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An energy company's journey toward standardized sustainability reporting: addressing governance challenges

Gennaro Maione
University of Salerno, Salerno, Italy

Abstract

Purpose – This paper aims to provide a comprehensive examination of corporate sustainability reporting strategies, focusing on the rationale for adopting the Global Reporting Initiative (GRI) Standards, the challenges to be faced and the implications that can arise for accounting professionals, managers, policymakers and scholars alike.

Design/methodology/approach – The single case study approach was followed. Qualitative content analysis and thematic analysis were used for an in-depth, contextual examination of Enel Green Power's sustainability reporting practices and the adoption of the GRI Standards. The documents analyzed include annual sustainability reports, integrated reports and press releases over the period ranging from 2018 to 2022.

Findings – The GRI Standards' adaptability, modular structure and emphasis on stakeholder involvement emerged as stimulating factors for Enel Green Power. GRI Standards allowed the company to benchmark its sustainability performance against competitors and identify areas for improvement. The company faced challenges during the implementation of the GRI Standards concerning data collection and management across global operations, stakeholder identification and engagement and alignment of sustainability reporting with corporate strategy. The company addressed these challenges by investing in robust data management systems, maintaining active communication with stakeholders and embedding sustainability into its corporate culture.

Research limitations/implications – This research contributes to the academic literature on sustainability reporting and accounting, offers valuable insights for managers and professionals and informs policymakers about the potential benefits and challenges associated with the adoption of GRI Standards. The paper highlights the importance of aligning organizational strategies with global sustainability frameworks and fostering a culture of transparency and stakeholder engagement.

Originality/value – This work offers a novel contribution to the scholarly discourse on sustainability reporting standardization, shedding light on the governance challenges to be faced and providing potential solutions.

Keywords Sustainability reporting, Energy company, Qualitative content analysis, Qualitative thematic analysis, Documentary analysis, Governance challenge, Decision-making, Policy making

Paper type Research paper

1. Introduction

Amid the ongoing era of elevated ecological consciousness and a growing demand for corporate ethical accountability, the realm of accounting has been experiencing a shift in its

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fundamental principles and beliefs (Tommasetti *et al.*, 2020a, 2020b; Gray *et al.*, 2014). This metamorphosis demands the integration of sustainability contemplations into conventional accounting practices, thereby surpassing the emphasis on monetary accomplishments exclusively (Lai *et al.*, 2016; Stacchezzini *et al.*, 2016).

The ever-increasing importance of sustainability reporting can be attributed to the challenges faced by organizations in integrating economic, social and environmental aspects into their accounting frameworks (Lai and Stacchezzini, 2021; Adams, 2017). The contemplation of the establishment of a uniform system for sustainability reporting has given rise to a significant discussion, with scholars, practitioners and policymakers engaged in comprehending the complexities and possibilities that arise from this dynamic occurrence (Brown and Dillard, 2014; Beck *et al.*, 2017; Bouten *et al.*, 2011; Freeman and Reed, 1983).

In this scenario, the present research delves into the profound matter of standardizing sustainability reporting in the Italian accounting landscape, exploring the intricate organizational and professional challenges that arise in the pursuit of harmonizing disparate standards and requirements. Drawing upon a single case study approach and carrying out qualitative content and thematic analyses of some key documents, this article aims to provide a comprehensive understanding of sustainability reporting practices adopted by Enel Green Power (EGP), an Italian subordinate of Enel S.p.A., a preeminent integrated utility company on a global scale. Analyzing the content of several official documents, including annual sustainability reports, integrated reports and other relevant corporate publications, this study uncovers valuable insights into the complexities and intricacies of EGP's sustainability reporting journey, contributing to a richer understanding of the phenomenon.

This article encompasses six sections. Section 2 discusses corporate governance's contribution and stakeholders' roles in standardizing sustainability reporting, the regulatory framework and professional responsibility. Section 3 describes the research design. Section 4 summarizes the findings. Section 5 discusses this research's implications. Section 6 concludes the paper.

