

Friday, 6 October 2023

Ms Sanda Ojiambo
Executive Director
UN Global Compact
685 3rd Avenue
New York NY 10017 USA

Dear Ms Ojiambo

UN Global Compact – Communication on Engagement

Chartered Accountants Australia and New Zealand has been a signatory to the UN Global Compact since 2011. This fifth Communication on Engagement highlights the activities undertaken between 1 July 2021 to 30 June 2023.

I am pleased to confirm that Chartered Accountants Australia and New Zealand reaffirms its support of the ten principles of the Global Compact with respect to human rights, labour, environment and anti-corruption.

In this Communication of Engagement, we describe our actions to support the Global Compact principles and engage with the initiative. We also commit to share this information without stakeholders using our channels of communication.

Your sincerely



Ainslie van Onselen
Chief Executive Officer

About Chartered Accountants Australia and New Zealand

Chartered Accountants Australia and New Zealand (CA ANZ) represents more than 136,000 financial professionals, supporting them to build value and make a difference to the businesses, organisations and communities in which they work and live.

Around the world, Chartered Accountants are known for their integrity, financial skills, adaptability and the rigour of their professional education and training.

CA ANZ promotes the Chartered Accountant (CA) designation and high ethical standards, delivers world-class services and life-long education to members and advocates for the public good. We protect the reputation of the designation by ensuring members continue to comply with a code of ethics, backed by a robust discipline process. We also monitor Chartered Accountants who offer services directly to the public.

Our flagship CA Program, the pathway to becoming a Chartered Accountant, combines rigorous education with practical experience. Ongoing professional development helps members shape business decisions and remain relevant in a changing world.

We actively engage with governments, regulators and standard-setters on behalf of members and the profession to advocate in the public interest. Our thought leadership promotes prosperity in Australia and New Zealand.

Our support of the profession extends to affiliations with international accounting organisations.

We are a member of the International Federation of Accountants and are connected globally through Chartered Accountants Worldwide and the Global Accounting Alliance. Chartered Accountants Worldwide brings together members of 13 chartered accounting institutes to create a community of more than 1.8 million Chartered Accountants and students in more than 190 countries. CA ANZ is a founding member of the Global Accounting Alliance which is made up of 10 leading accounting bodies that together promote quality services, share information and collaborate on important international issues.

We also have a strategic alliance with the Association of Chartered Certified Accountants. The alliance represents more than 870,000 current and next generation accounting professionals across 179 countries and is one of the largest accounting alliances in the world providing the full range of accounting qualifications.



Communication of Engagement

During the two years to 30 June 2023, we have engaged with, supported and promoted the principles of the UN Global Compact in a number of ways, as described below:

Areas of engagement	Our actions and outcomes
Deliver education on topics related to the Global Compact	<ul style="list-style-type: none">• In 2022, an additional elective subject was added to the CA Program 'Sustainability for Accountants', a seven-week program that covers an introduction to sustainability (ESG), accounting for sustainability and sustainability reporting frameworks and standards. There have been over 2,000 enrolments since the elective was introduced.• Continuing professional development (CPD) micro-courses in sustainability and ethics which have had over 8,000 combined registrations:<ul style="list-style-type: none">○ Essentials – a foundation course to upskill in sustainability principles and concepts;○ Reporting – which covers aspects of reporting such as GRI, TCFD, SDG and ISSB;○ Assurance – designed to be the first step in providing assurance on sustainability reports;○ Sustainable supply chain management – how to map and monitor supply chains to ensure suppliers are working with businesses to reach sustainability goals.○ Ethics – ranging from essentials of the International Ethics Standards Board for Accountants (IESBA) code of ethics for professional accountants (the code), application of the code and ethics for professionals in practice and in business.• Our accounting and assurance conference programs for 2022 and 2023 included sessions on integrated reporting and sustainability topics. In 2022, over 2,500 delegates and in 2023 over 3,400 delegates attended the conferences in Australia and New Zealand.• In June 2023 we held the inaugural CA ANZ sustainability conference, which was developed as a result of member demand.• We have collaborated with other member organisations and associations such as the Australian Banking Association and the UN Global Compact Network Australia (UNGCA) to host events and webinars in relation to climate related financial reporting.

