WHAT'S NEXT FOR COMPANIES?

COMPANIES MUST NAVIGATE RAPID CHANGE IN EVERY CONTEXT: SOCIAL, ENVIRONMENTAL, AND REGULATORY. WHAT DOES THIS EVOLUTION MEAN FOR THE FUTURE OF CORPORATE CITIZENSHIP?

What's current

As raters and policymakers mandate and consolidate ESG reporting standards, greater consensus will emerge about which aspects of corporate citizenship should be consistently managed and how. Investors and raters are looking now not only at whether issues are being managed, but also how well.

What to anticipate

Demands on companies are increasing and coming from a greater variety of stakeholders—in addition to investors, your customers and employees have higher expectations for you to deliver on the ESG aspects of business.

How to prepare

More scrutiny and higher demands from all stakeholders for transparency means that even those companies that have historically avoided disclosure will be pressed to make public commitments and report progress.

Where to get assistance

Simply disclosing either the numerator or denominator on ESG measures will no longer be enough—the quality of disclosure is being assessed to ensure that companies are delivering on ESG promises. To prepare, set measurable and attainable targets in your reports using established frameworks and set the baseline from which you will be measuring progress.

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If your company is light on disclosure, you can no longer afford to wait for regulation (which is coming). Start reporting now to establish a baseline, working with your stakeholders to ensure that you’re focusing on the right outcomes and sharing the most relevant information.

Corporate citizenship is a must-have for companies operating in today’s economy. Get ahead of competitors by doing it effectively. Choose the issues where your company is most likely to deliver the greatest impacts, align corporate citizenship with business strategy, and reinforce investments over the long term.

The previous pages of this report outline the clear risks for companies that do not engage in corporate citizenship strategically and proactively. However, there are also clear opportunities for those that do, including improved competitive advantage and more resilience to market shocks.