BUSINESS SCHOOL
AALBORG UNIVERSITY

1st European Sustainability Accounting & Reporting Conference (ESARC)

5 & 6 September 2024

Hosted by *Aalborg University Business School*

CONFERENCE PROGRAMME & ABSTRACTS

Contents

Local Conference Organiser

Gunnar Rimmel (Aalborg University Business School)

Venue:

AAU INNOVATE
THOMAS MANNS VEJ 25
9220 AALBORG, DENMARK

Welcome to the 1st European Sustainability Accounting & Reporting Conference (ESARC)

We are delighted to welcome you to the inaugural European Sustainability Accounting & Reporting Conference (ESARC), an event that marks a significant milestone and groundbreaking event in the realm of sustainability research in Europe. ESARC is the first conference in Europe solely dedicated to exploring all aspects of research in Sustainability Accounting and Sustainability Reporting, addressing the critical need for focused discourse on these vital topics.

Organized by the members if the Accounting Research Group from Aalborg University Business School, this conference marks the beginning of what will become an annual tradition, rotating among European universities. Our goal is to create a dynamic and enduring platform where researchers can come together to share insights, challenge ideas, and advance the field of sustainability accounting and reporting. By moving the conference across different European locations each year, we aim to foster a rich and diverse exchange of knowledge that reflects the unique perspectives of various academic and cultural contexts..

ESARC is designed to cater to a broad international audience, with all sessions conducted in English. This ensures that participants from around the world can engage fully in the discussions and contribute their unique perspectives to the evolving conversation on sustainability. The international nature of the conference also underscores the global importance of sustainability accounting and reporting, emphasizing that the challenges we face are not confined by borders and require a collaborative, cross-border approach.

The conference program is structured to offer a comprehensive exploration of current research in the field. It includes parallel sessions for full papers, each accompanied by discussants who will provide critical feedback and foster deeper discussions and paper sessions where the audience can engage in discussions and provide feedback to the presenters. All sessions should offer an invaluable opportunity for researchers to present their work, receive insightful critiques, and engage in meaningful exchanges with colleagues contributing to the advancement of knowledge in the field.

The papers presented and discussed at this conference promise to advance our understanding of the issues involved. We are grateful to all the participants for their contribution, especially those who agreed to act as discussants for the full papers submitted.

A NOTE ON SESSION CHAIRS:
The session chair for all other paper streams should be the presenter of the final paper delivered in the session. Keep track of time.

Finally, some acknowledgements. First, we would like to thank Susanne Heyckendorff Maler Hansen who provided generous support of the conference. We are very grateful to all the efforts in organising this conference. Second, many thanks to the head of the business school Mette Vinther Larsen, who supported organising this conference in Aalborg. Third, the Accounting Research Group who participate and help to run the ESARC. Further, we would like to thank all the chairs and discussants and our colleagues for their support. Finally, we thank you all for attending.

Conference Organiser

Prof. Dr. Gunnar Rimmel (Aalborg University Business School)

Conference Scientific Committee

Prof. Dr. Gunnar Rimmel (Aalborg University Business School)

Assoc. Prof. Dr. Diogenis Baboukardos (University of Athens)

Assoc. Prof. Dr. Joanna Krasodomska (University of Krakow)

Assoc. Prof. Dr. Ronita Ram (Henley Business School, University of Reading)

Prof. Dr. Frank Schiemann (Bamberg University)

Outline Conference Programme

Thursday 5 September, 2024		
9.30 – 10.15	**Registration**	Innovate stueplan / Foyer
10.00 – 10.20	**Coffee/refreshments**	Innovate Foodhub Cafeteria
10.20 – 10.35	**Opening Session**	Auditorium
10.45 – 13.15	**Parallel Sessions**	Auditorium, Pitch Area, C104a
13.15 – 14.00	**Lunch**	Innovate Foodhub Cafeteria
14.00 – 15.30	**Parallel Sessions**	Auditorium, Pitch Area, C104a
15.30 – 16.00	**Coffee, Tea and Biscuits**	Innovate Foodhub Cafeteria
16.00 – 17.30	**Parallel Sessions**	Auditorium, Pitch Area, C104a
17.30 – 18.30	**Plenary key note speaker: Prof. Dr. Begoña Giner Inchausti, Perspectives in Sustainability Accounting & Reporting.**	Auditorium
18.30 - 21.00	**Conference Dinner Buffet**	Innovate Foodhub Cafeteria

Friday 6 September, 2024		
8.30 – 11.30	**Parallel Sessions**	Auditorium, Pitch Area, C104a
11.30 – 11.40	**Coffee, Tea and Biscuits**	Innovate Foodhub Cafeteria
11.40 – 13.45	**Parallel Sessions**	Auditorium, Pitch Area, C104a
13.45 – 14.00	**Plenary: Presentation of 2nd ESARC**	Auditorium
14.00 – 14.30	**Coffee, Tea and Sandwhich depart**	Innovate Foodhub Cafeteria

DETAILED CONFERENCE PROGRAMME
Thursday 5 September 2024: SESSION 1

9.30 – 10.15 Registration

Gunnar Rimmel

OPEN WELCOME & book launch of the *Research Handbook on Sustainbility Reporting*: Auditorium

10.20 am – 10.35 am

	STREAM 1: Chair: Frank Schiemann ROOM: Auditorium	STREAM 2: Chair: Joanna Krasodomska ROOM: Pitch Area	STREAM 3: Chair: Lana Sabelfeld ROOM: C104a
10.45 – 13.15	**10.45 – 11.30** **Warren Maroun** (University of the Witwatersrand), Laura Rocca, David Monciardini and Dusan Ecim "Circular economy reporting practices among multinationals" **Discussant:** Lisa Schramm **11.30 – 12.15** **Hanna Silvola** (Hanken) and Jaana Kettunen "Social Impact Bonds: a solution in search of problems" **Discussant:** Warren Maroun **12.15 – 13.00** **Lisa Schramm** (University of Bamberg) and Frank Schiemann **"**Analysing the Link between ESG Assurance and Firm Value: The Role of ESG Performance**"** **Discussant:** Hanna Silvola	**10.45** **Maria Aluchna** (Warsaw School of Economics) and Maria Roszkowska-Menkes "Corporate social irresponsibility and institutional investors. A moderating effect of ESG disclosure" **11.15** **Karin Buhmann** (University of Southern Denmark) "Assessing the transformational effects and effectiveness of sustainability reporting laws in light of the EU's CSRD" **11.45** **Annika Busche** (University of Applied Science Ingolstadt), "Setting Sustainability Targets: A Qualitative Analysis of Sustainability Reporting in the Automotive Industry"" **12.15** **Johanna Marie Kunsmann** (RWTH Aachen University), Johannes Bauer and Peter Letmathe "Extent and Nature of Circular Economy Disclosures within the European Automotive Industry" **12.45** **Joanna Krasodomska** (Krakow University of Economics) and Karsten Eisenschmidt "The „G" and ESG strategy integration and disclosure: exploring the governance-related factors that influence companies' decision-making"	**10.45** **Mathias Cöster** (Uppsala University) and Matti Skoog "Enabling integration of strategic sustainability ambitions – management control driven dialogues in a public organisation" **11.15** **Maria Iuorio** (University of Naples "Federico II") and Raffaela Casciello "The measurement of sustainability of public procurement. An analysis through indicators." **11.45** **Jan Michalak** (University of Lodz) "Sustainability reporting standards development process through lens of Advocacy Coalition Framework" **12.15** **Paweł Zieniuk** (Krakow University of Economics) and Małgorzata Macuda "Voluntary assurance on sustainability reporting in European companies prior to the implementation of the CSRD" **12.45** **Lana Sabelfeld** (University of Gothenburg), Peter Beusch, Marita Blomkvist and Jeaneth Johansson "Early-stage implementation of CSRD: narratives from managerial and reporting practices""

NOTE: *To minimise the possibility of needing to be in two rooms at once, the session chair should be the presenter of the final paper delivered in the session.*

13.15 – 14.00 Lunch at the Foodhub Cafeteria, Innovate

DETAILED CONFERENCE PROGRAMME
Thursday 5 September 2024: SESSION 2

	STREAM 4 Chair: Dusan Ecim ROOM: Auditorium	STREAM 5 Chair: Ronita Ram ROOM: Pitch Area	STREAM 6 CHAIR: Mario Abela ROOM: C104a
14.00 – 14.45 **14.45 – 15.30**	**14.00 – 14.45** **Dusan Ecim** (University of the Witwatersrand), Warren Maroun and Sean van Zijl "Biodiversity reporting by UK-listed companies: A review of extent, content and readability of disclosures" **Discussant:** Syed Mahfujul Alam **14.45 – 15.30** **Syed Mahfujul Alam** (University of Trento), Ericka Costa and Helen Tregidga "Climate Change Accounting and Disclosure: Roles of Accounting Profession" **Discussant:** Dusan Ecim	**14.00 – 14.45** **Johannes van der Waal** (Open University of the Netherlands) "Comparing corporate SDG Reporting: Multi-year, multi-region analysis via topic modeling" **Discussant:** Ronita Ram **14.45 – 15.30** **Ronita Ram** (Henley Business School), Wayne Fong and Gunnar Rimmel "The state of UN Sustainable Development Goals disclosures by insurance companies in developing countries." **Discussant:** Johannes van der Waal	**14.00** **Martina Macpherson** (SIX Group) "Meeting the EU's Sustainability Disclosure Rules – A Mission (Im)Possible?" **14.30** **Philumena Bauer,** (Johannes Kepler Universität), Ahmad Fawad, Nives Botica Redmayne, Dorothea Greiling "SDG reporting of Austrian and New Zealand federal SOEs" **15.00** **Mario Abela** (Doshisha University) "Rediscovering the social function of accounting – the shifting objective of corporate reporting"

15.30 – 16.00 Tea and Biscuits in the Foodhub Cafeteria, Innovate

DETAILED CONFERENCE PROGRAMME
Thursday 5 September 2024: SESSION 3

	STREAM 7 Chair: Gunnar Rimmel ROOM: Auditorium	STREAM 8 Chair: Frederik Zachariassen ROOM: Pitch Area	STREAM 9 Chair: Jesper Chrautwald Sort ROOM: C104a
16.00 – 16.45 **16.45 – 17.30**	**16.00 – 16.45** **Wayne van Zijl** (University of the Witwatersrand), Madelein Stagman and Kayleigh Burnham “What about NGOs? Creating a standardised Charitable Organisations Reporting Practices framework” **Discussant:** Maizatulakma Abdullah **16.45 – 17.30** **Maizatulakma Abdullah** (Universiti Kebangsaan Malaysia) and Gunnar Rimmel “Exploring Climate Risk Disclosure's Impact on Export Sales: Evidence from the Palm Oil Industry” **Discussant: Wayne van Zijl**	**16.00 – 16.45** **Robin Roslender** (Aalborg University Business School) “Is sustainability reporting social reporting? So what about the workers??" **Discussant:** Frederik Zachariassen **16.45 – 17.30** **Frederik Zachariassen** (Aalborg University Business School), Sirle Bürkland and Chiara Crovini “Navigating carbon complexities: Carbon calculations and accounting challenges.” **Discussant:** Robin Roslender	**16.00** **Joanna Dyzkowska** (Wroclaw University of Economics and Business) “Early Reporting of GHG Emissions in Poland” **16.30** **Adina Popa** (School of Business University of Skövde) Erna Delic “Changing the Lens for Materiality: A Study of Double Materiality in the Annual Reports of Swedish Companies” **17.00 pm** **Jesper Chrautwald Sort (**Aalborg University Business School), Stefan Schaper, Marco Montemari and Robin Roslender “Are companies taking their R&D potential into account?””