2. Theoretical background

2.1 Corporate governance's and stakeholders' roles in standardizing sustainability reporting

The intricate intertwining of corporate governance and the burgeoning realm of sustainability reporting is currently a subject of profound contemplation (Eccles and Serafeim, 2013); it is through their governance that companies shape their sustainability narrative and reflect the essence of their commitment to a broader set of stakeholders and toward a more sustainable future (Porter and Kramer, 2006; Mitchell *et al.*, 1997). The Board of Directors, acting as corporate governance's highest vertex, plays a crucial role as its mindset, commitment and actions toward sustainability set the tone for the organization's environmental, social and governance (ESG) disclosure practices (Hahn and Kühnen, 2013).

Over time, humanity has witnessed the emergence of various norms and principles that have been developed and implemented to promote transparency, empower stakeholders to exercise informed decisions and impose accountability upon corporations with regard to their sustainability endeavors. The variety of these interventions has highlighted the need for a unifying and widely accepted, regularized structure (Hahn *et al.*, 2015).

In this scenario, corporate governance plays a pivotal role, which is more than regulatory compliance or risk management (Herzig and Schaltegger, 2011; Hart and Milstein, 2003). It requires expanding corporate accountability to include society, the environment and future generations while also proposing changing the corporate ethos and redefining success from shareholder wealth maximization to stakeholder value creation (Adams, 2017).

The pursuit of standardizing sustainability reporting also necessitates the dynamic involvement and cooperation of a wide range of stakeholders (Unerman and Zappettini, 2014; Schaltegger and Csutora, 2012; Searcy, 2012), including accounting professionals, corporate executives, investors, policymakers and regulatory bodies (Gray, 2006; Kaplan and Norton, 2001).

According to Cohen and Simnett (2015), the impact of accounting professionals on standardization is a decisive element (Gray, 2010) that lies in their ability to propagate the harmonization of sustainability reporting standards and the adoption of best practices within their respective organizations and professional circles (Bebbington *et al.*, 2014). To secure enduring feasibility, corporate executives must cultivate sustainable methodologies by assimilating sustainability into their decision-making protocols and disseminating sustainable accomplishments to stakeholders (Eccles *et al.*, 2011). Managers must select reporting frameworks, establish goals that reflect their values and communicate information in a meaningful and understandable way to achieve sustainable development (Baumgartner, 2014; Rupp, 2011).

Investors' pursuit of sustainability information also deeply affects standardization. Organizations are influenced to pursue sustainable development through transparency, comparability and accountability (Busch *et al.*, 2016). Their growing concern for the impact of their investments on society and the environment has led to the adoption of standardized sustainability reporting frameworks. Ultimately, policymakers hold the power to shape the overarching socio-political framework within which sustainability reporting standards are conceived and executed, thereby wielding a substantial impact on the standardization procedure (Unerman *et al.*, 2018; Brown and Dillard, 2014). Through the implementation of measures that encourage the cultivation of sustainable business practices and the establishment of universally accepted reporting frameworks, policymakers have the ability to cultivate a corporate environment that is both sustainable and responsible (Christofi *et al.*, 2012).

2.2 Regulatory framework and professional responsibility

The relationship between regulatory frameworks and professional responsibility holds great significance in molding the terrain of sustainability reporting standardization. The intricate network of regulations that govern sustainability reporting testifies to the complex interplay between regional, national and international legal frameworks (Tommasetti *et al.*, 2020b).

In the pursuit of veracity and coherence in their work, accounting professionals must undertake the solemn responsibility of acquiring a profound comprehension of the pertinent regulations and mandates (Gray *et al.*, 2014).

The duality of obligations is a fundamental aspect of the role of accounting specialists in this scenario. To ensure the perpetuity of their organizations' sustainability reports, it is imperative that they adhere to the regulations prescribed by governmental and standard-setting bodies (Perego and Kolk, 2012). By giving their clients and the larger community truthful, understandable and reliable insights, professionals have a moral obligation to uphold the principles of virtue and proficiency (IFA, 2018).

