

Does Corporate Social and Environmental Reporting Really Matter?

QUASI Seminar Series

Ken Pucker, Senior Lecturer, Fletcher School at Tufts University

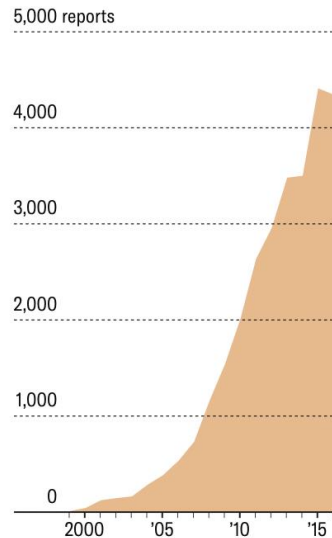
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”Overselling Sustainability Reporting: We’re Confusing Output with Impact,” HBR

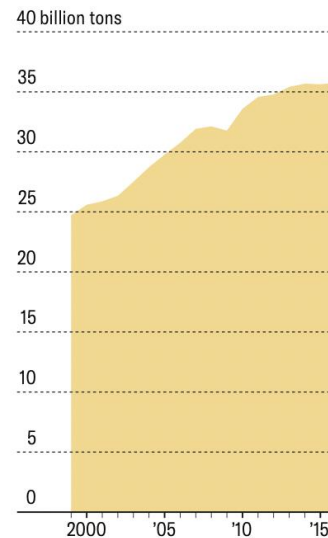
Growing CO₂ Levels Despite Heightened Attention

The dramatic increase in corporate reporting on social and environmental performance hasn’t curbed carbon emissions.

Corporate social responsibility reports
using Global Reporting Initiative standards



Global CO₂ emissions



Source: Global Reporting Initiative; Worldometer

- Not dispositive. Yet, true.
- More than 90% of public companies provide CSR reports...and
- Sustainability reporting instruments up 60% over the past 5 years
- Yet...only 1 in 5 public companies reports on its full emissions profile*
- And..less than 1% of companies report allocations vs. planetary boundaries

* CDP findings <https://www.esgtoday.com/cdp-only-a-third-of-corporate-emissions-reduction-targets-are-credible/>

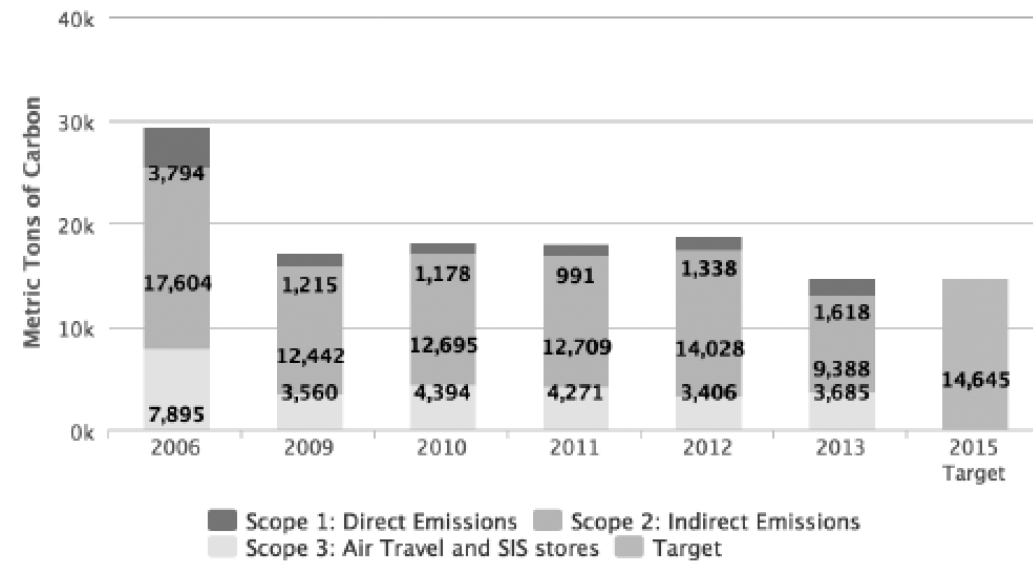
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Timberland's Progress

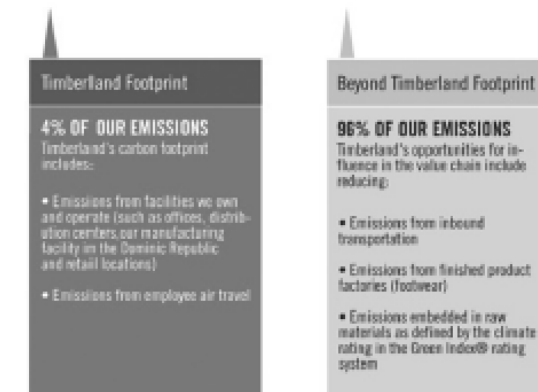
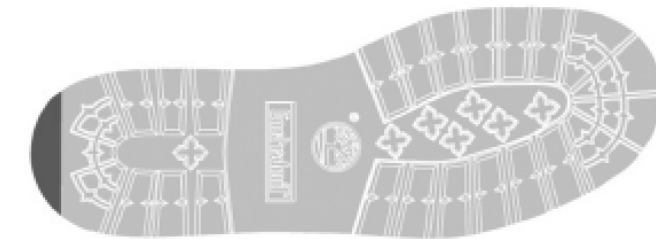
GOALS AND PROGRESS

Greenhouse Gas Emissions Inventory

For Timberland owned and operated facilities, and employee air travel.



