

**SUSTAINABILITY AND FINANCIAL PERFORMANCE:  
An analysis of A +Brazilian companies listed on the Global Reporting Initiative between 2009 and 2012**

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**ABSTRACT**

*Organizations that claim to be sustainable in their strategic discourse (mission and vision), are supposed to have a sustainable performance consistent with their economic and financial performance. To evaluate such statement we analyzed the financial and sustainable development of 15 Brazilian companies between 2009 and 2012. The sustainable performance was measured according to 54 indicators collected in the Sustainability Report of the Global Reporting Initiative. Only quantitative and monetary indicators were applied. A reduced use of quantitative and monetary sustainability indicators (32%) was noticed. Sustainability growth indicators higher than economic and financial growth indicators were: 10.5% (Revenue); 16.7% (Profit); 16.8% (EBITDA); 16.3% (ROA); and, 16.6% (ROE). Based on the indicators we classified the organizations'. The economic and financial performance overcame the sustainable performance, supporting the idea that companies employ sustainability in their strategy discursively, rather than through concrete sustainable actions.*

**Keywords:** *Sustainable Performance. Sustainability. Financial Performance. Global Reporting Initiative (GRI). Sustainability Report.*

**1 INTRODUCTION**

Sustainability has become a wide topic for debate in our society, especially when addressing whether social and environmental issues are being properly addressed by the Government, and if their solutions could be treated by economic systems and organizations. As a result of this debate, companies are beginning to show a growing concern for sustainability, and to respond to the pressures of society concerning this topic (MACHADO, MACEDO, MACHADO, & SIQUEIRA, 2012; LIM & TSUTSUI, 2012; ROMEIRO, 2010; VINHA, 2010; SACHS, 2002). The term "sustainability" was, therefore, introduced by organizations in their business strategy, through their mission, vision and corporate values, in a kind of dialogue with society and as a guiding instrument for decision making (COELHO & GODOI, 2010).

One way encountered by organizations to engage in dialogue with society is through sustainability reports. Sustainability reports arise, therefore, to reflect sustainable corporate actions in a transparent, comparable (MACHADO et al., 2012), and standardized way, based on the *triple bottom line* concept (economic, social and environmental), as pointed out by Colares, Bressan, Lamounier and Borges (2012). Among the several existing reports, the Global Reporting Initiative (GRI) report stands out as one of the most widespread and recognized business reports, used mainly among large organizations and accepted as an effective means of sustainability performance communication (BROWN, 2011; LEITE FILHO, PRATES, & GUIMARÃES, 2010; BROWN, JONG, & LEVY, 2009).

It is generally agreed that companies who claim to be sustainable and disclose their actions in reputable reports are, in fact, more committed to sustainability. However, the extent to which they are truly committed to environmental and social issues must be evaluated and measured, as it is assumed that those companies will present sustainability indicators at least equal to other indicators, including economic and financial ones, for example.

Based on the GRI report, this paper analyzes the sustainable commitment of Brazilian companies who claim to be "sustainable" in their strategic communication, specifically in their "vision" and "mission" from 2009 to 2012.

The sample included only Brazilian companies that disclosed their information on sustainability through to the Sustainability Report (RS) of GRI (version G3) and achieved the 'A+' level. We tried to determine if the sustainable actions are really practical for companies or a mere legitimacy discourse for society. In addition, a classification of companies according to sustainability criteria was built.

This article aims to contribute by proposing a methodology for the GRI Report analysis and by developing indexes for corporate sustainability performance development compared to economic and financial performance. It can guide the improvement of corporate sustainability analysis and suggest improvements to the next versions of the GRI Report. From a practical point of view, the main objective is to demonstrate whether companies that claim to be sustainable are really concerned with their sustainable actions. As a result, non-governmental organizations (NGOs) and governments may establish policies, rules and systems that identify and reward companies that really are committed to social and environmental actions.

After this brief introduction, the following sections present the broader debate about organizational relationship and sustainability. Subsequently, methodology presents data source and discuss the creation of the indicators used in the analysis, highlighting some limitations resulting from the GRI (G3) organization. Afterwards, the results obtained from the study are presented along with final considerations and outlines for future works.

## 2 ORGANIZATIONS AND SUSTAINABILITY

This section presents various elements that permeate the relationship between organizations and sustainability. Initially it should be noted that this is an ongoing discussion with multiple understandings that can be antagonist. First we present the sustainability concept, then the relationship between organizations and sustainability, contextualizing the GRI report as a document to measures sustainability and, finally, the inclusion of the sustainability topic within the mission and organizational vision.

### 2.1 *Sustainability Development and Conceptualization*

According to Sachs (2002), the relationship between society and nature occurred so that society could use the natural resources. However, this relationship changed over time. Primitive society was an element of nature and gradually, through the development of techniques, it began to distance itself dominating nature.

Yet the use of natural resources "productively does not necessarily have harm the environment or destroy diversity" (SACHS, 2002, p. 32). Sachs (2002) supports the idea that the rational use of resources is related to making them more and more productive through even more developed production systems. A different view is the economic approach which regards sustainability as an issue of temporal allocation of resources, which can be corrected through public policies and/ or the prices of goods and services offered (ROMEIRO, 2010).

Sachs (2002) states that the economic growth is only sustainable when contemplating economic, social and ecological dimensions. These are the dimensions that serve as the basis to define what is sustainable, including mainly the methods that the organizations adopted.

However maintaining the three dimensions of sustainability requires an enormous effort of both society and organizations. The success of sustainable economic growth results from a deadlock between capitalism and ecology, and lies in the fact that the first contains in itself a logic of accumulation and maximization, and that the use of natural resources was not a restrictive factor for the development of capitalism (MAY, 2010). There seems to be at the heart of the discussion, a difficulty in reaching a consensus on the issue of sustainable development and the ambiguity between economy and environment and between present and future (PARRIS & KATES, 2003).