17.30 – 18.30

PLENARY KEY NOTE SPEAKER: ROOM Auditorium

Prof. Dr. Begoña Giner Inchausti

Universitat de Valencia

“Perspectives in Sustainability Accounting & Reporting”

18.30 – 21.00

Conference Dinner Buffet	**Foodhub – Innovate**

DETAILED CONFERENCE PROGRAMME
Friday 6 September 2024: SESSION 4

8.30 – 11.30

STREAM 10 Chair: Paul Klumpes ROOM: Auditorium	STREAM 11 Chair: Niuosha Samani ROOM: Pitch Area	STREAM 12 CHAIR: Chiara Crovini ROOM: C104a
9.00 – 9.45 **Andreea Moraru Arfire** (ESSEC Business School) and Philip Joos “Civil Society Demand for Global ESG Engagement” **Discussant:** Charlotte Neuss **9.45 – 10.30** **Charlotte Neuss** (Bamberg University) and Andreas Oehler “ESG Disclosure vs. ESG Ratings: Consistent Information Value?” **Discussant:** Paul Klumpes **10.30- 11.15** **Paul Klumpes** (Aalborg University Business School), Jesper Lindgaard Christensen and Konstantinos Eleftheriou “Climate change transparency by European pension funds: contractual issues and agency challenges” **Discussant:** Andreea Moraru Arfire	**9.00 – 9.45** **Sarah Bissett** (DFGE – Institute for energy, ecology and economy) “Beyond carbon accounting, beyond growth? Lean holistic ex-ante ecologic (and economic) impact assessment for sustainable organisational development - A Systematic Literature Review” **Discussant:** Niuosha Samani **9.45 – 10.30** **Guido Sopp** (Westsächsische Hochschule Zwickau University of Applied Sciences) and Björn Bunzel “Sustainability Reporting - A Global Analysis of Sustainability Reporting and its Impact on Cost of Capital - A Bibliographic and Content Analysis” **Discussant:** Sarah Bissett **10.30- 11.15** **Niuosha Samani** (University of Gothenburg) and Rahmatdi “The role of internal communication channels when employees are outspoken” **Discussant:** Guido Sopp	**8.30** **Elina Paemurru** (University of Tartu), Raili Lilo and Ülle Pärl “Approaches to the Integration of ESG Factors in the Sustainability Reports” **9.00** **Ugbede Amedu** (University of Portsmouth), Paraskevas Pagas and Arief Daynes “The Impact of Acquisition Intensity on ESG Performance” **9.30** **Raffaela Casciello** (University of Naples “Federico II”), Clelia Fiondella and Marco Maffei “Sustainability Performance and Bank Liquidity Creation” **10.00** **Raili Lilo** (University of Tartu), Elina Paemurru and Ülle Pärl “Developing the Framework for Assessing the Presentation of Double Materiality in ESG Reporting under the CSRD” **10.30** **Magdalena Kowalczyk** (Poznań University of Economics and Business) “Measurement of sustainable development goals in the public finance sector - research findings” **11.00** **Chiara Crovini** (Aalborg University Business School), Lukas Goretzki and Frederik Duus Zachariassen “Leveraging accounting – Sustainability managers’ strategic use of accounting and accountants”

11.30 – 11.40 Tea and Biscuits in the Foodhub Cafeteria, Innovate

DETAILED CONFERENCE PROGRAMME
Friday 6 September 2024: SESSION 5

	STREAM 13 Chair: Gunnar Rimmel ROOM: Auditorium	STREAM 14 Chair: Robin Roslender ROOM: Pitch Area	STREAM 15 CHAIR: Evangelos Seretis ROOM: C104a
11.40 – 13.45	**11.40- 12.25** **Patricia Dorothee Ruffing-Straube** (University of Zürich) and Saverio Mauro Olivito “How do you report on sustainable value creation? – Evidence on the current state of reporting and the road ahead” **Discussant:** Heidi Vander Bauwhede **12.25 – 13.15** **Delphine Lobijn** (Ghent University), Heidi Vander Bauwhede, Philippe Van Cauwenberge and Ann Vanstraelen “The credibility of corporate disclosures: To what extent does the joint provision of financial audit and sustainability assurance matter?" **Discussant:** Patricia Dorothee Ruffing-Straube	**11.40- 12.25** **Małgorzata Czerny** (Poznań University of Economics and Business) and Magdalena Kowalczyk “Accounting teaching methods in the context of the challenges of the New Technology Era” **Discussant:** Jesper Lindgaard Christensen **12.25 – 13.15** **Jesper Lindgaard Christensen** (Aalborg University Business School) “Regulatory requirements and information gaps – challenges for pension funds to do adequate ESG reporting." **Discussant: Małgorzata Czerny**	**11.40** **Grygorii Kravchenko** (Kozminski University), Inna Tselinko and Dorota Dobija “Reducing Legitimacy Threats: the Role of Board’s Sustainability Education and Sustainable Board Practices” **12.10** **Laura Bini** (University of Florence), “Legitimacy vs Value Creation. Aligning Business Models with Environmental and Social KPIs” **12.40** **Małgorzata Macuda** (Poznań University of Economics and Business) and Katarzyna Kobiela-Pionnier “Double Materiality Principle and the Sustainability Reporting Practices of Polish Listed Companies” **13.10** **Evangelos Seretis** (University of Glasgow) “Greenhushing practices and the impact on analyst forecast properties”
13.45 – 14.00	**PLENARY: Auditorium** ***Farewell*** ***& Welcome to 2nd ESARC at Henley Business School*, Ronita Ram**		

14.00 – 14.30 Coffee, Tea and Sandwhiches Depart in the Foodhub Cafeteria, Innovate.

Delegate List: 2024

Surname	First name	Institution
Maizatulakma	Abdullah	Universiti Kebangsaan Malaysia
Mario	Abela	Doshisha University
Syed Mahfujul	Alam	University of Trento
Maria	Aluchna	Warsaw School of Economics
Ugbede	Amedu	Portsmouth Business School
Diogenis	Baboukardos	Athens University of Economics and Business
Johannes	Bauer	RWTH Aachen University
Philumena	Bauer	Johannes Kepler Universität
Peter	Beusch	University of Gothenburg
Laura	Bini	University of Florence
Sarah	Bissett	DFGE – Institute for energy, ecology and economy
Marita	Blomkvist	University of Gothenburg
Karin	Buhmann	University of Southern Denmark
Björn	Bunzel	Westsächsische Hochschule Zwickau
Annika	Busche	University of Applied Science Ingolstadt
Raffaela	Casciello	University of Naples Federico II
Jesper	Chrautwald Sort	Aalborg University Business School
Mathias	Cöster	Uppsala University
Chiara	Crovini	Aalborg University Business School
Małgorzata	Czerny	Poznań University of Economics and Business
Erna	Delic	Skövde University
Sirle	Duus Bürkland	Aalborg University Business School
Frederik	Duus Zachariassen	Aalborg University Business School
Joanna	Dyzkowska	Wroclaw University of Economics and Business
Dusan	Ecim	University of the Witwatersrand
Begoña	Giner Inchausti	Universitat de Valencia
Maria	Iuorio	University of Naples Federico II
Jeaneth	Johansson	Luleå University of Technology
Paul	Klumpes	Aalborg University Business School
Katarzyna	Kobiela-Pionnier	Warsaw School of Economics
Magdalena	Kowalczyk	Poznań University of Economics and Business
Joanna	Krasodomska	Krakow University of Economics
Grygorii	Kravchenko	Kozminski University
Johanna Marie	Kunsmann	RWTH Aachen University
Raili	Lilo	University of Tartu
Jesper	Lindgaard Christensen	Aalborg University Business School
Delphine	Lobijn	Ghent University
Martina	Macpherson	SIX Group
Małgorzata	Macuda	Poznań University of Economics and Business
Warren	Maroun	University of the Witwatersrand
Jan	Michalak	University of Lodz
Andreea	Moraru Arfire	ESSEC Business School
Charlotte	Neuss	University of Bamberg
Chritstian	Ott	University of Strasbourg
Elina	Paemurru	University of Tartu

Surname	First name	Institution
Adina	Popa	Skövde University
Ronita	Ram	Henley Business School
Gunnar	Rimmel	Aalborg University Business School
Robin	Roslender	Aalborg University Business School
Patricia Dorothee	Ruffing-Straube	Universität Zürich
Lana	Sabelfeld	University of Gothenburg
Niuosha	Samani	University of Gothenburg
Stefan	Schaper	Aarhus University
Frank	Schiemann	University of Bamberg
Lisa	Schramm	University of Bamberg
Evangelos	Seretis	Adam Smith Business School Glasgow
Hanna	Silvola	Hanken
Matti	Skoog	Åbo Akademi University
Guido	Sopp	Westsächsische Hochschule Zwickau
Inna	Tselinko	Kozminski University
Johannes	van der Waal	Open University of the Netherlands
Wayne	van Zijl	University of the Witwatersrand
Heidi	Vander Bauwhede	Ghent University
Andrea	Venturelli	University of Salento
Lea	Vindvad Hansen	Unit IT
Paweł	Zieniuk	Krakow University of Economics

Location of Rooms

Room	Location
Auditorium	Ground Floor
Pitch Area — lokale C009	Ground Floor
C104a	Level 1

Useful Telephone Numbers

Taxis
Order to/from the airport

Usually you can find vacant taxis outside the airport entrance when you arrive by plane. So, it might not be necessary to order one. However, outside the busiest hours it can be a good idea to order a taxi.

Aalborg Taxa	☎ +45 35 10 20 30 / 98 10 10 10
Dan Taxi Aalborg	☎ +45 48 48 48 48
Dan Taxi Hjørring	☎ +45 98 92 47 00
Dan Taxi Thisted	☎ +45 97 92 04 22
Frederikshavn Taxa	☎ +45 98 42 13 11
Himmerlands Taxa	☎ +45 98 37 37 37
Taxi 4x27 Nordjylland	☎ +4527272727

Emergency ☎ 112

1st European Sustainability Accounting & Reporting Conference (ESARC)

5 & 6 September 2024

ABSTRACTS

Sorted by Streams

In Presenting Order

Stream 1

10.45 – 11.30

Warren Maroun (University of the Witwatersrand), Laura Rocca, David Monciardini and Dusan Ecim

“Circular economy reporting practices among multinationals”

Warren Maroun#*, Laura Rocca& and David Monciardini^ and Dusan Ecim*
Contact e-mail: warren.maroun@wits.ac.za
Contact number: +2711 717 8245

*University of the Witwatersrand: 1 Jan Smuts Avenue, Johannesburg, South Africa
#University of Leeds, Business Schoo, Leeds, United Kingdom
&University of Brescia: Piazza del Mercato, 15, 25121 Brescia BS, Italy
^ University of Exeter: Stocker Rd, Exeter EX4 4PY, UK

Abstract
Circular economy (CE) can serve as a guiding principle for the socio-economic and environmental strategies of public and private organisations. However, the definition of CE remains contested and it is questionable whether and to what extent organisations can successfully adopt a truly circular business model. To contribute to this debate, the current paper presents a content analysis of the extent, quality and integration of CE disclosures in the annual reports of 30 multinationals widely recognised as global CE champions. There is a significant increase in disclosures over the period under review with an emphasis on material flows rather than socioeconomic considerations. Despite examining some of the world’s leading companies in terms of CE implementation, only a small number systematically apply CE and provide high-quality and cross-referenced disclosure on CE. The majority of firms appear to have implemented CE either in limited and situated parts of the organisation or more generically at the policy level. Overall, organisations tend to define and implement CE as a technical eco-efficiency solution rather than as a strategy for supporting sustainable development.

K**eywords:** circular economy, disclosure, quality, reporting, multinationals

Stream 1

11.30 – 12.15

Hanna Silvola (Hanken) and Jaana Kettunen

“Social Impact Bonds: a solution in search of problems”

Jaana Kettunen & Hanna Silvola
firstname.familyname@hanken.fi

Hanken School of Economics
Department of Accounting and Commercial Law
Arkadiankatu 22
00100 Helsinki
Finland

Abstract
This paper investigates the attempts to facilitate the creation of an ecosystem for a pay-for-success funding mechanism, Social Impact Bonds (SIBs). A social impact bond (also known as a social benefit good or social bond) is a type of financial contract that provides private capital to the public sector to fund projects that will create better social outcomes and lead to savings to the public sector. In this paper, the abbreviation SIB is used exclusively concerning social impact bonds that are financial contracts between several actors. Despite the nomenclature, SIBs are not bonds in a traditional sense. The new funding mechanism has been described as an instrument for impact investing, as its aim is to combine positive societal impacts, cashable savings for public purse, as well as positive financial returns for invested funds (Berndt & Wirth, 2018; Mulgan et al. 2011). The birth of a SIB requires, however, a construction of an ecosystem: the building up of a complex assemblage (a pointedly Latourian term) of relations between diverse actors, calculative instruments, and ideas. It is a project that is fragile from the outset: problem to be solved needs to be identified, desired outcomes to be defined, interventions and services to be designed, costs and potential savings to be estimated, and political support to be won. As the project gradually takes shape, there is an increase in the number, quality and stature of actors to be mobilized, lined up and interested. It is evident that each SIB is backed by a network of diverse expertise, ranging from accounting and data science to social work.

The focus of the present study is on the emergence of the idea of SIBs in the context of a Nordic welfare society, more specifically in Finland. The paper analyses the emergence of the SIBs as an idea. It further analyses the efforts to create the ecosystem in which SIBs are to be inhabited, and are hoped to start growing and flourishing. The main focus of the paper will be on the measurement of SIB in investigating seven pilot projects supported by the Finnish Innovation Fund Sitra. At the heart of the construction of an assemblage, or a SIB ecosystem, is the enrollment of various actors, with varying and at least seemingly incompatible interests and objectives, as well as the creation of calculative devises for impact measurement. The paper gauges – through interviews and document analysis – the actions and experiences of the key stakeholders, and the process of construction of the calculative tools required. The focus is on the measurement of social impact in money.

