May 23, 2019

Christie Stephenson
Executive Director, Peter P. Dhillon Centre for Business Ethics
UBC Sauder School of Business

christie.stephenson@sauder.ubc.ca @c_e_stephenson#DhillonEthics



Prior to joining UBC Sauder, Christie spent more than 15 years at socially responsible and impact investing firms Sustainalytics, NEI Investments (Ethical Funds), and Purpose Capital.

She currently a governance committee member at BlueShore Financial and serves on the boards of Canadian Business for Social Responsibility and the UBC Staff Pension Plan.

- I. Environmental, Social and Governance Issues & Business
- II. Non-Financial Disclosure Reporting
- III. Voluntary ESG Reporting Frameworks
- IV. ESG Reporting in Practice
- V. Final Considerations for Accounting Educators

- I. Environmental, Social and Governance Issues & Business
- II. Non-Financial Disclosure Reporting
- III. Voluntary ESG Reporting Frameworks
- IV. ESG Reporting in Practice
- V. Final Considerations for Accounting Educators







- I. Environmental, Social and Governance Issues & Business
- II. Non-Financial Disclosure Reporting
- III. Voluntary ESG Reporting Frameworks
- IV. Final Considerations for Accounting Educators

Non-Financial Disclosure Terminology



Variety of terms related to non-financial disclosure including:

- Corporate Social Responsibility (CSR)
- Sustainability
- Environmental, Social and Governance (ESG)

Non-financial (ESG) reporting trends

- Has significantly increased over part 20 years for both smaller and larger entities
- However, still more reporting at larger, public, companies
- North America still lags Europe



... Non-financial (ESG) reporting trends

- Interest in non-financial reporting by stakeholders, including investors
- Mix of mandatory and voluntary requirements
- Investors report being most interested in high impact companies (ex. extractives)
- Increasingly examples/support for small and medium sized enterprises reporters
- Increasing undertaken by non-public companies: for instance, cooperatives, crown corporation, and entities

- I. Environmental, Social and Governance Issues & Business
- II. Non-Financial Disclosure Reporting
- **III. Voluntary ESG Reporting Frameworks**
- IV. Final Considerations for Accounting Educators

There are numerous voluntary reporting frameworks

Intended for difference audiences

Varied thematic focuses

At difference stages of development











Most widely used non-financial reporting framework

Intended for multi-stakeholder audience

Covers comprehensive range of ESG issues

One of the first frameworks and at a stage of maturity



Began as Carbon Disclosure Project

Focused on environmental issues

One of the early frameworks

Intended for variety of reporters (not just companies)



Focuses on material, decisionuseful information to investors

Sector-based disclosure

Relatively recent; still developing

Powerful backers - seems to have momentum



Integrated Reporting established by International Integrated Reporting Council

Aims to represent value creation, combining two annual financial and sustainability/CSR reporting

Notion of six "capitals": financial, manufactured, human, social & relationship, intellectual, and natural



Task Force on Climate-Related Financial Disclosures

Very focused thematically

Like SASB: evolving, powerful backers and momentum



Not a disclosure framework; but influencing disclosure expectations and opportunities









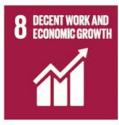








13 CLIMATE ACTION





















- I. Environmental, Social and Governance Issues & Business
- II. Non-Financial Disclosure Reporting
- III. Voluntary ESG Reporting Frameworks
- **IV. Final Considerations for Accounting Educators**

Practical and ethical implications for future of accounting and accounting educators



