

Climate Change Accounting and Sustainability Reporting

Course Description

Climate-change and sustainability are topics that are increasingly on the minds of investors and other stakeholders. Companies are increasingly subject to nonfinancial reporting requirements relating to environmental, social and governance factors. For example, sustainability reporting requirements are increasingly impacting the investment and lending activities of global financial institutions. Investors now expect businesses to frame decisions in terms of environmental, social, and human impact for the long-term, rather than on short-term gains such as next quarter's earnings report. This course reviews the prevailing sustainability reporting and the nonfinancial reporting frameworks.

This course also reviews the accounting for climate-change risks under U.S. Generally Accepted Accounting Principles (U.S. GAAP) and International Financial Reporting Standards (IFRS). While these Standards do not cover climate-change risks and other emerging risks explicitly, they do address issues that relate to them. This course reviews the application of those Standards and the related guidance on materiality to climate and other emerging risks.

Completion Deadline & Exam: This course, including the examination, must be completed within one year of the date of purchase.

Course Level: Overview. This program is appropriate for professionals at all organizational levels.

CPE Credits: 3.5 (CPA)

Category: Accounting

Prerequisite: None.

Advanced Preparation: None

Course Learning Objectives

Chapter 1: Climate Change and the Economy

1. Identify 'climate change' and 'global warming' and the factors that are believed to cause these trends.
2. Recognize the potential economic impacts of climate change.
3. Identify the financial risks associated with climate change.

Chapter 2: Sustainability Disclosures

1. Recognize how companies supplement their traditional financial statements with nonfinancial disclosures that highlight ESG (environment, social, and governance) issues.
2. Identify the potential benefits of strong sustainability reporting practices and the potential pitfalls of “greenwashing”.
3. Recognize disclosure practices that are consistent with leading sustainability reporting frameworks.

Chapter 3: Climate Change Accounting

1. Recognize best practices for disclosing material information about climate-related and other emerging risks in the financial statements.
2. Identify areas of accounting that are impacted by climate-related and other emerging risks.