



Communication on Engagement

STATEMENT OF CONTINUED SUPPORT BY THE CHIEF EXECUTIVE

20 January 2022

To our stakeholders,

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 Communication on Engagement with the United Nations Global Compact. We welcome any feedback on its content.

In this Communication on Engagement, we describe the actions that we have taken to support the UN Global Compact and its Ten Principles. We also commit to sharing this information with our members, students, and external stakeholders.

Our vision is that ICAEW Chartered Accountants enable a world of sustainable economies. Our strategic themes encompass the Principles of the UN Global Compact, particularly in our leadership on achieving the UN Sustainable Development Goals. We look forward to continuing our engagement with members, government, and civil society to empower and inspire them to be changemakers for the better. 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 23 January 2020 to 20 January 2022.

Yours sincerely,

Michael Izza
Chief Executive

ACTIONS TAKEN IN SUPPORT OF UN GLOBAL COMPACT

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. 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 our work advising and guiding members on anti-bribery and corruption and our work promoting awareness and compliance with UK reporting on modern slavery guiding our members to the adoption of best practice. ICAEW has set sustainability, trust, and diversity as some of our key Strategic Themes. This is to ensure that our 189,500 members and students across the globe put people and planet at the heart of their roles. ICAEW promotes diversity, inclusivity, and fairness across all of our activities and in support of the UN Global Compact Principles. The following pages outline some of the work we have undertaken in the last two years to engage the profession, which has been particularly focused on climate change.

Events

As part of a series of webinars run by Chartered Accountants Worldwide (a global network ICAEW is a proud member of) and One Young World, ICAEW hosted a webinar on the 27 April 2021 titled Global Leadership, Local Action for our climate. In this session we heard from Anne-Marie Trevelyan an ICAEW Chartered Accountant, Member of the UK Parliament and Champion on Adaptation and Resilience for the COP26 Presidency. She outlined the global ambition and action required to support countries on the frontline of climate change to adapt to its impacts and build resilience. The conversation then focused on how young leaders in business and finance can help connect the local and global when it comes to climate change. There were 1,579 delegates registered for this event from 105 Countries with almost 937 viewers overall.

The first inaugural virtual [ICAEW Climate Summit](#) took place on 18-22 October 2021 with a welcome message from [Andrew Griffith MP](#) highlighting the important role the accounting profession has in acting on climate change. Across the five days we had an array of speakers and content on the following themes: climate disclosure, governance, finance, SME action, and personal leadership. The audience were highly engaged shown through the considerable number of questions put to our speakers and we averaged 130 unique viewers per session. Testimonials praised the content with one member stating "This was probably the best ICAEW programme I have ever been lucky enough to participate in. Very concise, well-organised virtual sessions with excellent speakers exploring themes both familiar and new. I now feel not just better qualified to tackle some of these issues in my own organisations but inspired and motivated to do so."

On November 17 and 18 the Institute of Chartered Accountants in India held a summit with the theme of "Accelerating Sustainability Agenda: Opportunities for Professional Accountants", with the objective to dwell deeper into the emerging sustainability reporting ecosystem across the globe and bring the Indian and global perspective together on issues that are of contemporary relevance. ICAEW's Director of Sustainability Richard Spencer was a panellist in a discussion titled "Accountants Leading Sustainability Agenda - Role of PAOs & Regional Bodies" highlighting the importance of professional accountants and other stakeholders in tackling sustainability issues.

The Summit was broadcasted live on YouTube and other social media channels with an audience of 20,000 professionals across the globe.

Content and publications

We are continuously developing content and webinars looking at human rights and labour issues for both internal and external use. Our [modern slavery hub](#) showcases webinars and articles including the most relevant and up-to-date issues on this topic.

At the beginning of the coronavirus pandemic, our Chief Executive Michael Izza wrote an [essay](#) on how the profession has dealt with crises over the years and how Chartered Accountants can build a legacy coming out of these shocks. This essay explored the financial crisis, the global pandemic, the climate crisis and how the profession can lead on building a better future, highlighting the need for systemic change to create a sustainable world that is prosperous for all. This then fed into our [Global Recovery hub](#), addressing the challenges of the time and how we can learn from these shocks to grow a resilient future.

The world is changing – and so is the role of chartered accountants. [Our major new content series](#) launched in 2021 explores how chartered accountants are helping to tackle some of the most urgent social challenges within the UN Sustainable Development Goals and considers how the profession could do even more in the future. The three themes considered so far have been on trust, diversity and climate change.

[Green Finance: UK & ASEAN Perspective](#), published in December 2021, was a joint effort between ICAEW and the British Chamber of Commerce in Singapore that explores the perspectives of finance professionals in relation to climate finance including wider sustainability goals, with particular reference to the Association of Southeast Asian Nations (ASEAN) region. It is based on interviews with professionals across a range of related disciplines in ASEAN and the UK. In the study we sought to gain insight from locally based experts in order to understand the role that finance might play in addressing the risks associated with climate change, focusing in particular on regional developments and reflecting diverse markets at different stages of maturity.

Joint Initiatives

Since its inception, ICAEW has been a firm supporter of the Capitals Coalition and we continue to shape its work on natural and social capital through our position on the Advisory Panel, providing input and guidance that feeds into the Coalition's strategic development. In this capacity, we lead and advocate for a capitals approach across the finance sector and develop and lead collaborative projects on behalf of the Coalition.

We Value Nature is an EU Horizon 2020-funded three-year campaign (November 2018 –October 2021) that ICAEW is a partner of. The campaign is supporting businesses and the natural capital community to make valuing nature the new normal for businesses across Europe.

We Value Nature is:

- Supporting the natural capital community and sharing research, resources and best practice.
- Helping businesses improve their risk management, communication with investors, stakeholder engagement and anticipation of future legislation.

- Making a difference by targeting businesses and barriers where we expect to make the greatest impact.

Throughout the latter half of 2021, ICAEW supported the We Value Nature Dialogues, which was a series of discussions reflecting on recent progress towards the goal of valuing nature becoming the new normal for business. This included recent regulatory developments, business commitments, natural capital accounting standards and decisions at COP26.

Published in June 2020, ICAEW signed an open letter to the Prime Minister advocating the use of the Sustainable Development Goals as a framework for recovery from the COVID-19 pandemic. This was coordinated by the UK Stakeholders for Sustainable Development and the UN Global Compact UK Network.

In June 2021, we were one of the professional bodies who, together with the consultancy E3G, led on the development of a net-zero pan professional network, launched at London Climate Action Week 2021, the [Professional Bodies Climate Action Charter \(PBCAC\)](#). We recognise that many professional bodies are already working on climate action, but this cannot be solved alone or in silos. Change comes through collective action and a common purpose. The PBCAC offers a space to share knowledge, experience, and co-ordinate our efforts that will heighten our collective impact and drive forward the transition to a decarbonised economy. So far 17 bodies have signed up to the charter including the Institute and Faculty of Actuaries, RICS, IEMA and CAANZ.

MEASURING OUTCOMES

Further to the engagement numbers stated in the previous section, a major measure of success for us has been through those signing up to the Sustainability and Climate Change Community that was launched in November 2020. Its purpose is to provide inspiration, insights and collective ambition for professionals delivering on sustainability and acting on climate change. This community is open to members, non-members and students from all industries and sectors. Having only been established for 13 months, the community has garnered an impressive membership of 14,301, exceeding our expectations. We hope to continue this strong level of engagement and develop content that covers the length and breadth of the Sustainable Development Goals.