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A Changing Boardroom Climate: Insurance Planning w/ ESG in Mind, Reuters, authors Michael Zigelman, Patrick Kennell, & Matthew Lee, Sept. 24, 2021

Corporate stakeholders have a new normal to confront, as influential investors — and more recently, some regulators — have pushed corporate boards and executives to consider their companies' own environmental, social, and governance (ESG) profiles and implement plans to become more sustainable and impactful. Regardless of the moral imperative, corporate leaders are recognizing the potential investment, regulatory, and legal risks of doing nothing when it comes to addressing issues like climate change, diversity and inclusion, or corporate transparency.

Focus on environmental issues — specifically, climate change, use of sustainable energy and materials, and other environmental management practices — began receiving more attention at least a decade ago. So, too, did the trend toward extracting greater corporate transparency and adoption of rules and policies to safeguard against corporate mischief and protect whistleblowers. But more recently, with numerous social justice events in the news and at the forefront of major policy debates, corporate leaders and risk managers find themselves putting in the work to understand their companies' response to diversity and inclusion, sexual misconduct, consumer protection, labor conditions, and other human rights problems…

Activism begets change, in the boardroom and in the streets. Companies' ESG risks will continue to become more visible, as shareholders and regulators press corporate leaders to acknowledge their risk profiles and adopt policies to manage those risks. Confronting ESG issues will save companies time, money, and probably heartache in the long run, and it will allow companies to successfully plan and become sustainable and impactful.