	<ul style="list-style-type: none"> • In 2023, we established the CA Sustainability Community, which aims to bring together CA members (and non-members) who are interested in upskilling in sustainability and applying this knowledge to their current roles working in and with business and practice. The community hosts 4 webinars annually, to date two webinars have been held: <ul style="list-style-type: none"> ◦ <i>Understanding sustainability and the role Chartered Accountants play</i>, with over 1,600 members and non-member registrations. ◦ <i>Practical impacts of climate reporting</i>, a Trans-Tasman event in collaboration with the UNGCNA with over 4,600 registrations of CA ANZ members, UNGCNA members and non-members.
Conduct research and thought leadership in relation to the Global Compact	<ul style="list-style-type: none"> • We have published a number of playbooks and guides: <ul style="list-style-type: none"> ◦ Purpose, people and planet, a playbook which outlines how not-for-profit and charitable organisations can deliver on their purpose and enhance their financial stability by considering sustainability-related issues within their operations and supply chain. This links to the UNGC principle 7 and covers the SDGs. ◦ In collaboration with the Association of Chartered Certified Accountants (ACCA), How SMEs can create a more sustainable world, is a playbook and a series of succinct guidance for accountants in practice and finance teams in small and medium sized organisations which outlines how to embed sustainable practice into their businesses. ◦ ISSB Getting started guides, in collaboration with Deloitte are three guides to help finance professionals and finance teams to prepare for mandatory sustainability reporting. The practical guides address materiality, data and systems and connection to finance. ◦ A Sustainability assurance playbook to help small to medium assurance firms understand what they need to do to position their practices to undertake sustainability assurance. ◦ Carbon Accounting FAQs, developed as a direct response to member queries in relation to carbon and associated accounting. The publication includes activities designed to measure, track and reporting greenhouse gas (GHG) emissions. It also addresses member specific questions such as how to avoid greenwashing and interaction of the Code of Ethics and the carbon accounting landscape. ◦ A report, Ethics for Sustainable AI Adoption report, which proposes an ethical and sustainable approach to Artificial Intelligence (AI) adoption. ◦ Supporting SMEs in Australia for future success, a joint white paper with the Deakin Integrated Reporting Centre (DIRC) and ACCA which explores what is needed to engage SMEs to undertake integrated reporting and thinking.
Disseminate the Global Compact Principles	<ul style="list-style-type: none"> • We are actively supporting our members through our advocacy and the provision of resources and training to build members' capability in the transition to a carbon neutral future. In 2022, we convened a response from 20 peak bodies in Australia to the International Sustainability Standards Board (ISSB) exposure draft standards. • We continue to engage with our CA Trans-Tasman Sustainability Management Advisory Committee, which consists of members who work in, advise, or have a special interest in sustainability matters. The Committee provides expert feedback

to help to shape our advocacy efforts by providing feedback for consultations as well as raising awareness of the important role our members play in sustainability.

- We have a critical role to play in providing sound advice to help governments to create the policy and regulatory infrastructure necessary for a transition to a net zero carbon economy. In Australia, we engaged with Treasury and the Australian Accounting Standards Board (AASB) as they progress with developing a climate-related financial reporting framework. In New Zealand, we continue to engage with the External Reporting Board (XRB) and the Government (the Ministry of Business, Innovation and Employment in particular) as entities implement climate-related disclosures for their first reporting season and the assurance framework is being developed.
 - In New Zealand, we have also been engaged with He Waka Eka Noa (HWEN), the Ministry for the Environment (MfE), and the Ministry for Primary Industries (MPI) about the operationalisation of the proposed agricultural emissions pricing options (see for example, our submissions on [HWEN's proposals](#), the [MfE and MPI's subsequent consultation](#), and then [MfE's consultation on deferral of reporting obligations](#)). Accountants are already well placed to facilitate efficient on-farm emissions reporting as they currently have access to much of the information needed (by way of their working relationship with farmers) and are likely to be familiar with the relevant tax system processes and calculators.
 - Chartered Accountants ANZ is a member of, or partner to, a number of important organisations including the DIRC, the IFRS Foundation (through their capacity building partnership framework) and Accounting for Sustainability (A4S). Through our engagement with these organisations, we can influence and engage with local and international developments and better support our members to make business decisions that provide a more sustainable future and contribute the voice of our members to the dialogue.
 - We continue to present on topics including sustainability and the SDGs, integrated thinking and reporting, climate risk and modern slavery at major local conferences, at regional member events, universities and to businesses across Australia and New Zealand.
 - We have published a number of articles on our website, our member magazine (Acuity - Online and hardcopy) and on LinkedIn that are aligned with the UNGC principles and the SDGs.
 - As a part of the Global Accounting Alliance (GAA), we, alongside 9 other world leading accounting institutes, representing over 1.4 million members in over 180 countries issued a call to action in response to the nature crisis. "Together, the accountancy profession and our members have a crucial role to play in the protection, restoration and sustainable use of our natural resources. Nature is everyone's business."
 - We joined 13 other accounting bodies through our membership of the A4S Accounting Bodies Network (ABN) and signed a [commitment to achieve net zero greenhouse gas \(GHG\) emissions](#) within our organisation as soon as operationally possible, as well as to provide our members to do the same. Our [pathway to net zero emissions](#) is publicly available, in FY21/22 we undertook activities to understand and consolidate our position. In FY23 we are on track to refine our plans and start measuring GHG emissions.
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- We also have dedicated climate, sustainable business and modern slavery resource pages on our website. We have also a dedicated sustainability tools and resources page for our members.
 - Human Rights: In our Modern slavery and human trafficking statement, we outline our policies, systems and processes that we adopt to assess and address modern slavery risks within our operations and supply chain. In our most recent 2022 statement we did not receive any reports or identify any modern slavery in our operations or supply chain. Our four priority areas for the 2021-22 period were outlined as prioritising supplier engagement, streamlining policies, procedures and processes, building supplier capacity and advocacy. We are currently finalising the 2022-23 statement. In Australia, a legislative review of the *Modern Slavery Act 2018* was carried out in 2022, we [jointly responded with CPA Australia](#). In New Zealand we [responded to the Government's consultation](#) on Modern Slavery and worker exploitation and outlined our support of the underlying policy intent.
 - Labour: In addition to human rights activities noted above we continue to support our members with groups such as the CA Advisory Group (members who provide counselling and support for fellow member) and resources. We encourage our members to contact us if they are facing ethical dilemmas or issues professionally such as discrimination.
 - Environment: We have published news articles and opinion pieces on climate-related financial risks, nature related-financial risks, sustainability, sustainable investment and green finance. In our articles and our member awareness campaigns, we continue to emphasise the important role in which accountants have to play in the reporting and disclosure of environmental risks.
 - Anti-corruption: In Australia and New Zealand we continue to raise awareness amongst our membership on areas such as ethical leadership, whistleblowing, code of ethics, corruption and the importance of trust through a variety of different delivery outlets such as presentations to regional councils and through newsletters. In Australia, we have been an active participant, alongside other accounting bodies, in engagement with Government to help shape the next phase of anti-money laundering reporting requirements. In New Zealand, we have been an active participant in engaging with Government to assist in its review and subsequent refinement of the current regime. We have also joined the International Federation of Accountants (IFAC) anti-money laundering community of practice to assist in a collaborative global approach by providing local jurisdictional developments.
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Other

