



ACCOUNTING 4 SUSTAINABILITY ICAEW WELCOME SPEECH

This transcript is the text of a welcome speech given by ICAEW Chief Executive Michael Izza to Mark Carney, Governor of the Bank of England at the Accounting 4 Sustainability summit on 16 November 2016.

Mr Governor, honoured guests, ladies and gentlemen, welcome to Chartered Accountants' Hall for the launch of the Accounting 4 Sustainability summit.

It is wonderful to have you here and to be able to support Accounting 4 Sustainability in this way. As one of Accounting 4 Sustainability's founder members we have been with you since you began. We have watched and supported you as you have grown and matured and we look forward to a continued collaboration.

The world we live in today is increasingly turbulent. You yourself Mr Governor have highlighted in various speeches how climate change as well as geo-political, economic and policy uncertainty will affect economic performance and how markets can be made to work to the benefit of all.

If we look at the Global Goals for Sustainable Development they are a vision of the world the world wants by 2030. However they are not achievable by doing what we do now just better, we will have to change (quite radically) the way we operate – our economies our lives and how we do business. This is not going to be easy and creates huge uncertainty but the cost of inaction can no longer be ignored.

We could characterise this uncertainty as disruption and businesses will have to innovate and adapt, creating new business models, new products and services to meet this challenge and that brings opportunity for the visionary and the brave but many will fall by the wayside. The story of the Goals will not be one of good news for all businesses.

For ICAEW the Goals speak directly to our vision, a world of strong economies. This is us looking outwards to the world and stating our purpose. The Goals help to give a focus to illuminate that vision. They describe a single operating system of strong and resilient economies, based on fair and just societies all achieved within what nature can provide. They show how economic success depends on and is interconnected with social and environmental success.

But what of the accountancy profession? What is its role here? In this world of uncertainty, innovation, adaptation and aspiration of the Goals, our members and the accountancy profession more generally will be crucial, because central to success in business, our economies and achieving the Goals is timely trusted decision-useful information and that is what we do.

We should be providing a picture of how we are doing, whether that is good news or bad, so that informed business decisions can be made and so that governments, organisations and individuals can be held to account.

Painted on the ceiling of ICAEW's Main Reception Room are the four virtues the founders of ICAEW believed characterized the profession. They are wisdom, prudence, truth and Justice. At the heart of these values is the accountant's craft: measurement. Accountants measure things; as I said they create information that is useful and timely, so decisions can be made by the right people.

Accountants provide insight and give advice based on that information (wisdom); they exercise scepticism, critical thinking and moral reasoning when handling that information and providing that wisdom (prudence). In doing this they ensure that the truth is told. Because of all of this citizens can hold institutions, businesses, organisations, governments and other citizens to account (Justice).

I believe this process makes our members and accountants who belong to other similar institutes a profession and gives them a central leadership role in guiding businesses through the uncertainty, managing risk and innovating; they also helping ensure that businesses deliver on the Goals. The challenge for the

profession is that it shows its commitment to the public interest, upholding these values and demonstrating its legitimacy by taking up this leadership role.

Thank you and I look forward to an evening of great insight and robust discussion.