

Sir

I recall the letter from Sir Michael Peat arriving in 2004: it was addressed to the then HSBC Group Chairman, Sir John Bond, and asked if HSBC would be interested to be one of the two corporate supporters who would help establish Accounting for Sustainability. Sir John passed the letter to Douglas Flint who then sent it to me, seeking my views. The project sounded very interesting and so Francis Sullivan (the Group's environmental adviser) and I arranged to see Sir Michael. The meeting was held at Clarence House and, on arrival, we sank into two rather deep armchairs from which we emerged 45 minutes later having been entertained by Sir Michael's rather eloquent sales pitch. Needless to say, HSBC did commit to support the project.

Your Royal Highness's challenge was typically clear and far-reaching, namely: "to help ensure that we are not battling to meet 21st century challenges with, at best, 20th century decision making and reporting systems". Your Royal Highness had understood that business was impacting the broader world and that these impacts were simply not being captured or reported by those companies and that this needed profound change..

There followed an intense period of work where a small group developed a reporting framework for approaching reporting that recognised ESG concerns; this was published in 2007. Two years later Your Royal Highness was instrumental in driving the formation of the international successor organisation on Integrated Reporting. The IIRC has grown from strength to strength and IR is recognised as a high quality framework for companies to report their activities broadly. The accounting profession has responded and made considerable efforts to understand and support the sustainability agenda more broadly and its importance, and benefits, to the business community.

More recently, the TCFD has developed highly influential climate risk disclosure recommendations which further reinforces the significant progress made over the last 15 years or so. There can be no doubt that this was in large measure to the personal intervention that Your Royal Highness made with Governor Mark Carney late one evening as dinner was drawing to a close.

For me personally, participation in A4S and subsequently in IR, significantly broadened my thinking and equipped me with skills with which I am striving to tackle how the Financial System can support the transition to a low carbon economy.

Wishing you a very happy 70th birthday.

 Russell Peat