The diversity of sustainability reporting standards and guidelines presents a challenge for accounting professionals in carrying out their duties (Cheng *et al.*, 2014). The presence of inconsistencies and discrepancies in reported information has the potential to erode the comparability and credibility of sustainability reports (Simnett and Huggins, 2015). So, the comprehension of frameworks and their underlying principles is crucial for accounting professionals to exercise sound judgment in their organizations' reporting practices (Adams and Simnett, 2011).

The task of sustainability reporting demands that accounting professionals navigate the delicate balance between completeness and significance (Hahn *et al.*, 2015). The pursuit of organizational sustainability necessitates an integrated approach to performance evaluation.

However, it is imperative to acknowledge the significance of prioritizing the dissemination of pertinent information that holds the most relevance to stakeholders. This approach is crucial in ensuring that the disclosure process is optimized for maximum impact (Eccles *et al.*, 2012). Balancing the dimensions of comprehensiveness and focus falls upon accounting professionals, who must exercise their professional judgment to ensure that sustainability reports are imbued with both qualities (O'Dwyer *et al.*, 2011).

3. Research design

3.1 The integration of sustainability reporting into the Italian accounting landscape

The assimilation of sustainability reporting into the Italian accounting landscape embodies the inclination toward heightened corporate responsibility and openness in social and environmental conduct. This discourse delves into the intricacies of the Italian context, where the integration of sustainability reporting standards presents both obstacles and prospects. Such a phenomenon bears significant implications for the realm of accounting professionals, organizations and regulators.

The evolution of the Italian accounting landscape over time is exemplified by the adoption of International Financial Reporting Standards (IFRS) and the integration of the Non-Financial Reporting Directive (NFRD) into national laws, with both having determined profound transformations (Caputo *et al.*, 2019; de Villiers *et al.*, 2014). Amid the ever-changing terrain of the corporate world, Italian accounting professionals are confronted with the challenging task of acquiring a profound comprehension of the diverse sustainability reporting frameworks and guidelines that hold pertinence to their respective entities (La Torre *et al.*, 2018). However, the intricacy of reporting standards and their disharmony can pose a challenge in guaranteeing the precision, coherence and uniformity of disclosed data (Lai and Stacchezzini, 2021).

The Italian landscape has witnessed a noteworthy progression in the form of the "bilancio integrato" (i.e. integrated report), which endeavors to amalgamate financial and non-financial data into a solitary, all-encompassing document (de Villiers *et al.*, 2014). The emergence of integrated reporting in Italy can be attributed to the realization of the interdependence between financial and non-financial performance and the significance of sustainability concerns for stakeholders (Guthrie *et al.*, 2017). The endeavor of implementing integrated reporting in Italy has encountered obstacles regarding the involvement of stakeholders and the amalgamation of monetary and non-monetary information (de Villiers and Dimes, 2022).

The evolution of the Italian accounting landscape has not only encompassed the assimilation of global standards but has also witnessed the emergence of principles and endeavors that strive to foster ethical commercial conduct and augment the caliber of sustainability disclosure. The Italian Accounting Body (Organismo Italiano di Contabilità, OIC) [Organismo Italiano di Contabilità (OIC), 2020] supports initiatives for the disclosure of non-financial data by Italian companies. The manifestation of this attitude signifies the burgeoning cognizance and dedication toward sustainability reporting amidst the Italian accounting vocation and serves as a precious asset for professionals traversing the intricate terrain of reporting criteria (Del Bene *et al.*, 2020).

3.2 Industry and company overview

The burgeoning renewable energy sector is a testament to humanity's collective desire to address the existential threat of climate change and transition toward a sustainable, low-carbon future [International Renewable Energy Agency (IRENA), 2020]. In this regard, the emergence of the renewable energy industry engenders a heightened sense of stakeholder expectation with regard to the ethical and moral dimensions of ESG practices (Latoszek *et al.*, 2020; Visvizi *et al.*, 2019; Chui *et al.*, 2018; Eccles and Serafeim, 2013). In the course of human advancement, stakeholders have attained a profound understanding of the weightiness of transparency and accountability from companies that operate within this industry. Investors, customers, employees and local communities are urging organizations to embrace a greater sense of accountability. In this scenario, the advent of sustainability reporting has bestowed upon companies a vital instrument to convey their ESG performance and manifest their dedication to moral business practices (Adams and Larrinaga, 2019).