Timberland Carbon Footprint



Source: Timberland: responsibility.timberland.com

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Why So Little Progress?

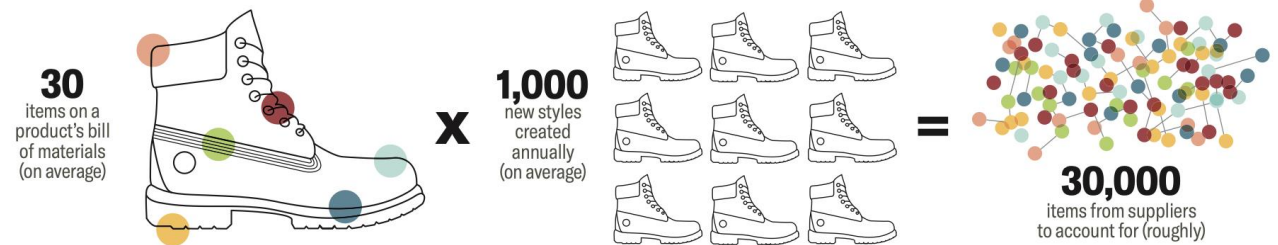
- It's hard and complex
- Shareholder / corporate priorities
- Data utility

The Terminal
Bloomberg Professional Services

Company	GhG
VFC	112.3
Adidas	26.8
Nike	317.4
Columbia	400.1

The Challenge of Tracking Scope 3 Emissions

Assessing a firm's scope 3 greenhouse gas emissions—those outside its direct control and unrelated to its purchased electricity—is a monumental task. For Timberland it would mean, in part, detailing the emissions generated by each supplier during the production and transport of some 30,000 product components annually.

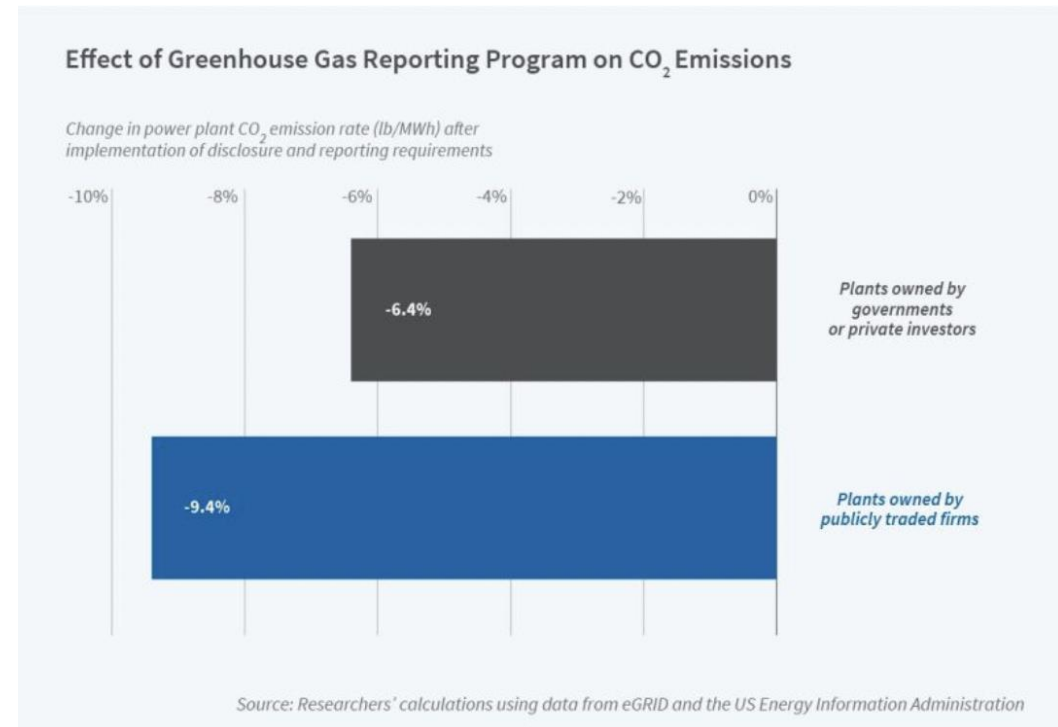


Note: This diagram oversimplifies the challenge. Fully assessing scope 3 emissions also requires data on the consumer-care and end-of-life phases of products (for example, the emissions generated when a garment is tumble dried or when a discarded pair of shoes is burned at an incineration site).

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What About Mandatory Reporting?

- Point of purchase calorie disclosure
- Dodd Frank: Pay Ratio:
2017: 312:1
2021: 351:1
- GHGRP: US Electric Power Plants



Point of Purchase Calorie Labelling Has Little Influence on Calories Ordered Regardless of Body Mass Index, Sarah Rendell and Charles Swencionis

The Real Effects of Mandatory CSR Disclosure on Emissions: Evidence from the Greenhouse Gas Reporting Program

Lavender Yang, Nicholas Z. Muller & Pierre Jinghong Liang

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So, What Would Work?

Heroic Accounting

New proposals for monetizing corporate planetary impacts are alluring, impossible, and perilous.

CITE SHARE COMMENT PRINT ORDER REPRINTS

By [Andrew A. King](#) & [Kenneth P. Pucker](#) | Sep. 20, 2021



Dr. Leah Stokes @leahstokes · Sep 24, 2020

What should we be doing instead? Following [@JoeBiden](#)'s lead with standards, investments, and justice.

- Set the rules of the road: 100% clean electricity by 2035
- Back it with strong investments: 20% of the federal budget!
- Center justice: 40% of funds to frontline communities