



Unleashing the Power of CSR and Inclusive Growth

*Ms. Orla Collins

Good evening everyone, and first of all can I say it is such an honour to speak at this wonderful event tonight, which I know is a really special occasion for IOD India.

It gives me a golden chance to pay tribute to the work of the IOD, which I know makes an amazing contribution to business in India. And I also know the important role it plays in Indian society, as a champion of sustainable, socially responsible business.

In so many ways, the values of ACCA and IOD India coincide, and they are reflected in our themes tonight: corporate social responsibility, and inclusion.

At ACCA we prize enormously our strategic partnership with IOD, and we remain committed to working closely with IOD, and we will continue to share our insights and best practices on issues such as those we are discussing tonight.

Thank you so much to all of you, and especially your distinguished president, **Lt. Gen. J. S. Ahluwalia**, for this invitation to speak.

I believe that business leaders have come a long way in a short time on the question of what corporate social responsibility means. I believe that businesses look at their role in society in a different way now than was the case in earlier times.

By that, I don't mean to say that business leaders never cared about their place in society before. Far from it. But it is true to say

that more than ever before, the sense that they have a duty of care to the communities where they trade, work and operate is now central to the strategic thinking of every successful business.

I mean that businesses are motivated by a desire that extends far beyond profit and loss, and goes further than generating dividends for shareholders. Of course, creating returns on investment is an important function of a healthy business. But now the best business strategy demands more.

The best strategy demands growth with a green element, because the long-term health and even survival of our planet is the greatest issue of our time, greater even than the threat of pandemic.

The pandemic has made this issue even more pressing, because it has raised questions about how we recover from the battering the world economy has suffered in the last year. Covid-19 reminded us that we are all in this together, and neither countries nor businesses across the world can inoculate themselves against threats which are global in nature by acting in isolation.

The pandemic has challenged us to build a recovery which answers the long-term threats to our common survival.

A regard for corporate social responsibility also demands a

respect for social inclusion, because widening inequalities within communities pose a danger to societies everywhere. And widening inequalities between nations pose a threat to the world.

Corporate social responsibility is all about how we tackle those twin threats, and achieve a sustainable recovery in the wake of the deadly pandemic.

As business leaders, we must choose how we respond to these challenges of looming climate catastrophe, and how we tackle the urgent need to ensure that all people are included in long-term economic stability.

These are big themes, and it is not possible for everyone to do everything. But everyone can do something, and I would like to spend a little time talking about what that means for us at ACCA.

It begins with championing a new way of measuring what success means in business. It is about a new way of keeping score in business. We are after all accountants, and keeping score is what we do.

How we do it, though, has changed and is changing.

When I first joined the profession a big part of an accountant's job was to produce reports that provided an accurate view of a business's financial performance at any one time. It reflected business reality.

That is still a part of it. But we do more. Accountants and finance teams, increasingly, are required to provide a broader perspective of a business's activities, as strategic leaders who are perfectly placed to assess an organisation's long-term health and sustainability.

Our role is more strategic, shaped by a concern for the future rather than fixed on what happened in the last quarter or year. Now we are more likely to play a role in shaping a business's future rather than recording what it has already done.

I believe that **more businesses are placing a commitment to corporate social responsibility at the heart of their purpose for two reasons.**

The first is moral. Business leaders, like everyone else, knows that the planet is in trouble, and they want to be a part of the solution not the problem.

The second is financial. They realise that people are increasingly reluctant to trade with, or work for, businesses which appear careless about their contribution to the community.

I believe that any business which craves a long-term future must embrace their responsibility to society as its licence to operate. Put simply, if they don't, people won't like them, and they won't spend their money with them or work for them.

And this goes to the heart of why I say that we have to keep score in a different way.

At the risk of throwing more jargon at you, this is about seizing on a dedication to non-financial disclosure in business reporting. I can make that a lot simpler by saying that it is about fairness, and fairness is a concept that everyone understands. It forms a big part of one of our latest reports, *Mainstreaming Impact: Scaling a Sustainable Recovery*.

Non-financial disclosure is about fairness because it is about making sure that everyone has equal access to the business information they need.

It means that everyone with a stake in corporate decisions which affect their life or livelihood – investors, customers, workers, regulators, the general public – can see a full picture of a business's performance – including the whole array of non-financial data such as its impact on the environment; its contribution to society; and its commitment to long-term sustainability.

The only true foundation for wise decisions on the ethical and sustainable allocation of capital is honest, total and transparent non-financial disclosure.

ACCA has always believed this.

Initiatives like integrated reporting – which is designed to account for value creation across the company's business model – have been predominantly market-led, rather than government-generated. Some of the most well-known and respected global companies have adopted integrated reporting – names like GE, Tata Steel and Unilever. Through corporate take-up and the support of influential organisations like the IOD and the International Federation of Accountants, 1,600 organisations across 64 countries now use the integrated reporting framework as a model for their annual reports.

We have made a strong step forward to a world where companies routinely consider and report on value creation in its widest sense, including the value they create for society.

As I said at the start, playing a part in reversing climate change must be the main element in any business's strategy on corporate social responsibility.

I don't have to tell this enlightened audience how urgent this is.

In many ways India is acting as an early warning system for the rest of the world, in revealing the real cost of rocketing temperatures, rising tides, and extreme weather events.

Everyone in this audience knows that higher sea levels spell disaster for a nation where so many people live in coastal regions and depend on the ocean for their livelihood.

The United Nations has agreed a plan called Transforming our world: the 2030 Agenda for Sustainable Development, which

sets targets to tackle inter-connected issues – from environmental to economic and educational - which added together pose a critical threat to human survival.

These goals are rightly seen as a last chance to act together on a blueprint for peace and prosperity for the world. The aim is to end poverty, fight inequality and injustice and tackle climate change by 2030.

There has been some progress but there is wide recognition that global action is not speedy enough. That's why the UN Secretary-General, Antonio Guterres, has called on all sectors of society to mobilise for a 'decade of action' to reach the goals by 2030.

You will know how your business can make its best contribution, but I wanted to share what we at ACCA are doing in this common effort.

We have identified nine of the SDGs which are most relevant to our work, and against each of these, we have made commitments to reach them by 2030, and have built them into our corporate strategy.

They include specific pledges in areas including education for all; cutting consumption; reducing carbon emissions; advancing inclusion and equality; promoting green finance; and insisting on the highest standards of ethics.

ACCA has played a leading role in our profession to advance the aims of the UN SDGs. And I urge all of you here today to continue the work which I know is already happening across Indian business to make the change which the world needs.

Thank you all so much, and I wish you all a wonderful night, and a happy, healthy and prosperous future.

Very best wishes and good luck to all of you.

**Excerpts from the 'Keynote Address' delivered by Ms. Orla Collins, Deputy President, ACCA (the Association of Chartered Certified Accountants) at IOD's '15th International Conference on Corporate Social Responsibility - 2021 (Virtual) & Felicitation of Golden Peacock Awards for CSR (Global & National) & HR Excellence, held virtually on June 10, 2021.*

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