EUROPRENEURSHIP & SUSTAINABILITY

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Kraków 2024

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Redaktor Wydawnictwa

Rafał Prostak

Published in Krakow

Publisher

Wydawnictwo Ośrodka Badań Europejskich
Uniwersytetu Ekonomicznego w Krakowie

Skład e-booka

Zakład Poligraficzny UEK

ISBN 978-83-953751-1-8

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Chapter 11

The evolution of Corporate Social Responsibility disclosure and its relationship with the Sustainable Development Goals

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Abstract

The information needs of stakeholders have changed significantly over the years with the growing environmental awareness of society. This led to considerable changes in companies' behavior due to the information needs of the various stakeholders focused on environmental and social performance. Regulation on corporate social responsibility disclosure, usually designated by non-financial reporting, evolved to promote comparability and relevant information on these matters. In this book chapter, we review the main standards and regulatory initiatives that have been undertaken by several international organisations. We also analyse the disclosure of social and environmental indicators by Portuguese-listed companies in the pulp, paper, and paperboard sector, between 2017 and 2019, and their contribution to the implementation of Sustainable Development Goals (SDG).Results reveal a high disclosure of environmental information, which may be associated with the increased social scrutiny that companies in this sector have in these matters, and a strong connection between

the indicators disclosed in terms of sustainability reporting and the SDG to which companies commit themselves. This book chapter should be particularly useful to early career economic and management researchers seeking to better understand the evolution of non-financial reporting disclosed by companies and its relationship with SDG.

Keywords: Environmental Indicators, Sustainable Development Goals, Corporate Responsibility, Disclosure, Non-financial information

1. Introduction

In recent decades, a new development model based on the concept of sustainable development has arisen. Because the contribution of companies is fundamental for the achievement of this new development paradigm, the scrutiny of their performance by society in general, and by their stakeholders, has increased. Thus, companies' reporting models have been evolving to meet the need for information that allows the assessment of financial and non-financial performance. The traditional financial report is no longer adequate for the decision-making of the various stakeholders (Abeysekera, 2013). The range of information needed to make an appropriate assessment of organisations' performance, past, present, and future, is much broader. Gradually, there has been a shift in traditional reporting to new formats where information on three key areas of performance is included: financial, environmental, and social (Bonsón & Bednárová, 2015).

Additionally, the United Nations (UN) have established seventeen Sustainable Development Goals (SDG) to promote positive changes for a better future for the planet. These goals encourage companies to preserve natural resources, fight climate change, and adopt more sustainable production and consumption practices. Thus, companies can disclose in Sustainability reports, Integrated Reports, or in other reporting models, information on the implementation of the SDG, as well as the targets and actions they intend to achieve.

This study aims to analyse the evolution of the information disclosed on SDG in the Portuguese paper sector, and to what extent companies are contributing to the development and implementation of SDG. The aim is to understand how companies operate. Are their infrastructures related to sustainability parameters? Are companies seeking to minimise environmental impacts? What protections do companies have regarding terrestrial life? The pulp, paper, and paperboard industry is an environmentally sensitive sector, both because of the public exposure to environmental disasters that are associated with it and because of the odor that its activity has and that spreads throughout the surrounding area. This results in a high level of scrutiny by society. Therefore, non-financial information is especially relevant in this sector.

2. Literature review

Corporate Social Responsibility (CSR) implies that corporate decisions and actions are greater than economic interests, encompassing all voluntary contributions to sustainable development that go beyond legal requirements (Gamerschlag et al., 2011). Over the past decades, companies have increasingly invested in disclosing information on their CSR performance (Baskentli et al., 2019; Burrit & Schaltegger, 2010).

In this context, several normative developments that seek to regulate the disclosure of CSR practices have taken place. For several decades, the European Union (EU) has recognized the importance of sustainable development in its policies. In October 2014, the EU published the Directive 2014/95/EU (amending Directive 2013/34/EU) entitled "Disclosure of non-financial information and diversity information by certain large companies and groups". With this directive, the EU wanted companies in all Member States to disclose transparent information on sustainability, including social and environmental factors. It should be noted that the guidelines proposed in Directive 2014/95/EU have an important contribution to SDG defined in Agenda 2030 of the United Nations (UN), because they comprise all areas and sectors of Member States and require comparable and reliable data on the performance of companies regarding SDG (Monteiro et al., 2020).