#### 2.1.1 Origin, historical process and concept

Discussions surrounding the topic of sustainability arise from issues involving concerns about aspects of development, human rights and the environment (SACHS, 2002). Development and human rights issues went into the international forums agenda mainly to clear the damage caused by the Great Depression (1929-1930) and the Second World War (1939-1945). There was also a strengthening, from the mid-twentieth century on, of socialist and trade union movements, and the introduction of restrictions and laws prohibiting abuse in labor relations, such as strenuous working hours, child labor employment and no vacation, for example (ROMEIRO, 2010).

The of inclusion environmental issues is more recent. In the 1970s, the social and environmental topics have taken power in the debates and began to permeate the relationship of corporations and society (VIZEU, MENEGHETTI, & SEIFERT, 2012; MACHADO et al., 2012; VINHA, 2010). Consumers, according Vinha (2010), and society,

according to Machado et al. (2012), began to interfere with products in the 1970s, both in the United States and Western Europe, and later in the 1980s, in developing countries, leading to greater awareness and pressure for sustainable practices. Geels (2010) adds that climate change and biodiversity-related issues gained ground on the political agendas in the years 1990 and 2000, no longer representing local geographical issues and becoming global problems (SILVA & QUELHAS, 2006). There was, therefore, the beginning of a transition from the rational, economic and immediate, to the ethical, holistic and broad (Sachs, 2002).

The coordination between social, economic and environmental aspects, triggered at the Stockholm Conference, held in 1972, are central elements for the sustainable development (VINHA, 2010; ROMEIRO, 2010; SILVA & QUELHAS, 2006; SACHS, 2002).

Despite bearing several definitions, the globally established concept of sustainable development was delivered in 1987 by the then Norway Prime Minister and United Nations General Secretary, Gro Harlem Brundtland, at the World Commission on Environment and Development: the one that suits the needs of the present without compromising the ability of future generations to meet their own needs (VINHA, 2010, p. 184).

The Brundtland report is considered a milestone in the early discussion of the sustainability topic (VINHA, 2010; ROMEIRO, 2010; CARRILLO-HERMOSILLA, GONZALEZ, & KONNOLA, 2009; SILVA & QUELHAS, 2006;), also widely known as “Our Common Future” (COLARES et al., 2012), however as normative as it was, it did not eliminate different interpretations on the subject (ROMEIRO, 2010; CARVALHO & BARCELLOS, 2010). For Silva and Quelhas (2006), the concept of sustainability has been improving in a process of interaction and evolution of the tripod thread: social, economic and environmental (triple bottom line), making it even more complex when it embodies the corporate aspect to the discussion. The basis for corporate sustainability would be disseminated later (VIZEU, MENEGHETTI, & SEIFERT, 2012), according to Vinha (2010) and Sachs (2002) more precisely at the United Nations Conference on Environment and Development (ECO-1992), in Rio de Janeiro, and later as large companies gathered at the World Business Council for Sustainable Development (WBCSD) event. However according to Lim and Tsutsui (2012), the increased sensitivity of society towards environmental issues and human rights occurred in the first decade of 2000, along with the growth of government regulatory pressures and NGOs.

## 2.2 *Organizations and the Sustainability Topic*

The issue of sustainability in the private sector involves a theoretical discussion which opposes the way the issue is addressed by companies (ABRAMOVAY, 2009). On the one hand there is the idea of the incompatibility between sustainability and the very purpose of the companies in capitalist societies, which is to generate income and accumulate capital (MACHADO et al., 2012; VIZEU, MENEGHETTI, & SEIFERT, 2012; MAY, 2010) and to generate wealth for shareholders (LIM & TSUTSUI, 2012; CARROLL & SHABANA, 2010). However, on the other hand, the idea is that companies operating in society are part of this society, pressuring and being pressured by the stakeholders (MACHADO et al., 2012; VINHA, 2010; ABRAMOVAY, 2009; FREEMAN, WICKS, & PARMAR, 2004), and being capable of contributing to the improvement of society's problems (KRAMER & PORTER, 2007).

### 2.2.1 Profit is prevalent for organizations

According to Vizeu, Meneghetti and Seifert (2012) there is a big contradiction between the capitalist system and the idea of sustainability, which strengthens the ideological character of the sustainability use by organizations as a way to distort the real capitalist interests in society, expressed by the critical theory. What is expected from a capitalist society, and the market as an end, is that natural resources and social aspects are left out (ABRAMOVAY, 2009). Vizeu, Meneghetti and Seifert (2012) emphasize the dominant capitalist interest and the tendency of capitalism as a totalitarian economic system that involves all social life. This aspect is also pointed out by Santos (1997) as representing the uniqueness of techniques, in which the current informational scientific technical world expresses itself for market dominance, which dominates all previous forms of social organization.

The essence of the capitalist system is in obtaining and accumulating profit (VIZEU, MENEGHETTI, & SEIFERT, 2012; MAY, 2010). The system creates rationales that either mask or deny this dominant logic of capital, according to Vizeu, Meneghetti and Seifert (2012, p.8), developing "cultural, political and imaginary systems that legitimize the exploitation" of individuals, such as the "sustainable development". Thus, sustainability is but a necessary discourse that legitimizes the practices of capitalist organizations in achieving their primary objectives.

Carroll and Shabana (2010) point out that the corporation's responsibility is to maximize profit for their owners and shareholders. The social role is not part of the corporation context and social and environmental issues must be addressed elsewhere. They add that companies are not prepared for coping with social problems, because their managers are focused on operational, financial and non-social issues. Companies therefore must try to allocate their resources more efficiently and any attempt to force them to invest in other aspects would go against the logic of the system itself (May, 2010), since what matters for companies is market demand and prices (PALMER, 2010). Also, the demand for price correction could occur through public policies and government regulations requiring sustainability investments by companies (GELLS, 2010; ROMEIRO; 2010).

