

# LEVEL I CURRICULUM OUTLINE

## PART I: THE NEED FOR SUSTAINABILITY ACCOUNTING STANDARDS

### 1. Demand for Sustainability Information

- 1.1. Growing Investor Demand
- 1.2. Demand Within Companies
- 1.3. Other Institutions Driving Demand

### 2. The Historical Basis for Disclosure

- 2.1. The Aftermath of the Stock Market Crash of 1929
- 2.2. Disclosure as the Basis of Regulatory Reform
- 2.3. Materiality: A Guiding Principle for Disclosure
- 2.4. The Road to Standardized Accounting Procedures

### 3. The Shortcomings of Financial Disclosure

- 3.1. Financial Information Beyond the Financial Statements: The Use of Non-GAAP
- 3.2. The Changing Nature of Market Value
- 3.3. Measuring and Reporting Non-financial Information
- 3.4. A New Tool for Investors
- 3.5. Sustainability Reporting's Unique Challenges

### 4. Sustainability Disclosure Guidance Among Global Jurisdictions

- 4.1. The Growing Prevalence of Disclosure Guidance
- 4.2. Types of Guidance Shaping Global Disclosure Rules
- 4.3. The Influence of Corporate Governance Codes
- 4.4. Balancing Flexibility with Usability

### 5. The Sustainability Disclosure Ecosystem

- 5.1. Growth of the Ecosystem: A Maturing Industry
- 5.2. What Shapes ESG Data Quality?
- 5.3. A Closer Look: Sustainability Disclosure Frameworks and Standards
- 5.4. A Coherent System for Comprehensive Reporting

### 6. Materiality Throughout Global Jurisdictions

- 6.1. Little Word, Big Implication
- 6.2. Traditional Materiality in the Context of Current Disclosure Requirements
- 6.3. Materiality in the Context of Sustainability Information
- 6.4. Companies Make the Decision
- 6.5. Financial Materiality of Information vs. Financial Materiality of Topics

## PART II: UNDERSTANDING SASB STANDARDS

### 7. Introduction to SASB Standards

- 7.1. The Importance of Standards
- 7.2. Primary Objectives of SASB Standards
- 7.3. Additional Objectives of SASB Standards

### 8. Setting SASB Standards: Identifying Disclosure Topics and Metrics

- 8.1. SASB's Approach to Standard-Setting
- 8.2. Evidence-Based Research
- 8.3. Choosing Disclosure Topics and Metrics
- 8.4. Market Feedback and Participation
- 8.5. Sustainability Industry Classification System (SICS) and Its Implication
- 8.6. Evolving with the Marketplace

### 9. How Companies Disclose Using SASB Standard

- 9.1. Introduction to Sample Disclosures
- 9.2. Why Do Companies Report Using SASB Standards?
- 9.3. Where Do Companies Disclose Using SASB Standards
- 9.4. What Sustainability Information Are Companies Reporting?
- 9.5. How Is Sustainability Information Being Disclosed?

## PART III: USING SASB STANDARDS

### 10. Corporate Use

- 10.1. Investor Demand for ESG
- 10.2. Considerations for Corporate Use
- 10.3. Preparing for Disclosure
- 10.4. Preparing Quality Data
- 10.5. Reporting Financially Material Sustainability Data
- 10.6. Managing Sustainability Performance

### 11. Investor Use

- 11.1. Overview of Sustainability in Investing
- 11.2. A Spectrum of the Use of Sustainability Information
- 11.3. Investor Application of Industry-Agnostic vs. Industry-Specific Sustainability Data
- 11.4. The Pre-Investment Stage
- 11.5. Index Construction and Sector Allocation
- 11.6. Post-Investment Engagement
- 11.7. Investor Reporting
- 11.8. Creating an Effective Framework
- 11.9. Data Is the Backbone

## CONCLUSION

## PREPARING FOR THE EXAM

## SAMPLE QUESTIONS

## GLOSSARY OF KEY TERMS

## APPENDIX I: RESOURCES FOR ENHANCED UNDERSTANDING

# LEVEL I LEARNING OBJECTIVES

- 1 **IDENTIFY** the factors influencing investor use of sustainability information
- 2 **RECOGNIZE** why the historical evolution of financial and non-financial disclosure practices is relevant for today's global capital markets
- 3 **IDENTIFY** how and why sustainability accounting and disclosure has evolved to supplement financial accounting and disclosure
- 4 **DISTINGUISH** how "materiality" is defined and used globally in the context of disclosure
- 5 **DIFFERENTIATE** between sustainability-related disclosure guidance based on key characteristics
- 6 **COMPARE** organizations in the sustainability accounting and disclosure ecosystem
- 7 **RECALL** the objectives of SASB Standards, the tenets of SASB's approach, and the characteristics of SASB disclosure topics and accounting metrics
- 8 **RECALL** the structure of SASB Standards
- 9 **DESCRIBE** SASB's current standard-setting process
- 10 **DISCERN** the implications of SASB's Sustainability Industry Classification System® (SICS®)
- 11 **DIFFERENTIATE** how companies disclose information aligned with SASB Standards, including special disclosure situations
- 12 **IDENTIFY** how investor demand for sustainability information shapes corporate disclosure and performance management practices
- 13 **RECOGNIZE** the cross-functional nature of preparing sustainability disclosures
- 14 **DISTINGUISH** the stages of sustainability disclosure
- 15 **IDENTIFY** the influence of board governance, internal controls, and third-party assurance on the reliability of sustainability information
- 16 **RECOGNIZE** the role of sustainability management in corporate strategy and risk management
- 17 **IDENTIFY** how sustainability information is used in public equities (active and passive)
- 18 **IDENTIFY** how sustainability information is used in corporate fixed income
- 19 **IDENTIFY** how sustainability information is used in private markets
- 20 **IDENTIFY** the challenges investors face in using sustainability information and how those challenges impact the market