



Communication on Engagement

Activities in Support of the UN Global Compact

The Chartered Institute of Management Accountants

April 2015 – March 2017

The Chartered Institute of Management Accountants

The Chartered Institute of Management Accountants (CIMA), founded in 1919, is the world's leading and largest professional body of management accountants, with over 232,000 members and students operating in 177 countries, working at the heart of business. CIMA members and students work in industry, commerce, the public sector and not-for-profit organisations. CIMA works closely with employers and sponsors leading-edge research, constantly updating its qualification, professional experience requirements and continuing professional development to ensure it remains the employers' choice when recruiting financially-trained business leaders.

Professionalism and ethics are at the core of CIMA's activities with every member and student bound by robust standards so that integrity, expertise and vision are brought together.

Together with the American Institute of CPAs (AICPA) CIMA has established the Chartered Global Management Accountant (CGMA) designation. CGMA is the global quality standard that further elevates the profession of management accounting. The designation recognises the most talented and committed management accountants with the discipline and skill to drive strong business performance.

The AICPA and CIMA also make up the Association of International Certified Professional Accountants (the Association), which represents public and management accounting globally, advocating on behalf of the public interest and advancing the quality, competency and employability of CPAs, CGMAs and other accounting and finance professionals worldwide.

Introduction

The Chartered Institute of Management Accountants (CIMA) has been a signatory to the UN Global Compact (UNGC) since 2010.

"I am pleased to confirm that CIMA reaffirms its support of the Ten Principles of the United Nations Global Compact in the areas of Human Rights, Labour, Environment and Anti-Corruption.

In this Communication on Engagement, we describe our actions to support the Global Compact and its principles. We also commit to share this information with our stakeholders using our primary channels of communication."



Andrew Harding, FCMA, CGMA, Chief Executive of Management Accounting Professional Unit, The Association of International Certified Professional Accountants

(Chief Executive CIMA September 2016 to December 2016)

London June 2017

The UN Global Compact's Ten Principles:

Human Rights

Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights

Principle 2: make sure that they are not complicit in human rights abuses

Labour

Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining

Principle 4: the elimination of all forms of forced and compulsory labour

Principle 5: the effective abolition of child labour

Principle 6: the elimination of discrimination in respect of employment and occupation

Environment

Principle 7: Businesses should support a precautionary approach to environmental challenges

Principle 8: undertake initiatives to promote greater environmental responsibility

Principle 9: encourage the development and diffusion of environmentally friendly technologies

Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery

This Communication on Engagement is focused on the activities of the Management Accounting Professional Unit (MAPU) with a particular focus on CIMA and CGMA activity during 2015 and 2016, whilst referencing CIMA/CGMA activity in the early part of 2017. In future we seek to report as the Association.

We have strong relationships with employers globally and sponsor leading research. We constantly update our qualification, professional experience requirements and Continuing Professional Development (CPD) programme to reflect the changing demands from employers and the public. This ensures that our members and students are first choice for many employers who are recruiting financially trained business leaders. We are committed to upholding the highest ethical and professional standards, and to maintaining public confidence in management accounting.

Through our leadership, magazines, conferences, and Continuing Professional Development (CPD) support, as well as through our syllabus, we highlight the most pressing responsible business, governance and sustainability issues of concern to business and wider society. As part of a global organisation with a growing membership in emerging markets, the Association's Management Accounting Professional Unit (MAPU) continues to support the accounting profession by providing solutions and innovative thinking to many areas of business, through:

- demonstrating the business benefits from sustainable and responsible business practices
- exploring and promoting the role of CFOs and management accountants in embedding ethical practices and sustainability solutions in their organisations
- equipping our members and students with tools, guidance and training to enable action
- working with partners worldwide in meeting our objectives

This Communication on Engagement gives examples and highlights how we support the Global Compact via:

- education on topics related to the Global Compact Principles
- applied research and thought leadership in relation to the Global Compact
- dissemination of Global Compact Principles
- partnerships for development

It also outlines other activities related to our global initiatives and internal activities that support the Global Compact Principles.

For past Communication on Engagement's, access CIMA's page on the Global Compact website at:

unglobalcompact.org/participant/12330-Chartered-Institute-of-Management-Accountants-CIMA

Education on Topics Related to the Global Compact

Actions

Syllabus

January 2017 saw the launch of the updated 2017 CIMA Certificate in Business Accounting Syllabus, the entry level examination. The changes ensure the syllabus is relevant and the learning experiences of our students match the real world of business.

The Certificate in Business Accounting is competency-based and responds to the needs of people and business. It includes: technical skills, business skills, leadership skills and people skills that is underpinned by ethics, integrity and professionalism.

One of the key changes in the syllabus content was an increased focus on Ethics and Corporate Governance. This was in direct response to employer feedback, which emphasised the need for students to develop a 'moral compass' early in their careers, and to recognise and handle ethical conflicts.

The Professional Syllabus Qualification, last updated in 2015, is currently under review, with global consultation underway, in order to reflect the external business environment and employer's demands. With the creation of the Association, there will be a strategic focus on engaging students from the United States.

cimaglobal.com/Qualifications/cert-ba/

certba.cimaglobal.com/

cgma.org/Resources/Tools/Pages/cgma-competency-framework.aspx

"It is a qualification that gives you a good understanding of the current context of business and the required skill by an employer."

