

AAT Communication on engagement

AAT report on support for the UN Global Compact
for the 24 months ended 31 August 2021

To our stakeholders

I am pleased to confirm that AAT reaffirms its support to the United Nations Global Compact and the Ten Principles.

This is our second *Communication on engagement* with the United Nations Global Compact since becoming signatories in 2017.

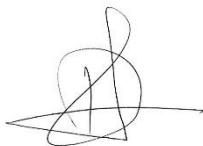
In this *Communication on engagement*, we outline the activities AAT has taken to support the UN Global Compact, its Principles, and the Sustainable Development Goals.

AAT is the world's leading professional body for accounting technicians. We work across the globe with approximately 130,000 students and members in 100 countries. Our members are represented at every level of the finance and accounting world including students, those people already working in accountancy, and self-employed business owners. There are over 5,000 licensed AAT members providing accountancy, tax and business advisory services to more than 5,00,000 British businesses.

AAT members are ambitious, focused accounting professionals, many occupying senior, well rewarded positions with thousands of employers – from blue-chip corporate giants to public sector institutions.

This communication focuses on our activities in relation to the UN Sustainable Development Goals which we have used as the basis for developing the AAT responsible business strategy.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'David Frederick', is positioned above the printed name and title.

David Frederick
AAT President

Description of actions

As part of the ongoing AAT responsible business strategy, we have identified the following **sustainable developments goals** (SDGs) as most material to the aims and activities of our organisation:

- Quality education (SDG4)
- Reduced inequalities (SDG10)
- Gender equality (SDG5)
- Climate action (SDG13)
- Peace and justice, strong institutions (SDG16)
- Partnerships for the UN Sustainable Development Goals (SDG17)

Quality education (SDG4)

Quality education underpins everything AAT does. As a [qualifications provider](#) AAT is committed to maintaining and developing education which is relevant, forward thinking and, most importantly, open to all. The popularity of AAT's qualifications and continuous regulatory recognition are measures of that ongoing commitment.

In response to the Covid-19 pandemic and associated disruption to teaching, AAT was quick to put in place various resources for students and members to ensure as much support as possible was provided to keep learning on track. These included:

- increased use of live streaming study support sessions
- proactively introduced training providers to specialists in online training to help support their on-line and blended delivery
- introduced a virtual conference for tutors to facilitate good practice and qualification updates
- provided financial assistance to those students with scheduled assessments while colleges were closed, by extending their subscription period
- Introduced additional synoptic assessment opportunities into the timetable
- provided support to customers via our contact centre throughout the pandemic without any interruption, ensuring support and guidance was available throughout
- introduced remote invigilation for some of our assessments.

Reduced inequalities (SDG10) and gender equality (SDG5)

Our profession

AAT recognises that all businesses have a part to play in providing access to work experience and associated skills, particularly for those without access to traditional networks via family, friends etc. Pre-pandemic, AAT ran a paid internship programme in the organisation, working with schools in some of the most disadvantaged London boroughs, and will implement this again once we return to office-based working.

In providing learning and qualifications that are open to all, AAT recognises that supporting social mobility is integral to the ethos of AAT activities. In addition to encouraging accountancy qualifications through less traditional routes, AAT is an active signatory within [Access Accountancy](#), an organisation made up of proactive accountancy firms and professional bodies with the aim of offering large numbers of work experience opportunities, and career paths, for those from more socio-economically deprived backgrounds.

In 2020, AAT collaborated with the Social Mobility Commission and various bodies and businesses to create a [toolkit on socio-economic diversity and inclusion](#) for the financial services sector.

Through our ongoing relationship with the social mobility charity Leadership Through Sport & Business (LTSB), AAT has hosted and participated in a number of speed-interviewing events for young people on the LTSB programme to support development of interviewing skills and to facilitate introductions to employers. During our ongoing engagement with employers, we help to raise awareness of LTSB and support relationship building, resulting in increased apprenticeship employment opportunities for young people on the LTSB programme. By sharing insights with the LTSB team, gained through our regional business development activities, we have helped to shape the LTSB partnerships with training providers, and to effectively raise their profile via our professional networks and social media platforms.

Our members

AAT recognises that socio-economic factors are not the only barriers to equality and mobility within accountancy, and have produced a series of [member-led videos](#) telling stories of how AAT qualifications helped individuals in difficult circumstances to improve their life chances, including mental health problems, disability, long-term unemployment, redundancies and career changes.

As part of the commitment to remove barriers to the profession, in 2020 AAT launched a bursary scheme to support current or new students who would otherwise would have been prevented from studying due to financial restraints. Ten students received bursary awards in 2020, with a further eleven in 2021.

Our people

As well as equality within the profession, AAT is committed to promoting more general awareness of the value, in terms of sustainability and resilience, of a diverse workforce. Within the organisation this has taken place via a number of staff learning activities including awareness around: unconscious bias; LGBTQA+ awareness; disability awareness; mental health awareness. In support of disability awareness, AAT is Disability Confident Committed as part of the UK government scheme supporting businesses to increase opportunities for disabled persons. In further support of our employees and fair reward, AAT is a London Living Wage employer and is Living Wage Foundation accredited.

