



ACCOUNTING FOR
SUSTAINABILITY

SUMMIT 2018
EVENT REPORT



THE PRINCE OF WALES'S
CHARITABLE FUND



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THE SUMMIT

The A4S Summit 2018 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 three days. The events explored practical approaches to maximize opportunities arising from major social and environmental trends and minimize risks. The sessions that took place during the Summit were focused on action, with over 200 commitments made.



#A4S18

OPENING SESSION SHAPING THE FUTURE

The A4S Summit 2018 was opened by **Jessica Fries**, Executive Chairman, A4S and **Sam Fazeli**, Director of Research, Bloomberg Intelligence EMEA.

In her keynote speech, **Emily Shuckburgh**, Climate Scientist, British Antarctic Survey (BAS), discussed the impact of climate change on businesses and examined the data behind the 1.5 °C and 2 °C scenarios. The speech was a call for accelerated action in the context of the projections from the recent IPCC report.

The event also included speakers from the finance community and beyond, showcasing achievements in financial leadership, measurement and reporting, and decision making. Panelists were invited to look at progress in each of these areas and actions needed to shape the future.

Speakers included:

- **Brian Lawson**, Chief Financial Officer, Brookfield Asset Management
- **Gregor Alexander**, Finance Director, SSE
- **Mark Hawkins**, President and Chief Financial Officer, Salesforce
- **Judith Batchelar**, Head of Brand, Sainsbury's
- **Sam Adlen**, Head of Business Innovation, Satellite Applications Catapult



 A link to download a recorded version of the presentation is in the resources page (p13).

Participants received action cards to complete and take away.





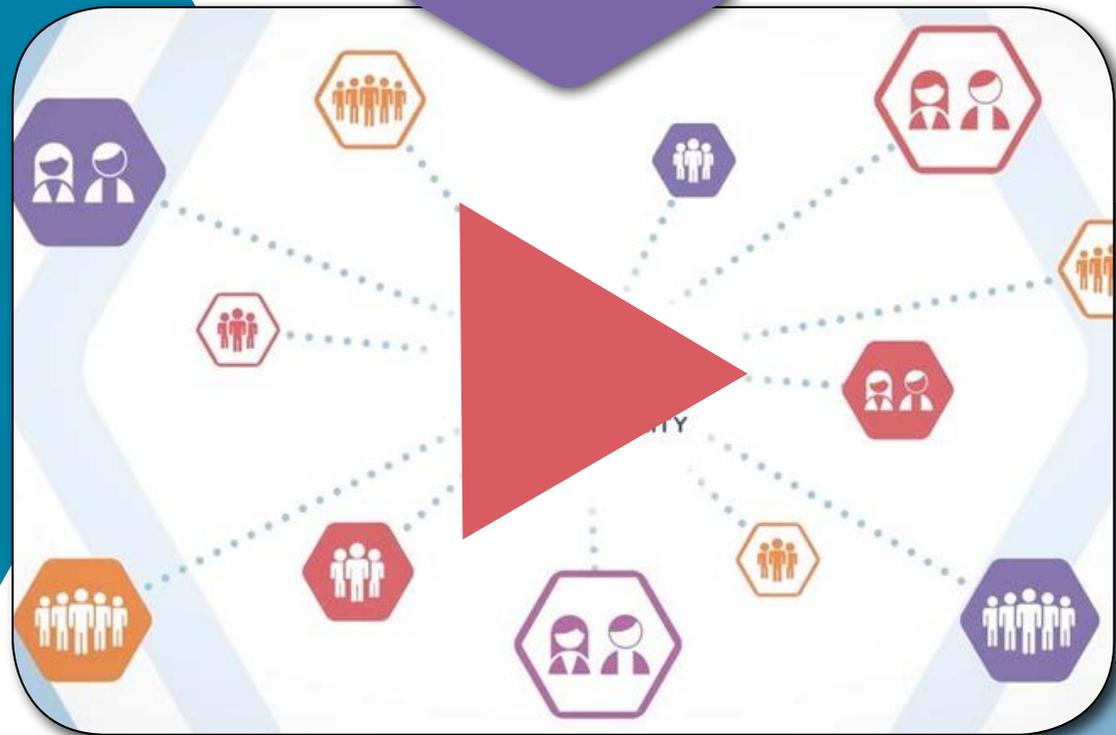
OPENING SESSION ANIMATION LAUNCH

At the Opening Session, we launched our latest video: **Your Role in Shaping the Future of Finance**

The video explores the momentum towards creating a sustainable economy that has gathered over the last decade, the business case for action, and how A4S can help.

