

Mannheim Master in Management

ACC/TAX 570 “ESG Regulation and Sustainability Reporting”

Professor Dr. Jannis Bischof, Prof. Dr. Holger Daske,
Prof. Dr. Philipp Dörrenberg, Prof. Stefan Reichelstein, Ph.D.
February 13, 2024 – May 28, 2024

Course Abstract

Environmental, social, and governance (ESG) factors are increasingly important for the long-run performance of companies and their sustainability management. Therefore, the reporting on these factors has gained attention from many private and public initiatives worldwide and recent regulations (such as the CSRD in the European Union) require disclosures of companies' ESG performance. Managers respond to the pressure from regulators and stakeholders by increasingly incorporating the measurement and monitoring of ESG targets in their internal performance evaluation. This course introduces the theoretical foundations, the regulatory framework as well as trends in current management practice of ESG reporting. Particular emphasis is laid on carbon disclosures and tax transparency.

Course Objectives

Students have developed an economic intuition for the theoretical foundations of targeted disclosure regulation. Specifically, they understand how public reporting requirements can support regulatory objectives with regard to ESG factors and they know institutional details of how ESG regulation in the corporate sector contributes to these objectives. They can relate their knowledge to applied cases on topics such as decarbonization and fair taxation.

Contact

Lecturers:

Jannis Bischof

Room O 252

Email: jbischof@uni-mannheim.de

Office hours by appointment

Holger Daske

Room O 261

Email: accap@uni-mannheim.de

Office hours by appointment

Philipp Dörrenberg

Room O 260

Email: doerrenberg@uni-mannheim.de

Office hours by appointment

Stefan Reichelstein
Room O 353
Email: reichelstein@uni-mannheim.de
Office hours by appointment

Teaching Assistants:

Vincent Giese, vincent.giese@uni-mannheim.de
Svea Holtmann, svea.holtmann@uni-mannheim.de
Tobias Kalmbach, tobias.kalmbach@uni-mannheim.de

Office hours by appointment

Course Organization

- (1) **Lecture:** The weekly lectures introduce the key content of the course. There will be one lecture each week during the term.

Tuesday, Schloss Ostflügel (15:30-17:00), Hall O 145, Start: Feb 13, End: May 28 (no lecture on Mar 26 and Apr 2)

- (2) **Case Study Session:** A real world case study will help you become familiar with the practical implementations of ESG reporting. You work in groups and develop solutions to the cases. The case study written reports count for 25% of your final grade. Submissions are due on the day before the cases are discussed in class.
- (3) **Exercise Session:** An exercise session is accompanying the lecture. We will discuss problem sets that directly relate to the content of the lecture and help you prepare for the written exam. The final exam counts for 75% of your final grade.

Guest Lecture:

Apr 23 (Hall O 145)
Dr. Christopher Ludwig, Taxes and Duties - International Tax, BASF
"BEPS and other tax rules in practice"

Thursday, Schloss Ostflügel (12:00-13:30), Hall O 148, Start: Feb 29, End: May 23 (no lecture on Mar 28, Apr 4, May 9, May 30) (see schedule below)

Course Composition and Teaching Methods

The lectures combine theoretical concepts and practical insights on ESG reporting. The accompanying case study sessions will further deepen the understanding of issues in the practical applications of ESG reporting. Selected case studies will be based on real-world examples.

The course is organized in three main parts:

- (1) The Economics of Non-Financial Disclosures
- (2) The Regulation of Non-Financial Disclosures
- (3) Tax Disclosures

You find a more detailed outline in the course schedule below.

Evaluation and Grading

A successful completion of the course will earn you 8 ECTS that count towards the electives in the MMM program.

The completion of the course includes your performance in the final exam (75%) and the case study sessions (25%). The final exam is a written test of 90 minutes length. The Student Office will organize the exam and it is supposed to be held on **June 5** (Retake in August). Please check the announcements of the Student Office carefully. Please contact the Student Office directly if you have any questions about the exam logistics.

For the case study sessions, students are expected to submit written reports that contain their assessments regarding the discussion points in the respective case studies. Students are allocated to groups to fulfill this task. Submissions are due on the day before the respective cases are discussed in class. We will provide additional information regarding the registration process for the case study, and group formation in a separate announcement in due course. The average grade received for the reports will count 25% towards the overall grade in this course.

