

ESG PERFORMANCE REPORTING

International MBA IMBA-EN SEP-2024 S-SMS

Area Accounting and Management Control

Number of sessions: 15

Term: Concentrations

Category: regular

Language: English

Professor: **SILVIU GLAVAN**

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Silviu's current research interest is on ESG/Sustainability Reporting, in particular on ESG regulation evolution, big banks commitment to sustainability, mutual funds greenwashing, and the interference between Sustainability Reporting and the "standard" Financial Reporting.

Other research interests are situated at the convergence of international finance and accounting, focusing on the IFRS (International Financial Reporting Standards) adoption around the world. In particular, he studies the impact of the "fair value accounting" (i.e. mark-to-market or mark-to-model) for financial instruments on the real decisions (portfolio allocation / risk management) of the financial institutions.

He participated as a researcher in many projects, financed with public or private funding, like: Asset Pricing and Risk Management, Risks: analysis, management and applications, The Last Financial Crisis: a Finance-Accounting Approach, Pricing and Risk Management of volatility derivatives, Credit Risk Management, Financial Risks: Software for measurement and management.

His recent publications include an analysis of the unintended consequences of shifts in regulation: application of Fair Value accounting in banks and the last main financial crisis, published by the Bank of Spain Financial Stability Review, and is the co-author of a book about the evolution of the Spanish financial system during the recent years.

His teaching experience comprises ESG Reporting, Sustainability Reporting, International Finance, Financial Derivatives, Risk Management, Fixed Income Securities and Other Derivatives, Financial Accounting and IFRS Accounting for the undergraduate level and graduate level with different programs: BBA, Master in Financial Engineering, Master in Financial Analysis, Master in Actuarial Science and Finance, Master in Industrial Organization and Markets. He is the coordinator of the Finance-Accounting undergraduate sequence at the IE University and the Director of the Finance Lab for Segovia Campus.

Academic Qualifications

Ph. D. in Business Administration and Quantitative Methods (Accounting and Finance track), Carlos III University, 2010

Master in Statistics and Optimization, Bucharest University, 2000

B.Sc. in Applied Mathematics (Actuarial Science), Bucharest University, 1998

Academic Experience

Assistant Professor, IE University, 2013-present

Assistant Professor, Navarra University, 2010-2013

Teaching Assistant, Carlos III University, 2003-2010

Fields of interest: Fair Value Accounting, Banking Regulation, Risk Management, Asset Pricing

Professional Experience

Consultancy in developing financial software, 2007-present

Insurance Broker, AON, 1999-2003

Office Hours

Office hours will be on request. Please contact at:

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SUBJECT DESCRIPTION

The recently created Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS) require all large companies in Europe and listed SME to report using common mandatory sustainability standards. 50,000 companies are required to comply with this regulation. Due to the lack of specialists in reporting, the European Commission postponed the implementation of these standards from mid-2024 to mid-2026, in order to allow more time for preparing new experts in the field.

Also, at the global level, as the focus on environmental, social, and governance (ESG) issues intensifies, organizations are increasingly recognizing the importance of transparently communicating their sustainability performance to stakeholders. Moreover, businesses are increasingly mandated to disclose their ESG impacts, creating a growing demand for professionals specialized in Sustainability/ESG reporting and compliance.

The purpose of this course is to help students interested to work into the sustainability or ESG fields (or in a closed relation with them) to familiarize themselves with the hot topics of the sector, and to have a competitive advantage into the job market by realizing a solid academic work. It provides a comprehensive introduction to the theory, principles, and practical applications of Sustainability/ESG performance reporting.

Through this course, you will gain a deep understanding of the newly created sustainability reporting frameworks, standards, and best practices, and use critical thinking to analyze sustainability reports, thus equipping you with the knowledge and skills needed to navigate this evolving field. Also, you will be able to identify the benefits (capital markets effects, interaction with all stakeholders, etc.) of preparing sustainability reports even when they are not mandatory, and in general to quantify the impact of company's effort for improving ESG scores.

More specific, by mastering ESG Performance Reporting you will find yourselves at the forefront of a rapidly expanding field, opening doors to diverse career opportunities in corporate governance, sustainability consultancy, compliance, and beyond. This course is not just about meeting the demands of today's job market; it's about shaping the leaders who will drive the sustainable transformation of tomorrow's business landscape.

LEARNING OBJECTIVES

- Understand the concept of sustainability reporting and its significance in the context of sustainable development.
- Explore various sustainability reporting frameworks, such as Global Reporting Initiative (GRI), Sustainability Accounting Standards Board (SASB), and Integrated Reporting Framework (IRF).
- Examine the key components of sustainability reports, including environmental impact, social responsibility, and corporate governance.
- Learn to collect, analyze, and interpret relevant sustainability data and metrics for reporting purposes.
- Develop the ability to critically evaluate the credibility and transparency of sustainability reports.
- Understand the challenges and opportunities associated with sustainability reporting in different industries and sectors.
- Analyze case studies and engage in discussions to deepen understanding of sustainability reporting issues and dilemmas. Incorporate sustainability information into traditional financial and valuation analyses.