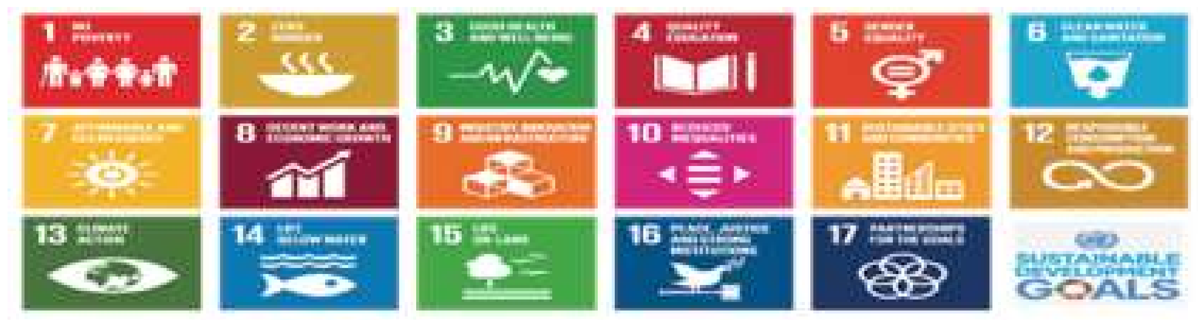
In December 2022, Directive 2022/2464 of the European Parliament and of the Council (CSDR – Corporate Sustainability Reporting Directive) was approved to correct deficiencies in non-financial reporting and broaden the range of entities required to report on sustainability issues. This Directive is compulsory for a larger number of companies – large companies, from 2024 onwards, and small and medium-sized listed companies, whose securities are admitted to trading on a regulated market in the Union, from 2026 onwards. It also provides a detailed definition of *sustainability reporting*, by EFRAG standards for sustainability reporting, a term that replaces *non-financial reporting*. The disclosure must be made in the management reports of the companies, compulsorily in digital format, and have a reliability assurance report issued by the statutory auditor.

Among the most widespread standards and guidelines are the GRI guidelines, which are the most widely used in the preparation of sustainability reports (Brown et al., 2009; KPMG, 2020). Over the years, several versions of the GRI guidelines were published, until the fourth generation called G4 Guidelines, published in 2013. In 2016, GRI evolved from guidelines to global sustainability reporting standards – the GRI Sustainability Reporting Standards. The standards present a modular and interrelated structure, distinguishing more clearly what are requirements, recommendations, and guidance. They are subdivided into three sets of standards, namely the universal standards, applicable to all organisations; sector standards, applicable to specific sectors; and thematic standards organized by theme, with the 200 series for economic aspects, the 300 series for environmental aspects, and the 400 series for social aspects. The GRI Standards continue to change, including new standards on tax (in 2019) and waste (in 2020), and a major update of the universal standards (in 2021). The GRI standards aim to provide guidance to make sustainability reporting comparable and reliable. These standards require that the reporting of the impact on the environment, society, and the economy be done in a balanced way, including the positive and negative contributions of the organisation to the SDG (GRI, 2023).

More recently, in 2021, the International Financial Reporting Foundation announced the creation of the International Sustainability Standards Board (ISSB) with the aim of developing sustainability reporting standards (IFRSF, 2023). Subsequently, the European Financial Reporting Advisory Group (EFRAG) published the first set of sustainability standards adapted to EU policies in November 2022 (EFRAG, 2023).

Simultaneously, over the years, the UN have undertaken several initiatives to promote sustainable development. In the year 2000, at the Millennium Summit, the UN established eight Millennium Development Goals (MDGs) for the years 2000 to 2015 (Unric, 2020). Based on the MDGs for the years 2000 to 2015, the UN drafted a new sustainable development agenda containing the seventeen SDG to be achieved by 2030 (Unric, 2015). The SDG are seventeen goals and one hundred and sixty-nine targets related to environment, society, and economic sustainability and are directed at all countries. The SDG are related to health, education, hunger, global warming, gender equality, water, energy, sanitation, urbanization, environment, and social justice. The 2030 Agenda came into force on 1 January 2016 and aims to improve the living conditions of our planet (Unric, 2015).

The seventeen SDG set out in the 2030 Agenda are presented in Figure 11.1.



