies	7 th of 954 companies	17 th of 954 companies	30 th of 954 companies	105 th of 954 companies	608 th of 954 companies	712 th of 954 companies
Industry Rank	1 st of 12 Internet companies	1 st of 66 Software companies	1 st of 21 Technology Hardware companies	3 rd of 43 Commercial Support Services companies	2 nd of 11 Automobiles & Parts companies	8 th of 53 Retail companies	6 th of 11 Automobiles & Parts companies	6 th of 12 Internet companies
Overall JUST Score	90.1	86.7	82.2	76.9	73.6	64.5	44.8	41.5
PERFORMANCE ON THE ISSUES								
Workers	10 th overall 1 st of 12	12 th overall 2 nd of 66	26 th overall 3 rd of 21	83 rd overall 7 th of 43	65 th overall 1 st of 11	569 th overall 11 th of 53	851 st overall 10 th of 11	14 th overall 2 nd of 12
Communities	3 rd overall 1 st of 12	12 th overall 1 st of 66	116 th overall 3 rd of 21	41 st overall 1 st of 43	42 nd overall 2 nd of 11	4 th overall 1 st of 53	51 st overall 3 rd of 11	30 th overall 2 nd of 12
Shareholders & Governance	108 th overall 2 nd of 12	199 th overall 2 nd of 66	55 th overall 2 nd of 21	39 th overall 4 th of 43	327 th overall 4 th of 11	696 th overall 42 nd of 53	817 th overall 10 th of 11	665 th overall 5 th of 12
Customers	20 th overall 1 st of 12	73 rd overall 9 th of 66	4 th overall 2 nd of 21	301 st overall 11 th of 43	34 th overall 1 st of 11	157 th overall 23 rd of 53	335 th overall 4 th of 11	901 st overall 11 th of 12
Environment	20 th overall 2 nd of 12	2 nd overall 2 nd of 66	4 th overall 1 st of 21	31 st overall 5 th of 43	137 th overall 2 nd of 11	53 rd overall 3 rd of 53	385 th overall 6 th of 11	17 th overall 1 st of 12