### 2.2.2 Organizations as social actors

For Kramer and Porter (2007) the adherence of companies to sustainability is not voluntary, it actually occurs after a series of pressures from society, which boycott products made in adverse conditions or companies that harm the environment and society. Another important factor is the government request for companies to disclose information on ethics, environment and society in their annual reports, as the companies listed on the London Stock Exchange (KRAMER & PORTER, 2007) or to accept milestones and regulatory pressures (NIDUMOLU, Prahalad, & Rangaswami, 2009). According to Porter and Kramer (2006) companies cannot solve all problems in society, but can particularly contribute to those affecting their business, creating value for society and for the company's business (win-win), or a competitive advantage in relation to other organizations. Companies would not care about their immediate return only, but about their long-term actions, making room for what Kramer and Porter (2007) call "shared values": values that go beyond price and production issues, and include the social inclusion context, referring to the very survival of the company (ABRAMOVAY, 2009).

As per the stakeholders theory, which is grounded in human relationships and social construction of organizational relationships (FREEMAN, WICKS, & PARMAR, 2004), the profit is a result of the company's actions in the environment, that is, there can be no profit if there is no value created. According to the stakeholders' theory, the shareholder is just another actor who has interests as other stakeholders (suppliers, employees, consumers, etc.). To bring and conduct all the actors together is the big challenge, while cooperation (working in the same direction) and values such as ethics, represent other non-measurable gains and have an impact in the long run, opposed to individual or short time values.

### 2.3 The use of the GRI model for measuring corporate sustainability

According to Brown (2011, p. 281), "the Global Reporting Initiative (GRI) is the best known set of guidelines for the production of voluntary sustainability reporting worldwide", and is widely used (COELHO & GODOI, 2010). Cho, Guidry, Hageman and Patten (2012, p. 16) emphasize that the GRI is "perhaps the most recognized organization in the development of guidelines for sustainability reporting."

"The GRI arose during the debate held in the 1990s on corporate social responsibility (CSR)" (BROWN, 2011, p. 281), and is the result of social movements and movements for sustainability in the 1970s. Until 2002 it was part of a series of codes of conduct and reports adopted by the Coalition for Environmentally Responsible Economies (CERES), which, in turn, happened, in 1989, as a result of the Social Investment Forum 1982 (BROWN, 2011).

According to the GRI (2006, p.3) the main purpose for the elaboration of a RS "is the practice of measuring, disclosing and being accountable to internal and external stakeholders for organizational performance aiming at the sustainable development." It became known for: being a user-friendly model, including the three dimensions of sustainability (environmental, social and economic); having updated versions and covering different sectors; being accepted by governmental and non-governmental entities; setting standards that facilitate the understanding of users and comparability between and within organizations (BROWN, 2011; BROWN, JONG, & LEVY, 2009). It is essential in the convergence of transparency practices, accountability (disclosure), reporting, indicators and sustainable development practices (COELHO & GODOI, 2010).

However, according to Brown (2011, p. 281), "in spite of these positive points, the GRI has not reached its goal of becoming a standard and effective source of information on the social and environmental performance of companies," due to different standards and the non-alignment of investors and NGOs in the acceptance and request of this format by companies.

The preparation of the latest GRI guide (G3 version) incorporated two other tools: the *Guidelines for Multinational Enterprises* (MNES) guide of the *Organization for Economic Co-operation and Development* (OECD) and the United Nations Global Compact (BROWN, JONG, & LEVY, 2009), through a *multistakeholder* process (LEITE FILHO, PRATES, & GUIMARÃES, 2010; BROWN, JONG, & LEVY, 2009). In 2007 there was another renovation in order to achieve medium and small enterprises (BROWN, 2011; BROWN, JONG, & LEVY,

2009). The G3 version included a "materiality" tool of social and environmental impact, which enhanced and facilitated the completion of the SR (BROWN, JONG, & LEVY, 2009).

However, the reports are still mainly employed by large companies, often involved with activities that are typically aggressive in terms of sustainability (CHO et al., 2012). "The use of GRI reports by their target audiences has been, however, very low" (BROWN, 2011, p. 284). The report is eventually used in a complementary manner by the shareholders and investors with a bias towards social responsibility. It is also little used by NGOs, the society in general and public bodies, for example. Data available in the GRI format represent a limited comparison between companies, especially when it comes to sustainable development or sustainable performance (BROWN, 2011). Brown (2011) comments that the GRI does not deliver what were promised in terms of harmonization and standardization, and efficiency gains. The lack of comparability and parameterization, and the difficulty for the user to locate and interpret indicators was also a conclusion in the study presented by Silva Fernandes, Siqueira and Gomes (2010). These authors also noted that the data presented do not meet the GRI requirements, under both non-monetary and monetary quantitative aspects

Leite Filho, Prates and Guimarães (2010, p. 56) justify that "there are many variables affecting the data presented by any given company: activity, size, industry, turnover, services rendered or products manufactured among others ". A positive aspect is that the SR made room for discussions on the environmental performance topic among the senior management of companies as well as for the prospect of disclosure and alignment of business conduct standards. From the society perspective, it promoted a demand for sustainability accountability from the companies, while stakeholders can use the tool as a way to contribute to a sustainability focused governance (BROWN, 2011; BROWN, JONG, & LEVY, 2009; GRI, 2006). Cho et al., (2012) also claim that the reports can lead to increased corporate reputation.

### 2.3.1 Main Principles of the GRI (G3) Model

The GRI SR consists of three parts (LEITE FILHO, PRATES, & GUIMARÃES, 2010; CASTRO, SIQUEIRA, & MACEDO, 2009) which are related and complement each other:

- a. profile, which includes outlines of organizational performance and governance, strategy and profile;
- b. management approach, which focuses on how the organization addresses a topic or set of topics in order to elucidate the performance of certain area; and
- c. Performance indicators, which embraces the economic, environmental and social information of the organization.

Specifically regarding performance indicators, they are gathered in accordance with the triple bottom line concept: economic, environmental and social performance (LEITE FILHO, PRATES, & GUIMARÃES, 2010). They are categorized as: essential indicators, applicable to most organizations; additional, dealing with topics which are relevant to some organizations; and sectorial, targeted at specific sectors, as per the GRI (2006). Lim and Tsutsui (2012) summarized the standard SR in: environment, human rights, labor practices and decent work, society, product liability and economy, as shown in table 1.