Stream 1

12.15 – 13.00

Lisa Schramm (University of Bamberg) and Frank Schiemann

"Analysing the Link between ESG Assurance and Firm Value: The Role of ESG Performance"

Frank Schiemann
University of Bamberg, Faculty of Social Sciences, Economics, and Business Administration
Feldkirchenstr. 21, 96052 Bamberg, Germany
Phone: +49 951 863 2506
Email: frank.schiemann@uni-bamberg.de

Lisa Schramm
University of Bamberg, Faculty of Social Sciences, Economics, and Business Administration
Feldkirchenstr. 21, 96052 Bamberg, Germany
Phone: +49 951 863 2744
Email: lisa.schramm@uni-bamberg.de

Abstract
We investigate the relationship between ESG assurance and firm value. Prior literature builds on signalling theory and finds that ESG assurance leads to improved firm value. However, these studies might overestimate the signalling effect of ESG assurance itself if they do not take into account the role of ESG performance. We aim to fill this gap and analyse the mediating effect of ESG performance on this link. In other words, we investigate whether ESG assurance is connected to better ESG performance, which in turn leads to improved firm values. In order to test for a mediating effect, we collect 7,746 firm-year observations for 1,254 European publicly listed firm within a period of 2004-2023. Our findings support the mediation effect and thus indicate that ESG performance indirectly determines the positive effect of ESG assurance on firm values. Therefore, our research provides interesting insights on the actual signalling effect of assurance on market value and, in light of recent regulation in this field, has important implications for practitioners and regulators.

Keywords: ESG assurance; firm value; ESG performance; mediation effect

Stream 2

10.45

Maria Aluchna (Warsaw School of Economics) and Maria Roszkowska-Menkes

"Corporate social irresponsibility and institutional investors. A moderating effect of ESG disclosure"

Maria Aluchna
Department of Management Theory, Warsaw School of Economics
al. Niepodleglosci 162, 02-554 Warsaw, Poland, tel: 48225648620
maria.aluchna@sgh.waw.pl

Maria Roszkowska-Menkes
Department of Management, Tilburg School of Economics and Management
Warandelaan 2, 5037 AB Tilburg, Holland, tel.: +31 13 466 2392
M.T.Roszkowska-Menkes@tilburguniversity.edu
Department of Management Theory, SGH Warsaw School of Economics
al. Niepodleglosci 162, 02-554 Warsaw, Poland, tel.: 48225648620
maria.roszkowska-sliz@sgh.waw.pl

Abstract
Addressing the shortcomings of one-dimensional approach of corporate social responsibility, we draw upon stakeholder theory and examine the links between the measure of corporate social irresponsibility (CSI) and ownership by institutional investors. In particular, we test the impact of ESG controversies on ownership by institutional investors and the role of ESG disclosure for this association. We assume that ESG controversies lower engagement by institutional investors who do not to invest in irresponsibly behaving companies. ESG transparency however plays an important role in the case of negative events represented by ESG controversies score and it moderates the negative link between controversies and institutional ownership. We test these assumptions using the sample containing a total of 4,252 firm-year observations from 850 companies listed in the United Kingdom, Germany, France, Italy, Poland and Spain.
The findings provide support for the hypotheses showing that ownership by institutional investors are associated with lower ESG controversies and that these investors are not willing to invest to companies which engage in irresponsible behavior. We also find that this effect is moderated by ESG disclosure – the ESG disclosure diminishes the negative effect of ESG controversies. We interpret these findings as follows: companies with ESG controversies disclose non-financial information to attract institutional investors. Institutional investors invest in companies with controversies when these controversies are accompanied by disclosure. The results suggest that ESG disclosure allows institutional investors to account for the controversies-related risk.

K**eywords:** ESG controversies, ESG disclosure, institutional investors

Stream 2

11.15

Karin Buhmann (University of Southern Denmark)

"Assessing the transformational effects and effectiveness of sustainability reporting laws in light of the EU's CSRD"

Karin Buhmann
Professor, Centre director, Centre for Law, Sustainability & Justice
UNIVERSITY OF SOUTHERN DENMARK
karbu@sam.sdu.dk

Abstract
This article addressed that issue by examining insights from a dataset of analysis of the transformational effects of a decade of mandatory sustainability reporting in Denmark, an EU country that introduced mandatory sustainability reporting from 2009, with a strong transformation objective (Buhmann 2013). During the decade between 2009 and 2019, reporting requirements in Denmark went from very flexible to somewhat less flexible and eventually, following the introduction of NFRD requirements, strictly information-oriented. Throughout this period, the Danish reporting requirement applied to a fairly large range of companies. This was also the case when the NFRD was transposed to national law, because it allowed for so-called over implementation. Thus, the case of Denmark is well-suited for an investigation of the relationship between different types of reporting requirements and the effects that can be observed. Based on a data-set of reporting by Danish companies, we explore and theorize on the implications of transformational and informational reporting for business uptake of sustainabilty expectations and externalities. We conclude that assessments of the effects and effectiveness of reporting laws need to carefully consider the orientation of the reporting requirements in regard to the compliance task rather than the policy objective. We also demonstrate that while information-oriented sustainability disclosure does not exclude organizational transformation through external pressure, a higher and speedier transformational effect can be expected from a regulatory approach that is focused at transformation as an effect of the reporting process and the internal organizational processing of the collated information. Finally, we draw up implications for regulators, financial institutions and civil society concerned with advancing corporate sustainability through mandatory reporting, in particular emphasizing the importance of transformational objectives being make explicit to companies if reporting requirements demand information disclosure.

Keywords: Denmark's sustainability reporting waves; reporting as information; reporting for transformation; organisational change; sustainability disclosure objectives.

Stream 2

11.45

Annika Busche (University of Applied Science Ingolstadt)

“Corporate social irresponsibility and institutional investors. A moderating effect of ESG disclosure”

Annika Busche
University of Applied Science Ingolstadt
Esplanade 10, D-85049 Ingolstadt
Tel +49 841 9348-2397
Annika.Busche@thi.de

Abstract
Despite the rising significance of corporate targets for different stakeholder groups, there is a noticeable deficit of academic research in this field. In this study, we analyze the number and characteristics of sustainability targets disclosed in the reports of European automotive companies from 2012 to 2022. We also investigate approaches to target-setting, including the extent to which sustainability targets are regulation-referencing. This enables us to evaluate the companies’ efforts to achieve legitimacy. Our qualitative methodological approach involves content analysis of sustainability reporting. Our findings reveal a clear imbalance between the scope of environmental, social, and governance (ESG) targets, which can be explained as a response to societal expectations. Furthermore, we observe a positive development in disclosing carbon targets and recommend extending similar efforts to other sustainability topics.

Keywords: corporate sustainability; sustainability reporting; corporate sustainability targets; legitimacy theory; content analysis; automotive industry

Stream 2

12.15

Johanna Marie Kunsmann (RWTH Aachen University), Johannes Bauer and Peter Letmathe

“Extent and Nature of Circular Economy Disclosures within the European Automotive Industry”

Johannes Bauer, Johanna Marie Kunsmann and Peter Letmathe #
RWTH Aachen University,
Chair of Management Accounting,
Templergraben 64, 52062 Aachen, Germany
Corresponding author. E-mail addresses: bauer@controlling.rwth-aachen.de (J. Bauer), Kunsmann@controlling.rwth-aachen.de (J. Kunsmann), letmathe@controlling.rwth-aachen.de (P. Letmathe)

Abstract
The automotive industry is among the largest consumers of critical raw materials in Europe, produces high levels of emissions throughout the product life cycle, and generates large amounts of waste. Hence, it is a key industry for the transition from a linear to a circular economy as called for by the Circular Economy Action Plan which is part of the European Green Deal. Various legislative and non-legislative measures have been introduced as part of the European Green Deal, for instance the industry-specific End-of-Life Vehicles Directive. In light of the current and future regulatory requirements, this raises the question of how far companies have already advanced in their CE disclosure. Previous studies have already analyzed the status of CE reporting for individual countries or industries. However, a comprehensive and struc-tured analysis of CE reporting within the EU automotive industry and across its supply chain is still lack-ing. This research gap leads to the following questions:
(1) To what extent and in which nature does the European automotive industry disclose on CE?
(2) Are there substantial differences in CE disclosure between OEMs and suppliers?
Our study is based on a sample of 77 automotive companies headquartered in Europe that will be affected by the CSRD reporting obligation. We retrieved the corporate reports of the reporting year 2021/2022 from the companies’ websites and analyzed them using a content analysis consisting of a three-layer coding system. Our results show that the European automotive industry has already implemented a wide range of R strategies, but there are still gaps in the full adop-tion the 9R framework. Companies tend to focus low hanging fruits, i.e., reduction and recycling activi-ties, while neglecting remanufacturing, repurpose and refuse activities. We also identify gaps in the reporting of targets related to CE practices as companies prefer to report on implemented CE practices in a qualitative manner. An analysis of the different CE activities within the 9R framework reveals that their depth depends on the overall level of reported prevalence of R strategies. Overall, our research highlights potential shortcomings in the extent and nature of CE disclosure and provides implications for both companies and regulators for a holistic transition to a CE.

Stream 2

12.45

Joanna Krasodomska (Krakow University of Economics) and Karsten Eisenschmidt

“The „G” and ESG strategy integration and disclosure: exploring the governance-related factors that influence companies' decision-making”

Joanna Krasodomska*
Krakow University of Economics, Poland
joanna.krasodomska@uek.krakow.pl

Karsten Eisenschmidt
Kiel University of Applied Sciences, Germany
karsten.eisenschmidt@fh-kiel.de

Abstract
Integrating environmental and social considerations into business strategies is critical to progress toward achieving sustainable development. The paper utilizes a sample comprising 364 companies listed on the Warsaw Stock Exchange (WSE) to identify the relationship between companies' corporate governance mechanisms and their ESG-related strategic and reporting decisions. The timeframe of the study takes into account a key moment characterized by significant changes to the WSE's corporate governance code of best practice.
According to the study findings, companies are more likely to integrate social issues into business strategies than environmental concerns. The logit regression results suggest a significant positive relationship between the implementation of diversity policy to the government bodies and remuneration mechanisms and the decision to integrate environmental and social issues in the company's business strategy and the ESG strategy disclosure. In contrast, the implementation of effective internal management systems is only significantly associated with the decision to integrate social issues into the company's business strategy.

K**eywords:** ESG; disclosure; Poland; diversity; best practices; remuneration; reporting; governance

Stream 3

10.45

Mathias Cöster (Uppsala University) and Matti Skoog

“Enabling integration of strategic sustainability ambitions – management control driven dialogues in a public organisation”

Mathias Cöster
PhD, Associate Professor,
Department of Business Studies, Uppsala University
Contact: mathias.coster@fek.uu.se

Matti Skoog
PhD, Professor,
School of Business and Economics, Åbo Akademi University
Contact: matti.skoog@abo.fi

Abstract
Organisations today experience challenges regarding development of management control systems and practices that are aligned to sustainability goals and strategies. In public organisations, such management control practices are of particularly interest as these organisations are supposed to lead the transition towards more sustainable societies. In this paper, we present a case study on a management group in a public organisation, that use a management control tools in dialogues on sustainability. The research question that is addressed is how management control driven dialogues in a public organisation can enable integration of strategic sustainability ambitions. The case study describes the development of a sustainability budget and how it influences management control driven dialogues. These dialogues enable analysis and creation of contextual as well as functional processes that includes sustainability aspects. Furthermore, the case shows how management control driven dialogues may enable organisational sustainability aspects to be considered both strategically, tactically, and operationally. Also, how a formal management control tools can be used as a starting point for establishing a common understanding on sustainability in a public organisation. A general conclusion is that management control practices have great potentials to contribute to organisations that wish to enable integration of strategic sustainability ambitions in their operations.

Stream 3

11.15

Maria Iuorio (University of Naples “Federico II”) and Raffaela Casciello

“The measurement of sustainability of public procurement. An analysis through indicators.”

Maria Iuorio
Department of Economics, Management, Institutions - University of Naples “Federico II”
maria.iuorio@unina.it

Raffaela Casciello
Department of Economics, Management, Institutions - University of Naples “Federico II”
Raffaela.caciello@unina.it

Abstract
This study explores sustainability constraints in public procurement by Public Administrations in Italy from 2014 to 2023 and examines their association with the economic and sustainability performance of procurement companies. Public procurement increasingly supports sustainable development goals alongside economic growth, balancing economic, social, and environmental objectives to achieve the best quality-price ratio. This approach is mandated by Article 1 of the New Italian Public Procurement Code, emphasizing the role of public contracts in adopting sustainable practices. In order to retrieve information regarding the state of the art of public procurement sustainability constraints in Italy from 2014 to 2023, a qualitative research methodology centered on content analysis is adopted. I analyse the public procurement calls (containing sustainability constraints) and interviews of public administration directors or purchasing managers of public sector organisations. The information generated by this methodology will be transformed into numerical data and will be used to assess the extent and scope of sustainable practices required of companies participating in the procurement. A quantitative approach based on regression analysis will be used to analyse the existence of an association between sustainability constraints in public procurement and the improvement of the economic and sustainability performance of procurement companies. In this early-stage study, the results are uncertain. The study acknowledges uncertainties, considering two scenarios: sustainability constraints may enhance companies' performance, or challenges like greenwashing and increased costs may impede progress. This research contributes to the ongoing debate on integrating sustainability in public procurement, building on previous studies by Brammer & Walker (2011), Grandia et al. (2013), and Gelderman et al. (2017). The findings have practical implications for stakeholders such as public administrations, procurement firms, regulators, and standard setters. It underscores the importance of incorporating sustainability constraints in procurement to encourage responsible behavior and sustainable practices, highlighting the critical role of public authorities in promoting sustainable development within their territories.