1. End poverty in all its forms everywhere
2. End hunger, achieve food security and improved nutrition and promote sustainable agriculture
3. Ensure healthy lives and promote well-being for all at all ages
4. Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all
5. Achieve gender equality and empower all women and girls
6. Ensure availability and sustainable management of water and sanitation for all
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. Promote sustained, inclusive and sustainable economic growth, full and productive employment and decent work for all
9. Build resilient infrastructure, promote inclusive and sustainable industrialization and foster innovation
10. Reduce inequality within and among countries
11. Make cities and human settlements inclusive, safe, resilient and sustainable
12. Ensure sustainable consumption and production patterns
13. Take urgent action to combat climate change and its impacts
14. Conserve and sustainably use the oceans, seas and marine resources for sustainable development
15. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
16. Protect, restore and promote sustainable use of terrestrial ecosystems, sustainably manage forests, combat desertification, and halt and reverse land degradation and halt biodiversity loss
17. Strengthen the means of implementation and revitalize the Global Partnership for Sustainable Development

Figure 11.1. Sustainability Development Goals
Source: Adapted from Unric (2015).

To encourage companies to apply the SDG and disclose information in sustainability reports, the GRI has developed three business tools. These tools have been developed in partnership with the UN Global Compact and are aligned with the GRI Standards. The first tool is the analysis of goals and targets that help companies understand how they are implementing the SDG and their targets. They provide a list of indicators to make reporting straightforward and simple to execute. The second tool provides a list of potential actions for each SDG goal by integrating them into corporate reporting. The third aims at disclosing the SDG according to GRI standards (GRI, 2021).

This context led to the development of a prolific research area. Several studies have focused on analyzing SDG disclosure and its relevance for investors, shareholders, managers, and other stakeholders in assessing the organisation's level of SDG integration (e.g., Bose & Khan, 2022; Erin & Bamigboye, 2022; Hatayama, 2022; Hummel & Szekely, 2021; Ike et al., 2019; Izzo et al., 2020; Monteiro et al., 2020; Rosati & Faria, 2019; Wynn & Jones, 2021).

Bose and Khan (2022) examined the extent of SDG disclosure by companies from 30 countries between 2016 and 2019, and analyzed whether institutional factors influence SDG disclosure. The study, based on a sample of 6,941 reports, concluded that only 8.4% disclosed SDG reports. The most commonly reported SDG were SDG 8 (Decent Work and Economic Growth), SDG 5 (Gender Equality), and SDG 3 (Good Health and Well-being), with SDG 2 (Zero Hunger) being the least reported. The authors also found that companies in developing countries disclosed more SDG information than those in developed countries.

In a similar vein, Rosati and Faria (2019) examined the integration of SDG into sustainability reports and the relationship between SDG disclosure and institutional factors in 2016. Based on reports from 2,413 organizations in ninety countries, Rosati and Faria (2019) found that organizations reporting on SDG tend to be located in countries vulnerable to climate change, as well as in places with a more tolerant culture, individualistic tendencies, and weaker employment protection and market coordination laws.

Hummel and Szekely (2021) observed an increase in both the quantity and quality of SDG information disclosure from 2015 to 2018. They analyzed annual reports of companies listed on the STOXX Europe-600 index and found that out of 1,732 reports, 652 included information about SDGs. The most frequently disclosed SDG were SDG 3 (Good Health and Well-being), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action).

Based on a sample of 134 organizations located in Europe in 2018, Izzo et al. (2020) examined the disclosure practices related to Integrated Reporting and SDG. Through content analysis, they found that 95 organizations provided information on SDG in their Integrated Reports. The most reported SDGs were SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action), while the least reported were SDG 1 (No Poverty), SDG 2 (Zero Hunger), and SDG 14 (Life Below Water).

Erin and Bamigboye (2022) evaluated the extent of SDG reporting in the annual reports of eighty companies located in eight African countries between

2016 and 2018. Twenty-nine companies mentioned SDG in their sustainability reports, with 38% of them referring to priority SDG, and 30% disclosing goals related to SDGs. The most commonly reported SDGs were SDG 3 (Good Health and Well-being), SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), SDG 10 (Reduced Inequalities), SDG 13 (Climate Action), and SDG 15 (Life on Land).

In the context of international business expansion, Ike et al. (2019) concluded that Japanese companies prioritize a set of SDG for establishing or expanding their commercial operations in the countries where they operate, including SDG 4 (Quality Education), SDG 8 (Decent Work and Economic Growth), SDG 9 (Industry, Innovation, and Infrastructure), SDG 11 (Sustainable Cities and Communities), SDG 14 (Life Below Water), and SDG 17 (Partnerships for the Goals).