\*\*\*\*Insert Table 1\*\*\*\*

Organizations can introduce the SR gradually and select the desired application levels (GRI, 2006). There are three levels of acceptance, "C", "B" and "A", where level "A" is the highest, followed by "B" and "C". The organization assigns itself a certain level and can ask an external agent to check the accuracy of the information provided. The external agent may be the GRI or a sustainability audit office; in this case, the report will receive a positive indication "+".

The organization must define the most relevant issues and indicators to be published, however four key elements must be considered: i) materiality principles; ii) inclusion and stakeholder expectations; iii) context; and, iv) scope, for each of these four items the organization must test the indicators to be reported (LEITE FILHO, PRATES, & GUIMARÃES, 2010; GRI, 2006). However they are only general lines, and do not set out clear standards for each organization.

All key indicators for each application level of the SR ("A", "B" or "C") must be completed, unless the organization justifies as "not applicable" or "not material." The guidelines for the GRI Sustainability Report also set out principles to ensure the quality of the report, as shown in Table 2 (LEITE FILHO, PRATES, & GUIMARÃES, 2010; GRI, 2006).

\*\*\*\*Insert Table 2\*\*\*\*



### 2.3.2 Using reports to disclosure sustainability data

According to Coelho & Godoi (2010, p. 2), "The sustainability discourse entered the business jargon and became a slogan in the organizational context." According to these authors, the discourse of sustainability covers the idea of building a better world for organizations, which is outlined in their SRs. However, the authors point out that the SR, rather than being a transparent instrument of corporate sustainable practices, operates in an ideological way trying to legitimize the actions of the companies.

"The Legitimacy Theory of social disclosure suggests that the extent of the environmental financial reporting is a function of public pressure in the social and political environment" (CHO & PATTEN, 2007, p. 639), or, the greater the exposure of a company, the more extensive and environmentally positive the reports will be, as a way to legitimize itself before the threats, acting as a legitimizing discourse for the company's actions (CHO et al., 2012; CHO & PATTEN, 2007).

To Adams and McNicholas (2007), longer reports aim to fulfill the role of responding to social pressure and improve the perception of corporate environmental performance in the eyes of society. Al-Tuwaijri, Christensen and Hughes (2004) point to a positive correlation between environmental performance and environmental disclosure.

The companies use communication with stakeholders to influence their perception, thus maintaining its legitimacy (COELHO & GODOI, 2010; CHO & PATTEN, 2007). Legitimacy results from the company's actions to make its activities "desirable, adequate and appropriate" (CHO et al., 2012, p. 15), within a social context of norms, values, beliefs and definitions, necessary for the continuation of the company.

For Cho and Patten (2007) there is an important consideration regarding the availability (format) of the information contained in the reports: monetary and non-monetary information. Quantitative and monetary information have a higher quality than the non-quantifiable ones. "Quantitative and monetary information has been shown to be of higher quality than non-quantifiable disclosures" (CHO & PATTEN, 2007, p. 641) and they are more informative to stakeholders than non-quantifiable.

Also, according to these authors, companies with the greatest impact on the environment are under pressure to provide more accurate and monetized information in their environmental disclosures; the authors define these companies as more sensitive towards the environment or in a poor relationship with the environment. Also, the first would use more monetary information than the latter. Sensitive companies are those that directly impact the environment, and are defined by the author as part of the following sectors: oil exploration and refining, pulp and paper, chemicals and metals industry. The industries with bad reputations include those that fail to comply with standards and regulations; that emit toxic substances on a large scale; that do not present prevention implementations against environmental disasters unlike their competitors; and obtain significant part of their revenue from products that negatively affect the environment.

## 2.4 Sustainability Mission and Strategic Vision

According to Coelho and Godoi (2010) organizations began to use the sustainability discourse on their strategy governing elements: Vision, Mission and Values. The vision and the mission statement inform the stakeholders what the company is, what it wants to accomplish and who it wants to serve. Together, Vision and Mission, "form the bases that the company needs to select and implement one or more strategies" (HITT, HOSKISSON, & IRELAND, 2011, p. 18). According to Hitt, Hoskisson and Ireland (2011), vision and mission properly developed, reflect positively on the company's performance, which can be measured by increased sales, profits, employment and equity.

Vizeu and Matitz (2013), claim that the mission is a distorted form of corporate communication used with discursive purposes, which aims to manipulate the social perception and divert the stakeholders' attention from the potential problems caused by the organizations. The mission, as a discursive method, distorts the reality of the organizations aimed at profit and the social and environmental potentially damaging operating activities.

Declarations of mission and values, codes of conduct, and principles relevant to economic, environmental and social performance, as well as the stage of their implementation, are required in the SR GRI (GRI, 2006).

### 2.4.1 Vision:

Hitt, Hoskisson and Ireland (2011, p. 17) highlight that the "Vision is a picture of what the company intends to be and, more broadly, of what it wants to accomplish". According to these authors, the vision is a guide of where the company intends to go in the coming years, a broad ideal. The vision should be clear and capture the aspirations

of the company, employees and stakeholders. It shouldn't change in the short term (HITT, HOSKISSON, & IRELAND, 2011), since it is a goal for the future (CAMPBELL & YEUNG, 1991).

A vision loses power when it is achieved, and should be replaced with a new one, but the vision cannot be an unattainable future (5 or 10 years), because it might lose its capacity to motivate people (CAMPBELL & YEUNG, 1991).

#### 2.4.2 Mission:

"The mission specifies the areas in which the company intends to compete and the clients it intends to serve" (HITT, HOSKISSON, & IRELAND, 2011, p. 18). It may be related to commercial aspects and market goals, but Campbell and Yeung (1991, p. 146) add that the "mission is a short-term concept. It is related to the way the organization is managed in the present (behavioral patterns) and its purposes. "The mission provides a rational means for actions, based on the strategy (vision) and organizational culture.