Stream 3

11.45

Jan Michalak (University of Lodz)

“Sustainability reporting standards development process through lens of Advocacy Coalition Framework”

Jan Michalak
University of Lodz, Poland
jan.michalak@uni.lodz.pl

Abstract
The article aims to answer the following research questions using the Advocacy Coalition Framework (ACF): to what extent and how were scientific research results and scientists' knowledge used in developing sustainability reporting standards (and the Corporate Responsibility Reporting Directive itself) by adverse coalitions? The research employs a case study methodology based on analysis of documentation (drafts of standards, standards, web releases, consultation documents, interviews (seven conducted to date), on the proposal for a sustainability reporting directive and the development of sustainability reporting standards being developed by EFRAG was used. The case study method, in particular using interviews triangulated with document analysis, allowed us to answer to what extent and how the results of scientific research and the knowledge of researchers were used in the development process of Directive 2022/2464 and the development of two sustainability reporting standards sets (both prepared by EFRAG and ISSB). The study's originality lies (among others) in its application of the ACF, which offers a nuanced representation of the political dynamics in standards-setting processes and highlights the role of academics and research. Ingold (2022) found that ACF has been applied in more than 150 studies of policymaking in the EU, whereas only 15% of studies investigated supra-national policymaking (including analysis of how interest groups, countries, and the EU institutions are acting (Ingold, 2022). Interestingly, according to the author’s knowledge it has not been used for reporting standard-setting (including sustainability reporting standards).Two distinct coalitions are identified in the process of sustainability standards development. One of the coalitions adopts an approach akin to the principles of integrated reporting, exposing it to criticisms articulated by Flower (2015). The study's initial findings suggest that within two main coalitions, further sub-coalitions were formed - progressive ones and conservative ones. Academics were members of all coalitions and sub-coalitions and participated throughout the process (including development and public consultations). The results also show that the use of scientific research in the process of sustainability standards development was limited and mainly indirect. Interviewees attributed this to the hectic and political nature of the standard-setting process, underfunding of EFRAG, and lack of clear incentives for academics to join the process. They also noticed that standard-setting bodies had the best contact with academics from the accounting and financial markets domain and complained about the lack of academics from other disciplines. Despite these challenges, interviewees observed a gradual increase in the use of scientific research over time.

Stream 3

12.15

Paweł Zieniuk (Krakow University of Economics) and Małgorzata Macuda

“Voluntary assurance on sustainability reporting in European companies prior to the implementation of the CSRD”

Małgorzata Macuda
Management Accounting Department
Poznań University of Economics and Business, Poland
malgorzata.macuda@ue.poznan.pl

Paweł Zieniuk
Financial Accounting Department
Krakow University of Economics, Poland
pawel.zieniuk@uek.krakow.pl

Abstract

The paper examines voluntary assurance practices for sustainability disclosures among European companies before the Corporate Sustainability Reporting Directive (CSRD) implementation and identifies factors influencing decisions on independent report verification. The study analyzes 576 European companies, primarily multinational or large entities, with sustainability reports available from the GRI Sustainability Disclosure Database. About 60% of these companies are publicly listed. Logit regression is used to determine factors affecting voluntary assurance decisions, considering company characteristics, business domains, reporting practices, experience, and country-specific factors.

The results highlight key factors influencing voluntary assurance, including company-specific characteristics, previous reporting experience, selected reporting practices (e.g., SDGs), and country-specific factors (e.g., auditing standards). The study identifies the most common assurance service providers, scopes, and standards used by companies. The findings have practical implications, particularly as the CSRD introduces mandatory limited assurance in 2024, with a transition to reasonable assurance by 2028.

This research enhances understanding of companies' assurance choices and provides a baseline for tracking changes during the transition to mandatory verification. The study also suggests directions for future research on assurance for ESG reports, emphasizing the relevance of assurance standards during the transitional period.

K**eywords:** voluntary assurance, mandatory assurance, CSRD Directive, sustainability reporting, ESG reporting.

Stream 3

12.45

Lana Sabelfeld (University of Gothenburg), Peter Beusch, Marita Blomkvist and Jeaneth Johansson

"Early-stage implementation of CSRD: narratives from managerial and reporting practices"

Lana Sabelfeld (University of Gothenburg)
Lana.Sabelfeld@handels.gu.se
Peter Beusch (University of Gothenburg)
Marita Blomkvist (University of Gothenburg)
Jeaneth Johansson (Luleå University of Technology)

Abstract

The recent Corporate Sustainability Reporting Directive (CSRD) has significantly altered the regulatory landscape in Europe, exposing substantial pressure on large and medium-sized companies. This regulatory shift has challenged the legitimacy of industrial companies, requiring them to rethink corporate identity and purpose, urging the integration of sustainability into organizational strategies and practices. This research presents a case study of a leading global industrial company that embarked on a transformative journey to meet the new requirements imposed by the CSRD. Through extensive reorganization at both strategic and operational levels, the company sought to adapt its practices to comply with the CSRD, starting with the early stage of strategic planning of resources, new competencies and policies, followed by identifying gaps in current SR practices to be able to comply with the CSRD. Utilizing the narrative approach to organizations (Czarniawska, 1997) our analysis sheds light on managers 'narratives about the early-stage implementation of CSRD requirements within the company. Despite a 20-year history of a sustainability implementation journey, the company found itself at the inception of a narrative about a new road towards integrating sustainability with the financial management and reporting, with CSRD compliance serving as just one facet of this broader endeavor. Through our examination of narratives conveyed by different managers involved in the early-stage implementation of CSRD, we shed light on the complex interplay between regulatory mandates, corporate identity, and different rationales at strategic and operational levels in the industrial sector. By delving into the challenges and opportunities in the managerial and reporting practices, articulated by the confronted managers of a global industrial company based in Sweden, our research offers insights into the ongoing early implementation process as part of the journey of integrating sustainability into organization in response to significantly strengthened regulatory pressure.

Stream 4

14.00 – 14.45

Dusan Ecim (University of the Witwatersrand), Warren Maroun and Sean van Zijl

"Biodiversity reporting by UK-listed companies: A review of extent, content and readability of disclosures"

Sean van Zijl, Dusan Ecim*& Warren Maroun*^
*University of the Witwatersrand, South Africa
^University of Leeds, UK
Corresponding e-mail: Dusan.ecim@wits.ac.za

Abstract

The purpose of this research is to examine assurance practices over listed South African companies. The authors examine the extent to which South African listed companies make use of Corporate Social Responsibility (CSR) reporting assurance and the "elements" of the CSR reports which are being externally assured. In addition to this, the authors determine whether the nature and extent of that CSR assurance is an indication of the robustness of the underlying accounting and management infrastructure necessary for the preparation of a CSR report (referred to collectively as "proactivity"). For instances of CSR assurance identified, the authors use content analysis to determine what CSR information has been assured and how this information has been assured. These details are used to calculate assurance scores according to prior research. These details are used to calculate assurance scores according to prior research. That proactivity is a determinant of CSR assurance will be tested using OLS regression complemented by a battery of sensitivity tests. The authors find variations in the nature and extent of CSR assurance over South African listed companies, as well as the diversity of CSR reporting elements assured. Much has been written on CSR assurance, but this research mainly focuses on broad firm characteristics associated with the decision to appoint an external party to test a CSR report. Researchers have not examined in detail how the nature and extent of CSR assurance varies among organisations and the factors which may be driving changes in the quantum of assurance. This research is the first to examine the relationship between the nature and extent of CSR assurance and the underlying accounting and management infrastructure necessary for the preparation of a CSR report.

K**eywords:** assurance, sustainability, sustainable development goals.

Stream 4

14.45 – 15.30

Syed Mahfujul Alam (University of Trento), Ericka Costa and Helen Tregidga

"Climate Change Accounting and Disclosure: Roles of Accounting Profession"

Syed Mahfujul Alam
Institution: Department of Economics and Management, The University of Trento, Italy
syedmahfujul.alam@unitn.it

Ericka Costa, The University of Trento, Italy
Helen Tregidga, Royal Holloway, University of London, UK

Abstract

Climate change poses one of the biggest threats to society and the environment. The increase in atmospheric temperature is causing severe climate-related events and making society and the environment vulnerable to climate change. To address the severity of climate change, academics, policymakers, and practitioners are making summative efforts to reduce its negative impacts. One of the core efforts now is to account for and disclose climate change-related activities. The present study critically reviews the CCAD literature from the perspective of the roles of the accounting profession. The literature review on accountants' roles is summarised in three main areas: i. adopting a harmonised standard to account for and disclose climate change-related activities uniformly; ii. enhancement to climate change-related information to accurately communicate with investors, societies, and the public; iii. promotion of innovative methods for attracting green investments. Drawing on these findings, the study indicated future literature agendas under the lens of accountants' roles. Agendas incorporate the role of balancing financial and environmental accounting by integrating financial and non-financial information and promoting the significance of green investments in tackling climate change.

K**eywords:** assurance, sustainability, sustainable development goals.

Stream 5

14.00 – 14.45

Johannes van der Waal (Open University of the Netherlands)

"Comparing corporate SDG Reporting: Multi-year, multi-region analysis via topic modeling"

Johannes van der Waal
Open University of the Netherlands, Netherlands
johannes.vanderwaal@ou.nl

Abstract

Corporate disclosure about the Sustainability Goals (SDGs) has gained traction since the introduction of the 2030 Agenda in 2015. This article intends to take stock of the development of SDG reporting by companies by providing a longitudinal study of a corpus of sustainability reports of 300 international companies from the USA, Europe and East-Asia. It employs natural language processing techniques, notably Structural Topic Modeling and dictionary approaches. Rather than focusing on determinants of SDGs reporting, this study aims to understand the nature of SDG reporting, which is sometimes seen as impression management or "bluewashing". Compared with financial language, SDG language is more future-oriented and optimistic, and hence more aspirational in character. Higher in optimistic language, it can be seen as impression management, supporting the bluewashing argument. Since 2015, SDG mentioning has increased in company reports, while also more topics are covered. Inspired on concepts of political economy, differences in SDG disclosure are discovered between the country groups, which can be understood by institutional differences. A comparison of levels of disclosure with performance indicators shows that there is little relation between the two. The study contributes to a deeper understanding of the dynamics of SDG mentioning and its value for users.

K**eywords:** sustainable development; voluntary disclosure; SDGs; global challenges; natural language processing; structural topic model.

Stream 5

14.45 – 15.30

Ronita Ram (Henley Business School), Wayne Fong and Gunnar Rimmel

"The state of UN Sustainable Development Goals disclosures by insurance companies in developing countries"

Wayne Fong[a]*, Ronita Ram[a] and Gunnar Rimmel[a,b]
[a]Henley Business School, University of Reading, Reading, United Kingdom
[b]Aalborg University Business School, Denmark
*w.fong@pgr.reading.ac.uk

Abstract

Developing countries have been experiencing a myriad of economic, environmental and social challenges but the extant studies on such nation's engagement of SDGs, particularly in its insurance industry, were limited. This paper aims to examine the current state of SDGs disclosure by insurance companies in developing countries and identify the motivations for disclosure as well as the opportunities to enhance the engagement of SDGs. Using document analysis, this study investigates the current state of disclosure of SDGs in the sustainability reporting in the insurance industry in two developing countries, specifically in Indonesia and the Philippines, and how it can contribute to the attainment of SDGs. The findings show limited SDG disclosure by insurance companies, with the most commonly disclosed indicators being SDG 8 (decent work and economic growth) and SDG 1 (no poverty) for Indonesia and the Philippines respectively. However, seven SDGs were identified to be of key relevance for insurance companies in developing companies, which policymakers should mandate the disclosure of attainment of goals; these include SDG 1, SDG 2 (zero hunger), SDG 3 (good health and well-being), SDG 8, SDG 10 (inequalities reduction), SDG 11 (sustainable cities and communities), and SDG 13 (climate action).The extent and quality of SDG-related reporting, key trends and patterns, and the factors influencing disclosure practices were also explored. Through this analysis, the research intends to contribute to a deeper understanding of how the insurance sector in developing economies is engaging with the SDGs and to provide recommendations for enhancing disclosure practices. This research bears relevance and importance for practice and policy, as it offers stakeholders insights to the current state of SDGs disclosure by insurance companies in developing countries. This study shows that insurance plays a key social role, especially in developing countries, in improving the likelihood of vulnerable communities and in reducing poverty, which indirectly contributes the attainment of SDGs. Hence, improved SDG disclosures may be a powerful lever to nudge insurance companies towards a better contribution to the SDGs. This study advances on limited academic research by focussing on how insurance companies in developing countries addressed their SDGs engagement.