Wynn and Jones (2021) examined annual and sustainability reports from various companies in eight industrial sectors and found that the most commonly reported SDGs were SDG 8 (Decent Work and Economic Growth), SDG 12 (Responsible Consumption and Production), and SDG 13 (Climate Action). The least reported SDG were SDG 1 (No Poverty), SDG 2 (Zero Hunger), SDG 14 (Life Below Water), and SDG 16 (Peace, Justice, and Strong Institutions). Some companies did not explicitly address SDG in their reportsl, but indicated that they had integrated SDGs into their business or sustainability strategies. The authors argue that companies will face significant challenges if they want to make substantial contributions to the SDGs.

Similarly, Monteiro et al. (2020), when examining sustainability reports and non-financial statements of portuguese companies listed on the Euronext Lisbon stock exchange in 2017, considered that organizations will encounter substantial challenges in identifying priority SDGs, integrating them into their strategies, setting goals, and reporting on them. In the metallurgical industry, based on reports from sixty-one companies, Hatayama (2022) noted that evaluating the contribution to SDG is a challenging task but allows for the construction of a consolidated framework for sustainable development in which SDG can serve as a common language.

From the analysis of the reviewed studies, one can conclude that there is considerable diversity in the choices that companies make concerning which SDG they provide information about regarding the impact of their activities. However, in general, the SDG most mentioned by companies are SDG 8 and SDG 9.

3. Research methods

This study aims to analyse the disclosure of non-financial information by Portuguese companies in the paper sector and to understand to what extent companies are contributing to the implementation of SDG. This research adopts a qualitative approach. Data collection is carried out through content analysis of sustainability reports disclosed by companies, between 2017 and 2019. The content analysis consists of "a set of techniques of communication analysis that uses systematic and objective procedures to describe the content of messages, indicators (quantitative or not) that allow the inference of knowledge concerning the conditions of production/reception of these messages" (Bardin, 1977, p. 42). The most used method in qualitative research is the collection of information in the analysis of texts and documents. Content analysis helps the researcher to obtain information from all types of documents and texts, which are later transformed into codes according to the objectives of the research (Vieira et al., 2009). Therefore, in this study, the information will be collected in the Sustainability Reports of the years 2017 to 2019 of the sample companies. The reports were collected through the official website of each company. The analysis falls on three companies in the paper sector: Altri, Inapa, and The Navigator Company, within the scope of the application of Decree-Law No. 89/2017, of 28 July. In Portugal, this decree-law transposed Directive 2014/95/EU into domestic law. It establishes that Public Interest Entities, which at the date of closing of their balance sheet exceed an average number of 500 employees during the annual financial year, include in their management report a non-financial statement or prepare a separate report to be disclosed with the management report.

In the first stage, it was verified whether the companies mentioned the implementation of the SDG in their reports. Subsequently, the indicators disclosed by companies over the three years under study are related to the seventeen SDG, according to the disclosure of information in their reports. The indicators studied were Employees, Materials, Water, Energy, Biodiversity, Emissions, Effluents and Waste, Training and Education, Human Rights, Employment and Employability, Employee Health and Safety, Community, Anti-corruption, Customers, and Suppliers.

To understand the priorities of companies, we also analysed the priority SDG companies identified in their reports, more specifically the targets and actions to meet them.

4. Research results – Reporting on the Sustainable Development Goals

Regarding the reference to SGD in the companies' reports, Altri mentions the SDG in the 2018 and 2019 reports, Inapa in the 2019 report and The Navigator Company in the reports of all three years, as displayed in Table 11.1. It should be noted that in the last year studied, all three companies refer to the SDG, which confirms the increase of their relevance in recent years. Hummel & Szekely (2021) analysed annual reports of companies that belonged to the STOXX Europe-600 index and also found that from 2015 to 2018 there was an increase in the disclosure of SDG information in reports and that the quality of information disclosure also increased.

Table 11.1. SDG disclosure in the non-financial report

Companies								
Altri			Inapa			The Navigator Company		
2017	2018	2019	2017	2018	2019	2017	2018	2019
No	Yes	Yes	No	No	Yes	Yes	Yes	Yes

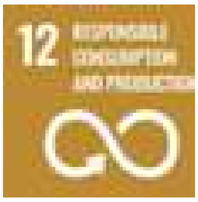
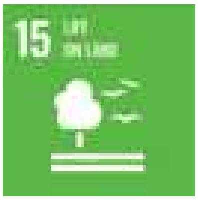
Source: Own elaboration.

