

Commitment to Adopt and Implement the Stakeholder Capitalism Metrics

Overview

This commitment is sponsored by the International Business Council (IBC) of the World Economic Forum and will be proposed for signature by all participants in the Annual Meeting 2021.

Background

The Davos Manifesto 2020: The Universal Purpose of a Company in the Fourth Industrial Revolution, articulates the principles of stakeholder capitalism and reflects the ethos of the World Economic Forum since its founding in 1971. The manifesto states, “a company is more than an economic unit generating wealth. It fulfills human and societal aspirations as part of the broader social system. Performance must be measured not only on the return to shareholders, but also on how it achieves its environmental, social and good governance objectives.”

The World Economic Forum is committed to delivering on the promise of stakeholder capitalism. In January 2017, the Forum and the IBC community sponsored the [Compact for Responsive and Responsible Leadership](#). More than 140 corporate leaders across industries and sectors committed themselves to the conviction that society is best served by corporations that have aligned their goals to serve the long-term goals of society, and that the Sustainable Development Goals are the roadmap for that alignment.

After the issuance of the compact, the IBC, representing the World Economic Forum’s business community, launched an initiative to address the need for consistent and comparable ESG metrics and disclosures. Following a year’s effort from contributors on every continent, the ESG project team has identified a core set of relevant ESG metrics and recommended disclosures that could be reflected in the mainstream reports of companies (e.g. annual reports, sustainability reports, proxy statements etc.), on a consistent basis across industry sectors and countries. These Stakeholder Capitalism Metrics strengthen the ability of companies and investors to benchmark progress on sustainability matters, thereby improving decision making and enhancing transparency and accountability regarding the shared and sustainable value companies create.

The metrics and disclosures are drawn wherever possible from existing voluntary standards (such as the Global Reporting Initiative, Sustainability Accounting Standards Board, Task Force on Climate-related Financial Disclosure etc.). By adopting and reporting on the metrics, the business community will continue to catalyze greater cooperation and alignment among existing standards and encourage progress towards a systemic solution such as generally accepted international accounting standards for environmental, social and governance considerations that are relevant to long-term value creation. The World Economic Forum is committed to collaborating with and supporting all the relevant stakeholders to make this vision a reality.

The Forum invites IBC members, all World Economic Forum members, and partners to declare their intention to act on this commitment to measure stakeholder capitalism.

Commitment

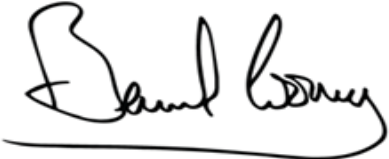
As a responsive and responsible leader committed to the principles of stakeholder capitalism as the most effective means of creating long-term enterprise value and addressing the societal priorities enshrined in the Sustainable Development Goals, I, the undersigned, commit to acting within the remit of my responsibilities, duties and influence to:

1. Reflect the Stakeholder Capitalism Metrics in my company's reporting to investors and other stakeholders (e.g. annual report, sustainability report, proxy statements, or other materials). My company will reflect those core metrics that are most relevant and meaningful to our business or briefly explain why a different approach is more appropriate.
2. Publicly support the Stakeholder Capitalism Metrics and encourage my business partners to do so.
3. Promote the further convergence of existing ESG standards, Frameworks and principles and support progress towards a globally accepted solution for common ESG metrics.

Name: Bernard Looney

Organization: bp plc

Date: 25/01/2021

Signature:  _____

Please return this document duly dated and signed to ESGMetrics@weforum.org

January 2021