



# SUMMIT 2019 EVENT REPORT



THE PRINCE OF WALES'S  
CHARITABLE FUND

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## FINANCE AT THE CROSSROADS

*“There was a time when we could say that there was either a complete lack of knowledge, or at least room for doubt, about the consequences for our planet of our actions. That time has gone. We now know all too clearly what we are doing and that we need to do something about it urgently.”* His Royal Highness The Prince of Wales

Finance is at a crossroads. Over the next 10 years, a transformation of the global economy is needed to address the climate and Nature emergencies, and create a sustainable future. The actions taken now will determine that future. Finance has a central role to play.

The A4S Summit 2019 was a forum to discuss ideas, learn from leaders and commit to actions that will drive progress towards a sustainable future.

# CFOS COMMIT TO NET ZERO EMISSIONS

## The A4S Statement of Support

The next decade is critical. The recent report from the Intergovernmental Panel on Climate Change (IPCC) warned of severe consequences of a failure to prevent global warming exceeding 1.5°C. To limit the increase in global average temperatures to 1.5°C, emissions need to halve by 2030, and drop to net zero by the middle of the century for the best chance of avoiding the worst impacts of climate change.

As Chief Financial Officers (CFOs), we recognize the scale of the transition needed and the challenges climate presents for governments, business and civil society. In our positions, we have an important role to play in supporting the efforts and plans of our organizations to respond to the challenges of climate change, and to share our experiences with others. Our responsibilities include raising and allocating the funds our organizations need for transition and adaptation, embedding greenhouse gas (GHG) reductions within our organization's decision-making processes, and accurately tracking and reporting our performance against our reduction targets over time.

Several of our organizations have already made ambitious greenhouse gas emissions reduction commitments. These include commitments to achieve net zero emissions by 2030, 2050 or reductions in line with the Science Based Targets initiative. As a group of CFOs, we commit to build

on this, and to work collectively to share our experiences and practices with others. We intend to demonstrate this commitment and contribution by doing one or more of the following:

- Aligning our GHG emission reduction targets, across all relevant scopes, with 1.5°C emissions scenarios;
- Setting and validating science-based targets through the Science Based Targets initiative; or
- Publishing our own net zero emissions pathway, outlining our trajectory towards net zero emissions.

Through our individual and collective actions, we aim to provide useful examples to other companies grappling with similar issues. While we see our role in addressing climate change within our companies as critical, we also wish to ensure other companies benefit from our experience. To this end, we hope our actions, strategies and progress can help other businesses as the world moves to a net zero emissions economy.

We are proud to support a smooth transition to a net zero emissions economy. In signing this statement, we are formalizing our increased ambition and signalling our commitment to a net zero emissions future.

**More info**

## WHAT YOU NEED TO KNOW

CFOs have signed a commitment to play a leadership role in achieving the transformation needed to respond to climate change.

These CFOs represent **36** organizations collectively responsible for **35.1 million tonnes of direct emissions** with the opportunity to influence **261.3 million tonnes of indirect emissions**.

# THE FORUM

The Forum brought together global leaders to explore some of the key trends affecting the world and to discuss how the finance and accounting community can build a collaborative response.

The event was hosted by Aviva.

The Forum included keynote speeches from Jessica Fries, Executive Chairman of A4S, and Euan Munro, CEO of Aviva Investors.





There was a panel discussion on the importance of setting ambitious greenhouse gas emissions reduction targets, and the role of CFOs in responding to the climate challenge. The panel consisted of Karen Higgins, CFO of The Co-operators Group and Harmit Singh, EVP and CFO of Levi Strauss & Co., both of whom are signatories to the A4S Net Zero Statement of Support. The panel was chaired by Helen Slinger, Executive Director of A4S.


**8.5%** of the attendees' headquarters, if not protected by seawalls or levees, are expected to experience coastal flooding by the end of the century. This was an example presented to the Forum of what we are facing if greenhouse gas emissions continue unchecked. This data was developed through collaboration with Climate Central.