How Stakeholders Rate Some of the Top US Tech Companies



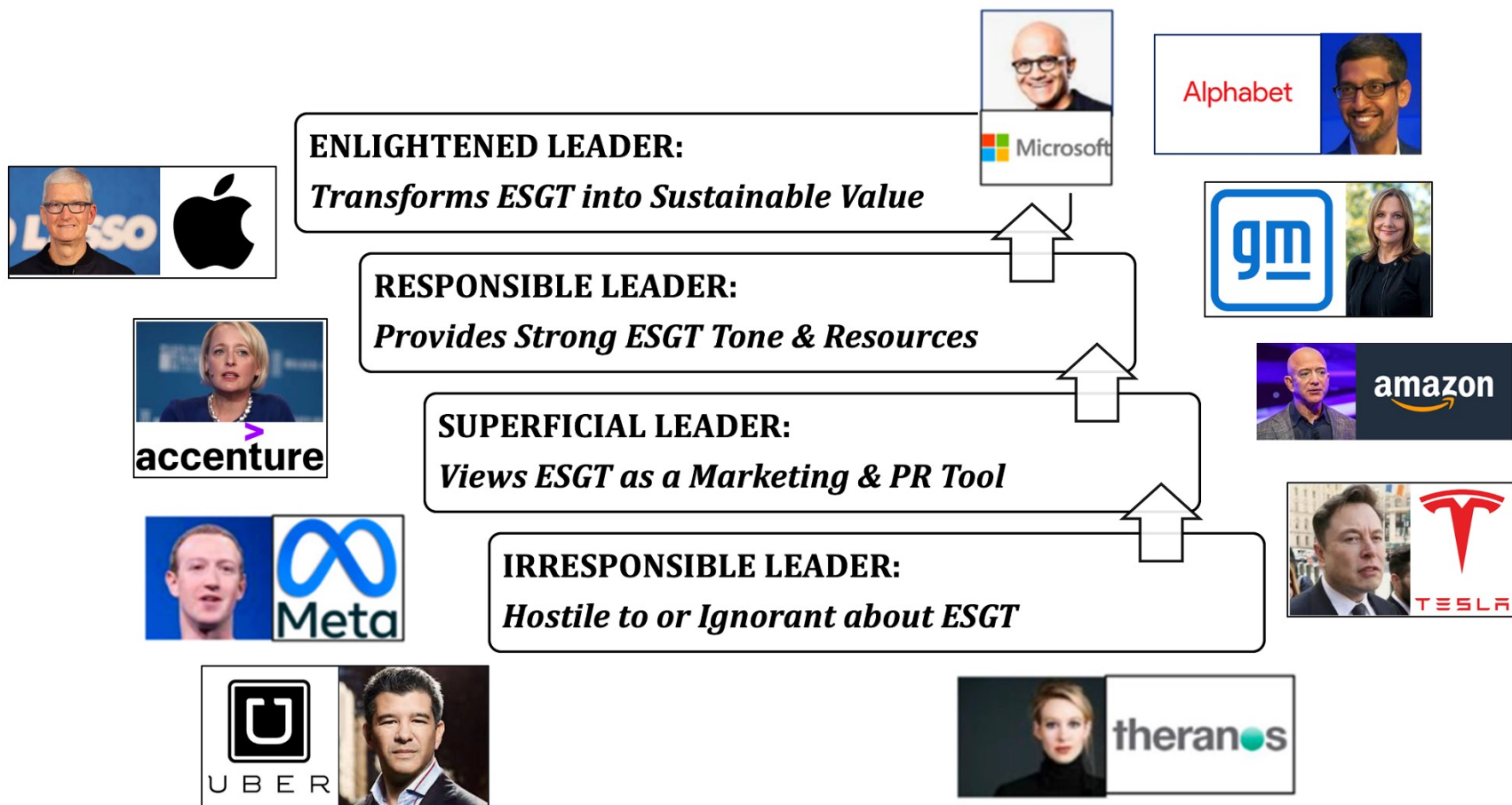
	Alphabet Alphabet Inc View details	Microsoft Microsoft Corporation View details	Apple Apple Inc View details	Accenture Accenture plc	General Motors General Motors Company	Amazon Amazon.com Inc View details	Tesla Tesla Inc View details	Meta Meta Platforms Inc View details
Overall Rank	1 st of 954 companies	3 rd of 954 companies	7 th of 954 companies	17 th of 954 companies	30 th of 954 companies	105 th of 954 companies	608 th of 954 companies	712 th of 954 companies
Industry Rank	1 st of 12 Internet companies	1 st of 66 Software companies	1 st of 21 Technology Hardware companies	3 rd of 43 Commercial Support Services companies	2 nd of 11 Automobiles & Parts companies	8 th of 53 Retail companies	6 th of 11 Automobiles & Parts companies	6 th of 12 Internet companies
Overall JUST Score	90.1	86.7	82.2	76.9	73.6	64.5	44.8	41.5
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Communities	3 rd overall 1 st of 12	12 th overall 1 st of 66	116 th overall 3 rd of 21	41 st overall 1 st of 43	42 nd overall 2 nd of 11	4 th overall 1 st of 53	51 st overall 3 rd of 11	30 th overall 2 nd of 12
Shareholders & Governance	108 th overall 2 nd of 12	199 th overall 2 nd of 66	55 th overall 2 nd of 21	39 th overall 4 th of 43	327 th overall 4 th of 11	696 th overall 42 nd of 53	817 th overall 10 th of 11	665 th overall 5 th of 12
Customers	20 th overall 1 st of 12	73 rd overall 9 th of 66	4 th overall 2 nd of 21	301 st overall 11 th of 43	34 th overall 1 st of 11	157 th overall 23 rd of 53	335 th overall 4 th of 11	901 st overall 11 th of 12
Environment	20 th overall 2 nd of 12	2 nd overall 2 nd of 66	4 th overall 1 st of 21	31 st overall 5 th of 43	137 th overall 2 nd of 11	53 rd overall 3 rd of 53	385 th overall 6 th of 11	17 th overall 1 st of 12

Is There a Relationship Between ESGT Leadership & Stakeholder Impact?



