



## **TREASURY SELECT COMMITTEE: DECARBONISATION OF THE UK ECONOMY AND GREEN FINANCE INQUIRY-WRITTEN SUBMISSION**

Issued 26 July 2019

ICAEW welcomes the launch of this inquiry into the decarbonisation of the UK economy and green finance. Climate change is the single most important challenge the world faces, and is going to drive profound change in all our lives. Given the urgency of the issue, the time for action is now, and we all need to play our part. As ICAEW's Chief Executive Michael Izza recently stated, "There is no prosperity on a dead planet". Businesses will be key to leading this, and the accountancy profession is in a unique position to help set standards, verify the accuracy of information provided and report on action made with professionalism and independence.

We used this Inquiry as an opportunity to seek the views of some of our members in business who work across all sectors and regions, along with giving some insights from those based internationally. Our primary focus in this response will be to reflect those members' views, who raised the issues of the economic benefits and costs of decarbonisation, how to deliver a decarbonised economy in a regionally just and fair way, and the role of the accountancy profession in a successful transition to zero carbon.

We have provided the Committee with several case studies throughout this submission to illustrate what specific steps members are taking to combat climate change, decarbonise their activities and take advantage of the opportunities that the new economy could bring. We have also provided an appendix in which we summarise activities ICAEW are progressing in this policy space.

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## ABOUT ICAEW

ICAEW is a world-leading professional body established under a Royal Charter to serve the public interest. In pursuit of its vision of a world of strong economies, ICAEW works with governments, regulators and businesses and leads, connects, supports and regulates more than 153,000 chartered accountant members in over 160 countries. In the UK, about 85,000 members work outside of London. ICAEW members work in all types of private and public organisations, including public practice firms, and are trained to provide clarity and rigour and apply the highest professional, technical and ethical standards.

ICAEW has a strong record in enabling UK businesses to grow - both by way of policy work and directly through our members who operate, advise or invest in businesses across the home nations. It is through backing business that we seek to grow the UK economy and create more productive and prosperous regions across the country.

## KEY POINTS

1. The opportunities provided by a transition to a decarbonised economy are high and substantial. The ability of the UK economy over the past 25 years to decouple economic growth from rising carbon emissions demonstrates the opportunity to safeguard the planet's environment while securing rising living standards. The scope to create new businesses, markets and business models can make the UK a leading player in the modern green economy. With strong leadership and close management, the transition may also create opportunities in those areas of the UK which have faced economic challenges.
2. It is acknowledged that there will be costs to decarbonise. Such costs may disproportionately hit those individuals and businesses least able to adapt due to limited resource. Government policy must therefore prioritise the mitigation of such effects on these groups to ensure that they do not bear the brunt of the move to decarbonise.
3. ICAEW members see significant opportunities in the move to decarbonise the economy. Chartered accountants have an important role in the transition, in terms of providing business advice to firms, using their business acumen to establish new companies to take advantage of the growing opportunities or, or a broader point, being part of the profession which helps to establish standards in reporting and assurance.
4. ICAEW is at the forefront of raising awareness and understanding of what a transition to a decarbonised economy will entail. In collaboration with Deloitte, ICAEW has designed a learning programme, to help, for free, everybody, not just business and finance professionals learn more about the effects of climate change and how to help tackle it.
5. Both individuals and businesses find government policies to be contradictory and confusing. A successful transition to zero carbon will require a strong, joined-up approach across government. There is a lack of awareness about government policy and initiatives in this space. ICAEW members urge government to increase and improve communications relating to this issue.
6. The Comprehensive Spending Review provides an opportunity to accelerate decarbonisation by providing incentives as well as mitigating the costs among those least able to adapt. HM Treasury could provide a strong signal to the market by issuing government-backed green bonds.

## THE ECONOMIC OPPORTUNITY

### ***What economic costs and benefits does decarbonisation present for the UK?***

1. There will be additional costs in the transition to a decarbonised economy. We accept the Committee on Climate Change's forecast that a net zero greenhouse gas would result in an

annual cost of 1-2 per cent of GDP in 2050.<sup>1</sup> In addition, we are concerned that particular communities reliant on certain industries, such as those involving the extraction, production and processing of fossil fuels, will disproportionately be affected adversely by the impact of decarbonisation. Small businesses, because of a lack of economies of scale, may also face disproportionately higher costs than larger firms. The process of decarbonisation in the heat sector, for example, risks affecting those on low incomes and subject to fuel poverty harder than those on higher levels of income, especially as those on lower incomes may live in properties with poorer energy efficiency.