Please watch the video and share. Click the image on this page or going directly to YouTube:

www.youtube.com/watch?v=2OySKvOsyks



FORUM SPEECHES

The A4S Forum included keynote speeches from HRH The Prince of Wales and Mark Carney, Governor of the Bank of England. Both urged the finance community to respond to the urgent need for action to avert environmental, social and economic crises, as well as take the opportunities inherent in long term decision making.

The Forum was also an opportunity to celebrate The Prince of Wales's 70th birthday. HRH was presented with a book of 70 letters compiled for him by A4S to highlight the impact he has made through his work to inspire action on sustainability by the finance community. More details on this can be found overleaf.



Read the speech by HRH The Prince of Wales.



Read the speech by Mark Carney, Governor of the Bank of England.





FORUM

HRH THE PRINCE OF WALES AT 70

At the A4S Forum, to celebrate The Prince of Wales's 70th birthday, His Royal Highness was presented with 70 stories from individuals who have been inspired by HRH to take action to deliver resilient businesses and a sustainable economy.

The stories, which were collated from letters to The Prince of Wales, highlighted the significant impact he has had through his A4S project on the global finance and accounting community.

This was an opportunity to reflect on the achievements A4S has made since its foundation in 2004, as well as the momentum which is growing.

Further information on these letters, A4S's progress and the corresponding achievements can be found in the links below.



TIMELINE

A year by year account of the growth of A4S



ACHIEVEMENTS

Further details on the initiatives A4S have undertaken



STORIES

A collection of letters received by HRH The Prince of Wales

CHIEF FINANCIAL OFFICERS CFO MEETING

The CFO Meeting at this year's Summit was split into three main sections:

1

Integrating sustainability within decision making

CFOs representing organizations from around the world involved in A4S's activities presented case studies demonstrating the role of finance in addressing sustainability issues. This was followed by roundtable discussions. Case studies included:

- Yorkshire Water's multi-capital accounting approach "[Our contribution to Yorkshire](#)" with links to their governance, strategy and financial decision making.
- Heathrow's strategic plan "[Heathrow 2.0](#)" demonstrating the role finance has played in delivering the strategy.
- Olam's investment in natural capital in "[Re-imagining Global Agriculture](#)" and their business case for doing so.



2

Social and Human Capital Accounting panel

A panel discussion was held with members of the Canadian Chapter sharing key insights from their implementation of the Social and Human Capital Accounting Essential Guide. These include the role of finance in building the business case for mental health initiatives and in valuing human capital. Detailed worked examples of these and other social and human capital accounting activities will shortly be released on our [knowledge hub](#).



3

Commitments to action

CFOs were asked to make specific commitments to action, including a focus on those that will help them to mature their approach to accounting for sustainability. Nearly 200 commitments were made, which ranged from implementing new decision making approaches to influencing pension funds and business schools.

A4S will be following up with CFOs on these commitments over the next year.



RESULTS

A4S SURVEY 2018

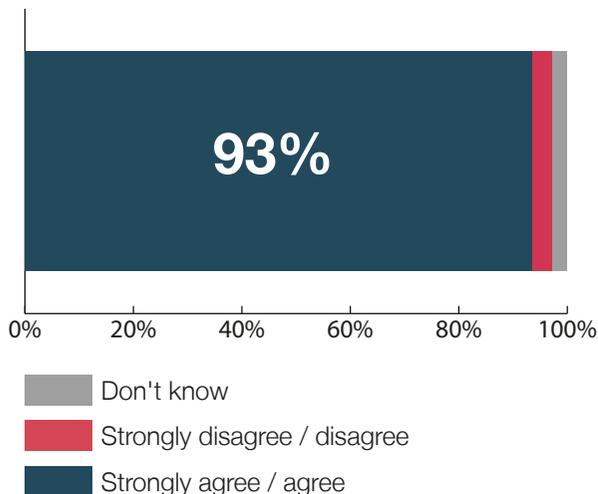
A4S reached out to finance professionals across all industries around the world to understand the latest perceptions and attitudes to sustainability. A summary of the results of the 1,231 surveyed can be found below.

The results showed us that finance and accounting professionals see significant commercial benefits in embedding sustainability into their work. However, few strongly believe they have access to, or awareness of, sufficient resources and initiatives to support their ability to integrate social and environmental factors into decision making.

The results of this survey are being shared with the A4S CFO Leadership Network and the Accounting Bodies Network to inform future work. The Accounting Bodies Network is undertaking an in depth survey as part of a project to review how sustainability is integrated into the education of the professional accountant.

