



ACCOUNTING FOR
SUSTAINABILITY

SUMMIT 2017
EVENT REPORT



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CFO, Brookfield Asset Management
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THE SUMMIT

The A4S Summit 2017 brought together global Chief Financial Officers (CFOs), investors, accounting bodies and other leaders from the finance and accounting community for a series of meetings, workshops and roundtables over four days. The events explored practical approaches to exploit opportunities arising from major social and environmental trends, and effectively manage risks.

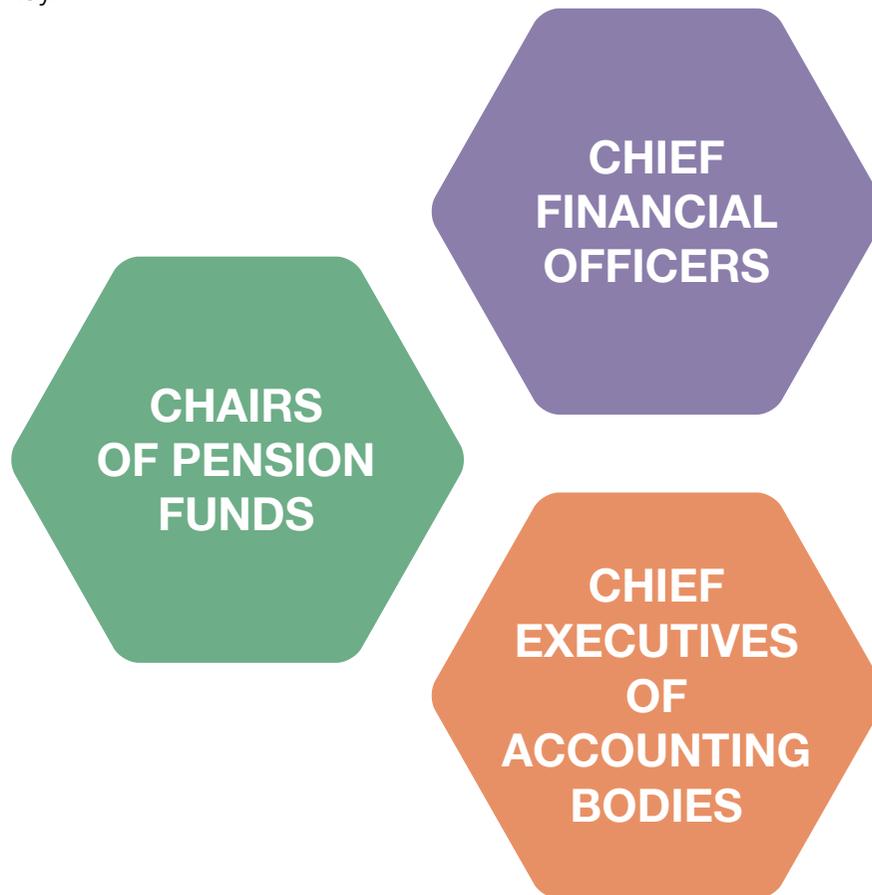
#A4S17



OPENING SESSION

TCFD STATEMENTS OF SUPPORT

At the Summit, A4S launched a series of Statements of Support for the recommendations of the Financial Stability Board's Task Force on Climate-related Financial Disclosures (TCFD). Signatories underlined their commitment to work together to implement the recommendations, with the importance of finance leadership highlighted as key.



#A4STCFD

STATEMENT FACTS

The CFOs supporting the TCFD recommendations represent organizations with combined total assets of **over \$1.5 trillion**.

Accounting bodies supporting the TCFD recommendations represent **2.39 million accountants and are present in 181 countries**.

The Pension Fund Chairs supporting the TCFD recommendations represent **over \$234.7 billion** assets under management (AUM).

To find out more, including who has signed so far, and how you can get involved by either signing a statement of support or attending our implementation workshops, please go to:

www.accountingforsustainability.org/tcfd



Download the leaflet



Watch the TCFD video

OPENING SESSION

PANEL DISCUSSION

The Opening Session of the Summit took place at Willis Towers Watson in London, with guests welcomed by Executive Director **Carlos Sanchez**.