The Altri discloses information, mainly, about six SDG, considered priority: Quality Health (SDG 3), Renewable and Affordable Energy (SDG 7), Sustainable Production and Consumption (SDG 12), Climate Action (SDG 13), Protecting Marine Life (SDG 14) and Protecting Earth Life (SDG 15). In Table 11.2, we can see Altri's goals and actions for the achievement of the objectives.

Table 11.2. Altri's SDG Goals and Actions

Objective	**Goals**	**Shares**
	Promote health and safety policies to ensure access to quality health services.	The company fully complies with the applicable health and safety legislation, based on international standards such as OHSAS 18001. The health and safety processes implemented go beyond the mandatory requirements, aiming to provide a safe and healthy working environment, thus ensuring the right of people to the protection of their health and integrity.

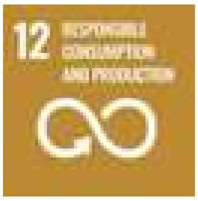
Table 11.2 (continued)

Objective	Goals	Shares
	Seek to produce energy from renewable sources, namely through the expansion and modernisation of its biomass plants.	The company is in the renewable energy sector from biomass through Bioelétrica da Foz. It currently has five thermoelectric power stations operating from forest biomass, which produce around 700 GWh annually.
	Seek the integrated prevention and control of pollution, contributing to minimise its adverse impacts on the environment and human health.	The Foz Bioelectric Power Station contributes to the company's energy policy, which aims to reduce external dependence and the greenhouse effect resulting from the use of fossil fuels.
	Integrate climate change measures into national policies, strategies, and planning.	The Forestry Services Suppliers Code of Conduct focuses on Performance, Audits, Ethics, Subcontracting, Health and Safety, Labour, Environment, Equality and Non-discrimination, and Confidentiality.
	Prevent and reduce marine pollution of all types, especially from land-based activities, including marine debris and nutrient pollution.	81% of the water collected in the company's factories is returned to the environment after being properly treated. The remaining 19% accompanies the final product or evaporates into the atmosphere.
	Ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and drylands, in line with obligations under international agreements. Integrate ecosystem and biodiversity values into national and local planning, development processes and poverty reduction strategies.	The company highlights the importance of creating value in natural areas, for example, through the valuation of ecosystem services and the opportunity that results from an effective sharing of experiences, knowledge, and potential benefits of active and integrated management of production areas and conservation of protected areas, habitats, and species. Altri joined the Mata Bussaco Foundation to value and boost the endogenous potential of the areas covered by the National Forest and the Bussaco Mountains.

Source: Altri Company Reports.

Inapa discloses information on targets and actions for four SDG: Quality Health (SDG 3), Renewable and Accessible Energy (SDG 7), Sustainable Production and Consumption (SDG 12), Climate Action (SDG 13), as can be seen in Table 11.3.

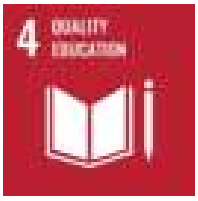
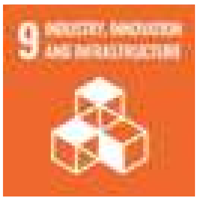
Table 11.3. Inapa's SDG Goals and Actions