In pursuit of sustainable business practices, companies turn to industry standards like the Global Reporting Initiative (GRI) and the Sustainability Accounting Standard Board for guidance, as these standards lead toward sustainability, lighting the way to a better future (Eccles *et al.*, 2012). Adopting standardized guidelines can help meet stakeholder expectations and provide reliable ESG performance perspectives (Busch and Lewandowski, 2016).

Moreover, the integration of sustainability reporting within the wider corporate reporting structure is progressively acknowledged as a crucial element of corporate governance and risk mitigation (Amran *et al.*, 2014). Companies that incorporate sustainability reporting into their operations stand to gain advantages such as enhanced stakeholder relations, augmented reputation and ultimately superior long-range financial performance (Eccles *et al.*, 2012).

In light of these industry trends and stakeholder expectations, this research focuses on the EGP's journey toward standardized sustainability reporting as a strategic and proactive response to the changing landscape of the renewable energy sector. This Italian company has constantly ensured its commitment to the advancement and management of sustainable energy initiatives worldwide since its inception in 2008, thereby assuming a pivotal position in the progression toward an eco-friendlier energy landscape. The proposed scheme bears great significance as it aligns with the Sustainable Development Goals (SDGs) of the United Nations. It particularly emphasizes Goal 7 on Affordable and Clean Energy and Goal 13 on Climate Action. The EGP's fundamental aim is to provide an accessible, pure and dependable source of energy while also mitigating the release of greenhouse gases and lessening the ecological footprint of its endeavors.

EGP's unwavering commitment to propelling progress and promoting sustainable energy technology is a testament to its enduring pursuit of innovation (Troisi *et al.*, 2019a). The quest for advancement in the realm of sustainable energy is a virtuous pursuit, as it entails the distribution of resources toward the discovery of unexplored frontiers in the domain of uncontaminated technologies.

In its dedication to transparency and accountability, EGP has adopted the practice of sustainability reporting, which provides stakeholders with a comprehensive account of its ESG performance. EGP endeavors to fortify its image as a conscientious and sustainable enterprise while cultivating confidence among its stakeholders, comprising investors, customers, employees and local communities, by conforming to global benchmarks and optimal methodologies in sustainability reporting.

3.3 Approach and method

To comprehensively scrutinize the intricacies of sustainability reporting methodologies and the assimilation of the GRI Standards, a single case study approach was followed via qualitative content and thematic analyses of official documents. The use of a single case study permits the elucidation of the idiosyncrasies of a given subject, thereby exposing patterns, theories and practices that may be applicable to analogous circumstances (Flyvbjerg, 2006). The method used in this study was deemed appropriate because it allowed for a thorough look at the many different and complex parts of the organization under investigation (Troisi *et al.*, 2019b; Ciasullo *et al.*, 2018). Compared to the choice of gaining insights from a large-scale quantitative approach, the single case study analysis provided a better understanding of the situation examined (Eisenhardt, 1989).

The combination of content analysis and thematic analysis was used to draw meaningful information from the documents considered. This made it easier to spot key themes, concepts and concerns that were important to the research goals (Braun and Clarke, 2006). Spanning a period of five years, a diverse range of authoritative records, made publicly available from 2018 to 2022 and including annual sustainability reports, integrated reports and press releases, was scrutinized. The all-encompassing data set furnished us with a profuse and intricate depiction of the company's sustainability reporting methodologies, its underlying reasons for embracing the GRI Standards and the obstacles encountered in the process. Table 1 schematizes the documents analyzed via qualitative content and thematic analyses.

Content analysis entails the methodical scrutiny of several documents with the aim of procuring information and constructing a holistic comprehension of a particular phenomenon (Bowen, 2009). In this study, this method allowed access to a vast amount of data that the company under investigation had meticulously drafted and stored. As Scott (1990) noted, this provided a solid foundation for conducting a thorough analysis. Furthermore, the practice of documentary analysis is characterized by its unobtrusiveness and non-reactivity, as it refrains from direct involvement with the organization under scrutiny. According to Hodder (2000), this strategy reduces the likelihood of bias and distortion in the findings. In addition, this approach expedites the discernment of patterns and modifications in sustainability disclosure methodologies throughout history, providing significant insights into the establishment's progressive tactics and preferences (Prior, 2002).

