



22 January 2020

To our stakeholders

## **ICAEW UN GLOBAL COMPACT COMMUNICATION ON ENGAGEMENT**

I am pleased to confirm that ICAEW reaffirms its support to the United Nations Global Compact and its Ten Principles in the areas of Human Rights, Labour, Environment and Anti-Corruption. This is our second Communication on Engagement with the United Nations Global Compact. We welcome feedback on its contents.

In this Communication of Engagement, we describe the actions that our organisation has taken to support the UN Global Compact and its Principles as suggested for an organisation like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

ICAEW is a world leading professional membership organisation that promotes, develops and supports over 181,500 ICAEW Chartered Accountants and students worldwide. We provide our members with knowledge and guidance, and ensure ICAEW Chartered Accountants are meeting the highest ethical and technical standards. As financial experts we act in the public interest offering insights into business and the economy that help to shape government policy and regulation.

As a professional body action begins for us in upholding ICAEW's Code of Ethics which applies to all members, students, affiliates, employees of member firms and, where applicable, member firms, in all of their professional and business activities, whether remunerated or voluntary. Chartered Accountants are expected to demonstrate the highest standards of professional conduct and to take into consideration the public interest. Ethical behaviour by Chartered Accountants plays a vital role in ensuring public trust in financial reporting and business practices and upholding the reputation of the accountancy profession.

ICAEW is practically active in many areas covered under the UN Global Compact and its Principles. This includes but is not limited to:

- Extensive work to raise awareness and action on climate change within the global accounting profession;
- Our work advising and guiding members on economic crime and fraud;
- Our work in the Capitals Coalition helping business to understand and improve its relationship with nature and society; and
- Our work promoting awareness and compliance with UK reporting on modern slavery and gender pay guiding our members to the adoption of best practice.

In this report we are focussing on how we have expanded on our work on the UN Sustainable Development Goals, expanding on specific themes. This has been around climate change, gender equality, aging populations, tax, economic crime and natural capital.

We have put the Goals at the heart of the ICAEW vision and our definition of the Public Interest and we have used the Goals to give a narrative to the ICAEW vision of a world of strong economies. This narrative is: a world of strong economies means prosperous and resilient economies, operating in fair and just societies, all achieved within what nature can provide and based on good governance and partnerships.

The period covered by this Communication on Engagement is from 19 January 2018 to 22 January 2020.

Yours sincerely,

A handwritten signature in black ink that reads "Michael Izza". The signature is written in a cursive, flowing style.

Michael Izza  
Chief Executive

## DESCRIPTION OF ACTIONS

Over the past two years ICAEW has worked to take the United Nations Sustainable Development Goals (SDGs) from our strategy into the operational plan. In particular the climate crisis has been and will be a key focus for us.

As a professional body we recognise that the accountancy profession has a vital role to play in delivering the SDGs. It has a presence across all sectors of business and public life. The profession enables businesses and other organisations to measure and report their progress and builds trust in those processes and disclosures. Formal measurement of the goals will be done at the national level through the KPIs associated with the 169 targets of the goals. The profession will have a substantial role to play in aligning these systems of measurement.

There are three main reasons for having confidence that the profession can deliver:

- We serve the public interest by creating public goods in the form of common bases of measurement, reporting and assurance.
- We can understand the situation around each Goal and their interconnectivity. Measuring progress will require huge amounts of data in which we will need to build trust and accountants can help it make sense.
- We have a distinguished record of building strong local institutions and they will be necessary to achieve the goals.

We have focussed on a number of projects in the past two years to promote and incorporate the sustainable development agenda into ICAEW's activities including:

- Continuation of the workshop based engagement with our members and stakeholders on the SDGs;
- Building a number of key frameworks into the syllabus of the ACA qualification including the SDGs, the Natural Capital Protocol, the recommendations of the FSB Taskforce on Climate-Related Financial Disclosures (TCFD) and signing up to the UK Government's Green Finance Institute's Education Charter;
- Renewed focus on reducing the carbon in ICAEW's operations;
- Amplifying the capitals approach amongst the business community across Europe through the We Value Nature project;
- Raising awareness and action on key topics in the sustainable development agenda through the landmark podcast series 'More than a number' examining the issues of climate change, tax, gender equality, ageing populations, the SDGs and better scrutiny of public statistics;
- Partnership with WWF in distributing and raising awareness of the Our Planet: Our Business film to a business audience around the world;
- Building materials and support for the finance and business community to tackle the climate emergency via a dedicated climate hub including free video, webinar and written resources;
- Convening young finance and business professionals around the world to achieve the SDGs through the Chartered Accountants Worldwide initiative FinBiz2030; and
- Support and participation in the UK Stakeholders for Sustainable Development (UKSSD) report 'Measuring Up' – a stakeholder led progress report on the SDGs in the UK.

## MEASUREMENT OF OUTCOMES

Much evidence of our work to date has been through anecdotal feedback that stakeholders have had. We have continued to have positive engagement through our workshops on the SDGs and have had further success through screenings of the WWF film Our Planet: Our Business.

- Screenings and workshops with over 2000 business and finance professionals.
- 7000 downloads of the Natural Capital Protocol
- 15,000 listens to the More than a number podcast series
- Positive engagement with key regulators and policy makers on climate change and biodiversity
- Increasing engagement with the academic accounting community on sustainability and natural capital
- A growth in member interest in the sustainability space with over 14,000 opting to receive regular sustainability insights.
- Over 18,000 visits to the climate change video resources built in partnership with Deloitte providing free climate education for finance professionals