Management OT Student, Sri Lanka

Outcomes

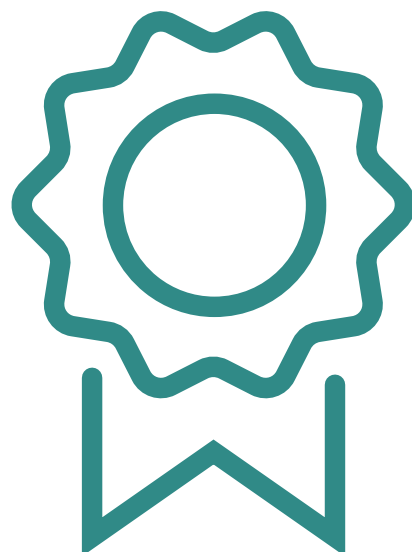
Issues related to sustainability and ethics continue to be integrated across the syllabus, raising awareness with tomorrow's business leaders

The overall syllabus, from entry to strategic level, covers areas of the UNGC principles related to sustainability and responsible business and syllabus content including:

- demonstrating the concept of Corporate Social Responsibility (CSR) and sustainability in operations management
- discussing the drivers of external demands for environmental sustainability and corporate social responsibility, and the organisation's response
- principles and scope of reporting social and environmental issues (e.g. Global Reporting Initiative's Sustainability Reporting Framework and International Integrated Reporting Council guidance)
- issues related to tackling fraud and corruption as well as addressing human rights concerns

The Certificate in Business Accounting Syllabus was updated in 2017 and saw over 3,000 exams sat in the first quarter of the year. The previous syllabus exams were sat by over 55,000 students globally.

The Professional Syllabus examinations were sat more than 76,000 times in 2016 which include the Objective Test Question exams and Case Studies.



Actions

Ethics e-learning tools

CIMA offers two e-learning tools, one ethical dilemma tool and another tool specific to studies and exams.

The ethical dilemma tool 'Doing the right thing' includes seven dilemmas that the user is guided through to practice resolving ethical challenges. When considering an appropriate line of action, a range of factors are involved, including human rights, society, commitments to the law and anti-corruption.

The 'Student ethics support tool', outlines the ethical requirements of CIMA students, why these are important and how these should be guiding CIMA students throughout their working lives. It is designed to support CIMA students in becoming competent management accountants who understand the importance of ethics and professionalism, and feel confident to manage an ethical dilemma.

Outcomes

Updated case studies to align with new syllabus

The case studies within the 'Student ethics support tool' were updated in December 2016 in order to align with the new 2017 Certificate in Business Accounting syllabus.

Case studies in the ethical dilemma tool were updated in late 2015 to reflect current ethical cases.

The updates within the case studies reflect how businesses have changed and explore how to further deal with current ethical issues.

During April 2015-March 2017, 'Doing the right thing' e-tool was completed over 430 times. The student e-tool over this time was accessed over 6,000 times, used as a prime resource to help with case study and exam preparation.

cimaglobal.com/ethicstool

cimaglobal.com/studentethicstool

"I learnt how to apply ethical tools in the real working environment."

CIMA student in South Africa, feedback to CPD Ethics Tool

Global Management Accounting Principles

The Global Management Accounting Principles were launched in October 2014.

The purpose of the Global Management Accounting Principles is to support CEOs, CFOs and boards of directors in benchmarking and improving their management accounting systems.

This will help to meet the needs of organisations effectively and efficiently create and protect sustainable value. The Global Management Accounting Principles provide reference for all management accountants to check that they are adding value for their internal and external customers. This is in the context that business ethics are relevant both to the conduct of individuals and to the conduct of the organisation as a whole.

The Principles – influence, relevance, analysis and trust – are intended to be universally applicable to help organisations large and small, public and private, extract value from the increasing volume of available information.

They form the basis of a diagnostic tool which is being piloted by employers to assess the effectiveness of the finance team and identify opportunities to further develop.

The importance of ethical stewardship has been both clarified and reinforced with our members, as well as employers and the wider public

Management accounting alone cannot resolve the full range of issues that organisations face. It does, however, offer an approach to organisational management that aids the development and delivery of strategy to create sustainable value.

The Principles were presented in 2016 at the Singapore Accountancy Commission, **Integrated Thinking and Report in Practice** in Italy, **International Corporate Governance Network-International Integrated Reporting Council** in London, and recently positioned in numerous reports globally which were circulated to FTSE 350 Chairmen and CFOs.

cgma.org/principles

"Stewardship builds trust. The Global Management Accounting Principles recognise that credibility and trust arises from balancing short-term commercial interests against delivering long-term value for stakeholders."

Guy R Jubb, CA Global Head of Governance & Stewardship, Standard Life Investment

Actions

CGMA Professional Development tool

In early 2015, CIMA and AICPA launched Competency and Learning website for CGMA designation holders. The tool collects a wide range of resources in one place, facilitating the professional development process for CGMA designation holders. Resources include ethics and sustainability reports, tools, videos and articles.

Global Business Challenge

This international business competition was co-sponsored with Barclays Bank in 2015. It was designed for university undergraduates to learn how to become business leaders of the future, by submitting a 3,000 word case study report to a "Board". The case study involved ethical considerations – in past years these related to labour, bribery or environment.

The global final in 2015 was held in Warsaw, Poland, and won by a team of Singapore Management University students, with runner-ups from India and Philippines.

Outcomes

Raising awareness

By including ethics and sustainability resources, the Competency and Learning website raises awareness amongst users on the importance of responsible business.

competency.aicpa.org/

Developing and nurturing young talent around the world

The participation of 14,500 students from around the world at local and regional heats helped with business skill development, coaching and peer development, supported by CIMA and CIMA materials and employers' partnerships. It also exposed business students globally to the importance of ethics and wider sustainability issues in business, which underpins CIMA's professional ethos.

Applied Research and Thought Leadership in Relation to the Global Compact

Actions

Sustainability and responsible business research

CIMA continues to fund academic research on sustainability and responsible business, as well as publish its own thought leadership on Accounting for Sustainability (A4S), integrated reporting, governance and ethics.

There have been a number of CIMA and CGMA reports highlighting sustainability and ethics, including one on Human Rights created together with the Global Compact's UK Network, which was further platformed at the UN Conference on Business and Human Rights in Geneva in 2016.