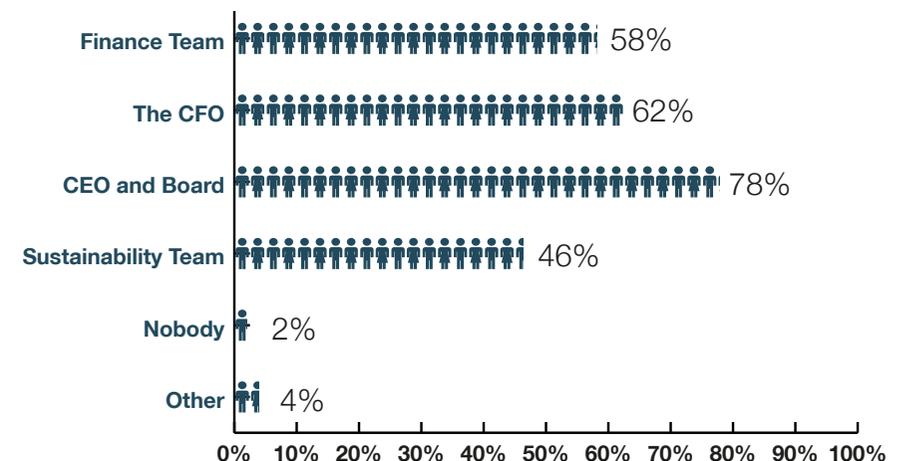
The participants in the survey thought there are significant commercial benefits from integrating social and environmental factors into decision making.

There are significant commercial benefits from integrating social and environmental factors into decision making.



The CEO and Board, followed by the CFO and then the Finance team, are seen as responsible for ensuring social and environmental considerations are embedded within the finance function.

Whose responsibility is it to ensure social and environmental considerations are embedded within the finance function?



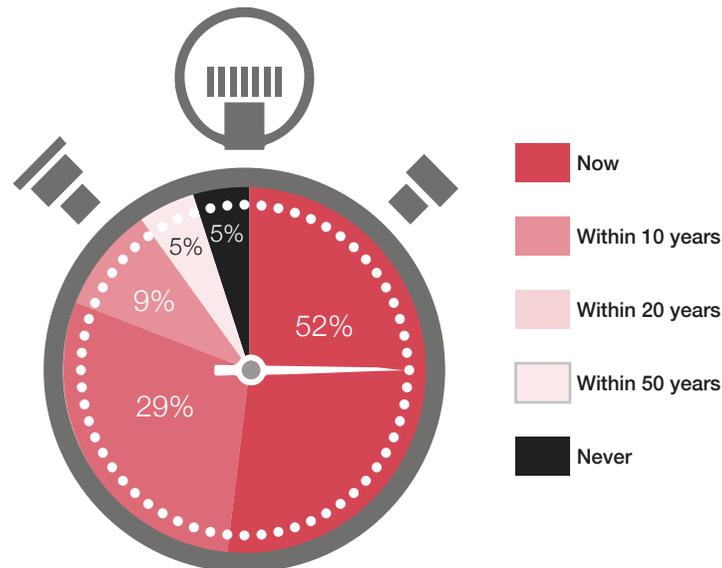
Both accountants and their finance colleagues understand the strategic role accountants play within their organization's investment and resilient planning decisions.

Accountants have an important role in strategic planning.



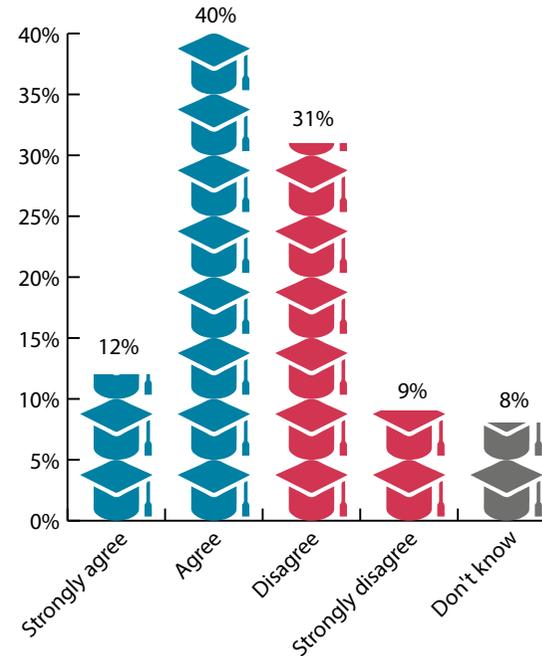
The vast majority see the effects of climate change on their bottom line already or expect to within the next 10 years.

When will the effects of climate change start to affect your bottom line?