To Vizeu and Matitz (2013) the mission is surrounded by concepts and actions that preach justice, philanthropy and charity, in a discursive practice that allows for the construction of a highly powerful image before society, making corporate values "sacred". At the same time, it creates a false illusion of the organizations' purposes and a barrier against society's criticism on their actions.

### 3 METHODOLOGY

This section aims to describe the methodological procedures used in this study, and it is organized in a way to understand the data source and processing, as well as the methodology for information analysis. The research limitations are also presented.

The study presented herein is guided by descriptive and exploratory research, describing and exploring environmental, social and economic indicators to find a relationship between them that allows characterizing the phenomenon. It is transversal and retrospective, since it analyzes organizations behavior in a limited period. The analysis level is organizational and the analysis unit is the sustainable commitment in the studied organizations.

Through the GRI Reports (GRI, 2013), published on the institution's website, we selected the Brazilian companies that published the SR in the G3 format (GRI, 2006). As noted above, SRs are classified as to the quantity and quality of data provided by the enterprises. In this context, reports rated as level "A" are those with greater detail of sustainable actions, for those enterprises presenting their SRs in this format need to provide all the essential indicators (LEITE FILHO, PRATES, & GUIMARÃES, 2010; CASTRO, SIQUEIRA, & MACEDO, 2009; GRI, 2006). Thus, for greater quantity and quality purposes, companies rated as A+, between 2009 and 2012, were selected. As a result, we obtained 16 companies that met the set of requirements, as shown in Table 3.

\*\*\*\*Insert Table 3\*\*\*\*

To analyze the organizations' sustainability we used quantitative and monetary key indicators expressed (CHO & PATTEN, 2007) by the companies. Quantitative indicators are those numerically expressed in any unit other than the monetary (non-financial) as, for example, volume, weight, hours, days missed from work, and a wide variety of information that is subject to the SR extraction. Monetary indicators are those expressed in currency, Real or Dollars (financial) (LEITE FILHO, PRATES, & GUIMARÃES, 2010; ROVER, BORBA, & BORGERT, 2008; NOSSA, 2002).

Altogether, the GRI SR has 52 key indicators, categorized into 31 points addressed in terms of economic, environmental and social performance. Amongst all the indicators, seven are considered economic and financial (EC1 to EC4 and EC6 to EC8). However, only EC1 provides information on economic and financial results, as it includes data on sales, profits, wages, payments and taxes. The remaining indicators address climate change (EC2), pensions (EC3), government assistance (EC4), expenditures with locally based (EC6), hiring local managers (EC7) and infrastructure investments in the region (EC8), and were treated in this study as social and environmental indicators.

From the 45 remaining indicators, LA 7, which gathers information on injuries, occupational diseases, lost days, absenteeism and work-related fatalities, was decomposed and each one of its parts became a separate indicator, except for work-related deaths, which was excluded. Thus, indicator LA 7 ceased to exist and was replaced by the following indicators: i) injuries; ii) occupational disease; iii) lost workdays; and, iv) absenteeism.

Economic indicator EC1 was considered only in terms of sales and profits, and was supplemented by EBITDA, ROA and ROE data for each company.

Thus EC1 was decomposed into five other indicators: Net Revenue (MACHADO & MACHADO, 2013; VITAL, CAVALCANTI, DALLÓ, MORITZ, & COSTA, 2009; CERETTA, BARBA, CASARIN, KRUEL, & MILANI, 2009), Net Profit (VITAL et al., 2009), Earning Before Interest, Tax, Depreciation and Amortization (EBITDA) (MACHADO & MACHADO, 2013; VITAL et al., 2009), Return on Asset (ROA), and Return on Equity (ROE), according to research by Fernandes, Dias and Cunha (2011), Hillman and Keim (2001), Cesar and Silva (2008), Makni, Francoeur and Bellavance (2009) and Colares et al., (2012), confirming previous studies that analyzed sustainability and financial performance. The criteria used for each indicator are shown in Table 4.

\*\*\*\*Insert Table 4\*\*\*\*

Therefore, among the 52 original indicators, LA 7 gave rise to four indicators. Six of the financial indicators (EC2, EC3, EC4, EC6, EC7 and EC8) were considered as social and environmental, and EC1 was treated independently, as it confronts the others. Thus, there are been 5 economic and financial indicators and 54 social and environmental indicators.

The 54 indicators were classified into levels, as in the research presented by Leite Filho, Prates and Guimarães (2010):

- i. defined as nonmaterial, immaterial, not applicable or not mentioned;
- ii. qualitatively described;
- iii. quantitatively described;
- iv. monetarily described; and
- v. inadequate, insufficient or mistaken.

The latter (v) was included due to observation that some answers did not effectively represented the GRI's requirements, considering Castro, Siqueira and Macedo (2009), which classified certain responses in the SRs as "dubious" or "inconsistent". A similar classification was addressed by Nossa (2002) and Rover, Borba and Borgert (2008).

Indicators described by the companies as not applicable or immaterial (i), qualitatively (ii) and inadequate, insufficient or mistaken (v), were not considered in the data analysis. Thus, the sustainable performance was calculated only in terms of the quantitative and monetary indicators, items iii and iv above, respectively, as highlighted by Cho and Patten (2007). However, in this work the total number of indicators (54) was not altered, even when there were indicators from group "i".

Economic and financial indicators were used to measure the financial performance after the return rates, measured in absolute and relative terms. Profitability ratios or profitability demonstrates the return on investment and the economic success (FERNANDES, DAYS, & CUNHA, 2011). The financial performance is thus understood as the company's ability to grow and generate income from investments.

Economic and financial indicators were collected directly from the companies' SRs, and when those were not available, data was obtained as follows:

- a. Financial statements for each financial year disclosed by the company or available at the Securities and Exchange Commission;
- b. Corporate Management Report;
- c. Exame magazine ("MAIORES, 2014"; "MAIORES, 2014b"), "Majores e Melhores";
- d. Valor Econômico newspaper ("ECONOMICO, 2014"), "Top 1000";
- e. Central Bank of Brazil (2014) - for financial institutions.

