

Integrating Sustainability Into the BFS GBS Charter to Help Enterprises Realize Their ESG Goals

November 2022: Complimentary Abstract / Table of Contents



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Focus of the research

This report provides an insight into the role that BFS GBS¹ organizations play in enabling the enterprise create an ESG ecosystem to move toward a sustainable future

ESG is an acronym for Environmental, Social, and Governance and are three key constituents of Everest Group's purpose framework. ESG takes the holistic view that sustainability extends beyond just environmental issues:

- **E:** environmental issues such as carbon emissions, water scarcity, and environmental pollution
- **S:** social issues such as discrimination, gender issues, equal pay, and wealth distribution
- **G:** governance issues such as executive pay, corporate responsibility, and regulatory intervention

The number of BFS organizations, which are proactively investing in ESG-related initiatives, is on the rise. These organizations are building new ESG products and services – such as green loans, sustainability-linked loans, and carbon-neutral banking – in order to make their operations sustainable. Further, capital markets are also embracing green underwriting, while asset and wealth managers are steadily moving toward ESG investing. These organizations are also focusing on workplace diversity, pay equity, and good governance structure to meet their ESG aspirations.

This creates a huge opportunity for BFS GBS organizations to further integrate themselves in the enterprise's ESG agenda and expand their services/offerings, conduct ESG-specific due diligence, and risk assessment. This is mainly driven by the fact that GBS centers have strong visibility across the enterprise's functions and operations and have the necessary capabilities to support their ESG initiatives.

As BFS organizations increasingly look at ways to support and grow their businesses, with an impact-driven mindset, GBS organizations will be at the forefront of defining and internalizing those sustainability goals. In this research, we highlight some of the key areas where BFS GBS organizations can add value and support to an enterprise's ESG agenda. The findings and insights are based on Everest Group's proprietary databases and ongoing tracking and interactions with leaders of GBS organizations.

Scope of this report



Geography
Global



Industry
Banking and financial services



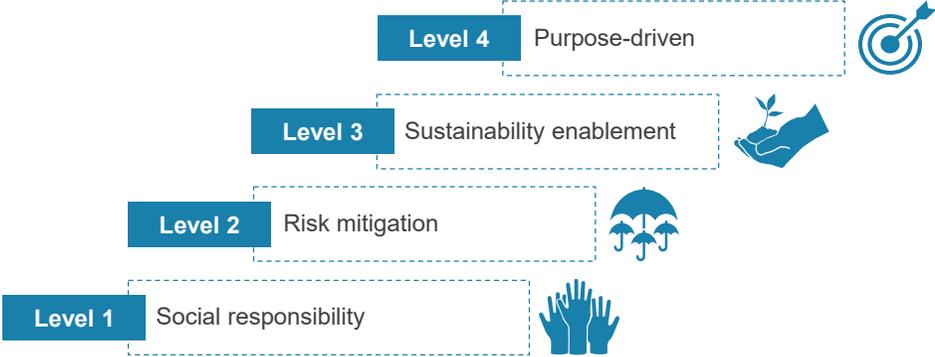
Services
Sustainability



Use cases
Only publicly-available information has been used for use cases

¹ Everest Group uses GBS as the preferred term for in-house setups, which are otherwise also referred to as Global In-house Centers (GICs), shared services, global capability centers, or captives

This study offers three distinct chapters providing a deep dive into how BFS GBS organizations can support ESG goals/commitments of the enterprises; below are four charts to illustrate the depth of the report

Reasons why ESG is more important than ever for BFS organizations	Evolution of ESG in BFS
 <p>Changing demographics</p> <p>ESG-related regulatory initiatives</p> <p>Brand perception and equity</p> <p>Stakeholder expectations</p>	 <p>Level 1 Social responsibility</p> <p>Level 2 Risk mitigation</p> <p>Level 3 Sustainability enablement</p> <p>Level 4 Purpose-driven</p>
Role of BFS GBS organizations in ESG goal attainment	Call to action for BFS GBS leaders
<p>What can GBS organizations enable?</p>  <p>Enhance sustainable investing practices</p> <p>Development of new sustainable products</p> <p>Proactive ESG risk monitoring</p> <p>ESG performance tracking and reporting</p> <p>ESG compliance reporting</p> <p>Implement ESG commitments of the enterprise</p>	 <p>Identify GBS capabilities that align with ESG</p> <p>Set ESG goals at GBS level (as well)</p> <p>Educate enterprise ESG leaders</p> <p>Embrace ESG in GBS organizations vision, mission, and strategy</p> <p>Create ESG champions within the GBS</p>

Research calendar

Global Business Services

■ Published
 ■ Planned
 ■ Current release

Reports title	Release date
The Growing Need for Inclusive Talent Models: Learning from Impact Sourcing Specialists	May 2022
Marketing Services Adoption in Retail & Consumer Product Goods (CPG) Global Business Services (GBS)	May 2022
Impact Sourcing Specialist Profiles 2022	June 2022
GBS of the Future: Toward an Integrated and Borderless GBS Model (Part 2 of 2)	June 2022
Virtual Roundtable Discussion Deck: Retail and CPG GBS Success: Reimagining Operating and Governance Models	August 2022
Top GBS Employers™ in India, the Philippines, and Poland	August 2022
Webinar Deck: Global Services Market Update: Emerging Location Opportunities to Combat the Economic Slowdown	September 2022
Virtual Roundtable Discussion Deck: Life Sciences GBS Success - Reimagining Operating and Governance Models	September 2022
"More is Better" Location and Sourcing Strategy for BFS GBS	October 2022
Integrating Sustainability Into the BFS GBS Charter to Help Enterprises Realize Their ESG Goals	November 2022
GBS State of the Market Report 2022: Upward and Onward	Q4 2022
"How-to" Guide to Quantify Value Delivered by GBS Organizations	Q4 2022
State of Play in GBS Change Management	Q4 2022
GBS Capabilities Powering the Insurance Enterprise of the Future	Q4 2022
Building Actuarial Services COEs within the GBS	Q4 2022

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