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BEYOND ACCOUNTING

SUSTAINABILITY REPORTING

JANUARY 27TH 2026 AT 12.00PM EASTERN / 9.00AM PACIFIC / 5.00PM UK

For more visit: www.cawnetworkusa.com

How to Focus



The Lexicon of ESG

ESG is a framework to integrate environmental, social and governance risks and opportunities into a company's strategy to build long-term financial sustainability and value creation.

Sustainability is the ability of a company to exist constantly, meeting the needs of today without compromising the future generation.

Environmental

- Greenhouse gas (GHG) emissions:
air, land, water
- Energy consumption
- Energy efficiency
- Natural resource depletion
- Waste and pollution
- Deforestation
- Hazardous materials
- Biodiversity
- Exposure to extreme weather

Social

- Worker safety
- Employee diversity, equal opportunities
- Employee retention
- Supply chain: human rights, labor standards, child labor
- Customer satisfaction
- Product safety, mis-selling
- Data protection & Cyber security
- Community relationships

Governance

- Executive pay, demographics
- Risk management processes
- Compliance with accounting standards
- Responsible tax strategy
- Bribery and corruption
- Data breaches, cyber
- Political lobbying and donations
- Board diversity and structure

Standards vs Principles vs Frameworks



The WHAT: Frameworks provide principles-based guidance on how information is structured, how it is prepared, and what broad topics are covered.

The HOW: Standards provide specific, detailed, and replicable requirements for what should be reported for each topic, including metrics.

The WHY: Principles provides foundation concepts that guide financial reporting that are broad and conceptual.

Principles, Standards and Frameworks provide an actionable process that ensuring comparable, consistent, and reliable disclosure.

Frameworks, principles and **standards** are complementary and are designed to be used together.

Do you know the difference?

Pathway to ESG Disclosure



Reporting Standards



Standards detail requirements of what should be reported on each topic.

Frameworks developers



Frameworks provide a set of principles & guidance for how information should be structured.