The students will need to obtain (buy) the assigned case studies from the Harvard and Stanford business schools respectively. Both studies are copy-righted material and therefore cannot be circulated electronically.

Additional Information

Class courtesy: Students are expected to be in their seats with their cellphones turned off prior to the start of class. Laptop computers are allowed in class to make notes or read class-related materials. Browsing internet (including social networks websites) and chatting is not allowed. Such activities during the class distract attention of other students and are unethical.

Getting help: The ILIAS forum is a convenient way to ask brief questions about organization and content of the course. Instead of holding inflexible office hours, I am also available by appointment to answer more detailed questions or problems. In addition, the lecturers will always be available before and after class to answer brief questions.

Readings

We will use ILIAS “ACC/TAX 570: ESG Regulation and Sustainability Reporting [Ü] (FSS 2024)” for course announcements, class handouts, slides, cases, and articles. Please make sure you check the course website frequently.

Sessions

Date	Lecture	Lecturer	Date	Exercise Session	Lecturer
Tue, Feb 13	1: Conceptual Introduction	Jannis Bischof	Thu, Feb 15	-	
Tue, Feb 20	2: Transparency: Market Discipline and Real Effects	Jannis Bischof	Thu, Feb 22	-	
Tue, Feb 27	3: Transparency: Empirical Evidence	Jannis Bischof	Thu, Feb 29	1: Transparency Regulation	Vincent Giese
Tue, Mar 5	4: ESG Reporting: Conceptual Foundations	Holger Daske	Thu, Mar 7	-	
Tue, Mar 12	5: ESG Reporting: Regulatory Landscape	Holger Daske	Thu, Mar 14	2: ESG Reporting: Conceptual Foundations	Tobias Kalmbach
Tue, Mar 19	6: ESG Reporting: Environmental and Social Issues	Holger Daske	Thu, Mar 21	3: ESG Reporting: Environmental and Social Issues	Tobias Kalmbach
Tue, Mar 26	-		Thu, Mar 28	-	
Tue, Apr 2	-		Thu, Apr 4	-	
Tue, Apr 9	7: Case Study	Stefan Reichelstein	Thu, Apr 11	-	
Tue, Apr 16	8: Case Study	Stefan Reichelstein	Thu, Apr 18	-	
Tue, Apr 23	9: (N.N.)		Thu, Apr 25	-	
Tue, Apr 30	10: ESG Reporting & Taxation	Philipp Dörrenberg	Thu, May 2	4	Svea Holtmann
Tue, May 7	11: Tax: Environmental	Philipp Dörrenberg	Thu, May 9		
Tue, May 14	12: Tax: Social	Philipp Dörrenberg	Thu, May 16	5: Guest Lecture	Christopher Ludwig (BASF)
Tue, May 21	13: Tax: Governance	Philipp Dörrenberg	Thu, May 23	6	Svea Holtmann
Tue, May 28	14: Q&A		-		

Exam: Final exam on June 5.

About the Lecturers

Prof. Dr. Jannis Bischof

(Professor of Accounting, Vice Dean of the Business School, University of Mannheim)

E-Mail: jbischof@uni-mannheim.de; LinkedIn [in](#): [Jannis Bischof](#)

Researched / taught previously at:

2014-15 Helaba Professor of Finance & Accounting, Goethe University Frankfurt

2013-14 Visiting Assistant Professor, University of Chicago Booth School of Business

2012-13 Post-Doc Scholar, University of Chicago Booth School of Business

2009-12 Assistant Professor, University of Mannheim

2007-08 Visiting Ph.D. Student, Harvard University

2006-07 Visiting Lecturer, ESSEC Business School

2004-08 Ph.D. Student, University of Mannheim

Fields of interests / research areas:

Financial and Managerial Accounting, Cost Accounting, Disclosure Regulation, Capital Markets, Banking

Selected publications:

“Asset Reclassifications and Bank Recapitalization During the Financial Crisis”, with Ulf Brüggemann and Holger Daske. *Management Science*, Vol. 69 (2023), pp. 75-100.