CIMA's **Financial Management** magazine (app and print) and the **CGMA Magazine** regularly publish features, study articles and technical notes addressing sustainability, ethics and governance challenges, including a recent feature on 'How management accounting can help to achieve the UN's sustainable development goals' (see appendix 18).

cgma.org/resources

cimaglobal.com/fmapp

cgma.org/magazine.html

Outcomes

Our thought leadership consistently highlights the importance of sustainability and ethics to influence business practice

During 2016, the CGMA Magazine article '**Implementing an effective corporate policy**' was viewed over 19,000 times, most read in United States, South Africa and Kenya.

CIMA publications from 2015 included:

- **Tomorrow's Risk Leadership: delivering risk resilience and business performance**
- **Local Perspectives: South East Asia**
- **Escaping Short-termism: managing for the long term, Thinking the unthinkable**

CIMA worked with an influential panel of experts to produce a business model that brings strategy and operations together in a framework that places value at its heart and has a focus on societal engagement: '**Rethinking the business model**'.

CGMA reports include:

- **Joining the Dots**
- **Business and Human Rights: evolution and acceptance**
- **Managing Responsible Business**
- **Business analytics and decision making – The human dimension**
- **The Future is now – Transparency in Government Performance**
- **Ethical Due Diligence in Hiring and Assessing Professional Accountants**
- **Internal Trust: Building Alliances from Within**

CIMA ethics and responsible business agenda has also been featured and mentioned in various external publications internationally such as **Double Entries, Accountancy Age, The Times, The Financial Times, Yahoo Finance, City AM, IFAC Global Knowledge Gateway, NQ Magazine, Ethical Corporation Online, Financial Director, BI Middle East and Dubai PR Network.**

"With lots of technological change, as well as an ageing population and geopolitical shifts, there are major challenges to our system... companies have to consider their resilience factor. They need to employ health metrics and apply the kind of rigor that Global Management Accounting Principles provide."

Dominic Barton, Global Managing Director, McKinsey

Actions

Integrated Reporting <IR>

CIMA continues to promote the benefits of <IR> and the inclusion of the non-financial information into companies' decision-making and reporting.

As well as being a member of the International Integrated Reporting Council (IIRC), the current chair being the Association's President Barry Melancon, CIMA is part of the International <IR> Business Network and has now published its fourth annual integrated report.

integratedreporting.org/

"Across all regions, the majority (89%) of respondents agreed that organisations need to shift focus from pure shareholder value creation to wider value creation. Today, business leaders recognise that their organisations need to deliver purpose beyond profit"

**'The Value of value: Broad-Level Insights',
November 2016**

"Valuing people as an asset is at the core of integrated thinking and reporting. This can help to build trust. On the flip side, if employers are seen to treat their people unfairly, that erodes trust"

**Andrew Harding FCMA, CGMA, Chief Executive of
CIMA, FM Magazine, January 2017**

Outcomes

Both information and tools to assist with integrated reporting have been widely disseminated amongst members and the wider business community

Besides various articles, blogs and presentations, CIMA has produced a number of significant research outputs designed to broaden the reach and understanding of this important corporate reporting development, including: **'The Value of value: Broad-Level Insights'**, a survey of C-Suite members from across the world states how 83% of executives believe that adoption of <IR> will deliver success to their organisations.

The benefits of <IR> are not restricted to commercial organisations, CIMA's report **'Integrated Reporting in the Public Sector'** highlights the wider benefits of <IR> to public sector organisations, identifying relevant international examples.

Some reports include:

- Tomorrow's business success – using Integrated Reporting to help create value and effectively tell the full story
- Integrated thinking – the next step for Integrated Reporting
- The <IR> landscape – executive perceptions of Integrated Reporting
- Human capital reporting – investing for sustainable growth



Dissemination of the Global Compact Principles

Actions

Code of Ethics

CIMA members and students are bound by a globally applicable Code of Ethics, based on the IFAC Code of Ethics, which safeguards members, the profession, and the wider public.

In January 2015, CIMA and the American Institute of Certified Public Accountants (AICPA) launched the Code of Ethics for CGMAs. The CGMA code is aligned with requirements contained in the 2015 CIMA Code of Ethics (Part C) and AICPA Code of Professional Conduct.

The Code was updated to ensure that it remains relevant and reflects the changing dynamics and pressures of the profession. The Code is based on international standards and defines the core principles which a Chartered Management Accountant must uphold: integrity, objectivity, professional competence and due care, confidentiality and professional behaviour. The Code has an increasing focus on the non-financials.

As the Association, both bodies will work together to further platform the importance of applying ethics in business. Both bodies are actively engaged with the International Federation of Accountants and its International Ethics Standards Board for Accountants.

cimaglobal.com/codeofethics



Outcomes

Our students and members worldwide have a key role in, and obligation to, upholding ethical standards, thus influencing their teams and employers of every size

There has been an increase in the number of views to the Ethics landing page since 2015, which allows members and students to access resources including information and summaries on the **Code of Ethics, Ethics Checklist, interactive learning tools, helplines and support**, and more. Overall, the views of Ethics Publications nearly doubled since 2015, and this is partially due to just under 20,000 views to a CGMA Magazine article on 'Implementing an effective corporate ethics policy' (see appendix 15). During April 2015-March 2017 **CIMA's Code of Ethics** animation received over 9,000 views through YouTube and Viddler.

It is essential that CIMA members and students sustain their integrity and remember the trust and confidence which is placed on them by whoever relies on their objectivity and professionalism. Failing to comply with the Code may result in disciplinary action. The current published decisions can be found on the CIMA Global website [here](#).

As professionals, our members are committed to lifelong learning and are required to undertake yearly CPD, further supporting their professionalism and professional competence.