Each document was read multiple times, as in a circular process where the understanding of the whole was shaped by the parts and the understanding of the parts was influenced by the whole (Schwandt, 2014). This iterative process allowed for a deeper immersion into the textual material, enhancing the comprehension of the nuanced interplay of ideas, beliefs and intentions encapsulated within the words.

From the codification of explicit content to the interpretation of latent meanings, the content analysis was marked by the dual lenses of descriptive and interpretive scrutiny (Wildemuth, 2016). The former entailed the extraction of objective and factual information; the latter involved a more abstract and inferential comprehension, requiring a plunge into the deeper, less visible layers of the text. This duality of focus endowed the analysis with a holistic perspective, providing a more accurate and detailed portrayal of the company's sustainability reporting practices.

Document type	Year	No. of documents	Specifics
Annual Sustainability Report	2022	1	Carbon footprint reduction, community outreach initiatives, employee wellness programs
Integrated Report	2022	1	Financial performance, ESG initiatives, stakeholder engagement
Press Release	2022	7	Introduction of new sustainability policy, partnership for clean energy
Annual Sustainability Report	2021	1	Waste management strategies, gender equality measures, green procurement
Integrated Report	2021	1	Business strategy alignment with SDGs, financial and non-financial performance
Press Release	2021	10	Achievement of emissions target
Annual Sustainability Report	2020	1	Biodiversity conservation efforts, education and training programs, supplier sustainability
Integrated Report	2020	1	Risk management related to climate change, integration of ESG factors in business model
Press Release	2020	9	Commitment to renewable energy, achievement of water-saving goals
Annual Sustainability Report	2019	1	Energy efficiency initiatives, human rights policies, product lifecycle management
Integrated Report	2019	1	Long-term value creation, board diversity, stakeholder dialogue
Press Release	2019	3	Announcement of sustainable supply chain program, update on carbon neutrality target
Annual Sustainability Report	2018	1	Circular economy strategies, fair trade practices, labor standards
Integrated Report	2018	1	Governance structure, ethical business conduct, customer engagement
Press Release	2018	5	Update on corporate social responsibility initiatives, disclosure of greenhouse gas emissions

Source: Author's elaboration

Table 1.
Data set for content and thematic analyses

Complementing content analysis was the application of thematic analysis, a method known for its versatility and flexibility (Cooper *et al.*, 2012). It is through the prism of thematic analysis that the emergent themes and patterns within the data were identified and explored. As with the content analysis, the thematic analysis was not a linear path but a recursive process involving the oscillation between data familiarization, code generation, theme identification, theme review and theme definition (Braun and Clarke, 2006).

In this study, the thematic analysis was conducted with a blend of inductive and deductive reasoning. The inductive reasoning allowed the themes to emerge organically from the data, embracing the richness and diversity of the textual landscape (Thomas, 2006). Conversely, the deductive reasoning was driven by the study's objectives, guiding the identification of themes that were theoretically or empirically relevant to the topic of sustainability reporting (Fereday and Muir-Cochrane, 2006).

The amalgamation of content analysis and thematic analysis provided a synergistic effect, enhancing the depth and breadth of the analysis. It allowed for a comprehensive and nuanced understanding of the company's journey toward the assimilation of the GRI Standards, illuminating the motivations, challenges and strategies along the way.