2. Despite the clear costs, it is worth noting that a factor of innovation and falling technology costs has meant that initial forecast of total costs of implementing low carbon targets has fallen. For example, it was originally estimated in 2008 that the cost of implementing emissions reductions target of 80 per cent by 2050 would cost between 1-2 per cent. Now, because of those factors of technology and innovation providing benefits in roll-out costs and economies of scale, the revised cost is now less than 1 per cent of GDP.
3. The UK has been successful in decoupling economic growth from rising emissions and environmental damage. Since 1990 the UK economy has grown by 67 per cent, higher than the G7 average, but UK emissions have fallen in the same period by 42 per cent.<sup>2</sup> This is a genuine and tangible improvement; given population growth, increased economic activity and subsequent rising electricity generation, it would be expected that emissions would have risen by about a quarter.<sup>3</sup> The ability to decouple economic growth and environmental impact provides a strong pointer towards what could be achieved to secure net zero by 2050.
4. The benefits for the UK as a result of decarbonisation are significant. Total global clean energy investment was \$332.1 billion in 2018, the fifth successive year in which global investment exceeded \$300 billion.<sup>4</sup> Although the total investment fell by 8 per cent, this was largely as a result of declining capital costs associated with solar technology, reinforcing the point made earlier.
5. Taking advantage of the changing global economy, there is the possibility that low carbon could become a growing proportion of the total UK economy. Analysis commissioned by the Committee on Climate Change forecasts that growth in the UK low carbon economy could exceed general UK economic growth; projected compound annual growth for the low carbon economy could be 11 per cent between 2015 and 2030, as opposed to the OECD's projection of average UK GDP growth of 2.3 per cent.<sup>5</sup> By 2050, the low carbon economy could constitute 13 per cent of UK Total Output.<sup>6</sup>
6. ICAEW members, both in practice and working in business, have expressed significant optimism regarding opportunities in decarbonisation. Although mindful of costs affecting certain sectors and communities, members stated that benefits arising from new markets and business models will be a positive aspect of the future UK economy. Members particularly identified that a strong and vibrant UK low carbon economy will prompt the creation of and reinforce growth in services which could be of particular benefit to the accountancy profession.
7. Chartered accountants have a significant role in devising and reporting on the transition to a decarbonised economy; decarbonisation will only be successfully implemented if there is a framework to ensure carbon is reported on in a true, transparent and fair way.
8. The profession is strategic in its nature and focus; in leading and advising businesses, we will be able to help with the scope of change programmes and support businesses to make the difficult financial decisions that are coming. Our members are well placed to lead on this issue, either through their executive and non-executive roles or through providing the required reporting assurance on costs.

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<sup>1</sup> <https://www.theccc.org.uk/wp-content/uploads/2019/05/Net-Zero-The-UKs-contribution-to-stopping-global-warming.pdf>

<sup>2</sup> <https://www.gov.uk/government/publications/clean-growth-strategy/clean-growth-strategy-executive-summary>

<sup>3</sup> <https://www.gov.uk/government/publications/clean-growth-strategy/clean-growth-strategy-executive-summary>

<sup>4</sup> <https://data.bloomberglp.com/professional/sites/24/BNEF-Clean-Energy-Investment-Trends-2018.pdf>

<sup>5</sup> <https://www.theccc.org.uk/wp-content/uploads/2017/03/ED10039-CCC-UK-Bus-Opportunities-Draft-Final-Report-V7.pdf>

<sup>6</sup> <https://www.theccc.org.uk/wp-content/uploads/2017/03/ED10039-CCC-UK-Bus-Opportunities-Draft-Final-Report-V7.pdf>