"Good governance and fair and transparent financial reporting are key to underpinning a fair and civilized society"

Anna Corry, CGMA, FCMA – member of CIMA's Professional Standards Committee

"Today there are greater expectations from stakeholders than ever before. Stakeholders will not support a company who they believe has made a profit at the expense of human rights, the degradation of the environment, or made an impact on society. They will react, and that is the reality."

Professor Mervyn E. King, the Cutting Edge CFO: The Epitome of Integrated Reporting

Actions

Events and roundtables/Webinars:

CIMA hosts and sponsors events and roundtables globally. In 2015-2017, focus areas have included addressing issues of human rights, ethical business, ethical due diligence in recruitment and internal trust.

Our regional offices also occasionally run events that highlight sustainability issues as well as running seminars related to new CIMA and CGMA thought leadership that are often featured in their regional e-letters: **The Bottom Line** in Southern Africa, **CIMA Edge** for those in Middle East, South Asia and North Africa, and **SE Asia Voice** in South East Asia.

Outcomes

Through face-to-face events and conferences, issues of sustainability and ethics are highlighted with our members and the wider business community to improve business practice

Specific ethics-focused events in 2015 and 2016 included a:

- joint seminar at St Paul's Cathedral on 'Managing for the Long Term'
- session on Responsible Business with UK Government departments including Business, Innovation and Skills and the Home Office
- presentation on 'A practical approach to ethics' to accountants in Buckinghamshire, England
- presentation on 'Ethical Performance in the Corporate Agenda' in Paris and in London
- presentation on 'Cost or return: What do you know about Responsible Business' in Poland
- presentation on 'Ethics in Business' to the Accountants Group in Germany
- session on 'Ethical Performance: Role of the Finance Professional' to the Committee for Heads of Department of Accounting and Finance (academic leads in the UK)
- development on the CGMA guidance report on Accountants and Human Rights
- panel on Business and Accountants at the **United Nations Forum on Business and Human Rights** in Geneva in November 2016

Via the academic team, CGMA sponsored Cynthia Cooper, and her role in uncovering the fraud at WorldCom, who was the main speaker at the session on Ethical Leadership for the 21st Century at the 2017 AAA Management Accounting Section mid-year meeting in January 2017.

"I think the Handelsbanken Business Model was the most inspiring one that I have seen for years, proving you can be very profitable and at the same time provide excellent customer service, while retaining your employees for a generation."

Participant, St Paul's/CIMA seminar on Managing for the Long Term

Actions

Publicly available resources

CIMA offers responsible business resources, widely shared and accessible to our members and students, as well as external professionals who may find them useful.

Through articles, leaflets, newsletters, **training tools** and worksheets, we provide information and guidance around integrated reporting, sustainability, ethics and corporate governance.

CIMA are present on social media sites and blogs, regularly reminding our members and students globally about their ethical obligations, and informing them of new research in the field of responsible and sustainable business, and where to find support.

Three times per year we publish the newsletter **Ethical Lens**, which highlights responsible business news from around the world, often with a focus on the principles, or featuring UNGC activity.

CGMA Magazine and **FM Magazine** as indicated above, are publicly available online and feature many stories regarding sustainability and governance in business (see appendix 18 and 19).

Apart from messaging from our corporate centre in the UK, resources and reports feature in regional newsletters and on local social media sites, including **The Bottom Line** in Southern Africa, **CIMA Edge** for those in Middle East, South Asia and North Africa, and **SE Asia Voice** in South East Asia.

cimaglobal.com/ethics

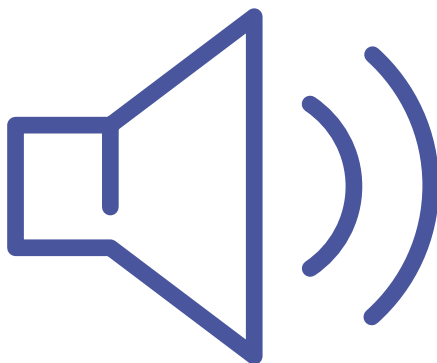
Outcomes

As part of our responsibilities to the public, and to create an environment where finance professionals (whether CIMA or not) uphold the highest ethical standards, CIMA's resources are available and almost always free of charge

Since April 2015, there has been a number of new ethics and responsible business resources made available and widely disseminated. These resources can be accessed from the Ethics landing page, and whilst there has not been a great increase in the number of views to the page; the engagement directly to resources via social media positioning has increased. 2016 saw over 36,000 views and downloads of selected new ethics resources in comparison to over 19,000 in 2015.

The resources are pushed out on social media platforms including Facebook, Twitter and LinkedIn. 2016 also saw a 62% increase in the number of views to the e-newsletter Ethical Lens.

The student ethics support tool received over 3,500 visits during 2016 and was updated in December 2016 to align with the new 2017 Certificate in Business Accounting syllabus.



“With a deep understanding of the financial and non-financial value drivers of the business, the accounting and finance function plays a critical role in connecting the right information with the right people.”

**Barry Melancon, CPA, CGMA, and
President and CEO at the AICPA**

Actions

Light on the Global Compact

The Global Compact and issues related to the Principles are often cited in articles, blog posts, presentations and our newsletter Ethical Lens. We also feature the 'We Support...' logo under cimaglobal.com/ethicsresources, and refer to the Global Compact website as an additional resource in thought leadership reports where relevant.

Our UNGC report is also featured on the CIMA [corporate responsibility page](#).

"Management accountants have a key role to play in identifying the salient human rights risks and responses in an organisation. This is in addition to providing information in context for use in internal decision making and external reporting utilising the UN Guiding Principles Reporting Framework leading to integrated reporting."

Paul Druckman, Chief Executive Officer, International Integrated Reporting Council (IIRC) from Business and Human Rights: Evolution and Acceptance

Outcomes

Regular mention of the Global Compact and the Principles helps increase awareness amongst our members and our wider business audience

The Global Compact has been specifically cited in the CIMA's magazine, Financial Management (FM): 'How management accounting can help to achieve the UN's sustainable development goals' (see appendix 18). The article highlights the eight sustainable development goals that have human value at their core and where management accounting can be the biggest driver of change.

