



ICAEW CARBON NEUTRAL REPORT

AN UPDATE ON PROGRESS AND PLANS

September 2023





CONTENTS

- STRATEGY AND GOVERNANCE 3
- METRICS AND TARGETS 4
- CARBON OFFSETTING 6
- RISK MANAGEMENT 7

OUR STRATEGY

ICAEW ARE COMMITTED TO REACHING NET ZERO EMISSIONS AS SOON AS POSSIBLE

When ICAEW became carbon neutral in 2020 we were the leading professional body on this. Since then, there has been a wave of new developments in calculating emissions, target setting, and reporting requirements for organisations across all sectors and sizes.

As a result, we have been assessing how to adopt these new measures as well as equipping the membership to tackle this also. We continue to share our insights and support members through the Sustainability and Climate Change Community, Climate hub, Non-financial reporting hub and are sharing our learnings with other professional bodies through the GAA net zero working group.

ICAEW as members of the Accounting Bodies Network (ABN) committed to reaching net zero emissions as soon as possible and so we are currently undertaking an exercise to expand our agreed scope 3 data points to include our broader value chain emissions and assess how we can set and achieve an ambitious net zero target.



GOVERNANCE

To ensure the strategy is embedded across our entire organisation, we have set up a project group made up of key stakeholders to progress towards net zero.

The Climate Change Manager, and Director, Commercial lead on the implementation of the net zero strategy, with the Director, Commercial as the key project owner who reports updates via the Chief Financial Officer to the Leadership Team.

They are supported by the Director, Sustainability, Director, Programme Office, Risk Officer for internal controls and risk management associated with the project, Head of Finance, to support with data collection. HR representatives alongside the Employee Engagement Forum will provide input at particular stages to ensure we have organisation wide buy in. In addition, we will consult with the Sustainability Committee to advise on the project team's activities.

METRICS AND TARGETS



As outlined in our 2021 report, we have been engaging with suppliers to evaluate options to further reduce internal carbon activities across our operations but have come up with some unexpected challenges particularly in terms of the infrastructure required to decarbonise our heating systems. We are continuing to assess the feasibility of this and hope to make further progress in 2023 on replacing our gas boilers in Chartered Accountants' Hall with electric boilers.

We have moved to measuring our footprint following the calendar year to align with best practice and our financial year. For the period of 1 January 2021 to 31 December 2021 our total carbon footprint was 1,839 tonnes of CO₂e.

This calculation includes emissions relating to homeworking, which we previously have not measured, in line with updated guidance in the GHG protocol, radiative force for flights recommended by DESNZ which is included under business travel, and a 10% safety margin to ensure where we have used averages when calculating our employee commuting, we have not underestimated our footprint. This figure also covers our commitment to make the annual Finance for the Future Awards a carbon neutral event.

This footprint is an increase from the 2020/21 figure (837 CO₂e) largely due to staff returning to the office and an increase in travel following the reduction in coronavirus restrictions.