9. Changes to governance structures to ensure boards are efficient and effective to meet the challenges of climate change may be required. A mandatory requirement for companies to report on progress towards moving to net zero may act as a spur to better and faster change to decarbonisation. The issue of reporting must be dealt with in a coherent fashion; the review currently undertaken by Sir Donald Brydon on the product and effectiveness of audit, together with the successor body to the Financial Reporting Council, tasked with improving audit, reporting and governance, could be used to achieve this. ICAEW are keen to work with the new regulator and Sir Donald to provide a reporting framework which maintains the UK's leading international role in corporate and financial reporting, as well as securing tangible accountability in the transition to a decarbonised economy.
10. There must be a new commitment by the profession to support trust and transparency building, with future costs of climate change accounted for in a holistic way. In this, ICAEW commits to help lead the way, as our commitment to the UN Sustainable Development Goals and the UK Stakeholders for Sustainable Development<sup>7</sup> shows.
11. Accounting and financing for new business models, such as the renewable energy sector, can be a barrier to transition, with costs up front and revenue at a later date. The profession, with a strong business acumen and longstanding expertise in producing and verifying reporting standards, has a role to help make these new business models as viable as possible. When it came to recent changes to disclosures, such as Gender Pay Gap and Fair Payment Practices, the finance function of these businesses were critical for driving the conversations through the preparation. The finance function will also continue to be key to the conversation on decarbonisation.
12. However, many businesses would not think of speaking to their accountant or auditor about climate change: the profession will need to evolve to ensure we are equipped to support businesses through this transition.
13. Given sustainability reporting is relatively new for many, the profession must evolve to be able to account for these measures. For example, one member has said there may be a need to revisit the concepts of "true & fair" and "going concern" to include environmental issues and be more forward looking and longer term in our thinking. Given Sir Donald Brydon's review into audit, as set out in paragraph 33, this expansion of the product to take account of the most pressing challenge facing humanity must be considered.
14. Work is underway already in this regard. ICAEW is a founding organisation of the Natural Capital Coalition which develops reporting tools and frameworks for accounting for natural capital. We are also committed to the UN Sustainable Development Goals, and utilise this framework in much of the work we do.
15. We are also undertaking a project with University of East Anglia and Anglia Ruskin University around debating nature's value. Funded by the Arts and Humanities Council, it aims to look at natural capital from an arts and philosophy perspective. Part of this is the concept of Social Cost Accounting<sup>8</sup> by Richard Murphy, Professor of Practice in International Political Economy at City University of London.
16. For businesses, greater understanding of what can be achieved and what is necessary to make the change to a net zero business environment is necessary. In collaboration with Deloitte, ICAEW has designed a learning programme to help business and finance professionals learn more about the effects of climate change and how to help tackle it<sup>9</sup>.
17. The programme consists of two video learning modules – the first of which sets out the impact that climate change is having on humanity and business, while the second module equips businesses to implement change, manage the risks and challenges and take advantage of the opportunities that climate change presents.
18. The programme is free and open to everyone, not just ICAEW members. It is supported by a number of influential bodies, such as HRH The Prince of Wales' Accounting for Sustainability

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<sup>7</sup> <https://www.ukssd.co.uk/>

<sup>8</sup> <https://www.taxresearch.org.uk/Blog/2019/06/27/sustainable-cost-accounting-an-introduction/>

<sup>9</sup> <https://deloitte.co.uk/climatechange/>

Project, the CBI, the Climate Disclosure Standards Board, the Hughes Hall Centre for Climate Change Engagement and the Sustainability Accounting Standards Board.

***What benefits can a growth of the Green Finance sector deliver for the UK, and does the UK hold a competitive advantage in this space?***

19. The UK's is one of the world's leaders in finance, insurance and other professional and business services. We hold a significant competitive advantage in financial and related professional and business services, such as accountancy. A significant proportion of the world's trade in financial services comes through the UK, and London in particular. The creation of services and products to finance and account for decarbonisation of the global economy can be rooted in the UK's existing and traditional strengths in finance, reporting and assurance. The UK's strong ecosystem and world leading position as a regulator in financial matters can act as assurance for an emerging and growing segment of the global financial market. ICAEW members strongly suggest that building on our current advantages and strengths in finance and reporting, the UK should grasp the opportunity to be the global leader in low carbon financial and related professional services.

