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HRH The Prince of Wales
Clarence House
London SW1A 1BA
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Amstelveen, 24 October 2018

Sir,

I feel honored to have the opportunity to congratulate Your Royal Highness with Your Royal Highness's 70th birthday and reflect briefly on the impressive initiative taken to establish the Accounting for Sustainability Project.

As an accountant by training, I entered the sustainability field in 2003 by serving a major oil company. Sustainability for companies at the time meant taking responsibility to reduce negative environmental and social impacts. The efforts focused on reputation primarily and had little to do with the core business. As I stepped in in that period, that was my mindset too.

And then, towards the end of 2007, at a London conference The Prince of Wales's Accounting for Sustainability Project launched what must have been the first report on accounting for sustainability and argued that sustainability should be part of day-to-day decision-making and that reporting processes should mirror financial accounting practice. My (private) response was very skeptical: "a nice dream, but it will never happen". I should have known better.

The concept of 'accounting for sustainability' got settled in my mind and I noticed that in the years after I increasingly started to discuss the concept of integrated accounting for sustainability, if a company stated "sustainability was so important for them". In other words: Accounting for Sustainability had changed my mind back in 2007 and it only took me some time to realize that.

For me as a professional in this field, the focus that Accounting for Sustainability puts on the financial functionalities of organizations is the most powerful approach taken. It ensures that sustainability does not stay a separate topic, but instead enforces a direct discussion about the business relevance. As important to me is that involving this community is amongst the fastest ways to direct efforts and capital in the right direction to resolve some of the biggest challenges we face on earth.

I am very grateful therefore to be part of this community and to have been inspired by the approach that the Project has taken from its inception.

Looking forward, a long and challenging journey lies ahead. If I were to suggest the Project one thing in this regard, it would be to focus more strongly on the risks (even more than the opportunities) of sustainability issues. By now many of these are becoming, unfortunately, a risk to the business as Your Royal Highness knows best. Whether we like that or not, the majority of



organizations and their CFOs do not belong to the 'converted'. However, once they learn about material financial risks, understanding and action both rise quickly. It is my conviction that increasing awareness about these without focusing too much on the end goal of a sustainable world will get us there faster than anticipated – and the Accounting for Sustainability Project is ideally placed for such awareness raising.

I wish Your Royal Highness and the Accounting for Sustainability Project a very prosperous future and look forward to staying a member of the community.

Yours sincerely,

A handwritten signature in blue ink, appearing to read 'Wim Bartels', written over a light blue circular stamp or watermark.

Wim Bartels
Partner KPMG Sustainability