WWF and Silverback Films provided an exclusive preview of their new cut of the **Our Planet: Our Business** film which was shown at the Forum. To view the full film, visit: [www.ourplanet.com/business](http://www.ourplanet.com/business)

For more information about registering for a screening, email: [ourplanetourbusiness@wwf.org.uk](mailto:ourplanetourbusiness@wwf.org.uk)



A photograph of His Royal Highness The Prince of Wales speaking at a podium during a plenary session. He is wearing a dark blue suit and glasses. Behind him is a large banner for A4S (Accounting for Sustainability) with the text 'OUR MISSION' and three bullet points: 'Inspire finance leaders', 'Transform financial decision making', and 'Scale up action around the globe'. The event is taking place in a room with red patterned wallpaper and large framed paintings. A blue hexagonal overlay contains a quote, and a white hexagonal overlay at the bottom right contains a call to action.

***“Calls are increasing  
for a new kind of market  
– a sustainable market –  
one that is inclusive, equitable,  
green and profitable and where  
sustainable principles  
drive growth.”***

His Royal Highness The Prince of Wales addressed our Plenary session on the 12th December to urge greater action on climate change and Nature loss. The Plenary took place at St. James's Palace.

**Read the  
speech**



# THE PLENARY



200 leaders from across the financial system attended the Plenary session. During the event, His Royal Highness The Prince of Wales provided a rallying call for the audience to turn the next decade into a decade of delivery. Hiromichi Mizuno, Chief Investment Officer from the Japanese Government Pension Investment Fund (GPIF), the largest asset owner in the world, spoke passionately during his keynote speech. Mr Mizuno shared how GPIF are changing their investment approach to account for environmental and social risks and opportunities, and influencing others to act.

Jessica Fries, Executive Chairman of A4S, then asked speakers from the audience to share examples of the actions they are taking under each of the five cross cutting recommendations from the Financing our Future report.





# FINANCING OUR FUTURE REPORT UPDATE

Last year, we brought together some of the largest and most influential representatives from across the capital markets to define a set of actions that could deliver systematic change. 17 months on, this update of the Financing our Future report explores progress and commitments to action required.

The recommendations of the report served as a basis upon which many of the Summit sessions were shaped:

- 1. Build and disseminate a compelling evidence base, and empower people to act**
- 2. Set ambitious targets and embed them in strategy and decision making**
- 3. Allocate funds to deliver sustainable outcomes**
- 4. Adopt global reporting standards and use consistent terminology**
- 5. Price externalities in order to accelerate integration into decision making**

**Download  
the report**



[www.accountingforsustainability.org/financing-our-future](http://www.accountingforsustainability.org/financing-our-future)

# ROUNDTABLE DISCUSSIONS

On 12th December, A4S organized two roundtable sessions.

## Chief Financial Officer Roundtable

CFOs from large organizations from around the world participated in this session. Led by members of the A4S CFO Leadership Network, the participants discussed practical approaches that CFOs can take to help shift their organizations towards sustainable business models. The discussions focused in three key areas:

- Engaging the board
- Leading the finance team
- Delivering long-term targets

This session also incorporated the launch of the A4S Academy.

## Capital Markets Roundtable

CFO attendees were joined by Chief Executive Officers and other capital markets representatives from across the investment chain for roundtable discussions exploring opportunities for joint action. They considered key areas for action from the Financing our Future report, and what they will do to address them.

### ACTION

288 commitments to action were made during this session.

### ACTION

458 commitments to action were made during this session.





# THE A4S ACADEMY

The A4S Academy is a CFO-sponsored programme, which empowers and equips finance teams with the skills needed for their businesses to succeed in the face of environmental and social risks and opportunities. The programme is for senior finance professionals.

The Academy is focused on practical implementation, with structured support provided for participants. The programme draws on leading practice and utilizes tools and guidance from the A4S Essential Guide Series developed by finance, for finance. Participants have access to a variety of knowledge-based materials, experienced practitioners and skills development sessions to support them through the year-long programme.