TEACHING METHODOLOGY

IE University teaching method is defined by its collaborative, active, and applied nature. Students actively participate in the whole process to build their knowledge and sharpen their skills. Professor's main role is to lead and guide students to achieve the learning objectives of the course. This is done by engaging in a diverse range of teaching techniques and different types of learning activities such as the following:

Learning Activity	Weighting
Lectures	26.7 %
Discussions	13.3 %
Exercises in class, Asynchronous sessions, Field Work	13.3 %
Group work	20.0 %
Individual studying	26.7 %
TOTAL	100.0 %

AI POLICY

In today's world, generative artificial intelligence (GenAI) is changing how we work, study and, in general, how we get things done. However, in the context of this course, the use of GenAI is not permitted, unless it is otherwise stated by the instructor. The use of GenAI tools would jeopardize the students' ability to acquire fundamental knowledge or skills of this course.

If a student is found to have used AI-generated content for any form of assessment, it will be considered academic misconduct, and the student might fail the respective assignment or the course.

PROGRAM

SESSION 1 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Overview of the course and introduction to sustainability concepts

- Timeliness
 - Relevance
 - How do companies approach sustainability?
- Readings: TBA on Blackboard

SESSION 2 (LIVE IN-PERSON)**Sustainability Topics:**

- Environment
- Governance
- Social Challenge
- Economic Development

Defining Sustainability throughout time

- Corporate Social Performance
 - Corporate Social Responsibility
 - ESG
 - Green Reporting
- Readings: TBA on Blackboard

SESSION 3 (LIVE IN-PERSON)**Sustainability Topics:**

- Environment
- Governance
- Social Challenge
- Economic Development

Sustainability Reporting Stakeholders

- Stakeholders
 - Costs and benefits to different stakeholders
- Readings: TBA on Blackboard

SESSION 4 (LIVE IN-PERSON)**Sustainability Topics:**

- Environment
- Governance
- Social Challenge
- Economic Development

Sustainability Disclosure Framework and Standards

- Chronological overview
 - GRI
 - SASB
 - EU Commission Framework
 - Local differences around the world
- Readings: TBA on Blackboard

SESSION 5 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Sustainability Disclosure Framework and Standards

- Chronological overview
 - GRI
 - SASB
 - EU Commission Framework
 - Local differences around the world
- Readings: TBA on Blackboard

SESSION 6 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Sustainability Disclosure Framework and Standards

- Chronological overview
 - GRI
 - SASB
 - EU Commission Framework
 - Local differences around the world
- Readings: TBA on Blackboard

SESSION 7 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Defining Materiality and ESG Reporting

- KPIs
- ESG Scores
- Rating Agencies

Readings: TBA on Blackboard

SESSION 8 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Defining Materiality and ESG Reporting

- KPIs
- ESG Scores
- Rating Agencies

Readings: TBA on Blackboard

SESSION 9 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Integrating Sustainability Analysis with Financial Analysis and Valuation

- Introduction

Readings: TBA on Blackboard

SESSION 10 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Integrating Sustainability Analysis with Financial Analysis and Valuation

- Using sustainability reporting for business decision making
- Controversial ESG Issues

Readings: TBA on Blackboard

SESSION 11 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Integrating Sustainability Analysis with Financial Analysis and Valuation

- Using sustainability reporting for business decision making
- Controversial ESG Issues

Readings: TBA on Blackboard

SESSION 12 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

ESG Impact Evaluation, Risk Management and Analysis- Practical Case Analysis Projects

Suggested topics for case projects:

- Detecting Greenwashing through Sustainability Analysis
- Detecting Arbitrage Opportunities in Sustainability Regulations
- Comparative Analysis of ESG Rating Scores
- Impact of ESG Reporting on Company Performance

Readings: TBA on Blackboard

SESSION 13 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

ESG Impact Evaluation, Risk Management and Analysis- Practical Case Analysis Projects

Suggested topics for case projects:

- Detecting Greenwashing through Sustainability Analysis
- Detecting Arbitrage Opportunities in Sustainability Regulations
- Comparative Analysis of ESG Rating Scores
- Impact of ESG Reporting on Company Performance

Readings: TBA on Blackboard

SESSION 14 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

ESG Impact Evaluation, Risk Management and Analysis- Practical Case Analysis Projects

Suggested topics for case projects:

- Detecting Greenwashing through Sustainability Analysis
- Detecting Arbitrage Opportunities in Sustainability Regulations
- Comparative Analysis of ESG Rating Scores
- Impact of ESG Reporting on Company Performance

Readings: TBA on Blackboard

SESSION 15 (LIVE IN-PERSON)

Sustainability Topics:

- Environment
- Governance
- Social Challenge
- Economic Development

Group Projects Presentations and Course Wrap-up

EVALUATION CRITERIA

criteria	percentage	Learning Objectives	Comments
Group Presentation	40 %		
Class Participation	20 %		
Intermediate tests	20 %		
Case Studies	20 %		

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation. The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place. Grades for the reassessment are limited to a Low Pass and Fail. Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

BEHAVIOR RULES

Please, check the University's Code of Conduct [here](#). The Program Director may provide further indications.

ATTENDANCE POLICY

Please, check the University's Attendance Policy [here](#). The Program Director may provide further indications.

ETHICAL POLICY

Please, check the University's Ethics Code [here](#). The Program Director may provide further indications.