CIMA and the UN Global Compact UK Network also produced guidance on ways that management accountants can assess and protect human rights 'Business and Human Rights: Evolution and Acceptance' (see appendix 5) which led to a session on the role of the accountancy profession and human rights at the 2016 United Nations Forum on Business and Human Rights in Geneva.

An article in our magazine Insight and Connected featured the UNGC panel discussion on the UK Bribery Act. The article 'Four top tips to be more transparent' includes guidance on increasing business transparency to reduce the appeal of bribery.

The Global Compact also features in CIMA's responsible business newsletter [Ethical Lens](#) and on the [CIMA Ethics landing page](#).

"Finance and accounting is the language of business transactions and accountants have long been interpreters of this language. Ensuring that information is accurate and transparent has never been more important."

Jeff Kaye, FCMA, CGMA, Trustee, Transparency International UK

Anti-bribery information

CIMA offers anti-bribery information on the CIMA Global website, which brings together information about the UK Bribery Act and general anti-bribery guidance.

We also provide links to relevant anti-corruption and anti-bribery organisations. This is also regularly featured in our newsletters and articles to members and students.

cimaglobal.com/bribery

Improving understanding of anti-corruption

Our members have an improved understanding of anti-corruption as well as access to tools and information to help support them. CIMA was a signatory to an [anti-corruption declaration](#) statement made by different representatives of professional bodies, prior to the 2016 London Anti-Corruption Summit.

A 2014 joint CGMA/TI publication on '[Corruption across the Value Chain](#)' continues to receive traffic, on both CGMA and Transparency International sites. A follow-up guide to accompany a CGMA report on Fraud and Corruption is due later in 2017, highlighting anti-corruption and anti-fraud resources from across the Association.

"We deplore corruption and the significant harm it causes; we play a vital role in training, educating and supporting our professions to uphold the highest levels of integrity and ethical standards."

Anti-corruption statement from the professions, co-signed by CIMA, May 2016

Partnerships for Development

Actions

Established partnerships

CIMA's joint venture with the AICPA allows the further development of partnerships whilst also introducing new ones to promote long-term sustainable business success.

Partnerships that have a particular focus on areas of the UNGC principles include A4S (which includes AAT, ICAEW, ACCA, CPA Australia and other accounting bodies), Institute of Cost Accountants of India, and the International Federation of Accountants-Professional Accountants in Business Committee.

We have also worked with Chartered Institute of Professional Development (CIPD), the Institute of Business Ethics, Transparency International and St Paul's Institute.

Additionally in the UK, CIMA worked with the Financial Reporting Council to design, oversee and deliver a project on the importance of embedding a healthy corporate culture within organisations (see appendix 14).

Outcomes

Partnering with others brings the CIMA/CGMA message of sustainability and ethics to wider audiences, as well as making new information available to our members

Cooperation and sharing of knowledge not only allows for innovative thinking and development but also ensures that the message reaches a wider audience.

At the end of 2015, the Accounting Bodies Network published 'The Business Case for Sustainability Report'. CIMA contributed to this report and has actively disseminated its key findings in a number of international conferences during 2016. During the A4S Network India Summit in 2016, CIMA presented a keynote address in New Delhi in partnership with the Institute of Cost Accounts of India.

CIMA also reviewed their 2020 strategy and projects during the A4S Accounting Bodies Network strategy meeting. In addition, CIMA responded to the consultation document on Task Force on Climate-related Financial Disclosures as well as the IFAC-PAIB report on **'The 2030 Agenda for Sustainable Development; A snapshot of the Accountancy Profession's Contribution'** (see appendix 17).

Many other recent reports and events have come out of joint efforts, including coalition partner Financial Reporting Council 'Corporate Culture and the role of boards' (see appendix 14); 'Ethical Due Diligence in Hiring and Assessing Professional Accountants' (see appendix 3) produced alongside the Institute of Business Ethics; 'Internal Trust: Building alliances from within' (see appendix 4) co-produced with St Paul's Institute; and 'Business and Human Rights: Evolution and Acceptance' (see appendix 5) written alongside UN Global Compact.



"'Business as usual' is no longer sustainable – if business ignores the Goals, they do so at their own peril."

Charles Tilley OBE, FCMA, CGMA, Executive Chairman of The CGMA Research Foundation

Other Activities

Actions

Ethics support

CIMA offers free helplines and support to all its members and students, including a UK Legal Helpline, a Global Guidance Line and a Code of Ethics helpline.

Outcomes

In the UK, we receive between 60-100 calls per year from members and students for guidance around the Code of Ethics and how to approach ethical issues at work. We also provide callers with further guidance and resources available online.

"I will use the tools provided to help me drive a decision, you have raised some useful points for my consideration."

Ethics Helpline user

Employers

As part of our work to support members and students, we engage with employers globally, many of whom are also Global Compact signatories.

As the newly formed Association of International Certified Professional Accountants (the Association), combining the strengths of the American Institute of CPAs (AICPA) and the Chartered Institute of Management Accountants (CIMA), we aim to power opportunity, trust and prosperity for people, businesses and economies worldwide. With a strong network of partners across FTSE100, Fortune500 employers as well as in the public sector, and broad reach, rigour and resources, the Association is able to use many routes to influence corporate practice for the long term.

Many of our members and students are employed by organisations who are also signatories to the Global Compact, further widening the opportunity of knowledge and implementation of the initiative's **Ten Principles**.

Accessibility to education

Anyone can study to be a CGMA designation holder, whether they are new to business and accounting or already have some experience. The only requirements are competence in mathematics and the English language.

The CIMA Professional Qualification is recognised worldwide as the most relevant global finance qualification for business. You will develop invaluable finance and business skills and the fundamental knowledge you need to drive business success.