Graduation from the Academy is dependent on completion of a short case study, evidencing the progress participants have made against their personal programme objectives. Academy graduates are invited to join the alumni network, where they will have ongoing access to events, support and a community of peers from whom they can continue to draw inspiration.

## WHAT YOU NEED TO KNOW

A4S have launched an academy programme for finance professionals.

The programme runs over a year.

The aim of the Academy is to embed change in participants' organizations.

Participants must be sponsored by their CFO.



[www.accountingforsustainability.org/academy](http://www.accountingforsustainability.org/academy)

# ACCOUNTING BODIES NETWORK ANNUAL MEETING

Through discussion and sharing ideas, the Accounting Bodies Network (ABN) annual in-person meeting enabled the members to agree a clear purpose and set a strategy for the network for 2020 and beyond.

Members discussed the role of the accountancy profession in driving change, responding to the SDGs and collaborating.



## Driving change

Guests representing business, regulators, professional services, lawyers and investors participated in this “driving change” roundtable. Each guest shared their perspective on how accountancy professionals can drive change towards a sustainable economy. The roundtable discussion focused on how the profession can respond to sustainability challenges and how to encourage collaboration.

## Responding to the SDGs

ABN members heard from experts how the business sector has responded to the SDGs over the past five years, including insightful statistics from [new research by PwC](#). Participants heard what the business progress was likely to be over the next decade and what was needed for the SDGs to become central to business strategy. The ABN discussed the gaps and challenges that still exist and the role of the accounting bodies to help mobilize action, keep building awareness and increase impact.

## Collaborating

ABN members heard about the work of the other networks and how collectively they contribute to the mission of A4S. Working together with CFO Leadership Network representatives, the ABN members discussed opportunities for collaboration and where the network is uniquely positioned to play a role.

# A4S NETWORKS MEETING

Participants discussed the role of finance in addressing three specific areas, which all have significant milestones in 2020.

## Nature and biodiversity

Participants focused on how businesses not only impact biodiversity and nature, but also how they are dependent on it. There is an increasing pull from stakeholders for businesses to act on these issues. Finance teams have an opportunity to bring external and internal experts together and act as the collaborator. By doing this, finance can begin to understand which are the material impacts and dependencies, and work to include these in their decision making.

## Climate action

Participants discussed whether a business case or a moral case is more effective in the context of the urgent action needed. Either way, business and finance have many ways to respond to this challenge. Setting science-based targets, responding to the Task Force on Climate-related Financial Disclosures recommendations and implementing internal carbon pricing are all viable options. Finance has a role to play in setting and achieving ambitious climate targets. This includes ensuring data is sufficiently robust and budgeting is aligned to the target.

## The SDGs

Participants discussed the exciting opportunities that the SDGs highlight. By looking at new business models, there are significant sustainable growth opportunities. One way to integrate this into businesses is to align the SDGs with the purpose of the organization. Participants noted the opportunity to create positive impacts beyond the organizational boundary. Influencing and inspiring through the value chain can amplify the total impact. Wherever measurement is needed, the finance team need to have oversight.

## Members of the following A4S networks were present:

- Finance teams from CFO Leadership Network organizations
- ABN
- Expert Panel

For more information on our networks:  
[www.accountingforsustainability.org/networks](http://www.accountingforsustainability.org/networks)



# THE A4S ESSENTIAL GUIDE SERIES

## LEAD THE WAY

Developing a strategic response to macro sustainability trends

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

## TRANSFORM YOUR DECISIONS

Integrating material sustainability factors into decision making

- Strategic Planning, Budgeting and Forecasting
- Management Information and Reporting\*
- Capex

## MEASURE WHAT MATTERS

Developing measurement and valuation tools

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

## ACCESS FINANCE

Engaging with finance providers on the drivers of sustainable value

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

\*coming soon

Download from [www.accountingforsustainability.org/guides](http://www.accountingforsustainability.org/guides) 



**@PrincesA4S**



**The Prince's Accounting for Sustainability Project (A4S)**



**info@a4s.org**



**www.accountingforsustainability.org**



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