“How Do Non-Performing Loans Evolve along the Economic Cycle? The Role of Macroeconomic Conditions and Legal Efficiency”, with Nicolas Rudolf and Wilhelm Schmundt, *European Accounting Review*, Vol. 31 (2022), pp. 1149-1174.

“A Tale of Two Supervisors: Compliance with Risk Disclosure Regulation in the Banking Sector”, with Holger Daske, Ferdinand Elfers and Luzi Hail. *Contemporary Accounting Research*, Vol. 39 (2022), pp. 498-536.

“Kostenstruktur und Unternehmensflexibilität in der COVID-19-Krise”, with Christopher Karlsson, Davud Rostam-Afschar, Thomas Simon, and Dirk Simons. *Controlling & Management Review*, Vol. 66 (2022), No. 7, pp. 54-59.

“IFRS: Markets, Practice, and Politics”, with Kirstin Becker and Holger Daske. *Foundations and Trends in Accounting*, Vol. 15 (2021), pp. 1-262.

“Accounting for financial stability: Bank disclosure and loss recognition in the financial crisis”, with Christian Laux and Christian Leuz, in: *Journal of Financial Economics*, Vol. 41 (2021), pp. 1188-1217.

“Why Do Politicians Intervene in Accounting Regulation? The Role of Ideology and Special Interests”, with Holger Daske and Christoph Sextroh. *Journal of Accounting Research*, Vol. 58 (2020), pp. 589-642.

Additional publications: <https://ssrn.com/author=838730>.

Other positions:

Since 2020 Research Fellow at the SAFE Leibniz Institute for Financial Research

Since 2019 Principal Investigator of the German Business Panel

Since 2017 Head of the Mannheim Business School Supervisory Board (Finance Committee)

Since 2016 Academic Member of the EFRAG Financial Instruments Working Group

Since 2016 Department Editor (Financial Accounting) of the *Journal of Business Economics*

2015 Advisor to the European Parliament on IFRS 9 Endorsement

2004 Associate with KPMG

Prof. Dr. Holger Daske
(Professor of Accounting & Capital Markets, University of Mannheim)
E-Mail: accap@uni-mannheim.de

Researched / taught previously at:

2023 Visiting Professor, University of Navarra IESE Business School
2012 Visiting Professor, University of Sydney
2011 Visiting Professor, London Business School
2007-2010 Professor of Accounting (W2), University of Mannheim
2006-2007 Visiting Assistant Professor of Accounting, University of Pennsylvania The Wharton School
2005-2006 Visiting Post-Doc Scholar, University of Pennsylvania The Wharton School
2002 Research Scholar, Lancaster University
2001 Research Scholar at the University of Wales, Bangor, 2001
1999-2004 Research Associate and Lecturer, Goethe University Frankfurt

Fields of interests / research areas:

IFRS (standard-setting, interpretation, reporting practice, and enforcement), Capital markets and information economics, Corporate valuation, Accounting for financial instruments and financial institutions, Social reporting and real effects of disclosure, Data-analytics and empirical research

Selected publications:

"IFRS Adoption in the United States: An Analysis of the Role of the SEC's Chairs", with Kirstin Becker, Christoph Pelger and Stephen Zeff. *Management Science*, Vol. 42 (2023), 107016.

"Asset Reclassifications and Bank Recapitalization During the Financial Crisis", with Jannis Bischof and Ulf Brüggemann. *Management Science*, Vol. 69 (2023), pp. 75-100.

"A Tale of Two Supervisors: Compliance with Risk Disclosure Regulation in the Banking Sector", with Jannis Bischof, Ferdinand Elfers and Luzi Hail. *Contemporary Accounting Research*, Vol. 39 (2022), pp. 498-536.

"Why Do Politicians Intervene in Accounting Regulation? The Role of Ideology and Special Interests", with Jannis Bischof and Christoph Sextroh. *Journal of Accounting Research*, Vol. 58 (2020), pp. 589-642.

"Adopting a Label: Heterogeneity in the Economic Consequences Around IAS/IFRS Adoptions", with Luzi Hail, Chrisitan Leuz and Rodrigo Verdi. *Journal of Accounting Research*, Vol. 51 (2013), pp. 997-1029.