In 2016, CIMA gained 33,604 new students, the second highest student recruitment year for CIMA on record, 12% higher than 2015.

Four markets increased the number of new students recruited in 2016 compared to the number recruited in 2015:

- Sri Lanka – 979 more new students recruited (acquisition up 33%)
- China – 304 more new students recruited (acquisition up 16%)
- India – 2,504 more new students recruited (acquisition up 245%)
- Indonesia – 667 more new students recruited (acquisition up 224%)

With the introduction of paperless exams in early 2015, students are now able to sit exams throughout the year. Since January 2015 (when we started professional level exams with Pearson VUE), exams have been delivered in 140 countries in 1,243 unique towns and cities with 2,773 unique exam centres.

Actions

CIMA staff: This section covers 2015 and 2016 prior to the Association coming into being

Over the year 2016, prior to our coming together with the AICPA as The Association, CIMA had 28 offices in 21 countries, with a corporate centre in the UK. As at December 2016, CIMA had 458 employees, of which 207 worked within our corporate centre and 251 worked with our markets across the globe. Of all our employees, 25 were working part time. As an investor in people, CIMA strongly recognises the link between satisfied staff and satisfied customers. This is reinforced through our six behaviours which guide our everyday activities:

- Stand up and be a role model
- Promote success
- Inspire a shared vision
- Challenge the way it's done
- Help others succeed
- Make it happen

Outcomes

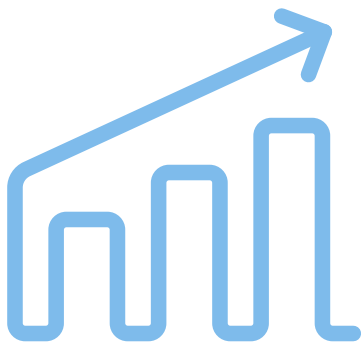
In 2017, the new Association behaviours were launched. Building upon CIMA's previous behaviours, they help define and embed the new organisational culture across the Association.

CIMA offers a range of training opportunities to staff, and promotes staff volunteering, even providing staff with additional days' leave to allow them to volunteer for local causes. The formation of the Association will further these opportunities for staff globally. CIMA has performance appraisal processes which factor in employee satisfaction and learning and development. We promote a strong sense of career progression and fill vacancies from within where a credible candidate exists, whilst secondments and internal moves provide employees with opportunities to further broaden their skills and experience. We also provide ongoing anti-bribery training, an employee assistance programme and a global speak-up line. Some of our policies are featured [here](#), and key policies will be further developed during 2017 for all Association staff.

CIMA continues to develop its management culture on the basis of staff surveys and other feedback. In its most recent employee survey (January 2016) with Best Companies, CIMA achieved a One to Watch category score.

CIMA also supports employees undertaking professional qualifications. In 2016, 34 employees were sponsored, of which 31 employees were studying for CIMA qualifications.

	2015	2016
Employee retention	84%	84.6%
Promotions, Moves, Secondments	41	40



Appendix

1. Some highlights of CIMA/CGMA output related to the UNGC principles

Presentations



CIMA's newsletter Ethical Lens
cimaglobal.com/ethicalens

REPORTING

The UN Global Compact-Accenture Strategy CEO Study 2016

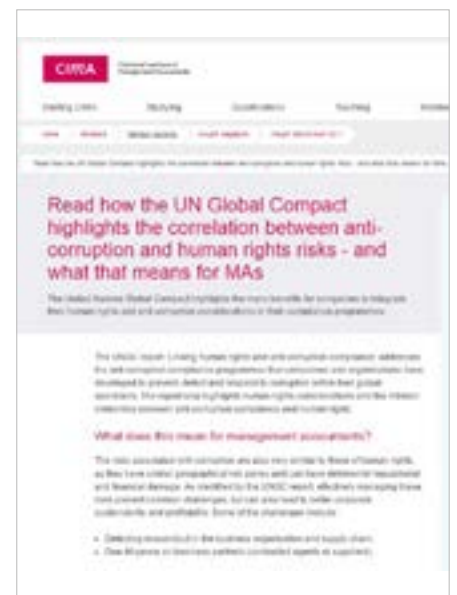
Eighty-seven percent of chief executive officers (CEOs) say the United Nations (UN) Sustainable Development Goals (SDGs) represent an essential opportunity to rethink approaches to sustainability, and nearly half (49 percent) say businesses will be the most important actor in their delivery, according to a new study by the [UN Global Compact](#) and Accenture.



The *UN Global Compact-Accenture Strategy* is the largest study of CEOs that analyses attitudes of global sustainability. Of the UN Global Compact CEOs surveyed 78 per cent already see opportunities to contribute to global goals through their core businesses*.

» Access the full study [here](#) and info graphic [here](#)

Insight magazine



Featured online



CIMACONNECT – CIMA's social media platform for students



Financial Management magazine





2. Ethical Lens

CIMA's ethics newsletter Ethical Lens provides a snapshot of the latest developments in ethical and sustainable business worldwide and directs to new resources and reports.

cimaglobal.com/ethicallens



3. Ethical Due Diligence in Hiring and Assessing Professional Accountants, December 2016

This CGMA guidance, produced alongside the Institute of Business Ethics, highlights the importance of ethical recruitment.

