
INTERNATIONAL BUSINESS COUNCIL OF THE WORLD ECONOMIC FORUM

From: Executive Committee of the International Business Council, World Economic Forum

12 May 2021

As members of the World Economic Forum's International Business Council, we are committed to delivering on the promise of stakeholder capitalism, pursuing the belief that society is best served by corporations that serve all stakeholders to deliver both profits and purpose. We recognise that these commitments need to be supported by consistent and comparable metrics and disclosures, to enhance decision-making, trust and accountability.

In 2020, we identified a core set of relevant ESG metrics and disclosures, the 'Stakeholder Capitalism Metrics', which could be reflected in the mainstream reports of companies on a consistent basis, across sectors and industries. Since the launch of these metrics, we have been building a coalition of CEOs who are willing to show their commitment to stakeholder capitalism and to reflect these metrics and disclosures in their mainstream reporting.

We believe that these commitments are valuable to create momentum towards the development of global sustainability standards, especially by stimulating corporate action to measuring and reporting on the topics that are most likely to be covered by those standards.

We therefore support the IFRS Foundation (IFRSF) in its move towards establishing a global Sustainability Standards Board (SSB). We believe this is now an essential move to promoting consistency and comparability of information and to enhancing trust and confidence in the information we disclose on the pillars of principles of governance, planet, people and prosperity.

We are encouraged by the progress the IFRSF Trustees are making, and that they are on track to publish a plan and roadmap by the end of this September and make an announcement about SSB by COP26. We are pleased that the World Economic Forum will be part of the working group to accelerate convergence in global sustainability reporting standards focused on enterprise value and to undertake technical preparation for the potential establishment of the SSB. The Forum will contribute our work on cross-industry metrics and disclosures drawn from existing voluntary global standards and frameworks that our broad private sector coalition found to be important for disclosure. We stand ready to serve as a sounding board to the SSB, through our community of practice, and to support the process as appropriate.

We also acknowledge that, while the IFRSF proposes to take a 'climate first' approach, given the urgency of addressing climate change, the SSB will also begin work on standards focused on other sustainability-related matters. This is consistent with the wider approach we have adopted in identifying core metrics on a range of sustainability issues.

We believe in the need for a co-ordinated, global comprehensive corporate reporting system that includes sustainability standards. Now is the time for us all to act.

Signed

Brian T. Moynihan, Chairman and Chief Executive Officer, Bank of America, USA; Chairman, International Business Council, World Economic Forum

Ana Botín, Group Executive Chairman, Banco Santander SA, Spain

Victor L. L. Chu, Chairman and Chief Executive Officer, First Eastern Investment Group, Hong Kong SAR, China

Lubna S. Olayan, Chair of the Executive Committee, Olayan Financing Company, Saudi Arabia

Klaus Schwab, Founder and Executive Chairman, World Economic Forum, Switzerland

Jim Hagemann Snabe, Chairman, Siemens, Germany; Chairman, A.P. Møller-Maersk, Denmark

Michael K. Wirth, Chairman of the Board and Chief Executive Officer, Chevron, USA