

> Thursday, December 7th, 2023

14:30 – 16:00

> ACCOUNTING

**RESEARCH
SEMINAR**



EMPOWERING CHANGEMAKERS FOR A BETTER SOCIETY

‘ACCOUNTING FOR CLIMATE ACTION STRATEGY’

BY MATIAS LAINE – TAMPERE UNIVERSITY

ABSTRACT

This qualitative case study discusses how climate change and carbon emissions are incorporated into various financial decision-making processes at a major industrial corporation. With runaway wildfires and flash floods becoming commonplace across the globe, grand challenges related to climate change are increasingly tangible and there are frequent calls for sustainability transitions. We maintain that accounting practices and sustainability information are highly significant when we consider the capability of corporations, financial markets and eventually societies more broadly to transition towards a sustainable low-carbon future. Accordingly, in this case study we make use of a dataset consisting of semi-structured interviews and documentary material to shed further light on the role accounting practices and calculative processes can play in organisations’ engagement with climate change. We use our empirical material to discuss how in seeking to mobilize a climate action strategy the case company developed new forms of accounting to assess, monitor and control its progress with carbon emissions. Through articulating climate change through different calculations, the company aimed at motivating action and hence making carbon considerations a priority in decision-making across the organisation. We show how new carbon accounting practices were implemented and made use of, and how the intertwining of these different calculations subsequently created trust in the numbers despite their underlying uncertainty. Moreover, we draw on ideas of performativity to discuss how the product carbon footprinting created by accountants was instrumental in making the company’s new low-carbon products exist.