Keywords: UN SDGs; social disclosure; insurance; developing countries.

Stream 6

14.00

Martina Macpherson (SIX Group)

"Meeting the EU's Sustainability Disclosure Rules – A Mission (Im)Possible?"

Martina Macpherson
Head of ESG Product Strategy & Management, SIX Financial Information
Chair, Sustainability Products and Services Council, SIX Group
Martina.Macpherson@six-group.com

Abstract

This paper aims to evaluate and compare the key current policy and regulatory environmental, social and governance (ESG) developments in Europe and their implications for the investment value chain. It aims to highlight the implications of the EU's Sustainable Finance Action Plan, the EU's Sustainable Finance Disclosure Regulation, the EU's Green Taxonomy, EU's Markets in Financial Instruments Directive (MiFID) II and of pending ESG ratings regulation across European jurisdictions, and their implications for the investment value chain. It briefly sets out to assess, compare and map the different additional cross-EU, and national disclosure and labelling regimes with the EU's Sustainable Finance Disclosure (EU SFDR) regulation, and aim to establish if more harmonised and standardised rules, i.e., and an interoperability of these frameworks, can address the fragmentation challenges - and how.

Stream 6

14.30

Philumena Bauer (Johannes Kepler Universität), Ahmad Fawad, Nives Botica Redmayne, Dorothea Greiling

“SDG reporting of Austrian and New Zealand federal SOEs”

Philumena Bauer
Johannes Kepler University
Institute of Management Accounting, 4040 Linz, Austria
philumena.bauer@jku.at

Abstract

The UN 2030 Agenda, adopted in 2015 as part of the Paris Agreement, commits signatory states to implementing 17 Sustainable Development Goals (SDGs) to achieve global sustainable development. State-owned enterprises (SOEs) play a crucial role in this effort. This research investigates compliance with and reporting on the 17 SDGs by 12 federal SOEs in Austria and New Zealand. While Austria has some non-financial reporting regulations, New Zealand does not, and SDG reporting remains voluntary in both countries. Unlike large for-profit companies, little is known about SDG reporting by SOEs. The central research question is: How has SDG reporting in large Austrian and New Zealand SOEs evolved since 2016? This study conducts a comparative, longitudinal analysis of six SOEs in each country, including OMV AG, Verbund AG, Österreichische Bundesbahnen, Österreichische Post AG, KiwiRail Holdings Limited, and Transpower New Zealand Limited. The public ownership of these SOEs ranges from 31.5% to 100%, allowing for an evaluation of whether ownership extent influences reporting practices. The analysis examines 96 non-financial reports, whether standalone or integrated, to understand their alignment with SDG requirements and assess trends in reporting. The reports are systematically coded and analyzed using MAXQDA software to ensure consistency. By comparing the SDG reporting practices of large federal SOEs in both countries, the study identifies the extent of SDG integration and highlights key differences and similarities. Strategic stakeholder theory and legitimacy theory provide the theoretical framework. The former emphasizes the instrumental value of SDG reporting, while the latter focuses on the importance of aligning with societal norms to maintain public trust.This study contributes to the existing literature on SDG reporting by conducting a comparative analysis of SOEs in Austria and New Zealand. The selection of Austria and New Zealand provides insights into the impact of different geographical areas on SDG reporting also in reference to two different regulatory settings – one with some regulation around non-financial reporting and the other with a completely voluntary reporting on SDGs. This study is also a longitudinal study of SDG reporting providing further insights into trends in SDGs related reporting.

Stream 6

15.00

Mario Abela (Doshisha University)

“Rediscovering the social function of accounting – the shifting objective of corporate reporting”

Mario Abela
Senior Research Fellow, Value Research Centre, Doshisha University, Kyoto, Japan
charlesmabela@gmail.com

Abstract

Expanding disclosure requirements in corporate reporting has become a major lever for policy-makers to drive company behaviour towards more sustainable business models and practices. It has become a hallmark of ‘light-touch’ regulation, in an era that has continued turn to the market to resolve social and economic issues. In the most recent phase, we have witnessed a massive and unprecedented consolidation of standard setters and a push towards integrating sustainability-related into ‘mainstream’ and alongside regulated financial reporting. This has been founded on a notion that financial reporting, as currently defined, is the most credible basis onto which to graft sustainability reporting. In the process, it has been assumed and largely accepted, that the objective of financial reporting is appropriate to extend to all forms of corporate reporting. It takes as a given, that decision-making is the ultimate purpose of reporting and this is reflected in the isomorphic behaviour of standard setters in supporting a common set of concepts to underpin reporting. The implications are a genealogy of reporting that casts aside accountability as a relic of the past subsuming it as a facet of decision-making alongside stewardship and other relational concepts in favour of transactional ones. This paper make a contribution to accounting literature by recovering the now discarded purpose of financial reporting to provide ‘an account’ of the entity’s performance including externalities as a legal imperative to discharge the accountability under company law. The paper resolves that unless accountability can be restored as the purpose of reporting, sustainability will continue to of limited relevance unless it has implications for the future cash flows of the business.

Stream 7

16.00 – 16.45

Wayne van Zijl (University of the Witwatersrand), Madelein Stagman and Kayleigh Burnham

"What about NGOs? Creating a standardised Charitable Organisations Reporting Practices framework"

Madelein Stagman, Wayne van Zijl* and Kayleigh Burnham
University of the Witwatersrand: 1 Jan Smuts Avenue, Johannesburg, South Africa

*Corresponding author: Wayne.VanZijl@wits.ac.za

Abstract

Charitable organisations (COs) are increasing in numbers and becoming more important to support social and environmental causes, particularly where governments are failing. Despite their importance, COs have received little attention from accountants, particularly those interested in advances sustainability. This paper proposes that sustainability must include COs. Currently, there is no globally accepted financial nor reporting framework for COs, negatively affecting both COs and donors. This paper begins to contribute by using interviews with a variety of key stakeholders to identify key challenges faced by COs and donors and inform a draft Charitable Organisations Reporting Practices (CORP) framework. The CORP recognises the unique information needs of donors. For example, it requires CO to prepare a statement of credibility to help donors assess a COs credibility before engaging further. In addition, it requires a flash report with a novel year-to-date column to provide a cost-effective mechanism to provide more up-to-date than is typically seen in annually reports. Finally, the statement of activities differentiates and requires that COs present their outputs, outcomes and impacts. This can significantly aid the comparison of different COs to select the most appropriate for donors to form partnerships with and donate to.

K**eywords:** NGOs; NPOs; sustainability; SDGs; corporate reporting.

Stream 7

16.45 – 17.30

Maizatulakma Abdullah (Universiti Kebangsaan Malaysia) and Gunnar Rimmel

“Exploring Climate Risk Disclosure's Impact on Export Sales: Evidence from the Palm Oil Industry”

Maizatulakma Abdullaha
Faculty of Economics and Management, Universiti Kebangsaan Malaysia, 43600 Bangi Selangor, Malaysia
E-mail of the corresponding author: maizatul@ukm.edu.my

Gunnar Rimmel
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark

Abstract

In the palm oil industry, the pressure from global consumers has intensified due to concerns regarding sustainability and environmental impact. This study, grounded in accountability theory, investigates the relationship between climate risk disclosure and export sales performance among Malaysian palm oil companies. Leveraging a dataset encompassing 105 annual or sustainability reports spanning the period from 2018 to 2022, we scrutinize the extent to which disclosure of climate-related risks influences palm oil export sales. Our analysis reveals a noteworthy positive correlation between the level of climate risk disclosure and export sales, suggesting that transparent communication of climate risks plays a pivotal role in enhancing market competitiveness for palm oil producers. By conveying their commitment to climate change mitigation, companies are able to differentiate themselves as sustainable producers, thereby bolstering their brand value and facilitating access to export markets. These findings hold significant implications for stakeholders, underlining the importance of climate risk disclosure as a strategic tool for securing a competitive advantage and expanding market presence. Through empirical evidence, this study contributes to both academic research on sustainability disclosure and practical strategies for palm oil firms seeking to improve their export market performance amidst growing environmental concerns.

Keywords: climate-related disclosure, palm oil, export market, accountability, environment.

Stream 8

16.00 – 16.45

Robin Roslender (Aalborg University Business School)

"Is sustainability reporting social reporting? So what about the workers??"

Robin Roslender
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark
rroslender@business.aau.dk

Abstract

Sustainability accounting and reporting (SAR) is currently an extremely popular research focus, arguably as popular as any other focus within the now well-established social and environmental accounting (SEA) branch of the accounting discipline has ever been. To a degree his mirrors the extent to which sustainability concerns have impinged themselves within the public's consciousness during recent years. Viewed from the perspective of accounting and reporting the importance of sustainability has recently been attested by the International Financial Reporting Standards Foundation (IFRSF)'s decision in 2023 to begin developing a set of Sustainability Reporting Disclosure Standards (IFRS-S) as a complement its International Financial Reporting Standards (IFRS). In common with several extant sets of sustainability standards IFRS-S are motivated by the need to introduce a measure of order within the disclosure of sustainability information by organisations within their reporting, and thereby facilitate greater comparability between such information. As the use of the term disclosure suggests, however, these new standards are not envisaged as being prescriptive in the way IFRS (and International Accounting Standards (IAS)) are. Voluntary in character, their role is one of enabling increased (beneficial) information provision rather than securing tight regulation. The paper is organised in five further sections. Initially the evolution of SAR is briefly reviewed, followed by details of the growth of the current stock of SSR standards. In the fourth section the argument is made that social accounting, understood as accounting to society, and thereby broader in content than the more familiar SEA development, has become transformed into social reporting (SR), recognised as reporting to society. The necessity for developing reporting to the many stakeholder groups, which forms the secondary focus of the IR approach to corporate reporting, is identified as providing an important contribution to any rejuvenation of SR is discussed in section five. The paper concludes by offering some thoughts on what a bilateral model of reporting to the employee or workforce stakeholder group might now incorporate in the light of concerns about the continued availability of sufficient numbers of appropriately talented workers.

Stream 8

16.45 – 17.30

Frederik Zachariassen* (*Aalborg University Business School), Sirle Bürkland* and Chiara Crovini*

"Navigating carbon complexities: Carbon calculations and accounting challenges"

Frederik Zachariassen, Sirle Bürkland and Chiara Crovini
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark
fdz@business.aau.dk

Abstract

Sustainability accounting and reporting (SAR) is currently an extremely popular research focus, arguably as popular as any other focus within the now well-established social and environmental accounting (SEA) branch of the accounting discipline has ever been. To a degree his mirrors the extent to which sustainability concerns have impinged themselves within the public's consciousness during recent years. Viewed from the perspective of accounting and reporting the importance of sustainability has recently been attested by the International Financial Reporting Standards Foundation (IFRSF)'s decision in 2023 to begin developing a set of Sustainability Reporting Disclosure Standards (IFRS-S) as a complement its International Financial Reporting Standards (IFRS). In common with several extant sets of sustainability standards IFRS-S are motivated by the need to introduce a measure of order within the disclosure of sustainability information by organisations within their reporting, and thereby facilitate greater comparability between such information. As the use of the term disclosure suggests, however, these new standards are not envisaged as being prescriptive in the way IFRS (and International Accounting Standards (IAS)) are. Voluntary in character, their role is one of enabling increased (beneficial) information provision rather than securing tight regulation. The paper is organised in five further sections. Initially the evolution of SAR is briefly reviewed, followed by details of the growth of the current stock of SSR standards. In the fourth section the argument is made that social accounting, understood as accounting to society, and thereby broader in content than the more familiar SEA development, has become transformed into social reporting (SR), recognised as reporting to society. The necessity for developing reporting to the many stakeholder groups, which forms the secondary focus of the IR approach to corporate reporting, is identified as providing an important contribution to any rejuvenation of SR is discussed in section five. The paper concludes by offering some thoughts on what a bilateral model of reporting to the employee or workforce stakeholder group might now incorporate in the light of concerns about the continued availability of sufficient numbers of appropriately talented workers.

Keywords: carbon accounting, sustainability, case study.

