**ESG RADAR 2023**

**ESG REDEFINED: FROM COMPLIANCE TO VALUE CREATION**

- 2,500 senior executives surveyed
- 8 regions covered
- 12 industries

**ESG IS A MONEYMAKER**

90% reported positive returns, while 10% saw their efforts yield losses. No respondents reported negative returns.

**COMPANIES ARE CONFIDENT IN ESG IMPACT**

- 71%, 68%, and 81% reported moderate, high, and very high confidence, respectively.
- Companies with high and very high confidence linked 19% more profit growth.

**OVERLOOKING THE “S” AND “G” IN ESG HURTS PROFITS**

Companies score lower on environmental metrics than the social or governance areas. However, more focus on S and G initiatives correlates with better profits.

**ACCOUNTABILITY AMONG THE C-SUITE AND DIVERSITY ON THE BOARD ARE LINKED WITH PROFITS**

- 10 percentage point increase in revenues at the board committees with 1 percentage point increase in profit growth.
- Firms with a CTH, D&O, and ERG committees on board of directors, and 1 CIO who does capital expenditures perform better.

**EGG MUST BE INTEGRATED INTO THE SUPPLY CHAIN**

- 93% respondents say they need to align their supply chain with their ESG goals.
- Only 27% integrate contracts based on ESG data.

**WHY WAIT, WHEN YOU CAN ACCELERATE VALUE NOW?**

- TREAT ESG AS A VALUE CREATOR, INSTEAD OF A COST CENTER.
- CUSTOMERS ARE IMPORTANT BUT PRIORITIZE EMPLOYEES IN ESG EFFORTS.
- EMBRACE ESG ACCOUNTABILITY IN LEADERSHIP PAINS TO IMPROVE PROFITS.
- SHARE ESG REQUIREMENTS AND DATA THROUGHOUT YOUR VALUE CHAIN.