The Anglo American company was removed from the sample since it fail to provide in all of the surveyed data sources, complete data for the EC1 indicator between 2009-2010, remaining 15 companies.

The data collected from financial and monetary indicators values were not corrected, or deflated, for price indexes, we used the nominal values.

### 3.1 GRI Indicators Calculation Method

For all 54 social and environmental indicators ( $ISA_i$  where  $i = 1, \dots, 54$ ) growth rates, represented by  $\Delta ISA_i$  were calculated. The same procedure was repeated for all 5 economic and financial indicators ( $IEF_j$ , where  $j = 1, \dots, 5$ ),



in order to obtain their growth rates ( $\Delta IEF_j$ ). Particularly regarding economic and financial indicators, some were treated differently, as for example, net income and EBITDA. Initially both indicators were divided by net revenue, in order to transform them in financial performance over time indicators. Growth rates were then calculated.

Then, the growth rate of each sustainability indicator ( $\Delta ISA_i$ ) was compared to the growth rate of each economic and financial indicator ( $\Delta IEF_j$ ).

Thus, if  $\Delta ISA_i > \Delta IEF_j$ , the growth of a given sustainability indicator was higher than the growth of the economic and financial indicator in question, highlighting the sustainable commitment of the company. Otherwise, if  $\Delta ISA_i \leq \Delta IEF_j$ , the company is not committed to sustainability.

Commitment is therefore understood as activities carried out by companies in social and environmental actions which can be regarded as monetary or non-monetary (LIM & TSUTSUI, 2012; DE OLIVEIRA, 2005). According to Machado et al., (2012, p. 141), "business investments undertaken and evidenced in social and environmental issues are understood as evidence of real commitment towards social responsibility and sustainability and are not just a way of accounting for invested funds." They are, therefore, considered as the commitment to the actions (indicators) that prioritize the reduction of materials used, economies and changes implemented that result in the reduction of environmental impacts, within the parameters established by the GRI (GRI, 2013).

#### 4 RESULTS

From all companies analyzed, Endesa is the one that does not use the "sustainability" discourse, however, it was maintained, since it is rated "A +".

Table 1 shows the indicators observed quantitatively and monetarily by companies in the period, from a total of 54 sustainability indicators (herein referred as ISA).

\*\*\*\*Insert Table 5\*\*\*\*

The companies with the best quantitative and monetary responses were: Light (24) and EDP (22); while Copel presented the least amount of indicators, 9. In total, the average was 17 indicators, which corresponds to 32% of the 54 indicators.

Table 2 represents the simple average of ISAs exceeding the financial performance, multiplied by the number of quantitative and monetary indicators for the period (Table 1). It provides the weighted average of ISAs that exceeded economic and financial growth.

\*\*\*\*Insert Table 6\*\*\*\*

Considering ISAs exceeding net revenue, we observe that Light showed the best results, with weighted average of 20.4%, from the total of 54 indicators. While Banco do Brasil was responsible for the worst result accounting for only 0.60% of the indicators.

With regard to net income, we note that, on average, 16.7% of ISAs presented higher growth rates. Again Light appears first, with 30.9% of ISAs higher than net income. Unimed Rio is responsible for the worst performance (6.2%).

EBITDA provides a rough idea of operating cash flows and is, therefore, a measure widely used to compare businesses (FREZATTI & AGUIAR, 2007). It is possible to observe in the table that 16.8% of the ISAs outperformed EBITDA. The company with the best result was Petrobras (31.5%), followed by Itaipu (27.8%). The worst performers were Unimed Rio and Copel, both with 6.2%.

Growth above ROA was 16.3%. Similarly to what happened in relation to EBITDA, the company with the best performance was Petrobras, with weighted average of 30.2%. Copel had the worst performance - 5.6%. The number of ISAs that outgrew ROE was 16.6%. Once again, Petrobras presented the highest weighted average (33.3%) and Copel, the worst (5.6%). It is noteworthy that, with the exception of net revenue, all ISAs showed the same growth pattern when compared to other economic and financial indicators (herein referred as IEF). This relates to the fact that these other indicators incorporate costs and other expenses, which make their values lower than revenue.

Afterwards, an analysis of the evolution of the ISAs average which overcame IEFs was carried out. The simple average of indicators that exceeded the financial performance (all indicators) was established. The following graphs show the evolution of these indicators. The companies were divided into two graphs in the same scale, for better viewing.

Graph 1 shows that the ISA performance is not the same for all companies. Copagaz showed a growing and impressive performance going from ISA 4.8 in 2010 to 9.8 in 2012. Another company worth mentioning is EDP, one of the companies with the largest number of sustainability indicators surpassing the financial indicators. Endesa appears on the opposite direction as the company reduced the number of ISAs that outperformed the financial indicators from 7.6 to 3.8. Natura remained virtually unaltered regarding its ISA numbers. CPFL and Itaipu presented a strong reduction in 2011 and in 2012 returning to the same level of 2010.

\*\*\*\*Insert Graph 1\*\*\*\*

Graph 2 shows that V&M achieved the best evolution in terms of ISAs, from 8.4 indicators in 2010 to 12.2 in 2012. The graph also shows two companies that had a sudden rise of growth rates: Bradesco, between 2010 and 2011, and Unimed Rio, between 2011 and 2012. Petrobras appears as the company with the largest number of ISA surpassing the financial performance, 11.4 (2010), 15.8 (2011) and 15.2 (2012). Copel practically maintained the same ISA number over the period, 3 indicators.

\*\*\*\*Insert Graph 2\*\*\*\*

Graph 3 shows the total number of ISAs that are higher than the economic and financial performance indicators among the 15 companies analyzed, with the main objective of identifying the evolution of ISAs over economic and financial indicators. Data suggest that companies take into consideration when investing in sustainability, the following financial indicators: Profit, EBITDA, ROA and ROE. ISA above Net Profit increased from 123, in 2010, to 153, in 2012, and ISA above EBITDA was 117, 143 and 148, respectively for each year analyzed.