This guidance indicates the stages involved in conducting ethical due diligence in the recruitment process as well as resources that HR and finance teams can refer to. The guidance provides accounts from Britvic GB, Metro Bank and a USA-based charity. The guidance states that one of the stages to conducting ethical due diligence is by identifying the values and ethics of a role within an organisation.

cgma.org/ethicalrecruitment

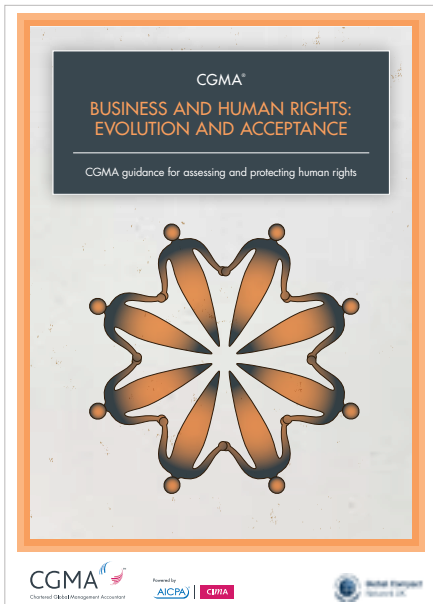


4. Internal Trust: Building Alliances from Within

This discussion report, co-produced with St Paul's Institute, explores the subject of internal trust within organisations as part of an ongoing joint programme on ethical culture.

It focuses on what trust is defined as; its warning signs; how to embed internal trust as well as what this means for accountants in business. It also includes key accounts from round table respondents and a useful case study.

cgma.org/internaltrust

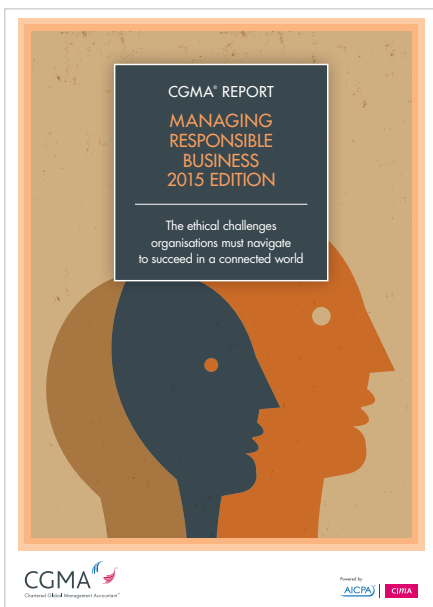


5. Business and Human Rights: Evolution and Acceptance

This guidance, provided by the CGMA, outlines the importance of human rights issues in business. It also looks at specific case studies where organisations such as Unilever have promoted human rights practices and ways in which they apply the Guiding Principles on Business and Human Rights.

This guidance provides a strategic road map to help you better understand ways human rights considerations can be embedded into business practice. This includes accounts from people globally on ways they are trying to create value and improve lives through sustainable business.

cgma.org/humanrights



6. Managing Responsible Business – addressing ethical challenges

This CGMA resource provides three detailed infographics on managing responsible business. The infographics address critical areas including: the emerging issue of human rights; reporting on what's right and embedding an ethical culture

The resource is based on a CIMA-wide survey conducted on CGMA designation holders and CIMA students globally, and a particular issue that was raised was the importance of bribery and human rights.

cgma.org/Resources/Reports/DownloadableDocuments/2015-07-21-Managing-Responsible-Business.pdf



7. Joining the Dots

This research has found a number of major flaws in companies' decision making, which is proving costly. Based on a survey of 300 C-suite executives at major organisations around the world, it suggests that decision making in many businesses could be fundamentally improved, including building collaboration and trust. This is through balancing the short-term commercial interests against long run value.

cgma.org/resources/reports/joining-the-dots.html



8. Tomorrow's Risk Leadership: delivering risk resilience and business performance

This guide explores the case for the appointment of a senior risk leader to support the board and to manage today's and tomorrow's risk agenda. The publication is the fourth in a series of guides and toolkits from the Tomorrow's Good Governance Forum for use by chairmen, boards and advisors, to help achieve practical change.

The guide highlights how many boards initially discussed the implications about the changes in economic power, social instability and environmental degradation. The discussion has developed onto how to make organisations more resilient and able to anticipate change.

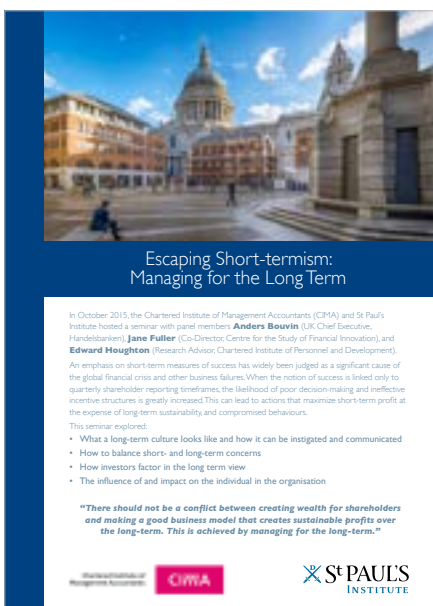
cimaglobal.com/Research--Insight/Delivering-risk-resilience-and-business-performance/



9. Local Perspectives: South East Asia

CIMA offices in South East Asia have conducted workshops and round tables to discuss the emerging issues facing business to gather a local perspective and how these should be addressed. The 'CFO Dialogue – the epitome of integrated reporting' is an amalgamation of views and thoughts from business leaders sharing insight on integrated thinking and the integrated reporting framework.

cimaglobal.com/Research--Insight/Local-perspectives-South-East-Asia/



10. Escaping Short-termism: Managing for the Long Term

CIMA and St Paul's Institute hosted a seminar with panel members exploring how business models can operate more effectively and overcome the misjudgements often provided by short-term success horizons. It provides case studies of effective practice and the benefits of a long-term view not only to business shareholders, but wider society as a whole.

cimaglobal.com/Documents/Thought_leadership_docs/2015-10-28-Escaping_short-termism.pdf



11. Thinking the Unthinkable

This paper explores some of the corporate governance issues in an effort to help boards understand what they must do to be more effective.