***How might HMT deliver a regionally balanced and 'just' transition across the UK?***

20. We are pleased that the concept of a regionally "just" transition has been identified by the Committee as a priority. ICAEW members are based in all parts of the UK and in all sectors, as well as overseas, and stressed the importance of ensuring that all parts of the country and economy can benefit from the opportunities arising from decarbonisation, as well as working to avoid costs falling disproportionately on particular regions and communities.
21. As mentioned in paragraph 1, we are concerned that within the UK those on low incomes and smaller businesses with limited access to capital may be disproportionately affected by a shift to a decarbonised economy. Those on lower incomes may find it difficult, for example, to replace items such as petrol and diesel cars with electric vehicles or older boilers with more efficient and modern models because of the prohibitively high upfront costs. An ICAEW member who recently installed a ground source heat pump stated that installation costs of the pump were twice that of a conventional gas boiler, with payback not being achieved for seven years. To mitigate this, government must ensure that the risk of upfront capital costs is transferred away from those on lower incomes or smaller businesses, with greater clarity as to the sharing of cost savings in subsequent years.
22. ICAEW members identified the importance of small business in the transition to a decarbonised economy. Not only are 99.5 per cent of businesses in the UK small in scale, small businesses could provide the innovation and disruption in products, services and processes to accelerate and achieve decarbonisation. However, because of the resource constraints and lack of economies of scale, smaller businesses face a disproportionate burden on the costs of decarbonisation. A coordinated procurement programme from local and central government could provide the means by which smaller businesses – especially those in the low carbon economy – could plan and invest with a greater degree of certainty.
23. One of the structural characteristics of the UK economy is an imbalance between London and the South East and the rest of the country. Decarbonisation, if managed properly, could provide a significant spur to economies in the North of England and Scotland. These areas have significant current advantages in the low carbon economy and potential to grow these, leading to job creation and rebalancing. With the growth and development of low carbon goods, associated services would also arise, leading to potential for financial and related professional services. There is the potential to see the opportunity of green finance hubs in cities such as Edinburgh, Manchester, Leeds and Newcastle linked closely to clusters of low carbon manufacturing capacity in these areas. Previous industrial changes, such as deindustrialisation in the 1970s and 1980s have been poorly managed, leading to worsening



regional imbalances.<sup>10</sup> To achieve this ambition and secure a just transition requires strong local leadership and clear management.

24. Through the design and delivery of policies related to decarbonisation, it is absolutely imperative that government works to ensure that inequality is not made worse as a result. The introduction of carbon taxes, for example, while being effective in moderating consumption of fossil fuels, can act as socially regressive.
25. ICAEW members acknowledged that the policy trade-off between measures to decarbonise and the different distributional effects that such policies may produce are complex and difficult to manage. However, in the design of such measures, emphasis was given to the need for stronger assistance and incentives to be provided by government in a co-ordinated manner to ensure that all of society and business is able to make the move to decarbonisation.

### CASE STUDY 1: LANDSEC

<https://landsec.com/sustainability>



Landsec aspires to lead the real estate sector on sustainability and see climate risk management as critical for the long-term success of their business. With this mind-set they have performed significant research in order to assess the long-term physical health of their real estate portfolio, considering the various possible scenarios that could unfold due to climate change.

The organisation now has a relatively low level of climate risk compared to investors operating in other geographies where extreme weather is more prevalent. But the risk is also lower because Landsec has a good-quality and, mostly, less than 10- year-old real estate portfolio.

Although the most serious effects of climate change are often illustrated at 2070 or 2100, the physical effects are already being felt, even in the UK. This has influenced the way they select, design and operate their assets- for example, they are moving away from gas heating and adopting Air Source Heat Pump technology.

Landsec believe in leading the transition to a low-carbon economy, and that preparing for the physical effects of climate breakdown will benefit both their stakeholders and investors.

## HMT'S STRATEGY

***What is HMT's current strategy, and approach to UK decarbonisation, and is it fit for purpose?***

***How does HMT work with the Clean Growth Strategy and government departments to support decarbonisation? Is this working well?***

26. ICAEW members who contributed to this submission process are well versed in and committed to the decarbonisation agenda. They are characterised by a strong awareness of issues relating to the green economy. However, there was an almost universal lack of recognition and understanding of government policy, particularly in terms of the policy stance taken by HM Treasury. There was some awareness of the Clean Growth Strategy produced by BEIS, which is seen as broadly favourable, but members stated that the document was not translating to change in firms' behaviour. Much greater communication is needed as to what government policy in decarbonisation is, together with a clear pathway as to how

<sup>10</sup> <https://www.ippr.org/research/publications/a-just-transition>

sentiments expressed in strategy documents will translate into operational changes in the real economy.