The session launched the A4S Statements of Support for the TCFD recommendations. **Emma Howard Boyd**, Chair, Environment Agency, opened the discussion. This was followed by a panel discussion chaired by **Jessica Fries**, Executive Chairman, A4S.

THE PANEL

- **Gregor Alexander**, Finance Director, SSE
- **Lawrence Davis**, Chief Financial Officer, bclMC
- **Karim Hajjar**, Chief Financial Officer, Solvay Group
- **Patrice Impey**, Chief Financial Officer and General Manager of Finance, Risk and Supply Chain Management, City of Vancouver
- **Denise Le Gal**, Chair, Brunel Pension Partnership
- **Steve Roder**, Senior Executive Vice President and Chief Financial Officer, Manulife

Panellists shared insights into why they had signed the TCFD Statement of Support, the role of pension funds, accountants and CFOs in tackling the risks and opportunities presented by climate change, and how collective action is vital.



FORUM KEYNOTE SPEECH HRH THE PRINCE OF WALES

HRH The Prince of Wales delivered a speech to an audience of world leaders from the finance and accounting community during the Summit's Forum session. His Royal Highness underlined actions taken by each of A4S's five core communities in the past year to respond to the urgent social and environmental challenges that we face, and encouraged all present to commit to work together to accelerate the pace of change.



[Read the speech](#)

OUR COMMUNITIES



**Chief Financial
Officers and
finance teams**



**Global accounting
community**



**Investors, capital
markets and the
wider finance
community**



**Governments,
regulators and
policy makers**



**Business schools
and academia**



FORUM

PANEL DEBATE

THE PANEL

- **Jessica Fries**, Executive Chairman, A4S (Panel Chair)
- **Elizabeth Corley**, Vice Chair, Allianz Global Investors
- **Scott Longhurst**, Managing Director, Finance and Non-Regulated Business, Anglian Water
- **Brian Lawson**, Chief Financial Officer, Brookfield Asset Management

Building on the overarching theme of the Summit, the panel debate focused on collaboration and action across A4S's five communities. Themes explored included:

- Delivering improved social outcomes through transforming investment and financial decisions, with insights from the recent launch of the independent report on Growing a Culture of Social Impact Investing, and A4S activities on the Sustainable Development Goals, Measuring What Matters
- Recent activities by the A4S CFO Leadership Network including:
 - Incorporating social and environmental considerations into debt finance, with examples of lessons learned from Anglian Water's recent £250 million green bond issuance
 - The 2017 launched of the Canadian Chapter of the A4S CFO Leadership Network
 - Social and human capital accounting
 - Engaging the Board and senior management
- The launch of the A4S International Case Competition for students, hosted by the Rotman School of Management with support from Brookfield Asset Management and CPA Canada



CFO AND INVESTORS ROUNDTABLE DISCUSSIONS



ENGAGEMENT AND COLLABORATION

The CFO-investor roundtable focused on the FSB Task Force for Climate-related Financial Disclosure's (TCFD) recommendations across the four thematic areas of governance, strategy, risk management, and metrics and targets. Chief Financial Officers, Pension Fund Chairs, Chief Investment Officers and other senior representatives from the investment community attended.

There was a shared view that stakeholders across the whole investment chain need to be engaged to provide effective disclosure on climate change, and for the insights provided to be incorporated into decision making. This includes:

- Pension funds to put more focus on the long term and incorporating climate risk into their mandates
- Asset managers to put pressure on companies to have climate conversant boards, to hold them to account and to require them to disclose in line with the TCFD recommendations
- Companies to be proactive in doing so

Collaboration is also important at an industry level, with CFOs keen to work together to develop standardized industry responses, in particular in areas such as scenario analysis. In addition, participants felt that updated pension regulations would be helpful, requiring trustees to include climate risk and wider environmental, social and governance considerations into their investment decisions.