Stream 9

16.00

Joanna Dyzkowska (Wroclaw University of Economics and Business)

"Early Reporting of GHG Emissions in Poland"

Joanna Dyzkowska
Wroclaw University of Economics and Business, Poland
Joanna.Dyczkowska@ue.wroc.pl

Abstract

Climate change and environmental issues are among the most pressing global challenges for sustainable development. The World Economic Forum (WEF) predicts that the next decade will be dominated by environmental crises such as extreme weather events, biodiversity loss, and natural resource shortages. The primary cause of climate change is the "greenhouse effect," where gases like water vapor, CO2, and ozone trap heat in the Earth's atmosphere. Human activities, including fossil fuel combustion and deforestation, have significantly increased atmospheric CO2 levels, which reached a record 419.3 parts per million in 2023—about 50% higher than pre-Industrial Revolution levels. Other greenhouse gases like methane and nitrous oxide have also risen, contributing to global warming and environmental disruptions. Despite increasing awareness, progress in reducing greenhouse gas (GHG) emissions remains limited. The 2023 Emissions Gap Report highlights the gap between current GHG emission trajectories and the reductions needed to meet the Paris Agreement's goal of limiting global warming to well below 2°C. This paper analyzes the quality of GHG emissions disclosures by examining 60 organizations listed in the WIG-ESG index, which includes companies on the Warsaw Stock Exchange that comply with ESG requirements. The study focuses on the 2021-2022 reporting period and evaluates various reports, including integrated and sustainability reports. Five research questions, based on the GHG Protocol's principles, guide the study: relevance, completeness, consistency, transparency, and accuracy. These principles assess whether organizations provide a comprehensive and reliable account of their GHG emissions. Improved GHG emissions reporting is crucial for monitoring national progress towards emission reduction targets and for companies to plan and reduce their emissions effectively. The paper's structure includes a theoretical framework based on institutional theory, an overview of GHG measurement standards, and an analysis of GHG emissions trends over the past 30 years. The findings and discussion sections conclude the paper, emphasizing the importance of robust GHG disclosures for environmental accountability at various levels.

Stream 9

16.30

Adina Popa* (*School of Business University of Skövde) and Erna Delic*

"Changing the Lens for Materiality: A Study of Double Materiality in the Annual Reports of Swedish Companies"

Adina Popa
School of Business, University of Skövde, Sweden
adina.popa@his.se

Erna Delic
School of Business, University of Skövde, Sweden
erna.delic@his.se

Abstract

The EU's Sustainable Development (SD) Goals aim to balance economic and social progress with protecting the planet for future generations. To achieve this, the new EU Corporate Sustainability Reporting Directive (CSRD) has changed the approach to the materiality principle. The double materiality approach represents a significant advancement in sustainability disclosure, particularly with the recent introduction of the European Sustainability Reporting Standards (ESRS). Companies shall report on sustainability matters more robustly and consider a multidimensional perspective that includes the company's impact on the environment and society (inside-out) and the influence of sustainability factors on its financial performance (outside-in). Robust sustainability reporting allows companies to be transparent about their environmental and social impacts. This study aims to provide a comprehensive understanding of how listed companies address and disclose material issues by shifting the focus from traditional materiality, which primarily considers financial impacts, to double materiality, which includes both financial and impact materiality. The paper investigates Swedish-listed companies within the STOXX Global ESG Leaders index, recognized for their strong environmental, social, and governance (ESG) performance and included in the Carbon Disclosure Project (CDP) rankings, disclose about double materiality in their sustainability and integrated reports. The content analysis methodology was employed, and based on the ESRDs content, a model was created to analyse these leading companies' current status of double materiality disclosure. However, we expect that the analyzed companies are in different phases of working with and disclosing about the double materiality assessment process.

Keywords: double materiality, disclosure, listed companies.

Stream 9

17.00

Jesper Chrautwald Sort (Aalborg University Business School), Stefan Schaper, Marco Montemari and Robin Roslender

"Are companies taking their R&D potential into account?"

Stefan Schaper
Department of Management, Aarhus University, Aarhus, Denmark

Marco Montemari
Department of Management, Facoltá di Economia "Giorgio Fuá", Universitá Politecnica delle Marche, Ancona, Italy

Robin Roslender and Jesper Chrautwald Sort
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark
jso@business.aau.dk

Abstract

In recent year the emphasis on sustainable reporting has increased in annual report and integrated report of companies. However, the level and relevance of reporting on different topics have been twisted road to say the least. One long-lasting topic is the performance of R&D departments, which depends on the interaction and integration of IC elements, namely human, structural, and relational capital. Measuring and disclosing the performance of R&D departments is challenging since a significant time lag often occurs from initial resource input until some first measurable or final outputs. In this context, it becomes crucial to consider a company's R&D potential - a bundle of interconnected intangible resources within the R&D function that, if nurtured and managed over time, can significantly enhance, sometimes even suddenly and considerably, the financial results of a company. Traditional reporting practices often fail to provide a comprehensive picture of a company's R&D potential while there are no studies that specifically analyze R&D potential in integrated reports. Thus, the underpinning value of R&D potential runs the risk of remaining hidden and undisclosed to external stakeholders. In order to address this gap, the paper analyses integrated reports of R&D intensive companies by using IC elements as framing devices in order to detect R&D potential. The findings indicate that companies today very scarcely disclose the R&D potential in IC terms, which is surprising as R&D potential could be one of the major indicators of future value creation. This could potentially also be a cautionary tale regarding the potential of sustainability performance in the integrated and annual report.

Keywords: sustainable reporting, integrated report, sustainability performance.

Stream 10

9.00 – 9.45

Andreea Moraru Arfire (ESSEC Business School) and Philip Joos

"Civil Society Demand for Global ESG Engagement"

Philip Joos
Tilburg University
TIAS School for Business & Society

Andreea Moraru-Arfire
ESSEC Business School
Accounting and Management Control Department
moraru@essec.edu

Abstract

We investigate what drives the civil society's demand for corporate ESG engagement and how corporations engage with civil society when it comes to ESG related scandals. First, we proxy civil society's demand for ESG engagement by the voting outcome to the referendum on the Responsible Business Initiative (RBI), a legislation requiring companies incorporated in Switzerland to be held accountable for human rights and environmental abuses for their operations in other countries. We find that the population's vote in favor for the RBI is significantly related to the local cultural values of prosocial behavior, as well as with local companies being involved in the past in ESG related scandals. Second, we hand collect Swiss multinational companies' reply letters to an NGO that monitors alleged abuses of human rights in companies' supply chains and construct an index of ESG engagement based on the content of these letters. Our findings suggest that companies subject to more ESG scandals are the ones that engage the most with the NGO. This study contributes to the emerging research on the mandatory aspect of corporate sustainability disclosure and sustainability due diligence.

Stream 10

9.45 – 10.30

Charlotte Neuss (Bamberg University) and Andreas Oehler

“ESG Disclosure vs. ESG Ratings”

Andreas Oehler
Full Professor and Chair of Finance,
Bamberg University, Kaerntenstrasse 7, 96052 Bamberg, Germany
andreas.oehler@uni-bamberg.de.

Charlotte Neuss
Department of Finance, Bamberg University, Bamberg, Germany

Abstract

We perform textual analysis of annual reports and examine the relationship between firms’ ESG Rating and firms’ sustainability disclosure. The paper contributes to the ESG literature by combining two mostly separately investigated research topics: the ESG Ratings and the ESG disclosure. This is important because market participants use both sources for decision-making (e.g., Hartzmark & Sussman, 2019; Verbeeten et al., 2016). We develop two different word lists to analyze the ESG information value from a rating agency-perspective and from the academic literature perspective. In contrast to selected ESG Ratings, our results show high explanatory power of firms’ sustainability disclosure. Furthermore, a comprehensive sustainability-related word list performs better than keywords extracted from an ESG Rating guideline. The results highlight the information content of firms’ reporting and its value for the assessment of sustainability. Moreover, the differences in the information value reveal the difficulties in using ESG Ratings and the issue of rating dispersions. In addition, firms without an ESG Rating have a good opportunity to achieve a high level of sustainability information through the firm’s disclosure.

Keywords: ESG Rating, Sustainability Disclosure, ESG Reporting, Information Value,
Corporate Governance, CSR Reporting.

Stream 10

10.30 – 11.15

Paul Klumpes (Aalborg University Business School), Jesper Lindgaard Christensen and Konstantinos Eleftheriou

“Climate change transparency by European pension funds: contractual issues and agency challenges”

Paul Klumpes
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark
pjmk@business.aau.dk

Jesper Lindgaard Christensen
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark

Konstantinos Eleftheriou
University of Piraeus, Piraeus, Greece

Abstract

European pension funds play an increasingly significant role both in providing retirement income for ageing populations and in securing public policy targets related to the green transition through engaging in net zero investment policies and climate friendly risk management strategies. We examine the degree of alignment with the Task Force for Climate-Related Financial Disclosure (TCFD) disclosure recommendations in the climate reports of a sample of fifty globally large European pension fund organisations that dominate the investment industries in four European countries, the UK, and three EU countries: Denmark, Netherlands, and Sweden. The contracting structure of these organisations is complicated both by the nature of decision rights and control and governance characteristics. Consistent with our predictions, we find that the degree of compliance with TCFD recommendations is related to (i) pension fund characteristics, i.e. the extent of delegation of investment management and monitoring to outside professional organisations, (ii) the governance structure, the separation of ownership and control of non-occupational based pension funds and (iii) country level institutional factors which cause UK pension funds have a greater probability of producing TCFD-aligned climate risk reports. We conclude that the degree of climate change transparency by pension funds is contingent upon the nature of their contractual relationships with their members, the extent of their business relationships with outside professional asset managers, and the degree of political pressure to provide public accountability.

Keywords: ESG Rating, Sustainability Disclosure, ESG Reporting, Information Value, Corporate Governance, CSR Reporting.

Stream 11

9.00 – 9.45

Sarah Bissett (DFGE – Institute for energy, ecology and economy)

"Beyond carbon accounting, beyond growth? Lean holistic ex-ante ecologic (and economic) impact assessment for sustainable organisational development - A Systematic Literature Review"

Sarah Bissett
Munich, Germany
sarah.bissett@posteo.de

Abstract

This research investigates the role of private companies, particularly new ventures, in driving sustainable transitions through sustainable entrepreneurship and innovative business models. As sustainability reporting expands beyond decarbonization to encompass broader environmental impacts like biodiversity and land use, the need for tools to measure and forecast these impacts becomes critical. However, the complexity of such assessments presents a significant barrier, especially for small and medium-sized enterprises (SMEs) and new ventures. These organizations often lack the resources and expertise to effectively measure their ecological impact, highlighting a gap between the academic development of sustainability tools and their practical implementation. The study aims to address these challenges by exploring simplified methods for assessing ecological and economic impacts in sustainable practices. It focuses on understanding how new sustainability-oriented value creation approaches, such as circular and degrowth models, can contribute to making impact assessment more accessible. The research is guided by three key questions: What are the emerging approaches to simplified ecological impact assessment that address the complex nature of ecosystems?; What can be learned from sustainable entrepreneurship about lean sustainability impact assessment?; How can shifts in values within sustainable entrepreneurship help simplify impact assessments? A transdisciplinary approach is employed, involving a systematic literature review of tools, methods, and indicators in ex-ante environmental impact assessment and sustainability-oriented value creation. The research uses databases like Web of Science and EBSCO to identify relevant studies, which are then analyzed for simple and lean approaches. A comparative analysis and mapping of the findings aim to identify synergies between the two research fields, potentially offering new insights into simplifying sustainability assessments. The paper's structure includes a theoretical background on ecological impact assessment and sustainable business modeling, a discussion of research methods, and an analysis of findings, leading to conclusions and suggestions for future research. This study contributes to bridging the gap between theory and practice in sustainability impact assessment.

Stream 11

10.30 – 11.15

Guido Sopp (Westsächsische Hochschule Zwickau University of Applied Sciences) and Björn Bunzel

"Sustainability Reporting - A Global Analysis of Sustainability Reporting and its Impact on Cost of Capital - A Bibliographic and Content Analysis"

Guido Sopp and Björn Bunzel
Westsächsische Hochschule Zwickau University of Applied Sciences, Germany
guido.sopp@fh-zwickau.de

Abstract

Recent years have seen increasing public pressure on companies to enhance their corporate social responsibility (CSR) performance and disclosure. Notable initiatives influencing corporate activities include the 2015 Paris Agreement, which set ambitious climate change mitigation goals, and the 2022 Kunming-Montreal Global Biodiversity Framework (GBF), adopted during COP 15. The shift towards a circular economy and reduced resource use is vital for implementing these agreements. Market mechanisms can ensure credible corporate actions aligned with global goals, with value creation theory suggesting that strong CSR performers are rewarded with lower costs of capital and competitive advantages. Conversely, some argue that good CSR performance may incur costs, leading to lower market value and higher capital costs. Previous research on the relationship between CSR performance, CSR disclosure, and cost of capital has yielded mixed results, showing positive, negative, or no significant relationships. This study aims to build on prior research by focusing on three aspects. First, it examines the implications of CSR performance and disclosure specifically on the cost of capital, diverging from broader financial performance measures. Second, it narrows the analysis to the three ESG dimensions, particularly emphasizing circular economy and resource use within the environmental dimension of CSR disclosure. This approach aims to clarify current research trends at a granular level. Lastly, the study incorporates the latest academic developments to analyze potential trends in the relationship between CSR disclosure and cost of capital, considering recent political initiatives like the Paris Agreement. The study reveals that while research on CSR disclosure, performance, and cost of capital is growing, there is still limited focus on individual ESG dimensions, particularly the environmental aspect. The findings across studies are mixed, with few focusing on specific industries despite varying impacts of political actions across sectors. Given the increasing public and political emphasis on corporate sustainability, this study advocates for more industry-focused analyses to better understand these relationships.