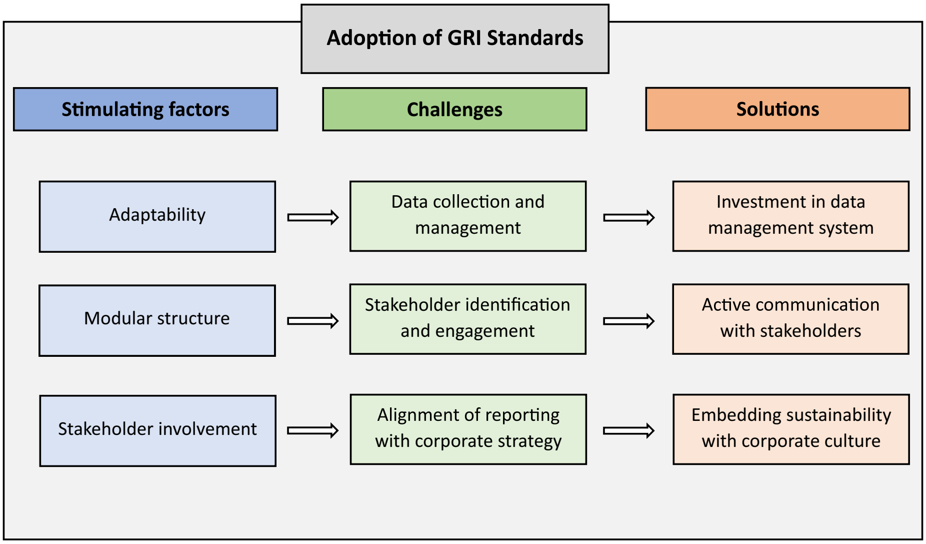
4. Findings and discussion

The analysis allowed for exploring and understanding how an energy company navigated organizational and professional challenges during its journey toward standardized sustainability reporting. Figure 1 graphically synthesizes this journey, showing both the organizational and professional challenges addressed and the solutions implemented.

The EGP's strategic decision to adopt the GRI Standards was influenced by a variety of interrelated factors that render the GRI Standards a fitting selection for the company's framework for reporting on sustainability. These Standards provided a degree of adaptability that empowered EGP to customize its sustainability disclosure to effectively tackle its distinct industry and stakeholder apprehensions. The Standards offered guidance on how to disclose information on diverse relevant sustainability issues, ranging from energy consumption, emissions and waste management to environmental impacts, labor practices, human rights and anti-corruption measures.

This flexibility, coupled with the Standards' modular nature, allowed the company to select and report on relevant indicators, providing a clear and focused account of its sustainability initiatives and progress (Adams, 2017). The main indicators included "Energy consumption within the organization" (GRI 302), "Water withdrawal by source" (GRI 303), "Direct Greenhouse Gas (GHG) emissions" (GRI 305), "Effluents and waste" (GRI 306), "New suppliers that were screened using environmental criteria" (GRI 308) and "Incidents of non-compliance with laws and regulations in the social and economic area" (GRI 419).

Hence, the adoption of the GRI Standards, which lay emphasis on the significance of involving stakeholders in the reporting procedure, thereby fostering transparency and accountability [Global Reporting Initiative (GRI), 2020], enabled EGP to be aligned with the expectations and apprehensions of investors, customers, employees and regulatory authorities (Enel, 2019). Being a framework of international repute and extensive adoption, the GRI Standards also enabled EGP to assess and juxtapose its sustainability performance



Source: Author's elaboration

Figure 1. The company's journey toward standardized sustainability reporting

across various other companies and industries. This comparison allowed EGP to evaluate its sustainability endeavors versus those of its competitors, pinpoint avenues for enhancement and showcase its unwavering dedication to pioneering methodologies within the industry (de Villiers *et al.*, 2014).

On its path toward achieving uniformity in sustainability reporting, EGP faced several challenges in embracing the GRI Standards, including the gathering and administration of data throughout its extensive worldwide endeavors (Enel, 2019). The fact that the company's operations involved various nations, each with its own distinct regulations and circumstances, rendered the process of data aggregation and harmonization a convoluted endeavor (Dumay *et al.*, 2016).

This complexity was not confined to the logistical realm but extended into the conceptual domain as well. It necessitated the development of an integrated data management system capable of seamlessly interfacing with the company's multifaceted operational contexts and the heterogeneous nature of sustainability data (Beck *et al.*, 2017). This task required careful consideration of various factors, including the many ESG aspects intrinsic to each operational context and the corresponding data elements pertinent to these aspects (Schaltegger and Csutora, 2012).