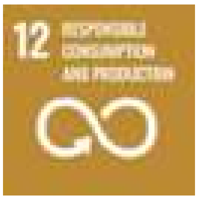
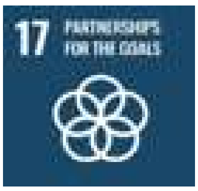
Objective	Goals	Shares
	Improve the rate of occupational accidents and diseases for all employees – 10% by 2022.	Improve the occupational health and safety management system. Reduce specific occupational health and safety risks. Increase employee training in the area of health and safety at work. Improve the company's internal health and safety reporting.
	Increase the share of renewable energy used in the company from 5% to 20% by 2022.	Change the energy used by the company to „green energy". Change the use of fossil fuels to biofuels (Diesel). Review the company's heating options for low-emission options, for example, building photovoltaic panels and converting oil to gas heaters. Reduce energy used in workplaces: more economical use of air conditioning, and smart lights. Reduce the environmental impact related to travel. For example: increase the use of videoconferencing.
	Increase the efficiency of the use of natural resources by increasing the use of recycled materials. Increase the percentage of purchasing volume from suppliers with responsible and credible internationally recognised production standards to over 90% by 2022. Reduce waste production by 15% by 2022.	Replace plastic packaging material tapes with bioplastic and/or recycled paper. Develop the company's supply chain monitoring programme, improving the participation of the highest-scoring suppliers. Increase the share of reused materials. More careful and economical handling of materials used in logistics and transport.
	Increase resilience and adaptive capacity to climate change-related risks by reducing the energy consumption and GHG intensity of the company's business. Set ambitious CO2 reduction targets based on the SBT of the UN's „Business Ambition 1.5ºC" programme.	In the coming years, the transport of goods between the company and the customer's premises will be carried out by road due to the high requirements with short delivery times. Rail or ship are not alternatives because there is little local infrastructure required for this purpose.

Source: Inapa Company Reports.

The Navigator Company discloses information on targets and actions on seven SDG: Quality Education (SDG 4), Decent Work and Economic Growth (SDG 8), Industry, Innovation, and Infrastructure (SDG 9), Sustainable Consumption and Production (SDG 12), Protecting Earth Life (SDG 15) and Partnerships for Goal Implementation (SDG 17) (Table 11.4).

Table 11.4. The Navigator Company SDG Targets and Actions

Objective	Goals	Shares
	To substantially increase the number of youth and adults who have relevant qualifications, including technical and vocational skills, for employment, decent work and entrepreneurship.	Promote training actions that ensure the retention of internal *know-how.* Learning Center *online* platform. Literacy of workers in Mozambique. School visit programs. The paper produced by the company is a support for learning and literacy.
	Promote development-oriented policies that support productive activities, the creation of decent jobs, entrepreneurship, creativity and innovation, and encourage the formalisation and growth of micro, small and medium-sized enterprises, including through access to financial services. Protect labour rights and promote safe and secure work environments for all workers, including migrant workers, in particular migrant women, and people in precarious employment.	Promotion of workers' safety. Goal Zero Accidents. Cardinal Rules (Code of Conduct) for Employees and Suppliers.
	Develop quality, reliable, sustainable, and resilient infrastructure, including regional and cross-border infrastructure, to support economic development and human well-being, focusing on equitable and affordable access for all. Modernising infrastructure and rehabilitating industries to make them sustainable, with greater efficiency in the use of resources and greater adoption of clean and environmentally friendly technologies and industrial processes. Strengthen scientific research, improve technological capabilities, encourage innovation, and substantially increase the number of research and development workers per million people and public and private expenditure on research and development.	RAIZ Research Institute: Inpactus Project. Development of bioeconomy projects. Tools for evaluating research projects.

Objective	Goals	Shares
	Achieve sustainable management and efficient use of natural resources. To substantially reduce waste generation through prevention, reduction, recycling, and reuse. Encourage companies, especially large and transnational ones, to adopt sustainable practices and to integrate sustainability information in their activity reports. Promote sustainable public procurement practices, in accordance with national policies and priorities.	Minimising water and energy use: Corporate Programme for Reducing Water Use and Corporate Programme for Energy Efficiency. Circular economy projects. Programme for the Promotion of Forest Certification.
	By 2020, ensure the conservation, restoration and sustainable use of terrestrial and inland freshwater ecosystems and their services, in particular forests, wetlands, mountains, and drylands, in line with obligations under international agreements. By 2020, promote the implementation of sustainable management of all types of forests, halt deforestation, restore degraded forests and substantially increase afforestation and reforestation efforts globally. Take urgent and significant action to reduce the degradation of natural habitats, halt the loss of biodiversity and, by 2020, protect and avoid the extinction of endangered species.	Sustainable forest management practices. Defence of forests against fires. Practices of biodiversity conservation and protection of natural habitats.
	Strengthen the global partnership for sustainable development, complemented by multi-sectoral partnerships that mobilise and share knowledge, technology, and financial resources to support the achievement of sustainable development goals. Encourage and promote effective public, public-private and civil society partnerships, building on the experience of resource mobilisation strategies of such partnerships.	Promotion of partnerships with various entities to promote compliance with the remaining SDG and stimulate engagement with different stakeholder groups.

Source: The Navigator Company Reports.

