



The Power of Community in Advancing ESG Metrics

To BCG's network around the world,

A few days ago, I attended my final World Economic Forum International Business Council (IBC) meeting as BCG's CEO. The IBC is a group of around 120 CEOs of leading global companies within the World Economic Forum community, convening twice a year. Participating in this group has demonstrated to me how critical it is for senior business leaders to meet on a regular basis, learning from one another and working together to tackle a range of multistakeholder issues.

At the core of our most important conversations has been how to integrate stakeholder capitalism into increasingly challenging environments, including how to effectively measure and report on sustainable value creation. It's been particularly exciting to see the IBC's progress in this area over the past couple years under the leadership of Bank of America's CEO Brian Moynihan.

As companies themselves are seeking to both set and disclose meaningful progress toward sustainability goals, they have faced a wide and often confusing array of standards and disclosure frameworks to choose from and align with—for example, those from the Taskforce on Climate-Related Financial Disclosures (TCFD), Global Reporting Initiative, and the Sustainable Accounting Standards Board (SASB).

In an effort led by the four leading accounting firms and Bank of America, the WEF IBC has defined a common set of metrics across four pillars: governance, planet, people, and prosperity. This has involved deep engagement and many iterations with companies, investors, and a wide range of ESG and standard-setting bodies. [Eighty](#)

[companies](#) and counting have now signed the IBC metrics commitment letter and 45 of those, [including BCG](#), have so far issued their 2020 reporting.

Important work remains, including integrating these efforts with key standard-setting and regulatory bodies and tackling complex issues like potential lawsuit exposure in the US. But the momentum on ESG reporting is substantial, and the IBC effort is an important contribution to prioritization, simplification, and alignment.

Thank you, Brian, along with Carmine Di Sibio (EY), Bob Moritz (PWC), Punit Renjen (Deloitte), and Bill Thomas (KPMG) for your leadership and the excellent effort by your teams in this critical area. And, of course, thanks go to Klaus Schwab for his five decades championing stakeholder capitalism.

Finding consistency in the ways we report on this broad set of measures is an important step as we work to embed ESG principles more deeply into our businesses. I hope the leaders of more companies, including many of you reading this note, will consider adopting the IBC framework, bringing the tracking of sustainable value creation to life.

Please see below for related content.

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

Further Reading



Measuring Stakeholder Capitalism

This report presents the conclusions of a six-month open consultation process to define common metrics for sustainable value creation.

[READ MORE →](#)



Embracing the New Age of Materiality

A new World Economic Forum paper provides a framework for investors on the signals to look for to better identify dynamic ESG issues.

[READ MORE →](#)



A Blueprint for Leading in Sustainable Investing

Asset managers know sustainable investing is the new standard, but finding the best approach is challenging. Firms must change their tactics or risk being left behind.

[READ MORE →](#)

Boston Consulting Group
200 Pier Four Boulevard
Boston, Massachusetts 02210, USA