The enterprise, cognizant of these intricacies, recognized the pivotal significance of sturdy data management systems and procedures. This acknowledgment prompted a deliberate allocation of resources toward augmenting the organization's capacity for managing data, with the ultimate goal of cultivating a more efficient, precise and uniform methodology for gathering and presenting data (Searcy, 2012). Notwithstanding, the company's journey toward standardized sustainability reporting was not easy: it encompassed a scrupulous course of action pertaining to the selection, arrangement and execution of a system, all the while guaranteeing conformity with the corporate sustainability goals and operational actualities (Herzig and Schaltegger, 2011).

The deployment of these resilient data management systems was not solely a functional requirement but rather a tactical facilitator. The system served as a tool for contemporaneous evaluation of sustainability metrics, thereby endowing EGP with the essential resources to navigate the intricacies of data-driven sustainability documentation. Moreover, the solution system provided priceless insights regarding plausible avenues for enhancement, thus functioning as a stimulant for ongoing amelioration and tactical discernment (Unerman *et al.*, 2018).

The incorporation of stakeholders in the reporting process turned out to be another challenging component of the GRI Standards adoption, especially with regard to their identification. This challenge not only served as a manifestation of the intricate stakeholders' environment but also accentuated the significance of harmonizing the reporting mechanism with their interests and anticipations (Mitchell *et al.*, 1997).

To overcome this obstacle, EGP embarked upon a process of meaningful and protracted discourse with its various stakeholders; the company leveraged the collective feedback of its stakeholders and integrated it into the enhancement of the reporting methodologies. This required the establishment of a systematic and inclusive stakeholder engagement mechanism to foster open dialogue, facilitate knowledge exchange and cultivate trust (Freeman and Reed, 1983).

The execution of this stakeholders' engagement strategy was characterized by its multifarious nature, fulfilling a dual purpose. Primarily, it enabled EGP to guarantee that the most pertinent matters pertaining to sustainability were sufficiently tackled in its reporting. The strategic approach adopted was not exclusively geared toward the fulfillment of regulatory mandates, but rather towards the acknowledgment of the company's broader responsibilities to its stakeholders (Rupp, 2011). This strategy facilitated the organization's conversion of its reporting methodology from a unidirectional communication endeavor to a responsive exchange of ideas (Bouten *et al.*, 2011).

EGP also faced difficulty harmonizing sustainability reporting with its comprehensive corporate strategy across all corporate levels (Adams, 2017). To overcome this challenge, rather than merely engage in a procedural or mechanistic exercise (Porter and Kramer, 2006), the company undertook a comprehensive transformation in its strategic outlook and operational framework (Kaplan and Norton, 2001).

The incorporation of sustainability into EGP's operational framework engendered a harmonization between the company's financial pursuits and its ecological obligations, thereby enabling the generation of enduring worth. This strategy not only aligned with corporate goals but also fostered the establishment of a robust and sustainable framework that could provide lasting benefits (Hart and Milstein, 2003).

The integration of sustainable practices into the company's cultural fabric generated a heightened sense of concord and consistency within the organization, going beyond the conventional boundaries of financial reporting by encompassing social and environmental dimensions (Eccles and Serafeim, 2013). This strategy also enabled the cultivation of a well-rounded and unified outlook toward performance, allowing for consideration of the interconnections between the organization's monetary, societal and ecological performance (Butler *et al.*, 2011).

5. Implications

This work provides implications for both theoretical and practical domains concerning sustainability reporting and accounting across diverse contexts and sectors, with specific insights enriching the body of knowledge on the implementation of GRI Standards by companies operating in the renewable energy industry (Brown and Dillard, 2014; Gray *et al.*, 1996).

This paper offers valuable insights to managers and executives regarding the strategic significance of embracing GRI Standards for sustainability reporting (Kolk, 2010). Through a comprehensive understanding of the underlying principles, advantages and obstacles encountered by EGP, executives can more effectively evaluate the prospective ramifications of incorporating such benchmarks into their respective organizations. Furthermore, the article underscores the significance of stakeholder involvement and proficient dissemination of ESG performance, aiding managers in understanding the importance of enhancing sustainability tactics and decision-making procedures (Eccles *et al.*, 2011).