Generally, the targets proposed by companies aim to use fewer natural resources in their production, increase the use of renewable resources, use recyclable materials, and improve the working conditions of their employees. The companies hope to achieve these goals in a short period, following the intention of the UN of achieving SDG be achieved by 2030.

The relation between the indicators disclosed by companies and the seventeen SDG is displayed in Table 11.5. In Altri's report all indicators disclosed relate to the SDG. Inapa only disclosed this in its 2019 report information on SDG. So, for Inapa, Table 11.5 refers only to that year. In Inapa's report not all indicators disclosed are related to the SDG, such as Water, Biodiversity, Human Rights, Employment and Employability, Community, Anti-corruption, and Customers. Regarding The Navigator Company, only the Human Rights and Anti-Corruption indicators were not related to the SDG.

Table 11.5. Corporate Indicators Related to the SDG

Altri's indicators	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Staff				×	×			×		×						×	
Materials								×				×					
Water						×		×				×					
Energy							×	×				×	×				
Biodiversity						×								×	×		
Emissions, effluents and waste			×			×						×	×	×	×		
Training and education				×	×			×								×	
Human rights										×							
Employment and employability					×			×									
Employee health and safety			×					×									
Community	×	×															
Anti-Corruption																×	
Customers								×									
Suppliers					×			×				×				×	

Inapa Indicators	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**
Staff			×	×													
Materials								×							×		
Water																	
Energy							×					×	×				×
Biodiversity																	
Emissions, effluents and waste							×					×	×				×
Training and education				×													
Human rights																	
Employment and employability																	
Employee health and safety			×														
Community																	
Anti-Corruption																	
Customers																	
Suppliers								×				×					
The Navigator Indicators	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**	**9**	**10**	**11**	**12**	**13**	**14**	**15**	**16**	**17**
Staff				×					×								×
Materials															×		×
Water						×						×					
Energy							×					×	×				
Biodiversity															×		×
Emissions, effluents and waste												×	×				×
Training and education				×													×
Human rights																	
Employment and employability								×									
Employee health and safety			×					×									
Community				×													×
Anti-Corruption																	
Customers												×					
Suppliers								×				×					×

Source: Own elaboration.

The results show that there is a strong connection between the Indicators and the SDG. This reveals that companies choose to disclose how their actions contribute to achieving certain SDG and that the choice of these SDG is related to the disclosed indicators. This confirms that the evolution of sustainability reporting is compatible with the inclusion of information on the SDG.

According to PWC (2017), most companies choose to prioritize only a small number of SDG, focusing on the goals that can achieve positive results or that can have a greater impact on their business. In companies' reports analysed, the information disclosed on SDG focuses more on positive impacts than negative ones.

SDG 12 is considered the goal most interconnected with the other SDG by PWC (2017), because preserving natural resources, reducing food waste, reducing waste, among other measures related to sustainable consumption, improves people's quality of life, the quality of the subsoil, marine life and decrease the greenhouse effect. In this study, all companies have measures to implement related to this SDG. Hatayama (2022) analysed the relationship of the metalworking industry and the SDG and concluded that one of the most disseminated SDG was SDG 12 – Sustainable Production and Consumption. In our study, we found that all companies mention SDG 12 which may be because this sector is associated with high levels of pollution and some environmental disasters.

SDG 13 – Climate Action is the goal that 89% of Portuguese companies selected as a priority (PWC, 2017) and, according to the study by Salvia et al. (2019), there is a global concern with this SDG. The companies Altri and Inapa also have measures on this SDG.

5. Conclusion and recommendations

Over the years, stakeholders' needs have changed with society's growing environmental awareness. These changes have had repercussions in the business sphere due to the fundamental role that companies have in achieving a sustainable development model. In this context, companies' reporting had to evolve to disclose environmental and social organisational performance. This chapter addressed the normative evolution that occurred in the EU and how international organisations have been promoting and supporting comparable sustainability reporting.

The results of the study carried out in this book chapter reveal that there was an evolution, over the years, in the disclosure of non-financial information by the companies analysed, which evidences their commitment to disclosing more information on their social and environmental performance. Companies disclose more information on the following categories: Organisation, Environmental Indicators, and Labour. However, it is noteworthy that in all reports there is more information on positive aspects of the company than negative ones. Regarding the SDG, companies disclose in their reports the targets and actions for the implementation of specific SDG, which reveals their commitment to achieving their goals as soon as possible.

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