It focuses on analysing the steps that business leaders take to make their business more strategic and resilient.

cimaglobal.com/Research--Insight/Thinking-the-unthinkable-a-new-imperative-for-leadership-in-the-digital-age/

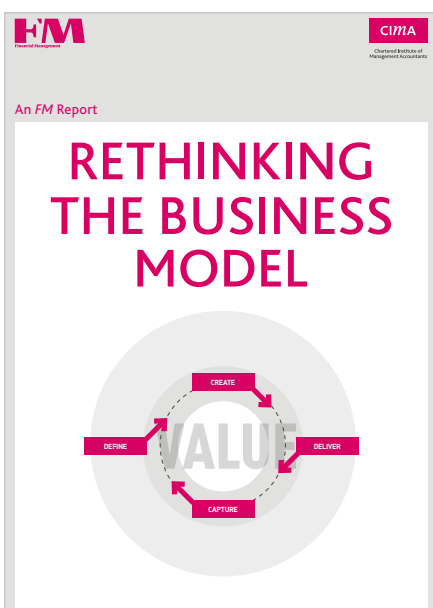


12. The Future is Now – Transparency in Government Performance

The briefing highlights developments and challenges for the public sector, and assesses the future impact of growing public and stakeholder demand for clearer information on performance from government.

The report presents case studies from the City of Seoul and the City of New York and some innovative approaches to improving transparency with citizens. It notes the importance of integrated reporting and how it encourages better decision making, transparency and long-term perspective which are imperative for the sustainability of public services.

cgma.org/resources/reports/the-future-is-now-transparency-in-government-performance.html



13. Rethinking the Business Model

CIMA worked with an influential panel of experts to produce a business model that brings strategy and operations together in a framework that places value at its heart. The focus for all organisations should be achieving success over time. To achieve this, they need to meet the needs of their customers and other stakeholders, including society as a whole. The report highlights what businesses need to consider to address the sustainability of their organisation.

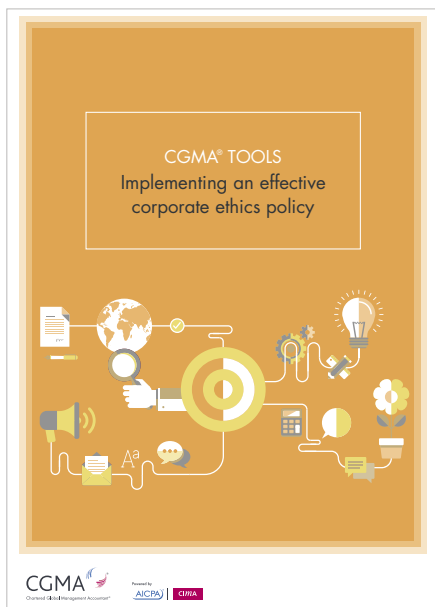
cimaglobal.com/Research--Insight/Rethinking-the-business-model1/



14. Corporate Culture and the Role of Boards

The Financial Reporting Council (FRC) embarked in the culture coalition project, alongside coalition partners including CIMA, to better understand how boards are addressing culture. The project aimed to encourage discussion and debate, and identify and share best practice. The report addresses how boards and executive management can steer behaviour to create a culture that will deliver sustainable good performance.

frc.org.uk/Our-Work/Corporate-Governance-Reporting/Corporate-governance/Corporate-Culture-and-the-Role-of-Boards.aspx



15. CGMA Magazine – Implementing an effective corporate ethics policy

Featured in the CGMA magazine available online, this article looks at the five steps that companies can take to ensure that their corporate ethics policy is effective and becomes embedded in company culture. The article was also developed into a tool complete with case studies from five companies and supporting questions.

cgma.org/magazine/issues/2014/jun/20149701.html



16. Tool – Environmental management accounting

A tool designed to help businesses to achieve and maintain cost competitiveness. A logical planning and control framework for transforming and managing business cost-competitiveness. One area includes incorporating sustainability to optimise profits. This can be addressed through the supply chain engagement, working with supply chain partners to identify risks to sustainability and develop mitigating strategies.

cgma.org/resources/tools/cost-transformation-model/environmental-management-accounting.html



17. International Federation of Accountants (IFAC) – The 2030 Agenda for Sustainable Development

The report provides a snapshot of the accountancy profession contribution to achieving the sustainable development goals, and considers how businesses and the profession can contribute to eight specific goals.

It also includes reference to CIMA's Global Research Programme, which provided analysis of global employability and the challenges faced by the financial sector in the competition for best talent.

ifac.org/publications-resources/2030-agenda-sustainable-development



18. Financial Management magazine: features addressing sustainability, ethics and corporate responsibility

- 'How management accounting can help achieve the UN's sustainable development goals' Jan 2017, **FM App**
- 'Putting people first' Jan 2017, **FM App**
- 'The Rights Stuff', November 2016, **FM App**
- 'Generation Yes' Jan 2017, **FM App**
- 'Turning values into value' Jan 2017, **FM App**



19. CGMA Magazine

- '7 ethics questions finance professionals should ask prospective employers', **CGMA Magazine**
- 'Human rights risks in the supply chain', **CGMA Magazine**
- '6 ethical questions about Big Data', **CGMA Magazine**
- 'International insurance forum set up to share disaster and climate risk know-how', **CGMA Magazine**
- 'Companies underestimate investors' interest in sustainability', **CGMA Magazine**
- 'Sustainability challenges and opportunities for CFOs', **CGMA Magazine**



20. Sir Fazle Hasan Abed, FCMA, CGMA, Founder, Bangladesh Rehabilitation Assistance Committee

In 2016, Sir Fazle Abed, founder of Bangladesh Rehabilitation Assistance Committee (BRAC), the world's largest NGO, was given a lifetime honorary membership of CIMA in recognition of his work for humanity.

Sir Fazle had qualified with CIMA's forerunner the Institute for Cost Accounting in the 1960s prior to returning to Bangladesh and establishing BRAC, where he applied his corporate knowledge.

FM, February March 2017



June 2017

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