AMBASSADORS FOR CHANGE: USE YOUR VOICE

Another common theme was around voice and communication. All parts of the investment chain need to be more vocal and knowledgeable in this area, to become ambassadors for adoption of the TCFD recommendations: bringing them into the mainstream and underlining the importance of climate risk analysis and disclosure with peers.



[Download the session booklet](#)



CHIEF FINANCIAL OFFICERS CFO SESSION

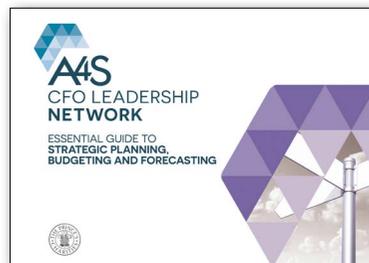
On Friday 17th November, A4S held a CFO only meeting to share insights from the A4S CFO Leadership Network and explore practical action.

The sessions focused on three key areas:

1

STRATEGIC PLANNING, BUDGETING AND FORECASTING

CFOs from the A4S CFO Leadership Network presented case studies from their organization where they have integrated sustainability within their strategic planning, budgeting and forecasting processes. This was followed by roundtable discussions and feedback.

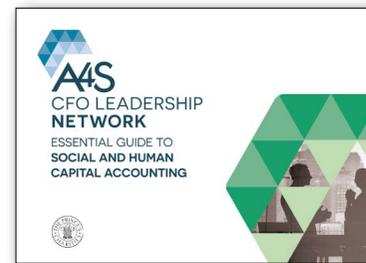


Guide available in 2018

2

SOCIAL AND HUMAN CAPITAL ACCOUNTING

Following introductions from members of the Leadership Network, CFOs discussed practical examples of ways to account for social and human capital, and how this information is used in decision making.



[Download now >](#)

3

COMMITMENTS TO ACTION

CFOs were asked to make specific commitments to action. In total 77 were taken. The commitments ranged from outreach to project and implementation work. A4S will be following up over the next year.

| Commitments to action | | |
|-----------------------|--|-------------------|
| Name | Commitment | Yes/No / By when? |
| | Outreach | |
| | Write an article on the A4S Summit to include in your internal communications or industry magazine | |
| | Share best practice with your team, business partners and peers | |
| | Engage with your professional body and/or business school to encourage the integration of sustainability into finance and accounting teaching and research | |
| | Contribute to A4S communications, for example, writing a blog, doing an interview or developing a case study on the role of finance and sustainability | |
| | Enter the Finance for the Future Awards | |
| | Project activities | |
| | Participate in A4S projects and nominate team members to get involved | |
| | Assess operational maturity against one or more of the A4S Essential Guides and provide feedback | |
| | Implementation within your organisation | |
| | Talk about accounting for sustainability at your annual finance team academy, away day or other finance meetings | |
| | Work towards adoption of the TCFD recommendations and share learning with others | |
| | Implement actions from the A4S Essential Guides to progress along the maturity model | |
| | Discuss experience on implementation, what works/best, what challenges/what is most guidance needed | |
| | Further commitments | |

A4S NETWORKS

ALL NETWORKS MEETING

The All Networks Meeting was a great opportunity for project team members from the CFO Leadership Network and representatives from across the Accounting Bodies Network (ABN) to come together with members of A4S Expert Panel to discuss strategies for embedding sustainability into practice.

The delegates at the meeting discussed the type of worked examples needed to demonstrate how sustainability could be integrated into training and education, and the trends impacting the role of finance professionals and accountants over the next decade.

ACTIONS

- All participants gave feedback on the structure of worked examples and agreed to support the development of future worked examples that can be used within teaching/ syllabi materials.
- The ABN will develop an approach for integrating sustainability into training and education.
- Taking on board the input from participants, the Expert Panel will explore themes around the future of the finance and accounting profession and advise on how A4S can support.