27. Members mentioned that the recent BEIS Green Finance Paper fails to mention waste recycling and the circular economy; members expressed the strong view that the circular economy has significant opportunities to control resource consumption while increasing employment, but that government seems to fail to acknowledge its significance.
28. Members also stressed the need for consistency in government policies. Long-term policies, without frequent changes, provides a strong and stable framework for businesses to adapt and invest. Although members accepted the need for government to assess and evaluate the effectiveness of government policies, greater stability would encourage greater investment.
29. Government policies often contradict one another, or are at odds with the government's wish to pursue a decarbonisation agenda. An example of this is the recent proposed removal of the reduced VAT for the installation of energy-saving materials<sup>11</sup>. One member also highlighted a case whereby a not-for-profit company had purchased an electric trike to make deliveries in a bid to reduce their carbon footprint, but as the DVLA will not register it as a vehicle the insurance is considerable, thereby acting as a strong disincentive for firms to pivot from fossil fuel vehicles to a low carbon alternative.
30. ICAEW members also stated that infrastructure of the grid also needs to be improved. A member observed to us that their electricity company do not want too much energy to be provided back into the grid as it cannot handle it. Any excess electricity produced is therefore wasted, as firms will not absorb the additional costs in storing excess energy. A national grid better able to adapt quickly to changing fluctuations in energy generation from micro-generators, combined with greater roll-out of effective and efficient micro storage capability is necessary.

***What role should the 2019 Comprehensive Spending Review play in UK decarbonisation? What projects or measures should receive additional funds through this process?***

31. The Comprehensive Spending Review provides a strong opportunity to kickstart an accelerated push to decarbonisation. As noted elsewhere in this submission, members have expressed a wish to ensure that government spending is prioritised towards both incentivising a push toward decarbonisation while mitigating the transition to a low carbon economy among those groups, such as individuals and smaller businesses who may be disproportionately adversely affected.
32. Government could also use the CSR as an opportunity to send a clear signpost regarding the importance of green finance. Although green bonds are working well and the markets are responding to demand, meaning that the UK has about a tenth of the world's green bond issues, a government-backed green bond issue would provide a powerful signal to the market about its intent, boost supply and well as incentivising demand and establishing the UK as the global leader in the issuing of modern products.

**Case Study 2: Environmental Finance**

[www.environmentalfinance.co.uk/](http://www.environmentalfinance.co.uk/)



Environmental Finance is a leading environmental impact investment advisor, providing a range of investment, strategy and fund delivery services across the natural and built environment. EF develops solutions to structure innovative, investible projects that will tackle environmental and social challenges whilst delivering financial returns for investors, local communities and the environment at large.

<sup>11</sup> <https://economia.icaew.com/news/june-2019/treasury-proposes-tax-hike-on-renewable-energy>

The work of Environmental Finance, co-founded by Richard Speak (a Chartered Accountant through ICAS) and James Mansfield (Founder and Director of multiple community energy projects), has a huge number of direct and indirect benefits.

They are driving the climate change agenda forward by unlocking community ownership of energy assets. These projects not only upskill those involved - it means there is ownership towards decarbonisation from the very people in that community. Regionally this is critical; it is projects such as these which will help deliver a just transition to a zero carbon economy. Community ownership can create true opportunities for increasing social impact from local sustainable enterprise and infrastructure development.

The role of finance professionals here was to create a framework which would make financing community energy projects more attractive in a highly competitive market. Success was driven on scalability, by delivering an aligned financing approach for a group of projects in what is a particularly fragmented market.

## GREEN FINANCE

### ***What role do UK financial services firms currently play in the decarbonisation of the economy?***

33. Financial and related professional services firm have a strong role to play. As stated earlier, the UK's strong financial and professional services ecosystem lend itself towards providing world-leading green finance. Lenders will provide finance to activities designed to decarbonise their activities. Insurance companies assess the risks arising from climate change on such matters as frequency and probability of adverse weather like flooding.
34. Accountants can provide business advice regarding investment opportunities as well as the provision of assurance in relation to the disclosure of green financial information.
35. In this latter point, there is considerable scope to improve matters. In the latest status update<sup>12</sup> from the Task Force for Climate-Related Financial Disclosures (TCFD) to the Financial Stability Board, the TCFD states that "not enough companies are disclosing decision-useful climate-related financial information". Although progress has been made, the TCFD reports that:
  - Disclosure of climate-related financial information has increased since 2016, but is still insufficient for investors to make informed and meaningful decisions;
  - More clarity is needed on the potential financial impact of climate-related issues on companies;
  - Of companies using scenarios, the majority do not disclose information on the resilience of their strategies; and
  - Mainstreaming climate-related issues requires the involvement of multiple functions, particularly in respect of finance and risk management functions, as well as executive and non-executive directors.
36. All of the above points provide opportunities for the UK and professional and business services. As the regulator moves from the Financial and Reporting Council to the Audit, Reporting and Governance Authority, there is a good opportunity to ensure that reporting and governance arrangements relating to green finance is mainstreamed in a proportionate manner into reporting requirements. ICAEW is keen to work closely with the new regulator for the purpose of ensuring that the UK remains world class in its corporate governance arrangements, allowing this strong reputation to act as a magnet for inward investment into green activities in this country.