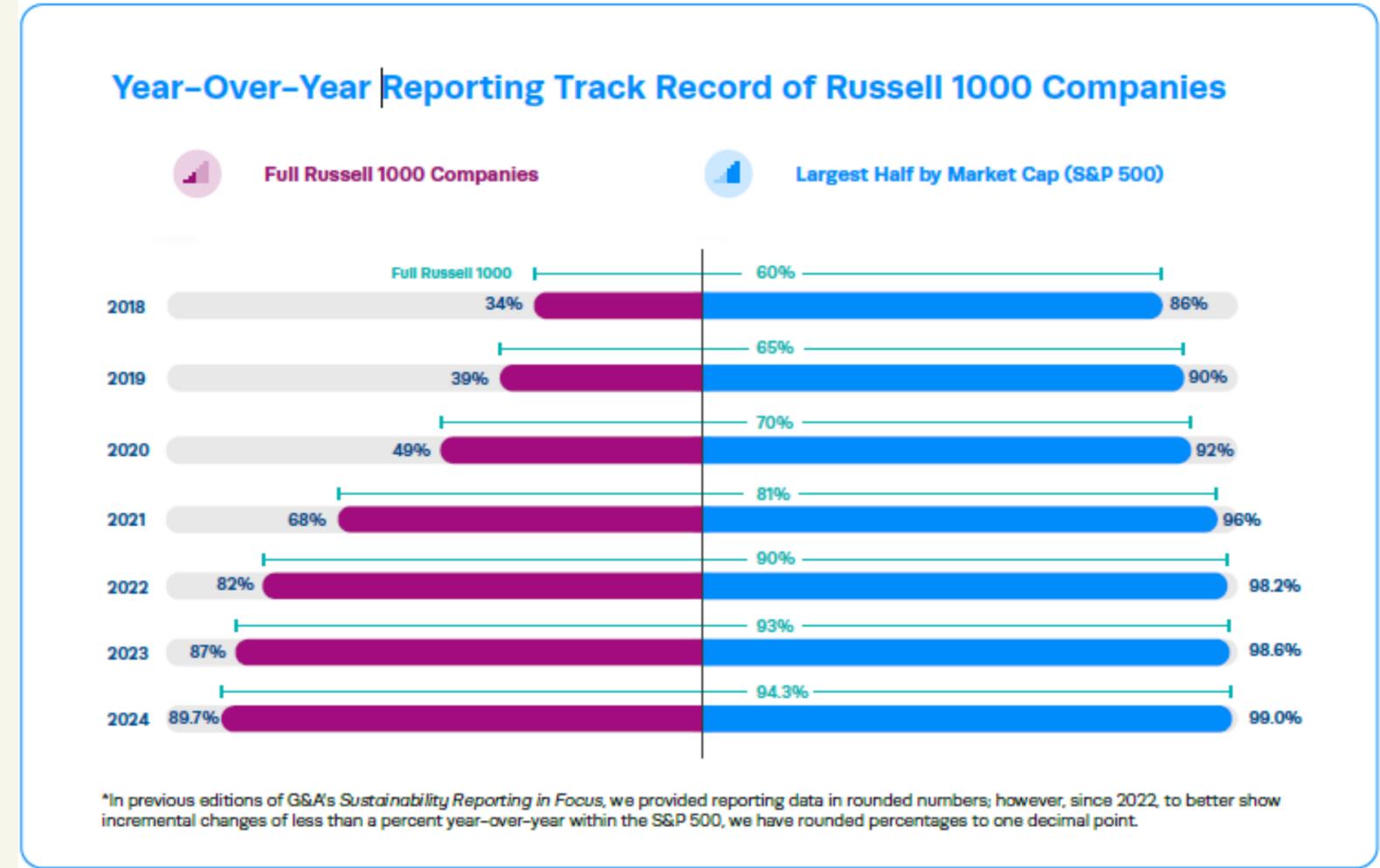
Rankers & Raters



ESG ratings helps investors evaluate a company's performance in ESG areas.

Current State of US Reporting

US Companies Continue to Strengthen Commitment to Sustainability Reporting!



The Shift to Integration of Sustainability

Reduce Costs

- Attract and retain the best talent
- Increase labor productivity
- Improve operational efficiency, cut waste
- Better manage supply chains
- Reduce legal and operating risk, enhance resiliency
- Attract investment, lower the cost of capital

Increase Revenue

- Enhance brand equity
- Differentiate products
- Reduce the cost of distrust and confer license to operate
- Improve stakeholder partnerships

Strategic Opportunity

- Drive innovation
- Maintain competitive advantage
- Insulates from regulatory exposure
- Creates new markets
- Protects against stakeholder activism

Strong ESG Practices Can Benefit Companies and Investors: Here's How, Nasdaq.com, June 5, 2018.

2021 Outlook: Why, and how, the CFO should lead ESG efforts, CFO Dive website, January 12, 2021.

Two-Thirds of North Americans Prefer Eco-Friendly Brands, Study Finds, Barron's website, January 10, 2019.

KPMG 2020 CEO Outlook COVID-19 Special Edition.

The Role of Finance in ESG, KPMG, 2021

US SEC vs States

States with Disclosure Requirements

- California is the only state with a broad, economy-wide corporate GHG inventory mandate
- Minnesota has a narrower but already-operative climate-risk disclosure regime for very large banks and credit unions

Other States with Pending Legislation

- New York
- New Jersey
- Illinois
- Colorado
- Washington



Other changes in “The States”

US 120 pathway Restoration

In Effect Now

- Alaska
- Connecticut
- Georgia
- Hawaii
- Minnesota
- Montana
- Nevada
- New Mexico
- North Carolina
- Ohio
- Oregon
- Pennsylvania
- South Carolina
- Tennessee
- Virginia
- Washington

Passed, with a future effective date **2026**

- New Jersey
- Delaware
- Iowa
- Utah
- Texas
- New York

2027

- California
- Illinois
- Indiana

Polling Question 2

ESG and sustainability are interchangeable terms that mean the same thing.

- Agree
- Disagree
- Don't know

ISSB Global Baseline | IFRS S1 and IFRS S2

Comparison of IFRS S1 and S2

Sustainability- related financial risks and opportunities	Climate-related risks and opportunities
<p>Governance Processes and procedures for the management and prioritization of Sustainability-related risks and opportunities</p>	<p>Governance Processes and procedures for the management and assessment of climate-related risks, opportunities and resilience.</p>
<p>Value chain risks and opportunities Sustainability-related risks and opportunities stemming from areas such as workplace safety and labor rights in the value chain</p>	<p>Carbon Reduction Strategies and plans to transition to a lower-carbon economy, including the metrics and targets for monitoring progress.</p>
<p>Materiality assessment Identification and disclosure of material information concerning sustainability-related risks and opportunities</p>	<p>Greenhous gas emissions Transparent disclosure of the company’s Scope S, 2 and 3 GHG Emissions, providing a clear view of the its impact.</p>

TCFD Pillars and Recommendations

The task force structure is organized around four thematic areas that represent core elements of how organizations operate. The four pillars cover governance, strategy, risk management, and metrics and targets.