The research also generates implications for policymakers and regulators with regard to the advancement and facilitation of the implementation of uniform sustainability reporting protocols. The instance of EGP exemplifies the possible advantages of conforming to global frameworks, such as the GRI Standards, with regard to augmenting the uniformity and reliability of sustainability reporting (Adams and Frost, 2008; Troisi *et al.*, 2023). It is advisable for policymakers to contemplate the formulation and execution of policies that incentivize or enforce the adoption of these standards, with the aim of promoting heightened accountability and transparency within organizations (Baumüller and Sopp, 2022; Lai *et al.*, 2017; Hahn and Kühnen, 2013).

In essence, the article provides noteworthy insights for accountants who are engaged in the practice of sustainability disclosure. As the utilization of GRI Standards and other sustainability reporting frameworks continues to expand, it is of utmost importance for accounting professionals to enhance their expertise and aptitude in this area (Dumay *et al.*, 2010). The task at hand requires not only a firm comprehension of the complexities inherent in the frameworks but also a holistic awareness of the broader terrain of sustainability reporting, stakeholder engagement, and ESG performance assessment. Furthermore, owing to the progressively complex and multifaceted character of sustainability reporting, it is incumbent upon accounting professionals to join cooperative endeavors with experts in diverse domains (Unerman and Zappettini, 2014). The adoption of a collaborative approach is imperative to attaining a comprehensive understanding of the diverse sustainability challenges and reporting requirements, ultimately resulting in more accurate and meaningful disclosures (Lai and Stacchezzini, 2021; Gray, 2002).

6. Conclusion

Within this work, a comprehensive examination of the trajectory of EGP's progression toward the implementation of standardized sustainability reporting was carried out. The analysis encompassed an investigation into the underlying rationales that prompted the adoption of the GRI Standards, an exploration of the obstacles encountered and strategic solutions adopted and an elucidation of the insights gleaned.

The problems that EGP ran into when implementing the GRI Standards, such as collecting and managing data, engaging with stakeholders, integrating sustainability into corporate strategy and adapting to a reporting environment that is always changing, teach important lessons (Enel, 2019; Adams, 2017; Dumay *et al.*, 2016; de Villiers *et al.*, 2014). Through the conscientious handling of these obstacles and the assimilation of knowledge from its endeavors, EGP evinced the significance of using a proactive, responsive and adaptable methodology toward sustainability reporting.

Based on the findings of this analysis, given the dynamic nature of the sustainability accounting domain, it is imperative for any organization and professional to stay abreast of nascent frameworks, guidelines and regulations, as well as the demands of their stakeholders, to remain actively involved (Tommasetti *et al.*, 2020a, 2020b). The analysis of EGP's case study highlights the importance of steadfast dedication to enhancement and adjustment within this particular context (Troisi *et al.*, 2019c). Through the amalgamation of insights gleaned from EGP's case study, this paper enhances the comprehension of the intricacies and prospects entailed in sustainability reporting and offers valuable discernments for entities endeavoring to increase their own sustainability reporting methodologies.

This research has some limitations. First, the scope of the conclusions may be constrained due to the predominant emphasis on a single case study. While EGP is a prominent contender within the Italian renewable energy sphere, it is important to note that the difficulties that this company faced may not be wholly indicative of those of other organizations operating in the same or different sectors (Eisenhardt and Graebner, 2007). In addition, being focused on the Italian context, the paper fails to thoroughly explore the possible ramifications that different cultural backgrounds may have on the implementation of sustainability reporting protocols (D'Aniello *et al.*, 2016). Consequently, the discernments expounded within this article may not be readily applicable to companies located in other nations or governed by dissimilar regulatory paradigms (Deegan, 2017).

Given these limits, it would be prudent for forthcoming investigations to contemplate broadening the scope of their scrutiny to encompass a multitude of instances across diverse sectors, territories and cultures. Furthermore, the inclusion of primary data sources and direct stakeholder engagement might enhance comprehension of sustainability reporting methodologies and the obstacles that can be encountered when pursuing standardized reporting.

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Corresponding author

Gennaro Maione can be contacted at: gmaione@unisa.it