\*\*\*\*Insert Graph 3\*\*\*\*

EBITDA remained distant from other indicators in 2011, while income, ROA and ROE, presented similar behaviors, as the latter two are based on net income. Based on the graph, it is true that companies do not take into account net income when it comes to sustainable investments, since the number of ISAs above revenue dropped from 88, 2010 to 82 and 84 in the following years.

Graph 4 was produced in order to compare the evolution of ISAs that performed better than IEFs. The graph shows the IEF evolution of all companies analyzed in the period. Net Revenue increased in the consolidated data, while other indicators showed a decline.

\*\*\*\*Insert Graph 4\*\*\*\*

These data demonstrate that sustainable investments have not kept pace, in terms of development, with the growth in net income. Also, by comparing graphs 3 and 4, it is possible to observe the ISA performance curves and profit, EBITDA, ROE and ROA performance curves are inversely proportional. As a result, the best performance in ISA, when compared to those indicators, do not necessarily represent an increase in sustainable investments, but a reduction in the economic and financial performance growth, a decrease of the sustainable performance denominator.

Based on data collected in this study, we attempted to rank the Brazilian companies graded "A +" in the GRI (G3) SR, between 2009 and 2012. First, the companies were classified according to the percentage of sustainability indicators that exceeded the IEF, creating different positions, as shown in Table 3, and then the simple average of the 5 economic and financial performance indicators positions.

\*\*\*\*Insert Table 7\*\*\*\*

This ranking presents Light in the best position among the 15 companies analyzed. The company's average position was 13.80, appearing first in relation to net revenue and net income, and it was the company with the highest number of ISAs that outperformed IEFs, followed by EDP Energias and Petrobras. Petrobras, in turn, was the company with the best sustainability performance compared to EBITDA, ROE and ROA, but a poor performance when compared to Revenue undermined the company's position. The Copel and Unimed Rio were classified as presenting the worst indicators.

## 5 FINAL COMMENTS

The main objective of this study was to analyze if companies that claim to be sustainable through their strategic discourse (mission and vision), are committed to social and environmental sustainability. Such commitment was measured by means of sustainability performance in relation to economic and financial performance.

Initially, it is worth noting that even A+ companies provide relatively low quality information in the report. This can be exemplified by means of quantitative and monetary data, which represents only 32% of the indicators. Therefore, in 68% of the cases there is no immediate possibility to compare actions between the companies or their development over time. In this sense, one of the GRI's objectives is not fully achieved, and it is necessary to define more precisely the type of information that companies should provide. These findings are consistent with several studies on the subject, especially the works by Cho and Patten (2007), Brown (2011) and Silva Fernandes, Siqueira and Gomes (2010).

The sustainable discourse was present in the strategy (mission and vision) of 14 out of the 15 companies analyzed. The average of sustainability indicators outgrowing the financial indicators of the businesses was: 10.5% for Net Income; 16.7% for Net Profit; 16.8% for EBITDA; 16.3% for ROA; and 16.6% for ROE. Despite these poor results, the sustainable performance is greater when indicators such as EBITDA, Net income, ROA and ROE are analyzed, in this order. It confirms that companies which claim to be sustainable do not present sustainable performances that overcome the economic and financial performance. Thus, results indicate that the sustainability theme is closer to a form of speech, as pointed out by Vizeu, Meneghetti and Seifert (2012) and Abramovay (2009). And the use of the word "sustainability" by companies in their strategy is more connected to the discursive purpose of the organization than a real concern (Vizeu & MATITZ, 2013).

The corporate sustainable performance development analysis revealed that some companies presented a higher growth, as, for example, V & M; while Endesa had a negative outcome regarding the number of ISAs higher than IEFs. When data was analyzed as a whole, it was noted that the sustainable performance development did not kept pace with the Net Income performance, but followed Profit, EBITDA, ROE and ROA, which, in turn, showed a monetary decrease during the period. Data suggest that the companies do not consider net income growth to determine sustainability investments.

A ranking of companies was prepared for the period. Light ranked first (13.8), followed by EDP Energias (13.2) and Petrobras (12.8). On the other end, companies with the worst sustainable performance were Copel (1.8) and Unimed Rio (2.8).

Is worth remembering that this study examined businesses which claim to be sustainable and disclose their sustainability initiatives to the public through the GRI. Therefore, it can be expected from such businesses a more sustainable performance when compared to other companies in Brazil. And although there is no comparison scale, our findings show that their adhesion to sustainability is low, so it can be inferred that the behavior of other companies is nowhere near the real needs imposed by social and environmental aspirations. This scenario is very disturbing and should be changed. In this respect, public policy mechanisms must be implemented so that, in fact, organizations are committed to environmental and social issues.

Further studies can improve the methodology suggested by excluding indicators considered to be immaterial or not applicable, which were kept in this research. Another alternative is to use data already collected, and extend the analysis time horizon until 2013. To analyze the company's size, sector and control, we suggest a shorter time cut, probably a year, which increases the sample size and allows for conclusions regarding businesses classes. An equally interesting work would be the comparison of data from Brazilian companies with businesses in other countries, analyzing the gap between Brazilian and foreign companies regarding sustainability.

During the execution and completion phase of this work, the GRI developed and published a new default report, G4, introducing changes in the reporting and classification of businesses, which can lead to changes or further development in the proposed methodology.