Recommendation	Detail
Governance	The organisation's governance around climate-related risks and opportunities.
Strategy	The actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy, and financial planning.
Risk Management	The processes used by the organisation to identify, assess, and manage climate-related risks.
Metrics and Targets	The metrics and targets used to assess and manage relevant climate-related risks and opportunities

Source: Task Force on climate related Financial Disclosures Status Report (2021)

**Climate first ...
not climate only**



**The FOCUS:
Environment, first ... Nature next!**



Nature in the Spotlight?

Potential monetary value

Traditional economy

Goods & Services: \$96.5 trillion^(b)

Asset Value: \$1,540 trillion^(c)

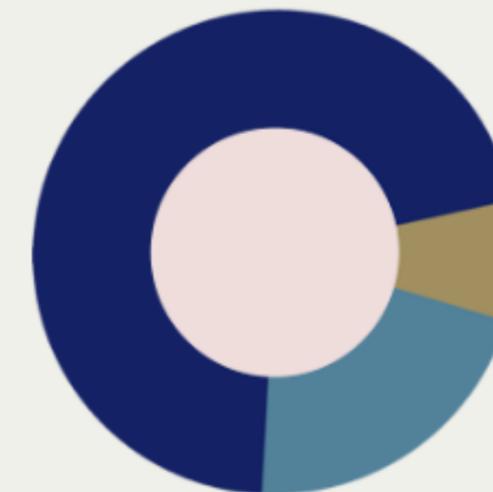
Nature's economy

Goods & Services: \$125 trillion^(d)

Asset Value: \$5,000 trillion^(e)



Do institutional investors think of investments in nature as a new asset class?



- 71%** Yes, and it will evolve into a distinct group of investments in natural assets which will be categorised as a new asset class.
- 8%** Some nature investments will be classified as a new asset class, but not all.
- 21%** No, grouping investments in nature or sub-sets of nature as one asset class isn't helpful.

Why is Nature in the Spotlight?

- Society couldn't function without the vital benefits and services provided by nature, but these resources require investment for maintenance and growth.
- While the preservation of nature is necessary for the world's economy and a critical pathway for climate change mitigation, it's largely been left out of the investment focus.
- This exclusion has led to a lack of systemic protections for nature and the ecosystem services it provides, resulting in degradation that's now reaching a critical tipping point.
- To move at the scale and speed needed to address climate change and biodiversity loss, a capital markets solution is required.
- Such a solution should benefit land stewards as owners, not simply as beneficiaries, alongside investors.

-70%

Earth has lost ~70% of animal populations in the past 50 years—putting ecosystem functioning at great risk.^(a)

-700b

The financing gap to address biodiversity loss is about \$700bn/year, more than 5x current investment levels.^(b)

\$125t

Nature produces \$125 trillion worth of benefits, goods, and services annually.^(c)

(a) Living Planet Report 2022, WWF and Zoological Society of London.

(b) Financing Nature Report, The Nature Conservancy (in partnership with the Paulson Institute and the Cornell Atkinson Center for Sustainability).

(c) How much is nature worth? \$125 trillion, according to this report, World Economic Forum, Paulson Institute, World Wildlife Fund.

Task Force on Nature-related Financial Disclosures

The Taskforce on Nature-related Financial Disclosures (TNFD) has developed a set of disclosure recommendations and guidance that encourage and enable business and finance to assess, report and act on their nature-related dependencies, impacts, risks and opportunities



The TNFD: A Voluntary Framework Focused on Assessment and Disclosure



TNFD: A Voluntary Framework Focused on Assessment and Disclosure

DIRO = Dependencies, impact, risks and opportunities

Dependencies and impact are the key differences from TCFD Framework

What are Natural Assets?

NATURAL ASSETS ARE NATURALLY OCCURRING RESOURCES AND ECOSYSTEMS THAT YIELD GOODS AND SERVICES USEFUL TO HUMANS

Tangible resources

- Minerals and forests

Ecosystem functions

- Pollination
- Water purification

EXAMPLES

- Air provides oxygen and regulates climate
- Water, rivers, lakes supply drinking water and support agriculture
- Soil supports agriculture and vegetation
- Forests provide timber, absorb carbon dioxide, and host biodiversity
- Oceans and fisheries supply food and regulate the global climate
- Biodiversity ensures resilience and productivity of ecosystems
- Minerals and fossil fuels used for energy and materials

