

## **Learning Objectives**

- Identify the potential economic impacts and financial risks of climate change.
- Recognize disclosure practices that are consistent with leading sustainability reporting frameworks.
- Identify areas of accounting and financial statement disclosures that are impacted by climate-related and other emerging risks

### **CHAPTER 1 – CLIMATE CHANGE AND THE ECONOMY**

- 1.1 WHAT IS CLIMATE CHANGE?
  - 1.1.1 Climate change defined
  - 1.1.2 Causes of climate change
  - 1.1.3 Macroeconomic effects of climate change
- 1.2 ENVIRONMENTAL POLICY
  - 1.2.1 History of U.S. environmental policy
  - 1.2.2 The origins of the Environmental Protection Agency (EPA)
  - 1.2.3 EPA climate change policies
- 1.3 CLIMATE CHANGE AND FINANCIAL RISKS
  - 1.3.1 Financial risks
  - 1.3.2 Climate change risks
  - 1.3.3 History of climate change risks in financial markets

### **CHAPTER 2 – SUSTAINABILITY DISCLOSURES**

- 2.1 WHAT IS SUSTAINABILITY REPORTING?
  - 2.1.1 Sustainability and 'ESG' issues
  - 2.1.2 Sustainability reporting
  - 2.1.3 Triple bottom line theory
  - 2.1.4 Greenwashing
- 2.2 CURRENT SUSTAINABILITY REPORTING GUIDANCE
  - 2.2.1 Global Reporting Initiative Standards
  - 2.2.2 Sustainability Accounting Standards
  - 2.2.3 Recommendations of the Task Force on Climate-Related Financial Disclosures
- 2.3 THE FUTURE OF SUSTAINABILITY REPORTING
  - 2.3.1 International Sustainability Standards Board (ISSB)
  - 2.3.2 SEC Proposed Climate Disclosure Requirements

### **CHAPTER 3 – CLIMATE CHANGE ACCOUNTING**

- 3.1 MATERIALITY JUDGMENTS
  - 3.1.1 Materiality under IFRS
  - 3.1.2 Materiality under U.S. GAAP
- 3.2 FINANCIAL ACCOUNTING IMPACTS
  - 3.2.1 Fair value measurements
  - 3.2.2 Asset impairments
  - 3.2.3 Contingencies
  - 3.2.4 Credit losses on financial instruments