Keywords: sustainability reporting, cost of capital, csr reporting, cost of finance.

Stream 11

10.30- 11.15

Niuosha Samani (University of Gothenburg) and Rahmatdi

"The role of internal communication channels when employees are outspoken"

Rahmatdi [a, b] and Niuosha Samani [b]
[a] Faculty of Economics and Business, Universitas Muhammadiyah Surakarta
[b] School of Business Economics and Law, University of Gothenburg, Sweden
niuosha.samani@handels.gu.se

Abstract

Companies today are not only exposed to traditional media but also to social media. Since employees are internal stakeholders, negative information shared by employees online may result in the negative impression that companies do not provide internal communication channels. In this study, we investigate the social media platforms used by employees (i.e., anonymous review websites), where they can share negative and sensitive information regarding the companies they work for. Specifically, using a German setting, this study provides evidence of a positive association between negative information in employee reviews and the extent of corporate disclosure on internal communication channels. Our results suggest that when employees publicly share negative information about their employers, it creates a threat to the corporate reputation. Consequently, they use social disclosure to address concerns regarding employees internal channels to raise concerns. Furthermore, it is found that the positive association is weaker when more reviews are from former employees, suggesting that greater attention is given to current employees' reviews.

Keywords: social media, employee reviews, internal channels, social disclosures.

Stream 12

8.30

Elina Paemurru (University of Tartu), Raili Lilo and Ülle Pärl

“Approaches to the Integration of ESG Factors in the Sustainability Reports”

Elina Paemurru, Raili Lilo and Ülle Pärl
University of Tartu
elina.paemurru@ut.ee
e-mail: railililo001@gmail.com

Abstract

This research investigates whether integrating Environmental, Social, and Governance (ESG) factors into sustainability reports can reduce the confusion surrounding ESG reporting and what benefits such integration may bring. ESG reporting often involves complex and varied metrics, creating challenges for organizations to provide both quantitative and qualitative information. The study begins by defining "integration" and then identifies various approaches to integrating ESG factors into sustainability reports. Given the European Union's (EU) focus on sustainability, the research draws from the EU Corporate Sustainability Reporting Directive (CSRD), which emphasizes a holistic approach to ESG factors. The goal of integration is to systematically consider social and environmental benefits alongside financial returns, identifying risks and opportunities that impact investors and shareholders to promote long-term sustainability. However, the EU regulations lack specific guidance on how to achieve integration and the preferred models for doing so. While there is a push for standardization, maintaining flexibility in reporting is also crucial. The mandatory nature of ESG reporting under the CSRD aims to enhance understanding of an organization’s performance and impact, positioning ESG activities as central to the core business. Integration helps connect material information, potentially reducing complexity and avoiding superficial compliance. The research is guided by a philosophical framework of relational constructivism and pragmatism within an interpretivist paradigm, exploring integration approaches through the lenses of complexity theory and integrative theory. A mixed-method approach, combining exploratory content analysis and case studies, will provide comprehensive insights into ESG integration practices. This approach seeks to identify how presenting disclosures in an integrated format can help organizations maintain flexibility, reduce reporting complexity, and improve the quality and relevance of ESG reporting, moving beyond a "tick-the-box" exercise.

Keywords: ESG factors, sustainability, sustainability reporting, integration, CSRD.

Stream 12

9.00

Ugbede Amedu (University of Portsmouth), Paraskevas Pagas and Arief Daynes

"The Impact of Acquisition Intensity on ESG Performance"

Ugbede Amedu
PhD Researcher, Portsmouth Business School, UK
up2090917@myport.ac.uk

Paraskevas Pagas
Dr, Senior Lecturer, Portsmouth Business School, UK

Arief Daynes
Dr, Senior Lecturer, Portsmouth Business School, UK

Abstract

This paper examines the impact of Acquisition Intensity on the ESG scores of acquiring companies using a large panel data of 1,945 unique US-listed companies between the period of 2002 to 2023. We used a robust OLS model to determine the impact of Acquisition Intensity, both Value and Volume based approaches, on the combined ESG Score, as well as its 3 components, controlling for size, leverage, and CAPEX. We provide evidence that acquisition intensity has a negative impact on the combined ESG score of the acquiring companies, driven mostly by lower governance scores. This deterioration in ESG scores is observed from the year of deal completion (T0) and remains in place even when the acquisition intensity scores are lagged by 1 and 2 years. We also found a strong positive relationship between size and overall ESG score, indicating that larger companies achieve better ESG scores but perform poorly on the environmental pillar. Finally, the relationship with Leverage and CAPEX were statistically significant but only marginally positive. Our result is particularly important for acquiring companies as it highlights an important trade-off between aggressive growth ambitions and sustainability in an era of increased public and regulatory scrutiny on of ESG footprint of companies.

Stream 12

9.30

Raffaela Casciello (University of Naples “Federico II”), Clelia Fiondella and Marco Maffei

“Sustainability Performance and Bank Liquidity Creation”

Raffaela Casciello
Research Fellow of Accounting, University of Naples “Federico II, Italy
raffaela.casciello@unina.it – corresponding author

Clelia Fiondella
Full Professor of Accounting, Università degli Studi della Campania Luigi Vanvitelli, Italy
clelia.fiondella@unicampania.it

Marco Maffei
Full Professor of Accounting, University of Naples “Federico II; Italy
marco.maffei@unina.it

Abstract

These recent papers emphasize the urgency of shedding light on the impacts of ESG performance on banking behaviour in terms of governance choices, operating activities and risk management, while neglecting possible consequences for the core function of banking activity, liquidity creation. Choi et al. (2022) have claimed that “One important gap in the literature concerns how bank stakeholders, especially depositors, who are responsible for the main source of bank funding (Chavaz and Slutzky, 2018), respond to signals reflecting banks’ ESG practices”. This paper meets the need to determine whether and how ESG performance affected liquidity creation in the EU banking context in the period 2014–2020, thus filling the above gap in the literature. The first aim of this paper is to inivestigate if banks with better ESG performance, communicated through publicly reported information, create more liquidity on the balance sheet, ceteris paribus. The second aim of this paper is to investigate if banks with better environmental-social- governance performance create more liquidity on the balance sheet, ceteris paribus.

Stream 12

10.00

Raili Lilo (University of Tartu), Elina Paemurru and Ülle Pärllilo

“Developing the Framework for Assessing the Presentation of Double Materiality in ESG Reporting under the CSRD”

Raili Lilo, Elina Paemurru and Ülle Pärl
University of Tartu
railililo001@gmail.com
elina.paemurru@ut.ee

Abstract

The EU Corporate Sustainability Reporting Directive (CSRD, (EU) 2022/2464) imposes new requirements on organisations to articulate environmental, social, and governance (ESG) matters in reporting. This results in more qualitative information that requires rethinking how reports are composed, analysed, and used. The research aims to operationalise the study of patterns in the content of ESG reports from the perspective of double materiality. The paper perceives signalling, stakeholder, legitimacy, institutional, and attribution theories as complementing rather than conflicting parts of a system to explain the textual choices in the content of ESG reports. It proposes guidelines for using exploratory content analysis to describe, analyse and compare the content of ESG reports. The paper consists of two main sections – (1) literature review, including both theoretical and legislative basis necessary for understanding double materiality, and (2) proposed methodology for analysing the presentation of double materiality in ESG reports, including the prevalence of topics, tone, and the level of integration. Subsequently, it is shown how this approach contributes to the understanding of the complexities of providing transparent decision- useful information to stakeholders as well as finding a balance between standardisation and flexibility in reporting. The proposed codebook will act as a basis for delving deeper into specific areas within the area of research. Distinguishing between statements regarding the value and impact sides of double materiality as well as concerning environmental, social, and governance initiatives, provides the researchers with data to recognise, group, and analyse patterns in ESG reports. This benefits both academics and practitioners.

Stream 12

10.30

Magdalena Kowalczyk (Poznań University of Economics and Business)

"Developing the Framework for Assessing the Presentation of Double Materiality in ESG Reporting under the CSRD"

Elina Paemurru, Raili Lilo and Ülle Pärl
University of Tartu
railililo001@gmail.com
elina.paemurru@ut.ee

Abstract
The EU Corporate Sustainability Reporting Directive (CSRD, (EU) 2022/2464) imposes new requirements on organisations to articulate environmental, social, and governance (ESG) matters in reporting. This results in more qualitative information that requires rethinking how reports are composed, analysed, and used. The research aims to operationalise the study of patterns in the content of ESG reports from the perspective of double materiality. The paper perceives signalling, stakeholder, legitimacy, institutional, and attribution theories as complementing rather than conflicting parts of a system to explain the textual choices in the content of ESG reports. It proposes guidelines for using exploratory content analysis to describe, analyse and compare the content of ESG reports. The paper consists of two main sections – (1) literature review, including both theoretical and legislative basis necessary for understanding double materiality, and (2) proposed methodology for analysing the presentation of double materiality in ESG reports, including the prevalence of topics, tone, and the level of integration. Subsequently, it is shown how this approach contributes to the understanding of the complexities of providing transparent decision- useful information to stakeholders as well as finding a balance between standardisation and flexibility in reporting. The proposed codebook will act as a basis for delving deeper into specific areas within the area of research. Distinguishing between statements regarding the value and impact sides of double materiality as well as concerning environmental, social, and governance initiatives, provides the researchers with data to recognise, group, and analyse patterns in ESG reports. This benefits both academics and practitioners.

Stream 12

11.00

Chiara Crovini (Aalborg University Business School), Lukas Goretzki and Frederik Duus Zachariassen

"Leveraging accounting – Sustainability managers' strategic use of accounting and accountants"

Chiara Crovini
Aalborg University Business School
chiarac@business.aau.dk

Abstract
Accounting scholars have started discussing and exploring how the finance function can or does collaborate with sustainability managers to establish adequate sustainability reporting structures and processes and to ensure that sustainability information is used in organizational decision-making and control processes. We focus on sustainability managers and their role in sustainability reporting as well as the company's decision-making and control processes. We furthermore explore how, in their pursuit to promote a proactive environmental strategy, sustainability managers engage with members of the finance function. In doing so, we aim to contribute to prior research on the role of sustainability managers that, on the one hand, can be seen as a staff profession lacking formal authority (see e.g. Daudigeos, 2013) but, on the other hand, as central actors in driving sustainable development and change in organizations. We propose that in coping with this ambivalent position sustainability managers may try to mobilize accounting information as well as accounting experts to gain influence in their organization. Through exploring those issues, we add to the literature on the interaction between the sustainability and the finance functions, emphasizing how the former can engage with or even instrumentalize the latter to gain a more powerful position in the organization. Against this background, the study aims to answer the following research questions (RQs):
RQ1: How do sustainability managers utilize accounting information to influence organizational decision- making and control processes?
RQ2: How do sustainability managers engage with the finance function to promote a proactive environmental strategy?
The empirical investigation is based on a single case study in a Danish company that, in 2023, was merged into a multinational group headquartered in Sweden. Empirical material was gathered primarily by face-to-face and online semi-structured interviews with employees in the finance and sustainability functions, as well as annual and sustainability reports. We also gained insights into some of the tools the case company is using for producing environmental data. The empirical material at hand at this point demonstrates that the sustainability function managed to play a rather central role in the case company. The sustainability managers promote a proactive environmental strategy by being involved in the Boards of Directors of the parent company as employee representatives.

Stream 13

11.40 - 12.25

Patricia Dorothee Ruffing-Straube (University of Zürich) and Saverio Mauro Olivito

"How do you report on sustainable value creation? – Evidence on the current state of reporting and the road ahead"

Saverio Olivito
University of Zurich, Department of Business Administration Plattenstrasse 14, CH-8032 Zürich
saverio.olivito@business.uzh.ch

Patricia Dorothee Ruffing-Straube
University of Zurich, Department of Business Administration Plattenstrasse 14, CH-8032 Zürich
patricia.ruffing-straube@business.uzh.ch

Abstract
Sustainable value creation is at the heart of the Agenda 2030 for Sustainable Development by the United Nations. In line with this overarching goal, sustainability reporting regulations increasingly require firms to integrate sustainability considerations into their financial reporting. Although reporting standards provide extensive guidance on specific environmental, social and governance aspects they largely lack an integrative approach to reporting that would provide a broader picture of sustainable value creation within firms. Several initiatives exist, that suggest remedies to this problem but they are currently not recognized within standards. Based on descriptive evidence of the sustainable value creation reporting of the 20 largest Swiss firms, we derive elements of sustainable value creation reporting. In particular, we analyze whether and in which format firms report on sustainable value creation by using manual content analysis. We further, assess the integration of business and sustainability considerations. Connecting these elements results in a framework for further analyses of sustainable value creation.