JUST CAPITAL 2022 OVERALL RANKINGS									
		SCORE		OVERALL RANKING					
Alphabet Inc		ALPHABET	90.1	#1		Tesla Inc		Meta Platforms Inc	
Overall Rank	1 st of 954 companies	MICROSOFT	86.7	#3		608 th of 954 companies		712 th of 954 companies	
Industry Rank	1 st of 12 Internet companies	APPLE	82.2	#7		6 th of 11 Automobiles & Parts companies		6 th of 12 Internet companies	
Overall JUST Score	90.1	ACCENTURE.	76.9	#17		44.8		41.5	
		GM	73.6	#30		PERFORMANCE ON THE ISSUES			
Workers	10 th overall, 1 st of 12	AMAZON	64.5	#105		85 th overall, 10 th of 11	14 th overall, 2 nd of 12		
Communities	3 rd overall, 1 st of 12	TESLA	44.8	#608		51 st overall, 3 rd of 11	30 th overall, 2 nd of 12		
Shareholders & Governance	108 th overall, 2 nd of 12	META	41.5	#712		817 th overall, 10 th of 11	665 th overall, 5 th of 12		
Customers	20 th overall, 1 st of 12					335 th overall, 4 th of 11	901 st overall, 11 th of 12		
Environment	20 th overall, 2 nd of 12					385 th overall, 6 th of 11	17 th overall, 1 st of 12		

Is There a Relationship Between ESGT Leadership & Stakeholder Impact?



Is there a Relationship between ESGT Leadership & Value Creation, Protection, Destruction?

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GLOBAL TECHNOLOGY

FUTURE-TECH SUCCESS DEPENDS ON GOVERNANCE AND IMPACT

BY **ANDREA BONIME-BLANC**



Photo by Midjourney.

SEPTEMBER 21, 2022

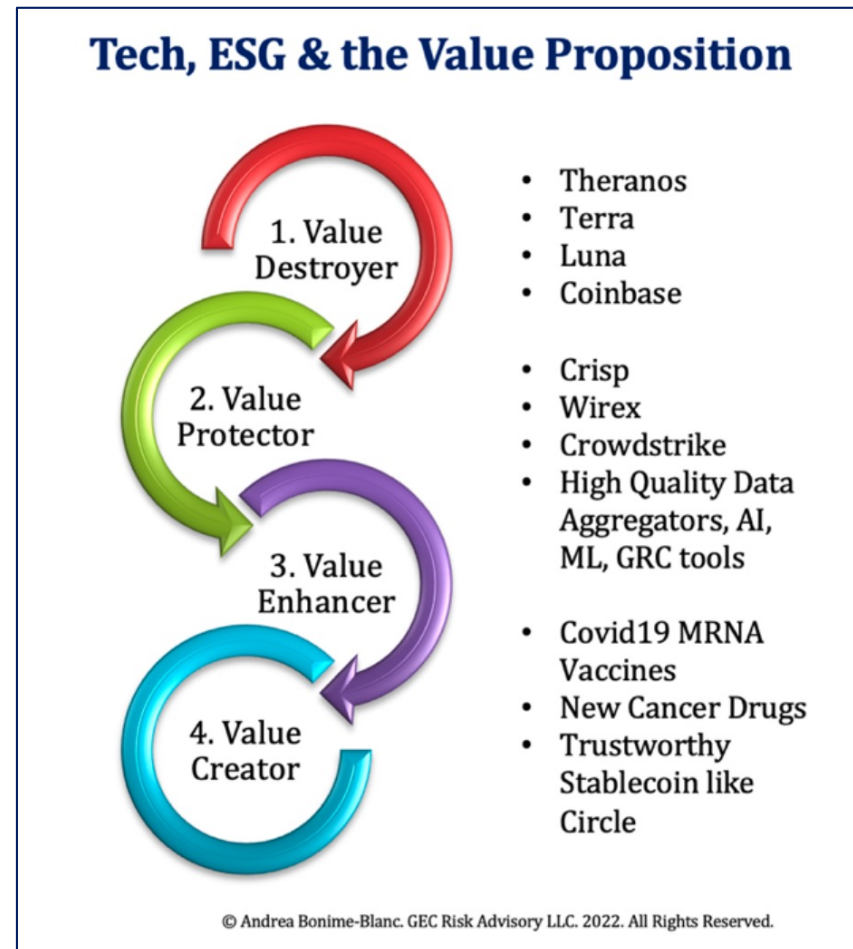
Microsoft AI principles

To promote a culture shift and infuse its AI work with ethical awareness, Microsoft developed six overarching ethical principles for AI: fairness, reliability and safety, privacy and security, inclusiveness, transparency and accountability.¹²