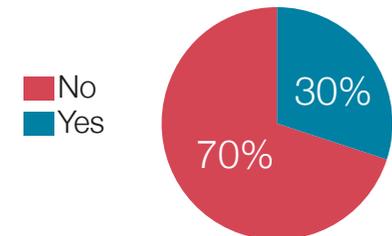
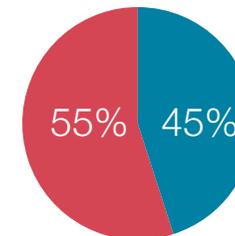
Half feel sustainability is embedded into the training they have received.

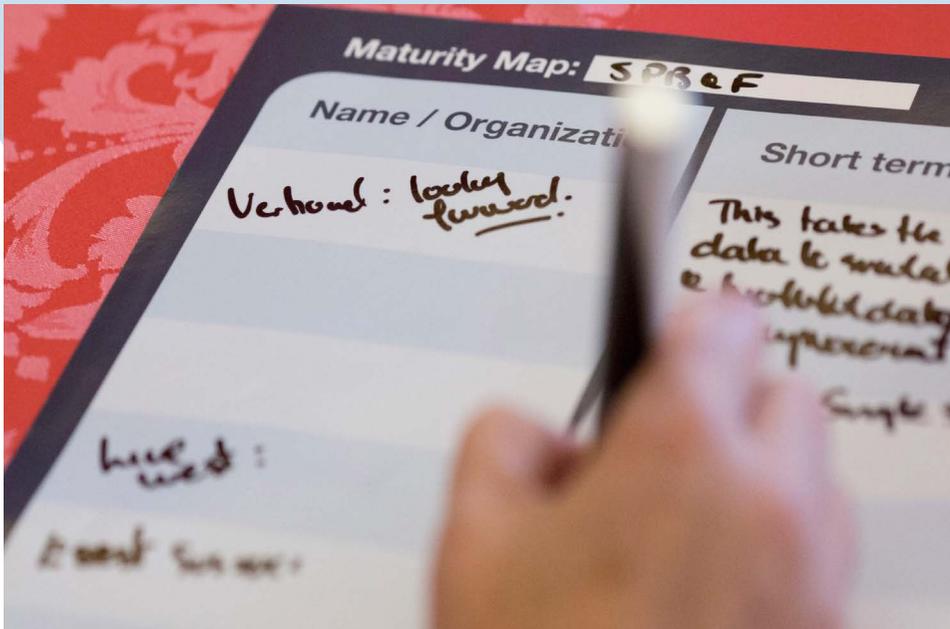
Sustainability is embedded into the training I have received.



Yet, under half have heard of the UN Sustainable Development Goals (SDGs) and the Task Force on Climate-Related Financial Disclosure (TCFD).

I have heard of...





A4S NETWORKS MEETING

The A4S Networks Meeting was a great opportunity for project team members from the CFO Leadership Network, both European and Canadian Chapters, 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 participants at the meeting discussed the role of finance in engaging Boards and senior management on sustainability, and the development of session outputs were designed to contribute learning materials for accountants, who are beginning to consider capitals accounting methodologies. Delegates also discussed topics such as accounting for the UN's Sustainable Development Goals (SDGs) and extreme event risk.

Actions

Input from participants will be used to:

- develop guidance to support finance teams to engage with their Board and senior management on sustainability;
- advance our thinking on learning materialsto support the integration of sustianability into training and education; and
- explore and share themes around accounting for the SDGs and extreme event risk.



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.

KEY A4S SUMMIT RESOURCES



A4S Essential Guide to Finance Culture



Speech by HRH The Prince of Wales



Speech by Mark Carney, Governor, Bank of England



Accounting Bodies Network: “Our Principles in Action” report



Animation: “Your Role in Shaping the Future of Finance”



Presentation by Emily Shuckburgh at the Opening Session
<https://www.dropbox.com/s/6mbvnxkfgyhnh1u/A4S-Nov18-Emily-Shuckburgh-Keynote.ppsx?dl=0>

N.B. to work this must be opened in PowerPoint or Keynote after being downloaded.

CASE STUDIES USED AT THE SUMMIT

- Yorkshire Water’s multi-capital accounting approach “**Our contribution to Yorkshire**”
- Heathrow’s strategic plan “**Heathrow 2.0**”
- Olam’s investment in natural capital in “**Re-imagining Global Agriculture**”



Sign up to the A4S Newsletter for further information and resources

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

- Managing Future Uncertainty
- Engaging the Board and Senior Management*
- Finance Culture
- Incentivizing Action*

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

ACCESS FINANCE

Engaging with finance providers on the drivers of sustainable value

- Enhancing Investor Engagement
- Debt Finance*
- Implementing the TCFD recommendations

* 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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