- In 2021, our board endorsed our Sustainability Action Plan (SAP) which connects many of our existing sustainability initiatives including modern slavery, responsible supply chain management and diversity and inclusion.
 - For FY21-22, we delivered our first integrated annual report.
 - We were the first Australian organisation to join IFRS Foundation's partnership framework for capacity building.
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- In 2022, we were a major sponsor of the quadrennial World Congress of Accountants (WCOA) held in Mumbai with the theme of 'Building Trust, Enabling Sustainability', where we launched two of our playbooks ([Purpose, people and planet](#) and [How SMEs can create a more sustainable world](#) guides).
 - In August 2023, we, alongside the chief executives of 9 other accountancy membership bodies, representing more than 1.4 million members in over 180 countries worldwide [issued a collective statement](#) which noted that the accountancy profession's ethics and integrity are central to public trust in its work. As a membership body, we continue to promote the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants to our more than 136,000 members and students as this represents part of our professional designation and a requirement for membership.
 - In September 2022, the CA ANZ Board approved our public support for the Uluru Statement from the Heart by accepting the invitation to walk with First Nations people in a movement of all Australians for a better future. We consulted with CA ANZ's Aboriginal and Torres Strait Island member panel regarding our position.
 - In our first Reconciliation Action Plan (RAP), published in December 2021 for period between December 2021 to 2022, we outlined actions that would be pursued:
 - building cultural knowledge and appreciation of Australia's First Peoples histories, cultures and traditions within our workforce;
 - providing equal access to training, career, employment and support initiatives for emerging Aboriginal and Torres Strait Islander leaders; and
 - encouraging sustainable economic participation of Aboriginal and Torres Strait Islander businesses via our business activities and programs.
 - In New Zealand, our Māori strategy focuses on attracting Māori students into accounting, member support and competency within CA ANZ. CA ANZ has launched an internal cultural competency program designed to uplift our awareness, understanding and connection with Te Ao Māori and our role as Treaty of Waitangi partners.
 - We support Indigenous Australians and Māori throughout their career in accounting. We achieve this through several initiatives and partnerships established to provide opportunities that encourage collaboration, awareness and growth, within these communities and more broadly. We are particularly proud of our long-standing relationship with Ngā Kaitatau Māori o Aotearoa (NKMoA – National Māori Accountants Network).
 - CA ANZ also offers scholarships to help support Indigenous Australian and Māori students throughout their education journeys.
 - We coordinate our own charitable giving scheme – Everybody Counts. We've contributed over \$1 million dollars through payroll giving, fundraising, Chartered Accountants ANZ matching (up to an annual cap), volunteering our time and skills, and sharing resources with charities such as our meeting space.
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