2021 CARBON FOOTPRINT

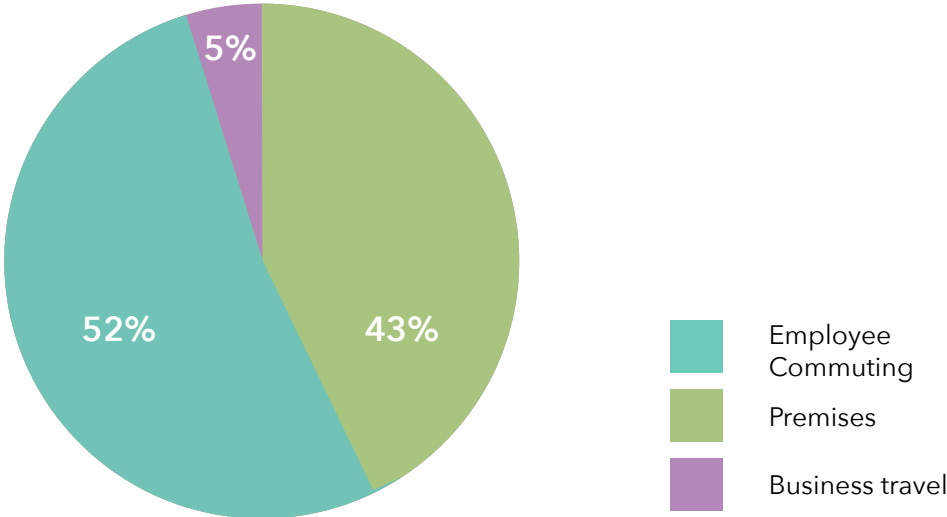
1,839

TONNES OF CO₂

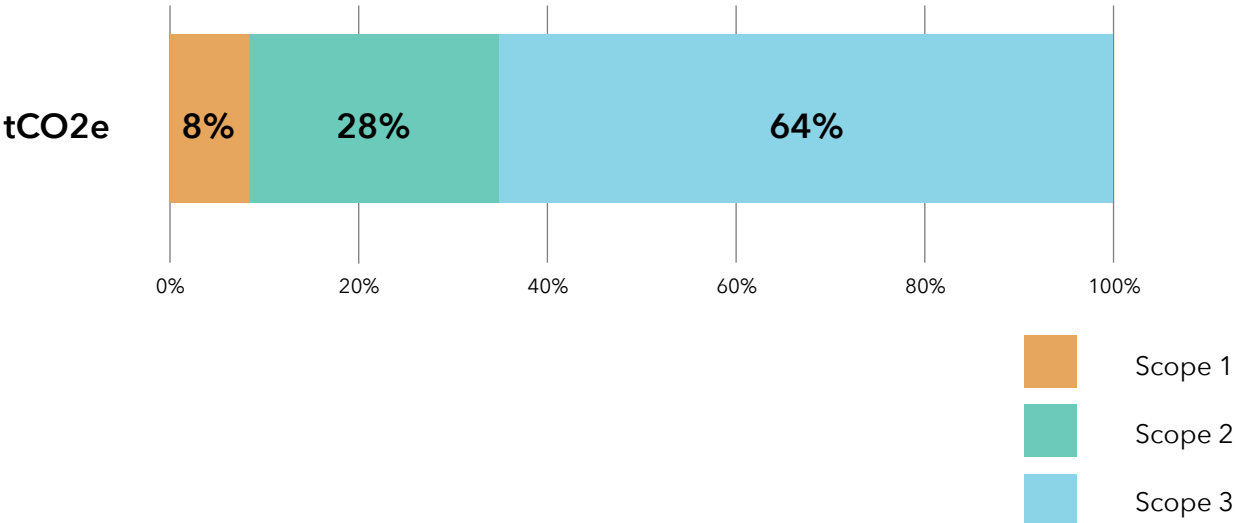
ICAEW: EMISSIONS BY SOURCE

Emissions Source	Tonnes of CO2e (market-based)
Premises	785
Business travel	87
Employee commuting	963
Finance for the Future Awards	4
Total	1839

ICAEW: GHG EMISSIONS BY EMISSIONS SOURCE (MARKET-BASED)



ICAEW: EMISSIONS BY SCOPE



CARBON OFFSETTING

We remain carbon neutral based on our defined scopes through the purchase of offsets against our entire footprint.

The total cost of our offsets for 2021 was £12,762.66. We have continued to support the carbon offset projects that deliver socio-economic benefits, including improving health and living conditions for the communities in which they are based.

Our selected projects are:

- providing 1.7m people in Cambodia with clean water;
- biogas projects across Vietnam; and
- forest and wildlife corridor protection in Kenya.

We will revisit our chosen carbon offset projects to ensure they continue to deliver the benefits that align with our strategy of supporting the UN SDGs.



2021

£12,762

CARBON OFFSET COSTS



RISK MANAGEMENT

As measurements around scope 3 have become of greater importance for organisations to be capturing, we have made the decision to expand our defined scope 3 emissions in order to cover the full breadth of our value chain.

We feel that this will showcase our credibility in our commitment to decarbonising our operations. The

table below outlines what our defined scope 3 was for our 2021 emissions calculations and what new areas we are looking to include in our scope 3 for our 2022 and all future calculations.

To ensure that our emissions calculations are robust and credible, we will also seek external verification for the next reporting cycle.

Scope 3		Current	Future
Purchased goods and services			●
Capital goods			●
Fuel and energy related activities			●
Upstream transportation and distribution			●
Waste generation in operations		●	●
Business travel	All transportation by air, public transport, rented/leased vehicle and taxi	●	●
	Emissions arising from hotel accommodation		●
	Events/conference overhead		●
Employee commuting		●	●
Homeworking		●	●

We are aware of ongoing concerns around the use of carbon credits and continue to assess the credibility of our offsets and the proportion of offsets that are based on avoided emissions and sequestration.

Our current portfolio of offsets uses Verra and Gold Standard. Documentation on project design, validation reports, monitoring reports and verification

reports are publicly available in the standard's registries.

Details for each of the projects we support can be found in the links below:

- [Kenya](#)
- [Cambodia](#)
- [Vietnam](#)

Chartered accountants are talented, ethical and committed professionals. ICAEW represents more than 202,450 members and students around the world. All of the top 100 global brands employ ICAEW Chartered Accountants.*

Founded in 1880, ICAEW has a long history of serving the public interest and we continue to work with governments, regulators and business leaders globally. And, as a world-leading improvement regulator, we supervise and monitor around 12,000 firms, holding them, and all ICAEW members and students, to the highest standards of professional competency and conduct.

We promote inclusivity, diversity and fairness and we give talented professionals the skills and values they need to build resilient businesses, economies and societies, while ensuring our planet's resources are managed sustainably.

ICAEW is the first major professional body to be carbon neutral, demonstrating our commitment to tackle climate change and supporting UN Sustainable Development Goal 13.

ICAEW is a founding member of Chartered Accountants Worldwide (CAW), a global family that connects over 1.8m chartered accountants and students in more than 190 countries. Together, we support, develop and promote the role of chartered accountants as trusted business leaders, difference makers and advisers.

We believe that chartered accountancy can be a force for positive change. By sharing our insight, expertise and understanding we can help to create sustainable economies and a better future for all.

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[globalaccountingalliance.com](https://www.globalaccountingalliance.com)

ICAEW

Chartered Accountants' Hall
Moorgate Place
London
EC2R 6EA UK

T +44 (0)20 7920 8100
E generalenquiries@icaew.com
[icaew.com](https://www.icaew.com)



* includes parent companies. Source: ICAEW member data March 2023, Interbrand, Best Global Brands 2022