Fairness	Reliability and safety	Privacy and security
AI systems should treat people fairly	AI systems should perform reliably and safely	AI systems should be secure and respect privacy
Inclusiveness	Transparency	Accountability
AI systems should empower and engage people	AI systems should be understandable	People should be accountable for AI systems

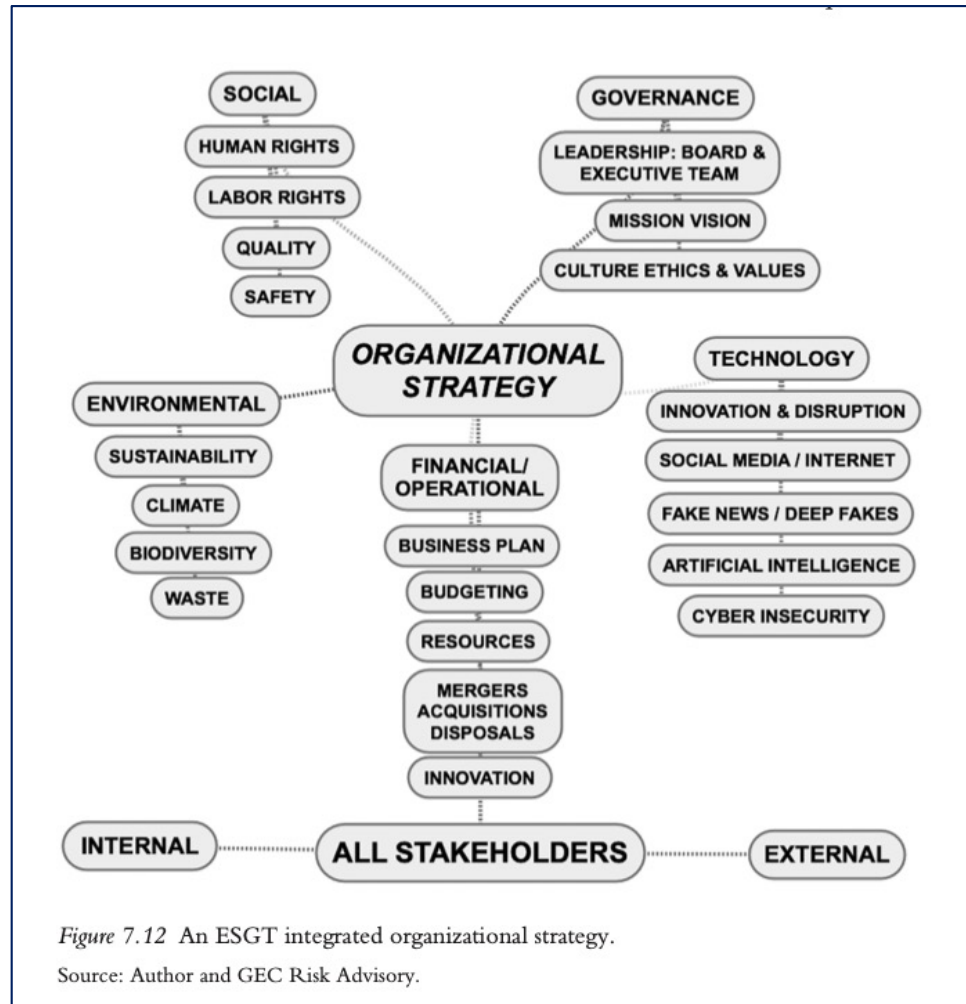
These six principles act as a mental tool or framework in which to organize thinking about ethics at Microsoft. While specifically phrased as responsible AI principles, they have relevance for much of the work in the technology industry. A brief explanation of each principle follows:

Is there a Relationship between ESGT Leadership & Value Creation, Protection, Destruction?



