



To BCG's network around the world,

BCG is privileged to be the consultancy partner for the UN Climate Change Conference ([COP26](#)), which is now just over four months away. As we approach this important event, I think it's the perfect time for business leaders to consider how they can beef up their climate commitments, accelerate the race to net zero, and ensure a sustainable future for themselves and the planet.

To kick off this period, I want to share with you two pieces of exciting news.

First, along with nearly 80 global CEOs, I signed an [open letter](#) from the World Economic Forum's Alliance of CEO Climate Leaders to governments around the world. As chief advisor to this group, I was involved in many discussions about what should be included in the letter, and I'm thrilled by the specificity and boldness of the final result.

It calls on all world leaders to work with the business community "to supercharge the net-zero and climate resilience transition with bold and courageous commitments, policies, and actions" by, among many other things:

- Committing to net-zero emissions by 2050
- Implementing market-based carbon pricing
- Phasing out coal and cutting fossil fuel subsidies, while supporting reskilling initiatives for a just transition
- Boosting R&D and funding for green tech innovation
- Promoting partnerships to eliminate deforestation
- Boosting green finance and climate-related risk transfer mechanisms

This letter, which has gotten great reception around the world, is an important declaration of the necessity of public-private cooperation at a time when the environmental-risk agenda

has never been a higher societal, economic, or political priority.

Countries responsible for more than 60% of total greenhouse gas emissions have committed to reaching net-zero climate impact by 2050. To decarbonize at the speed and scale required to reach this target, we need to almost halve emissions by the end of this decade—requiring urgent concrete action and transformative policy change. (If you are looking for powerful inspiration, see [yesterday's announcement](#) from the IKEA and Rockefeller foundations about expanding renewable energy globally.)

The second milestone I'm excited to tell you about is our new climate and sustainability partnership launching today with *Fortune*, featuring insights on how businesses can forge a [Path to Zero](#) as well as a series of CEO conversations.

The first phase of this collaboration will focus on supply chain sustainability, which I've written to you about before. Today's publication by *Fortune* of my op-ed "[Your Supply Chain Is the Secret to Sustainability Success](#)" highlights how companies can make an enormous difference if they shift their goals toward [decarbonizing their supply chains](#) in addition to cutting the direct emissions from their own operations. And our work at BCG has shown that in supply chain after supply chain, a net-zero shift translates to only a modest rise in prices (1% to 4%) for the end consumer.

Supply chain sustainability is a clear unlock—an approach that can really up the odds that we'll meet the Paris Agreement goals. But none of this will be easy for businesses, and effective government action will enable us to go further faster. Please see below to read the op-ed and see other related content, including a new interview about sustainable investing with BlackRock CEO Larry Fink. To receive further insights on sustainability from BCG, [subscribe to The Sustainable Advantage](#), our newest monthly newsletter.

Until next week,

A handwritten signature in dark ink, appearing to read "Rich", with a stylized flourish at the end.

Rich Lesser
Chief Executive Officer



Your Supply Chain Is The Secret to Sustainability Success

Supply chain decarbonization adds only modest costs to the end of any value chain, presenting the biggest opportunity for business to make a real mark in the battle against climate change.

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