"Mandatory IFRS Adoption Around the World: early Evidence on the Economic Consequences", with Luzi Hail, Chrisitan Leuz and Rodrigo Verdi. *Journal of Accounting Research*, Vol. 46 (2008), pp. 51085-1142.

Additional publications: <http://ssrn.com/author=102016>.

Other positions:

Since 2007 Member of Schmalenbach-Gesellschaft Arbeitskreis Finanzierungsrechnung

2015-2019 Member of the IFRS Advisory Council with the IFRS Foundation

2015 Advisor to the European Parliament on IFRS 9 Endorsement

Prof. Dr. Philipp Doerrenberg
(Professor of Taxation, University of Mannheim)
E-Mail: doerrenberg@uni-mannheim.de

Researched / taught previously at:

2023 Visiting Professor, University of Oxford
2012 Visiting Researcher, Indiana University
2013-2018 Senior Researcher and Deputy Head of Research Unit, ZEW Mannheim
since 2016 Research Affiliate, CESifo
since 2012 Research Fellow, Institute for the Study of Labor (IZA)
since 2019 Research Associate, ZEW Mannheim

Fields of interests / research areas:

Topics: Firm and investor responses to taxation, tax planning, tax avoidance and tax evasion, tax uncertainty, applications of behavioral economics to taxation questions, sustainability in the context of tax and investor behavior, discrimination, paternalism. Data and Methods: administrative tax data, firm and investor level data, (field and lab) experiments, surveys and survey experiments.

Selected publications and recent work papers:

"How do taxes affect the trading behavior of private investors? Evidence from individual portfolio data", 2024, revise and resubmit, Management Science (with F. Buhlmann, B. Loos and Johannes Voget)
"Groups are more Libertarian than Individuals", 2023, revise and resubmit, Management Science (with C. Feldhaus, F. Koelle and A. Ockenfels)
"The German Business Panel: Insights on Corporate Taxation and Accounting during the Covid-19 Pandemic", revise and resubmit, European Accounting Review (with J. Bischof, D. Rostam-Afschar, D. Simons und J. Voget)
"How Does Firm Tax Evasion Affect Prices?", revise and resubmit, European Accounting Review (with D. Duncan)
"The (in)visible hand: do workers discriminate against employers?", forthcoming, Journal of Public Economics (with D. Duncan and D. Li)
"Do retirement savings increase in response to information about retirement and expected pensions?", 2018, Journal of Public Economics 158, pages 168-179 (with M. Dolls, A. Peichl and H. Stichnoth)
"Remittances and Public Finances: Evidence from Oil-Price Shocks", 2017, Journal of Public Economics 155, pages 122-137 (with Z. Asatryan and B. Bittschi)
"The elasticity of taxable income in the presence of deduction possibilities", 2017, Journal of Public Economics 151, pages 41-55 (with A. Peichl and S. Sieglöcher)
"Does the use of tax revenue matter for tax compliance behavior?", 2015, Economics Letters 128, pages 30-34
"Circumstantial Risk: Impact of future tax evasion and labor supply opportunities on risk exposure", 2015, Journal of Economic Behavior & Organization 109, pages 85-100 (with D. Duncan and C. Zeppenfeld)
"Experimental Evidence on the Relationship between Tax Evasion Opportunities and Labor Supply", 2014, European Economic Review 68(May), pages 48-70 (with D. Duncan)

Additional publications: <https://www.bwl.uni-mannheim.de/doerrenberg/team/prof-dr-philipp-doerrenberg/>.

Other positions:

since 2023 Speaker, Leibniz ScienceCampus Mannheim Taxation
since 2023 Principal Investigator, TRR 266 Accounting for Transparency (CRC/SFB)

Stefan Reichelstein, Ph.D.