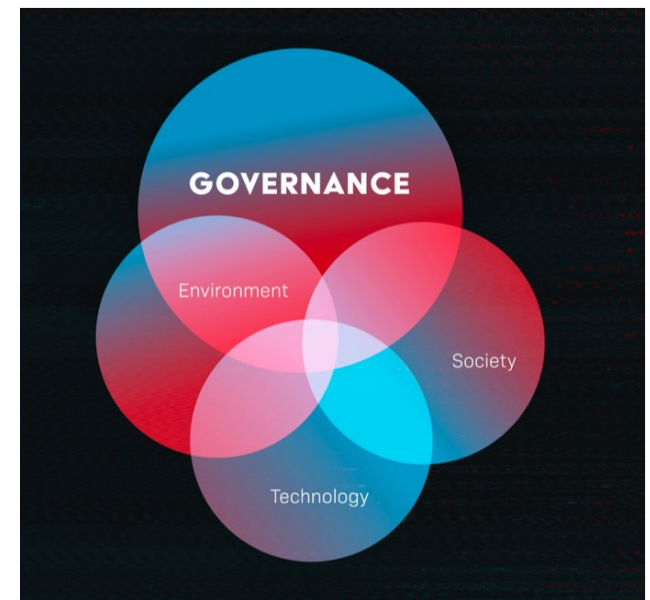
Is there a Relationship between ESGT Leadership & Value Creation, Protection, Destruction?

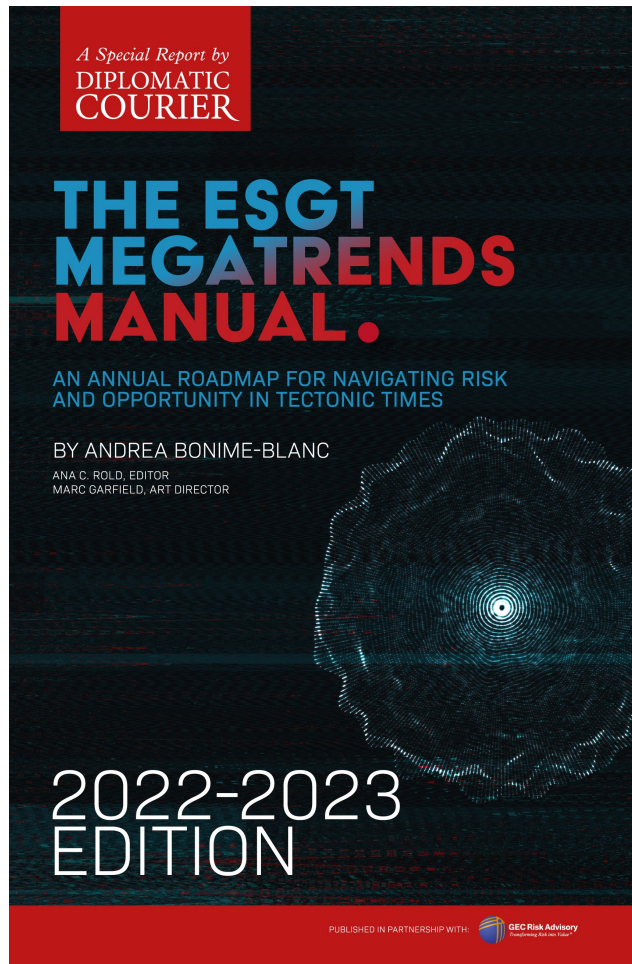
“ESG+T” & Business Strategy



OVERVIEW

- The 5 ESGT Megatrends for 2023
- A Deeper Dive into the ESGT Role of Leaders
- A Leadership ESGT Blueprint