<sup>12</sup> <https://www.fsb-tcfd.org/publications/tcfd-2019-status-report/>



### **Case Study 3: The London Waste and Recycling Board**



The London Waste and Recycling Board (LWARB) is a partnership of the Mayor of London and the London boroughs to improve waste and resource management. The city's economic and environmental future depends on transitioning to a low-carbon circular economy, and LWARB aspires to make London the world's leading low carbon circular economy city.

They work to ensure that London's businesses, local government and communities thrive by helping them make the very best use of resources and materials. LWARB's Circular London programme enables and promotes the circular economy across a wide range of stakeholders, supporting businesses both large and small to make circular economy activity part of their everyday business operations.

The programme has a broad remit to accelerate the transition to a circular economy in London, partly delivered by the Advance London business advisory team. Since its inception in 2017, Advance London has helped over 100 SMEs to access the advantages the circular economy provides.

The Circular London programme also makes investments through a number of specialist funds in businesses from start-up to maturity, and has recently set up its own Circular London Accelerator. This is delivered in partnership with Carbon Trust, supporting circular innovation in the built environment sector, and will take start-ups with an MVP through a tailored and bespoke 6-month programme to commercialise their innovation, including access to finance, access to market and mentoring.

### **Business and Industrial Strategy**

**ICAEW**

26 July 2019

## APPENDIX

### ICAEW ACTIVITIES IN THIS SPACE

#### **Deloitte/ ICAEW Climate Change training**

This e-learning experience is designed to raise awareness of the impact climate change is having on humanity and business, along with exploring how businesses need to adapt to manage risks and take advantage of opportunities.

#### **Launch of the Corporate Edit of "Our Planet"**

ICAEW hosted the launch of the Corporate Edit of "Our Planet", the WWF's nature documentary series narrated by Sir David Attenborough. The film and its resources are freely available to watch, and looks at how the global business community can help solve the world's environmental crisis.

#### **Task Force on Climate-related Financial Disclosures (TCFD) guidance**

As of April 2018, some 250 organisations from around the world have expressed support for the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) published in 2017. Given the current momentum behind the TCFD recommendations, ICAEW, in association with The Carbon Trust, have published this practical guidance for organisations wanting to learn more about the recommendations and steps to implementation.

#### **Chapter Zero**

Chapter Zero, a climate change forum and risk advisory initiative, was launched as part of the World Economic Forum's global climate governance initiative. The forum will advise non-executive directors on the risks inherent to climate change and how to be prepared for the ways it will affect their companies.

#### **Natural Capital Coalition**

The Coalition was co-founded by ICAEW in 2014 and is now a collaboration of over 280 leading organizations who are working to get natural capital thinking to scale. In 2016 the Coalition produced the Natural Capital Protocol, a standardised framework designed to enable businesses to understand their impacts and dependencies on the environment and to generate actionable information to inform decisions. This was something that Economia described as the latest in the '12 dates that shaped accountancy'.

Since then, the Coalition has focused on producing specific sector guides and supplements to aid application, and the creation of a supportive enabling environment that brings together all stakeholders to address natural capital challenges at a systems level.

#### **United Nations Global Compact**

ICAEW is a member of the UN Global Compact, which aims to mobilise a global movement of sustainable companies and stakeholders to create the world we want. To make this happen, the UN Global Compact supports companies to:

Do business responsibly by aligning their strategies and operations with Ten Principles on human rights, labour, environment and anti-corruption; and

Take strategic actions to advance broader societal goals, such as the UN Sustainable Development Goals, with an emphasis on collaboration and innovation.

#### **Debating Nature's Value**

This is a joint project between ICAEW, University of East Anglia and Anglia Ruskin University funded by the Arts and Humanities Research Council. It endeavours to look at Natural Capital from an arts/ philosophy approach to develop new thinking on the issue of natural capital.

### **Accounting for Sustainability**

A4S aims to inspire action by finance leaders to drive a fundamental shift towards resilient business models and a sustainable economy. To do this, A4S has three core aims that underpin everything we do:

- Inspire finance leaders to adopt sustainable and resilient business models
- Transform financial decision making to enable an integrated approach, reflective of the opportunities and risks posed by environmental and social issues
- Scale up action across the global finance and accounting communities