AAT has undertaken detailed data collection to allow us to better understand the make-up of the workforce, and to identify areas for improvement in terms of diversity of employees. In addition, AAT will be undertaking activity to assess possible barriers to progression for specific groups and to develop strategies to remove those barriers.

AAT has been at the forefront of the campaign for compulsory ethnicity pay gap reporting in the UK, had collected and published data relating to ethnicity for several years, and will publish its ethnicity pay gap in the very near future. In January 2021 AAT joined the [Race at Work Charter](#).

In the UK, businesses with more than 250 staff are required in law to publish details of their [gender pay gap](#). Prior to this legal obligation, AAT published its gender pay gap figures and despite now having less than 250 employees it continues to do so. AAT's recommendations for reform and improvement in this area have been adopted by many other organisations, including the Business, Energy & Industrial Strategy Committee and the Fawcett Society.

AAT is a key supporter of the [Women in Finance Charter](#), being one of the first 100 organisations (and first accountancy body) to sign up, and continues to meet our targets under the Charter. AAT's recommendation to widen the Charter to other sectors of the economy has gained widespread support from industry and politicians from all three main parties in the UK.

Climate action (SDG13)

In 2020 AAT commissioned a carbon usage report which provided recommendations for reduction in GHG emissions, and allowed AAT to take action to achieve carbon neutral status and the UK PAS 2060 certification. Following this achievement, AAT is exploring options to develop a roadmap to net zero.

In early 2021, Accounting for Sustainability (A4S) published [a report](#) highlighting the many positive ways in which professional bodies, including AAT, responded to the Covid-19 pandemic in order to support their members and wider business communities.

AAT has consistently supported A4S, disseminating their highly valuable guidance to our members and to SMEs, such as guidance on [achieving net zero](#) and on [sustainability reporting](#). AAT recognises that accountants and finance teams have a crucial part to play in helping businesses understand and respond to climate-related reporting requirements, and as such AAT are taking a proactive role in upskilling members by signposting to expert resources, highlighting the issues in our conferences, enhancing sustainability focus in our qualifications and CPD, and through continuous conversations with our employer networks.

AAT consistently acts as a strong voice for our members and the profession, advising regulators and government, and responding to consultations wherever relevant. In particular, AAT has made recommendations for reform in relation to the [Plastic Packaging Tax](#), [Deposit Return Scheme](#) and [aviation tax reform](#).

Peace and justice, strong institutions (SDG16)

A key activity of AAT, which touches on many of the SDGs, is the activity as an anti-money laundering (AML) supervisor. AAT commits significant resources in providing training and guidance for our members to help them understand the AML regulations under which they operate. The UK National Risk Assessment has identified financial services, including accountancy, as high risk areas and AAT is committed to working with law enforcement agencies and other professional bodies to promote understanding and compliance, and to impose penalties where appropriate, in an effort to fight the scourge of money laundering and the socially destructive activities from which the money is derived.

Every AAT member must adhere to our [Code of Professional Ethics](#) in all of their professional and business activities, whether paid or voluntary. AAT members are expected to demonstrate the highest standards of professional conduct, and to take into consideration the public interest, at all times. Ethical behaviour is vital in building and maintaining public trust and upholding the reputation of the accountancy profession.

Partnerships for the UN Sustainable Development Goals (SDG17)

AAT is a member of a number of international accounting bodies around the world championing the role that Accounting Technicians can make to the profession, including IFAC and CAPA (Confederation of Asia Pacific Accountants).

AAT also works closely with a number of not-for-profit organisations in order to share expertise and resources to the benefit of all members, regardless of their professional backgrounds. These include:

- Institute of Business Ethics
- Leadership Through Business and Sport
- Accounting for Sustainability
- Access Accountancy
- Business in the Community

Measurement of actions

Our student numbers remained high at 70,104 (March 2021) which was just 2.7% down on 12 months earlier. We consider this an enormously positive result in remarkable circumstances. This is no doubt in large part down to the rapid and proactive support mechanisms that AAT introduced at the start of the pandemic, as listed previously in this report.

In the year ending 2019, signatories to Access Accountancy provided 994 work experience placements to students, concentrating on those from lower socio-economic backgrounds.

All ten of the recipients of our inaugural bursary schemes are well advanced with their studies, having already completed their qualification or expected to qualify soon. All have reported the great impact that the opportunity has had on their lives, providing access to valuable qualifications which otherwise would have been denied to them by financial constraints. The story of just one of the recipients can be [read here](#).

Our practice assurance activity has seen an increase in those practices achieving full compliance with all professional requirements (60% to year end 2020, compared to 50% to year end 2019). This reflects the growing professionalism of our licensed members, and their understanding of the wider value that their compliance adds in protecting the public and assisting law enforcement.