



# Transforming for the Future Through Sustainability and Al

To BCG's network around the world,

I'm so pleased to be stepping in for Rich to share this Weekly Brief, a few days after becoming CEO of BCG.

One of the privileges of starting my new role is the chance I have to speak with dozens of CEOs around the world. Right now, I'm writing after an invigorating set of discussions in Singapore. What's striking so far is that the two topics that are top of mind for me—stepping up efforts in climate and sustainability and embedding AI—are also among the top priorities for the CEOs I've met. These are two of the primary challenges that organizations face today, and they also present the greatest opportunities for differentiation and the ability to make a difference in the world.

### **Climate and Sustainability**

Rich wrote to you a couple weeks ago about some of <u>BCG's own net-zero goals</u> and how we've been able to increase our ambitions and move up our timelines over the past year. Beyond our internal goals, we're currently working with hundreds of clients around the world and across all industries on their net-zero and ESG agendas—helping many of them embark on <u>sustainability transformations</u>, make progress on the path to net zero, and seek to find a place of lasting competitive advantage.

I know that many CEOs also want to be involved in broader climate and sustainability efforts, which requires a step change in how we all think about collective action—pooling resources, knowledge, and capabilities to tackle climate change together. I'm particularly excited about one of the ways in which BCG has taken on that task, by becoming one of seven anchor partners of the <a href="Breakthrough">Breakthrough</a>

<u>Energy Catalyst</u> program, part of Bill Gates's Breakthrough Energy entity devoted to fighting climate change.

This partnership—which also includes American Airlines, ArcelorMittal, Bank of America, the BlackRock Foundation, General Motors, and Microsoft—will mobilize billions of dollars of private and public capital to fund projects across four technologies critical for decarbonization: green hydrogen, sustainable aviation fuel, long-duration energy storage, and direct air capture.

#### **Artificial Intelligence**

Embedding artificial intelligence is another daunting task that offers incredible opportunities for organizations, and it comes up in nearly every conversation I have with CEOs. AI can help turn traditional companies into "bionic" leaders, which combine technology with the adaptability and unique experience of humans.

I fundamentally believe AI can radically change how people work, shifting their tasks from transactional to creative and making work more meaningful and productive. Our recent research underscores this. The morale of employees at companies where AI has been deployed is materially higher than in organizations where it has not—more on this in an upcoming BCG publication. But getting AI right is a big job, encompassing a rethinking of end-to-end processes, decision making, operating models, and entire value chains.

The intersection of AI and sustainability promises to be powerful in the decades to come. AI will prove to be a game changer in measuring and tracking emissions, selecting and implementing the best decarbonization solutions, and, as a result, mitigating the effects of climate change overall.

We're at a moment of tremendous change and possibility, with so many opportunities available to create value for all. In this context, I'm particularly excited to take on the CEO role to serve the BCG community of clients, alumni, and staff.

To read more about these topics please see below. I look forward to connecting with you again soon.

Christoph Schweizer Chief Executive Officer

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## **Further Reading**



# The Al Angle in Solving the Oil and Gas Emissions Challenge

Digital tools enabled by advanced analytics, artificial intelligence, and machine learning offer the fastest and most effective path to abating the O&G industry's greenhouse gas emissions.

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