Keywords: sustainable value creation, integrated thinking, sustainable value creation measurement.

Stream 13

12.25 - 13.15

Delphine Lobijn (Ghent University), Heidi Vander Bauwhede, Philippe Van Cauwenberge and Ann Vanstraelen

"The credibility of corporate disclosures: To what extent does the joint provision of financial audit and sustainability assurance matter?"

Delphine Lobijn
Ghent University
delphine.lobijn@ugent.be

Philippe Van Cauwenberge
Ghent University
philippe.vancauwenberge@ugent.be

Heidi Vander Bauwhede*
Ghent University
heidi.vanderbauwhede@ugent.be

Ann Vanstraelen
Maastricht University
a.vanstraelen@maastrichtuniversity.nl

Abstract
The practice of sustainability reporting and obtaining assurance for these reports is growing. Companies purchase assurance from either their financial statement auditor or another assurance provider. This study examines the consequences of this decision for a company's cost of capital in an EU mandatory sustainability reporting setting. We find that firms with sustainability assurance experience a lower cost of equity capital and that this effect is driven by firms that purchase assurance from their incumbent financial statement auditor. This suggests that, on average, capital markets are not concerned about independence when the incumbent auditor provides sustainability assurance. These findings are relevant for firms considering the appointment of a sustainability assurance provider and for regulators in their deliberation on whether or not joint provision is a concern to perceived auditor independence.

Keywords: audit; sustainability assurance; cost of capital; independence; knowledge spillover; joint provision.

Stream 14

11.40 - 12.25

Małgorzata Czerny (Poznań University of Economics and Business) and Magdalena Kowalczyk

“Accounting teaching methods in the context of the challenges of the New Technology Era”

Małgorzata Czerny
Poznań University of Economics and Business, Poland
Malgorzata.Czerny@ue.poznan.pl

Magdalena Kowalczyk
Poznań University of Economics and Business, Poland

Abstract
The ever-accelerating technological development observed in the last two decades, especially regarding digitalisation (cloud computing, BD analytics, AI, blockchain, robotic technologies) is forcing changes in the labour market, as companies go through digital transformation and implement innovative technologies. Therefore, the aim of this study was to find an answer to the question of how students assess the usefulness (adequacy to their needs) of the teaching methods they have had the opportunity to become familiar with in the current educational process. This will then allow us to infer their expectations in this area and, finally, to answer the question of whether the methods they consider to be the most appropriate and useful allow them to acquire the hard and soft skills expected by potential employers in the context of ongoing technological development. This paper focuses on the problem of usability of teaching methods in universities in the era of new technologies. It uses a literature review and survey method and makes an important contribution by highlighting the idea of the effectiveness of the use of different teaching methods as perceived by students. Our research is a diagnosis of students' expectations of teaching methods. The results of our research indicate that in general students value the most traditional teaching methods, classified by Okoń (1998) as methods of knowledge assimilation, identifying them as the most effective. This partially confirms the thesis proposed by some researchers (Pfeffer, Fong, 2002; Mintzberg, 2001; Mintzberg, 2004; Connolly, 2003; Clegg, Ross-Smith, 2003) that the analytical methods have limited potential in supporting the soft skills, like necessary abilities to creatively solve dilemmas requiring a creative, timely response to existing situations, although still 47.8% of students indicate a case study as a very effective teaching method. The article makes an important theoretical and practical contribution by presenting the role of the choice of teaching methods in the light of the constructivist paradigm. In the era of new technologies and sustainability accounting, the acquisition of new skills, both hard and soft, is becoming a prerequisite for the labour market.

Keywords: new technologies, koan-zen, education, constructivist paradigm.

Stream 14

12.25 – 13.15

Jesper Lindgaard Christensen (Aalborg University Business School)

"Regulatory requirements and information gaps – challenges for pension funds to do adequate ESG reporting"

Jesper Lindgaard Christensen
Aalborg Business School, Aalborg University, Fibigerstræde 9220 Aalborg Øst, Denmark
jlc@business.aau.dk

Abstract
The rapid development in ESG investments and reporting has been driven by several factors, including pressures from stakeholders, better and more data, ethics, and regulation. Adverse and visible effects of climate change have pushed to this movement and accelerated the need for actions to reduce carbon emission and mobilize capital. Governments, firms, and organisations formulate target for emission reductions, but it is needed that information is available to monitor progress. For this purpose, adequate accounts of investments and reporting of carbon dioxin footprints of portfolios are essential. This study investigates if there are gaps between what major Danish pension funds can report in terms of the data and accuracy of sustainability accounts compared to the expectations from stakeholders, regulators, and society broadly regarding climate-related investments and reporting.To reveal such possible discrepancies and to detect if there is a change over time in the magnitude of such a potential problem, I use two rounds of personal, in-depth interviews with ESG-managers in almost all the main pension funds in Denmark. Interviews are conducted with a 2½ year interval. I supplement these data with interviews among regulators and trade organisations as well as content analysis of available reports to investigate if the speed of regulation is aligned with what is possible to live up to. I develop a taxonomy of information requirements in this domain as a basis for the analyses. I find that there are discrepancies between what is expected from regulators and what is feasible in the short run, however, these discrepancies are significantly different according to which type of information gap is considered and which regulation pension funds should comply with. I also find that pension funds both collaborate on filling some of the information gaps, and pursue individual strategies for providing a better ground for reporting and meeting regulatory requirements. The near-future further regulatory requirements are likely to create new information gaps, but it can nevertheless be an expedient way forward to sustain a regulatory push.

Keywords: climate change, ESG reporting, information, data, regulation, service providers.

Stream 15

11.40

Grygorii Kravchenko (Kozminski University), Inna Tselinko and Dorota Dobija

"Reducing Legitimacy Threats: the Role of Board's Sustainability Education and Sustainable Board Practices"

Grygorii Kravchenko
Kozminski University, 59 Jagiellonska St., 03-301 Warsaw, Poland
gkravchenko@kozminski.edu.pl

Inna Tselinko
Kozminski University, 59 Jagiellonska St., 03-301 Warsaw, Poland
inna.tselinko@gmail.com

Dorota Dobija
Kozminski University, 59 Jagiellonska St., 03-301 Warsaw, Poland
dobija.dorota@kozminski.edu.pl

Abstract
Informed by resources-based theory and legitimacy theory, this article aims to provide novel insights on the role of sustainable governance practices and sustainability education of board members in reducing legitimacy threats, particularly in mitigating misconduct to sustainability.The empirical study is based on an unbalanced panel dataset of 1922 publicly listed European companies from 2010 to 2022. An OLS regression model with fixed effects is employed to test the hypotheses. The robustness of the findings is confirmed using a two-step Generalized Method of Moments (GMM) model. The results indicate that higher scores on the Sustainable Governance Index, the presence of a sustainability committee, environmental management training and supplier ESG training are significantly associated with a lower likelihood of ESG misconduct. Specifically, the coefficients for these variables are all negative and statistically significant, highlighting their critical roles in enhancing organizational legitimacy and reducing misconduct risks. The results suggest that the education of board members on sustainability as well as sustainable board practices play a pivotal role in mitigating misconduct in relation to sustainability issues. This research adds to the existing literature by empirically demonstrating the importance of sustainability governance practices and board-level educational initiatives in reducing ESG misconduct. The Sustainability Index integrates key theoretical and practical aspects of corporate governance, aligning managerial incentives with sustainable goals, ensuring accountability through external audits and fostering meaningful stakeholder engagement. The findings provide actionable insights for policymakers and corporate boards aiming to strengthen their sustainability frameworks and enhance organizational resilience.

Keywords: ESG misconduct, sustainability, corporate governance, sustainability education, sustainability training.

Stream 15

12.10

Laura Bini (University of Florence)

"Legitimacy vs Value Creation. Aligning Business Models with Environmental and Social KPIs"

Laura Bini
University of Florence,Italy
l.bini@unifi.it

Abstract
Our study, focuses on analyzing NFR and the extent to which non-financial KPIs and BM disclosure are aligned. This allows us to assess whether companies are engaged in environmental and social sustainability or if they disclose sustainability information for legitimacy purposes. To provide a clear and detailed picture, we design our research in three distinct phases. First, we investigate which non-financial KPIs companies report most frequently. Secondly, we examine the extent to which companies integrate sustainability in their BMs. Finally, we assess the extent to which sustainability KPIs reflect the sustainability-related value drivers identified in BMs. Our analysis provides several contributions: first, we contribute to the literature in BM disclosure by shedding a new light on the important role that BM disclosure and non-financial KPIs plays in providing relevance to NFR. Also, we deceit a new tool to assess NFR quality in a deeper way than traditional measures based on the assumption that the amount of disclosure is a good proxy for disclosure quality. Finally, we provide some practical contribution by providing insights on the alignment between BM and non-financial KPIs that could allow managers and firm consultants to improve the quality of their NFR, regulators and standard setters to promote information transparency, and stakeholders to better evaluate how the companies approach to NFR, including its contents in their decision-making process. The rest of the paper is organized as follows: section 2 presents the analysis of existing literature and develops the research question. Section 3 describes the research design. Section 4 discusses the expected outcomes of the paper and their potential contributions.

Stream 15

12.40

Małgorzata Macuda (Poznań University of Economics and Business) and Katarzyna Kobiela-Pionnier

"Double Materiality Principle and the Sustainability Reporting Practices of Polish Listed Companies"

Katarzyna Kobiela-Pionnier
SGH Warsaw School of Economics

Małgorzata Macuda
Poznań University of Economics and Bussines
malgorzata.macuda@ue.poznan.pl

Abstract
The purpose of the paper is to investigate whether the Polish companies have already used their assessment of impacts, risks and opportunities following the double materiality principle prior to the implementation of the CSRD. The content analysis of ESG/CSR/sustainable/non-financial reports for the year 2023 of 20 biggest polish companies listed on the Warsaw Stock Exchange (WIG20 Index) was used in order to achieve this aim. To the best of our knowledge, this is one of the first papers (preliminary study) to present empirical evidence of the reporting practices of polish listed companies related to double materiality. The research sample consists of the largest Polish listed companies from the Warsaw Stock Exchange WIG 20. The content analysis of their sustainability reports was applied in order to address the stated purpose. The research results indicate that out of the 20 largest listed entities, 6 companies (30%) have already conducted double materiality testing in accordance with the new EU regulations and reported information on this subject. All companies described the double materiality assessment process and characterized its individual stages. As a result, a list of relevant topics was provided. Some companies detailed changes from previous periods. 3 companies presented their new materiality matrices. In all cases, this was the first year of double materiality. It is worth pointing out that these companies represented different industries (bank, clothing, games, construction, trading platform), while the common denominator for 5 of them was the preparation of separate ESG/CSR/sustainability reports earlier, apart from the annual report. In the group of the largest companies listed on the Warsaw Stock Exchange, relatively few entities undertook double materiality testing a year before the obligation came into force. Most of them were companies that were already leaders in CSR/ESG reporting and prepared separate reports on this topic, often appreciated and awarded at national and international competitions. The vast majority of studied companies (60%) are just preparing to carry out this process in 2024 and describe it in the 2024 report, which will be first report using European sustainability reporting standards for all European issuers. The study contributes to a growing literature on a double materiality approach as the basis for sustainability disclosures by providing an empirical view on the actual use of the double materiality principle in sustainability reporting practices of Polish listed companies. To the best of the authors' knowledge, this is the first empirical study related to Polish listed companies.

Stream 15

13.10

Evangelos Seretis (University of Glasgow)

"Greenhushing practices and the impact on analyst forecast properties"

Evangelos Seretis
Adam Smith Business School
University of Glasgow
evangelos.seretis@student.gla.ac.uk.

Abstract
Sustainability practices adopted by corporations have become a primary concern for capital market participants in recent years. These practices are driven by both the environmental performance of firms and the level of communication regarding that performance. Existing research has predominantly focused on greenwashing practices. Specifically, firms that engage in greenwashing are characterized by poor environmental performance combined with extensive (and positive) communication about such performance. The ultimate objective of greenwashing is to "obscure" poor environmental performance through selective disclosure of positive information (while omitting negative information) to create an overly positive (albeit misleading) corporate image. Another important sustainability practice is greenhushing. Firms that engage in greenhushing are characterized by good environmental performance but limited communication of this performance to external stakeholders, essentially the opposite of greenwashing. Greenhushing firms selectively communicate fewer pro-sustainability actions, thus avoiding the spotlight of publicity. Surprisingly, there is only scarce evidence about greenhushing practices, and more importantly, no evidence on the effect of greenhushing on capital market participants. Our study aims to fill this gap in the literature by examining the effect of greenhushing on financial analysts' forecast accuracy.

Keywords: greenhushing, greenwashing, analysts' forecasts, analysts' dispersion, analysts' following, analyst properties.