For more information on our networks:

www.accountingforsustainability.org/networks

ACCOUNTING BODIES NETWORK (ABN)

The ABN is a group of accounting bodies from across the globe, brought together to help achieve a common approach to accounting for sustainability.

CFO LEADERSHIP NETWORK

The Network brings together a group of leading CFOs from large businesses seeking to embed the management of environmental and social issues into business processes and strategy. Finance professionals from their organizations undertake a range of projects to develop practical guidance on specific areas of financial decision making.

EXPERT PANEL

The Expert Panel provides senior finance and sustainability expertise to support A4S's mission and aims on a global scale.



MY KEY TAKEAWAYS

BRIAN LAWSON, CFO, BROOKFIELD ASSET MANAGEMENT

During the Summit, global CFOs and investors had the opportunity to participate in a number of well-organized and candid discussions to share and learn strategies to facilitate the adoption of the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD). A common theme around the room was the need for standard, common financial and operating metrics and the importance of increasing the availability of data to provide reliable, comparable information throughout the investment chain.

What also jumped out at me was the flow of conversation between the asset owners, asset managers and company CFOs in their desire to work together in ensuring the whole investment chain supports the adoption of climate-related financial disclosures.

As a global asset manager and investor, Brookfield Asset Management invests, owns and operates assets and businesses over the very long term. We are one of the world's largest owners of real estate, infrastructure and renewable energy assets. Sustainability and resiliency are important criteria that we consider in evaluating investment opportunities and operating plans. Communicating with investors and wider stakeholders with relevant, reliable and comparable information about the long term performance of our portfolio is a need that we are committed to delivering on. We believe initiatives like the TCFD recommendations will make it much easier to do this.

A4S International Case Competition

I was also pleased to inform Summit participants about the inaugural A4S International Case Competition. This initiative is being hosted by the Rotman School of Management at the University of Toronto with support from CPA Canada, and Brookfield is delighted to be the lead sponsor. Business school students from universities across the globe have been invited to create new business and financial models that address the impact of increasing urban densification on our environment. This is of critical importance given 70% of the world population is projected to live in cities 20 years from now.

By engaging with the international academic community we are looking to draw innovative and actionable insights from future business leaders that have the potential to accelerate the transition to sustainable, resilient cities.

To learn more please visit www.a4sicc.com.



AVAILABLE RESOURCES



Read the speech by HRH The Prince of Wales



Download the CFO and Investor session booklet



View the Summit photos



Download our TCFD leaflet



Watch our TCFD Video



Download the guidance from our CFO Leadership Network and other resources:
www.accountingforsustainability.org/knowledge-hub



THE A4S ESSENTIAL GUIDE SERIES

Organizations today must navigate an increasingly complex, interconnected, and constantly evolving world. Sustainability factors affecting society, the environment, and the wider economy are generating bigger opportunities and risks. Our CFO Leadership Network has produced a set of essential guides to help organizations embed social and environmental considerations into their strategy, culture and processes. They are developed by finance teams for finance teams, but will also be of interest to others seeking to understand current approaches for integrating sustainability into financial practices and decision making.

LEAD THE WAY

Developing a strategic response to macro sustainability trends

- Finance Culture*
- Managing Future Uncertainty
- Engaging the Board*

MEASURE WHAT MATTERS

Developing measurement and valuation tools

- Natural and Social Capital Accounting
- Social and Human Capital Accounting

TRANSFORM YOUR DECISIONS

Integrating material sustainability factors into decision making

- Strategic Planning, Budgeting and Forecasting*
- Integrated Management Reporting*
- Capex
- Incentivizing Action*

ACCESS FINANCE

Engaging with finance providers on the drivers of sustainable value

- Enhancing Investor Engagement
- Debt Finance*

** Available soon*

Download from www.accountingforsustainability.org 



A4S

ACCOUNTING FOR
SUSTAINABILITY



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[The Prince's Accounting for Sustainability Project \(A4S\)](https://www.linkedin.com/company/the-prince-s-accounting-for-sustainability-project-a4s/)



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www.accountingforsustainability.org