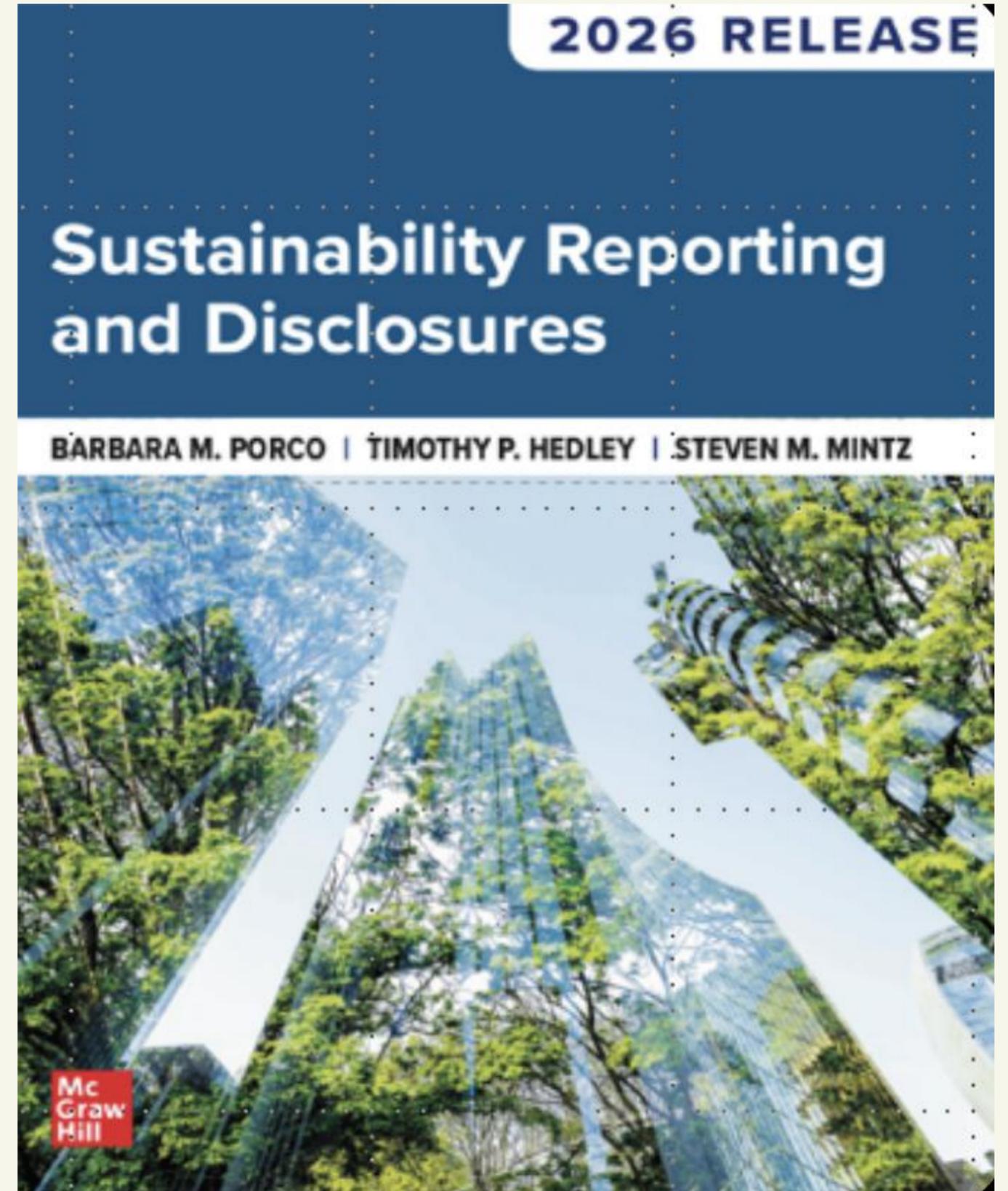


How To Stay Current

- **Webinars**
- **Conferences**
- **Credentials**
- **Certificate Programs**
- **Upskilling Programs**
- **Graduate Programs**



**Book launching
in 2026!**



Book Chapter Examples.

- Long-Term Importance of Sustainability
- Examples of Sustainability Reports
- The Language of Sustainability
- Stakeholders and Market Drivers
- Issues with ESG Investing
- Greenwashing
- Assurance
- Steps to Integrate
- Sustainability Strategy
- Materiality Assessments
- Determine Key Performance Indicators
- Setting Sustainability Goals
- Common Mistakes
- Government's Role in Controlling Externalities
- Policies and Regulations
- Market-based Approaches
- Additional Paths to Internalization
- Project-Based Offset Markets
- Corporate Social Responsibility Programs
- Public Benefit Corporations
- Certified B Corps
- Essential Elements of Sustainability Accounting
- Tangible, Intangible, and Sustainability Assets
- Natural Assets and Natural Asset Companies
- Sustainability Asset Management and Measurement

Q&A
THANK YOU!