(Professor of Business Administration, University of Mannheim)

E-Mail: reichelstein@uni-mannheim.de

Researched / taught previously at:

2018 - present Professor of Business Administration
University of Mannheim
William R. Timken Professor Emeritus
Graduate School of Business, Stanford University

2002 - 2018 William R. Timken Professor, Graduate School of Business, Stanford University

1996 - 2001 Michael N. Chetkovich Professor of Accounting,
Haas School of Business, University of California at Berkeley

1994 - 1996 Professor, Institut für Betriebswirtschaftslehre, University of Vienna

1993 - 1996 Professor, Haas School of Business, University of California at Berkeley

1990 - 1993 Associate Professor, Haas School of Business, University of California at Berkeley

1986 – 1990 Assistant/Associate Professor Graduate School of Business,
Graduate School of Business, Stanford University

1982-1986 Assistant Professor, Haas School of Business,
University of California at Berkeley

Fields of interests / research areas:

Financial and Managerial Accounting, Cost Accounting, Disclosure Regulation, Capital Markets, Banking

Selected publications:

"Advances in Power-to-Gas Technologies: Cost and Conversion Efficiency" (with G. Glenk and P. Holler), Energy and Environmental Science, October 2023

"Applications of the Levelized Cost Concept" (with G. Friedl, A. Bach, M. Blaschke, and L. Kemmer), Journal of Business Economics, August 2023.

"Corporate Carbon Reporting: Improving Transparency and Accountability" (with S. Comello and J. Reichelstein), One Earth, June 2023.

"Executive Compensation Tied to ESG Performance: International Evidence" (with S. Cohen, I. Kadar and G. Ormazabal), Journal of Accounting Research, June 2023.

"Getting a Clearer View of Your Company's Carbon Footprint" (with R. Kaplan, K. Ramanna), Harvard Business Review, (online), April, 2023.

Other positions:

2018 - present Director, Mannheim Institute for Sustainable Energy Studies

2018 - present Senior Fellow, Precourt Institute for Energy, Stanford University

2019 - present Research Associate, Zentrum fuer Europäische Wirtschaftsforschung, Mannheim

2012 – present Faculty Research Director, Steyer-Taylor Center for Energy Policy and Finance, Stanford University

2018 - present Faculty Lead, Energy Business Innovations, Stanford GSB

2010 – present Affiliate Faculty, Emmett Interdisciplinary Program in Environment and Resources, Stanford University

2000 – present Research Fellow, CESifo Institute, Munich, Germany

Vincent Giese**Teaching Assistant and Doctoral Student, University of Mannheim**

Vincent Giese joined the Accounting Track of the Center of Doctoral Studies in Business in September 2021. He holds a Bachelor's degree and a Master's degree in Business Administration from the University of Mannheim. Additionally, he holds a degree (M.Sc.) in Accounting, Financial Management and Control from Bocconi University, Milan. During his graduate studies, Vincent worked at the Chair of Business Administration and Accounting in Mannheim as a student assistant and tutor and held a similar position in the Area of Accounting Research at Bocconi University. He acquired practical experiences during a year of internships, one at an industrial company in the chemical sector and two in consulting/ corporate restructuring. Vincent has spent a research visit at Kenan-Flagler Business School (University of North Carolina at Chapel Hill). His research interests include the intersection of financial accounting and corporate governance as well as disclosure regulation and banking.

Dr. Svea Holtmann**Assistant Professor, University of Mannheim**

Svea Holtmann joined the University of Mannheim as an assistant professor in 2023. She holds a Bachelor's degree from the University of Passau and a Master's degree from the Catholic University of Eichstaett-Ingolstadt. From 2018 to 2023, she completed her PhD at the Catholic University of Eichstaett-Ingolstadt under the supervision of Prof. Dr. Reinald Koch and Prof. Dr. Dominika Langenmayr. During her PhD, she spent research visits in Copenhagen and Oxford. Her research focuses on the interplay between taxation and sustainability. In particular, she investigates how tax policy can support the achievement of sustainability goals.

Tobias Kalmbach**Teaching Assistant and Doctoral Student, University of Mannheim**

Tobias Kalmbach obtained a Bachelor's degree in Business Administration and a Master's degree in Management with a focus on Accounting from the University of Mannheim. During his studies, he spent two semesters abroad: the first one at EAFIT University, Colombia, and the second one at Bocconi University, Italy. Moreover, Tobias gained practical experience during two internships in audit and two internships in the corporate controlling department of internationally operating firms. Since August 2022, Tobias is a research and teaching assistant at the Chair of Accounting and Capital Markets. Tobias joined the Accounting Track of the Center for Doctoral Studies in Business (CDSB) in September 2022.