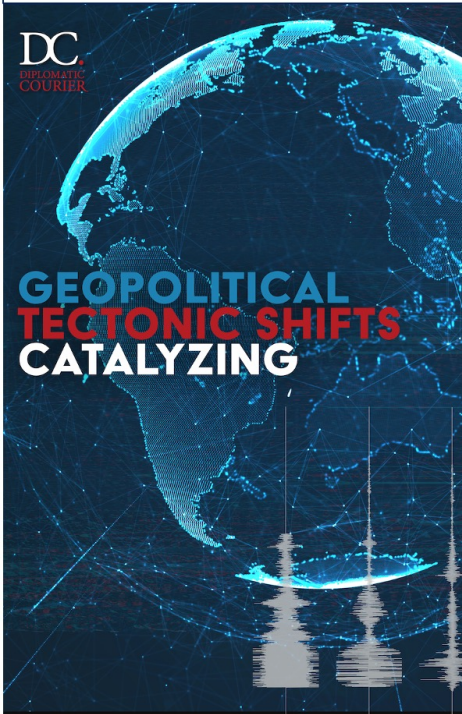




THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

ESGT MEGATREND #1



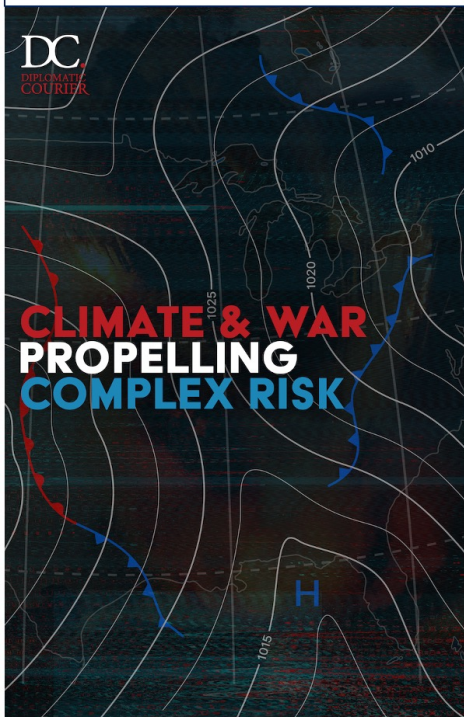
A Leadership Battle Plan to Deal With Geopolitical Tectonic Shifts Catalyzing

AN ESGT LEADERSHIP BLUEPRINT FOR 2022-2023

Megatrend #1	KEY LEADERSHIP ACTIONABLE TACTICS
Geopolitical Tectonic Shifts Catalyzing	<p>1. Leadership teams (management and boards) must have access to real time international geopolitical, national, and local political data and advice relating to their strategic footprint, geography, supply chain, and planning.</p> <p>2. A designated member of management should oversee geopolitical and political developments with the assistance of solid intelligence and advisors reporting to c-suite and board periodically and coordinating in real time with risk management.</p> <p>3. Add geopolitical risk and opportunity considerations to the yearly budgeting and strategy planning exercises.</p> <p>4. Understand how international and national politics affect your business/entity through the eyes of your stakeholders. Understand the reputation risk and opportunity embedded in such views and add them to corporate/entity internal and external messaging and communications.</p> <p>5. Make sure all political content messaging is 100% aligned with your organization's purported mission, vision, values, and purpose.</p>

THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

ESGT MEGATREND #2



A Leadership Battle Plan to Deal With Climate and War Propelling Complex Risk

Megatrend #2	KEY LEADERSHIP ACTIONABLE TACTICS
Climate and War Propelling Complex Risk	<p>1. Does the organization have an Enterprise Risk Management framework? Make sure climate, geopolitical and societal risks are part of the considerations.</p> <p>2. What's the state of your risk governance and oversight?</p> <ul style="list-style-type: none"> Is the board of directors risk-savvy and experienced? Is there a risk oversight committee? <p>3. Does the company have a savvy Chief Risk Officer and team? Do the team members have the resources and tools necessary for foresight and futureproofing?</p> <p>4. Is there a crisis management plan and team, including a board liaison or member? Is scenario planning integrated into such plans and periodically conducted?</p> <p>5. Is there organizational resilience management and oversight, business continuity, and data protection? What's the state of your organizational resilience?</p>

THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

ESGT MEGATREND #3



A Leadership Battle Plan to Deal with Tech Disruption Becoming Multidimensional

Megatrend #3	KEY LEADERSHIP ACTIONABLE TACTICS
Tech Disruption Becoming Multidimensional	<ol style="list-style-type: none">1. Figure out what tech dimensions are relevant to your footprint and pursue the necessary governance, risk management and ethical boundaries around it.2. Undertake a technology stakeholder analysis relevant to your business footprint to understand what your stakeholders' tech expectations are.3. Ensure cyber-hygiene. What is the state of cyber-security risk management at your organization? Is it effective?4. Ensure that your organization is vigilant about information and data integrity in your products and services.5. Integrate digital chatter vigilance into your internal/external communications strategy as well as enterprise risk management.

THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

ESGT MEGATREND #4



A Leadership Battle Plan to Deal With Stakeholder Capitalism and ESG Intertwining

Megatrend #4	KEY LEADERSHIP ACTIONABLE TACTICS
Stakeholder Capitalism and ESG Intertwining	<ol style="list-style-type: none"> 1. Where does the entity fit in the spectrum of Milton Friedman shareholder capitalism to stakeholder capitalism? 2. Do you have an interdisciplinary team of ESG/ESGT experts working together at various levels of the organization to create order from the ESG chaos? 3. Do you understand who your most important stakeholders are and their expectations? 4. What is the state of your ESG or ESGT strategy, risk management and governance? Engage in a self-evaluation (SASB) regardless of whether you are private, public, nonprofit, governmental to find out. 5. Develop a long-term strategy with practical milestones, metrics, resources and budgeting and stick to it.

THE 2022-2023 LEADERSHIP ESGT BLUEPRINT

ESGT MEGATREND #5

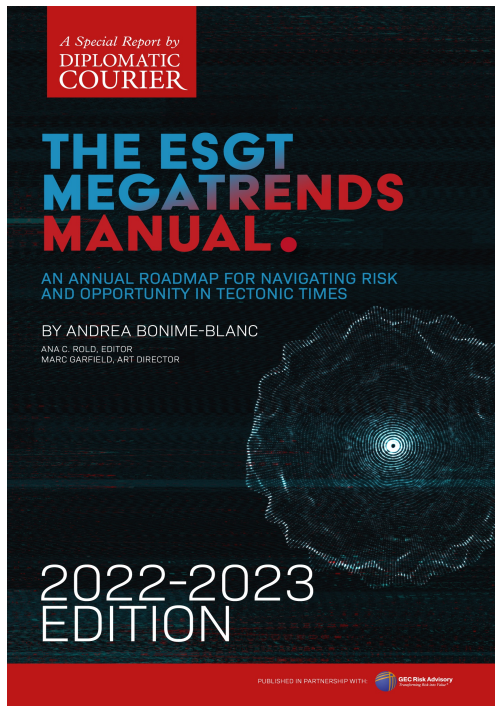
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LEADERSHIP & INSTITUTIONAL TRUST RECALIBRATING

A Leadership Battle Plan to Deal with Leadership and Institutional Trust Recalibrating

AN ESGT LEADERSHIP BLUEPRINT FOR 2022-2023

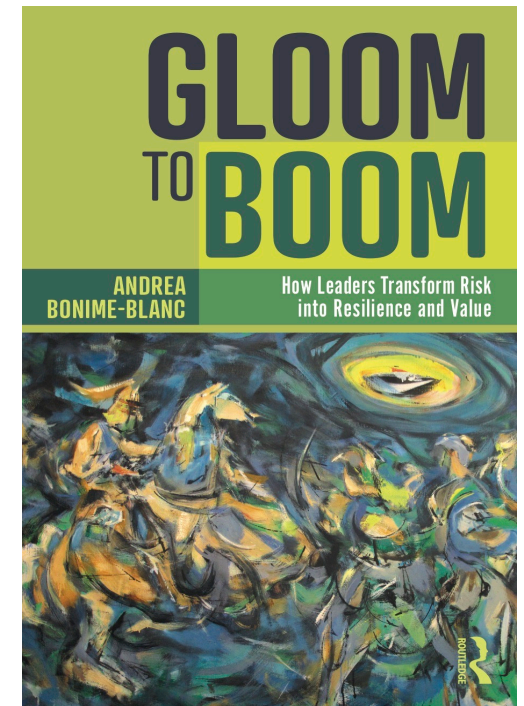
Megatrend #5	KEY LEADERSHIP ACTIONABLE TACTICS
Leadership and Institutional Trust Recalibrating	<ol style="list-style-type: none">1. How is your leadership at various levels (from the very top to junior management) selected? Are there behavioral and other psychological tests and profiles, especially for the most powerful positions?2. Tie leadership traits that go beyond the core financial, operational and leadership characteristics you have typically used to reward staff and leadership to include qualities associated with non-toxic cultures.3. Understand the culture of your organization by doing an independent culture assessment and surveys to determine the gaps.4. Integrate findings from the culture assessment into governance, strategy, and compensation structures.5. Whatever you do, do not reward toxic leaders—indeed, get rid of them as soon as possible.



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DOWNLOAD THE ESGT MANUAL AT:

<https://www.diplomaticcourier.com/issue/the-esgt-megatrends-manual-2022-2023-edition>

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