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| Disclosure standard             | Performance indicator   |
|---------------------------------|---|
| Environment                     | materials; energy; water; biodiversity; emissions, effluents, and waste; products and services; compliance; transport   |
| Human Rights                    | Investment and hiring practices; non-discrimination; freedom of association / collective demands; child labor; compulsory and forced labor; safe practices; indigenous rights |
| Labor practices and decent work | jobs; labor relations and management; occupational health and safety, training and education; diversity and equal opportunities   |
| Society                         | Community; corruption; public policies and anti-competitive behavior; compliance  |
| Product responsibility          | Health and consumer safety; trademarks and patents; marketing communications; consumer privacy; compliance  |
| Economy                         | Economic performance; market presence; indirect economic impacts  |

TABLE 1- SUSTAINABILITY REPORT GRI STANDARD  
SOURCE: Lim e Tsutsui (2012, p. 74)



| Principle     | Description   |
|---------------|---|
| Balance       | The report should reflect both positive and negative aspects of organizational performance, to enable a reasoned assessment of overall performance.   |
| Comparability | The questions and information should be selected, compiled and reported consistently. Reported information should be presented in a manner that enables stakeholders to analyze changes in the organization's performance over time and could support analyzes relative to other organizations. |
| Accuracy      | The reported information should be sufficiently accurate and detailed for stakeholders to assess the reporting's organization performance.  |
| Frequency     | The report must be published regularly and information made available in time for stakeholders to make informed decisions.  |
| Clarity       | The information should be available in a way that is understandable, accessible and usable.   |
| Reliability   | The information and processes used to prepare the report should be collected, recorded, compiled, analyzed and disseminated in such a way as to enable their review and to establish the quality and materiality of the information.  |

TABLE 2 – PRINCIPLES FOR DEFINING REPORT QUALITY  
SOURCE: GRI (2006)

| Company         | Corporate name                            | Size  | Industry                    | Control     | Listed |
|-----------------|---|-------|-----------------------------|-------------|--------|
| Anglo American  | Anglo American Brasil – Nickel            | Large | Mining                      | Subsidiary  | No     |
| Banco do Brasil | Banco do Brasil S.A.                      | Large | Financial                   | Public      | Yes    |
| Bradesco        | Banco Bradesco S.A.                       | Large | Financial                   | Public      | No     |
| Copagaz         | Copagaz Distribuidora de Gás S.A.         | Large | Energy                      | Private     | No     |
| Copel           | Companhia Paranaense de Energia S.A.      | Large | Energy                      | Private     | No     |
| CPFL            | Grupo CPFL Energia S.A.                   | Large | Energy                      | Private     | Yes    |
| EDP Energias    | EDP Energias do Brasil S.A.               | Large | Energy                      | Private     | No     |
| Endesa          | Endesa Brasil S.A.                        | Large | Energy                      | Subsidiary  | No     |
| Itaipu          | Usina Itaipu Binacional                   | Large | Energy                      | State-owned | No     |
| Itaú            | Banco Itaú Holding Financeira S.A.        | Large | Financial                   | Private     | Yes    |
| Light           | Light Serviços de Eletricidade S.A        | Large | Energy                      | Private     | Yes    |
| Natura          | Natura Cosméticos S.A.                    | Large | Cosmetics and personal care | Private     | Yes    |
| Petrobras       | Petróleo Brasileiro S.A.                  | Large | Energy                      | Private     | Yes    |
| Tractebel       | Tractebel Energia S.A.                    | Large | Energy                      | Private     | No     |
| Unimed Rio      | Unimed-Rio Cooperativa de Trabalho Médico | Large | Health services             | Partnership | No     |
| V&M do Brasil   | Vallourec Tubos do Brasil S.A.            | Large | Metal products              | Private     | No     |

TABLE 3 – BRAZILIAN COMPANIES GRI (G3) "A+", PERIOD 2009-12  
SOURCE: GRI (2013); Table by the author.

| Indicator   | Concept applied:  |
|-------------|---|
| Net revenue | The organization's actual revenue from sales of products and services, net of taxes (IPI, ICMS, ISS, PIS, COFINS, etc.), returns, trade discounts and unconditional rebates as defined by Neto and Lima (2009). |
| Net profit  | Net income or loss is calculated after discounting the share of profit used pay income tax, interests of debenture holders, shareholders and employees, as described by Neto and Lima (2009).                   |

|        |   |
|--------|---|
| EBITDA | EBITDA (Earnings Before Interest, Tax, Depreciation and Amortization). The indicator derives from the company's income statement, as suggested by Frezatti e Aguiar (2007) as follows: $EBITDA_t = LL_t + D\&A_t + DF_t + I_t$          |
| ROA    | ROA (Return on Assets). According to Fernandes, Dias and Cunha (2011) the calculation of ROA is obtained by dividing the net profits after taxes by the average total asset (Total initial asset plus total final assets divided by 2). |
| ROE    | ROE (Return on Equity). According to Fernandes, Dias e Cunha (2011), the ROE is the division of net income (net income after IR) by the average net equity (initial shareholders' equity plus final shareholders' equity divided by 2). |

TABLE 4 – INDICATOR CONCEPT

SOURCE: The author.

| Company         | Indicators analyzed | Indicators quantitatively or monetarily reported in the period |               |
|-----------------|---------------------|--|---------------|
|                 |                     | Count  | Percentage    |
| Light           | 54                  | 24   | 44.40%        |
| EDP             | 54                  | 22   | 40.70%        |
| Endesa          | 54                  | 21   | 38.90%        |
| Itaipu          | 54                  | 21   | 38.90%        |
| Petrobras       | 54                  | 20   | 37.00%        |
| Itaú            | 54                  | 19   | 35.20%        |
| Banco do Brasil | 54                  | 18   | 33.30%        |
| Bradesco        | 54                  | 18   | 33.30%        |
| Natura          | 54                  | 17   | 31.50%        |
| Tractebel       | 54                  | 17   | 31.50%        |
| V&M             | 54                  | 15   | 27.80%        |
| CPFL            | 54                  | 13   | 24.10%        |
| Unimed Rio      | 54                  | 13   | 24.10%        |
| Copagaz         | 54                  | 12   | 22.20%        |
| Copel           | 54                  | 9  | 16.70%        |
| <b>Average</b>  | <b>54</b>           | <b>17</b>  | <b>32.00%</b> |

TABLE 5 - NUMBER OF QUANTITATIVE AND MONETARY INDICATORS FOR THE PERIOD

SOURCE: The author.

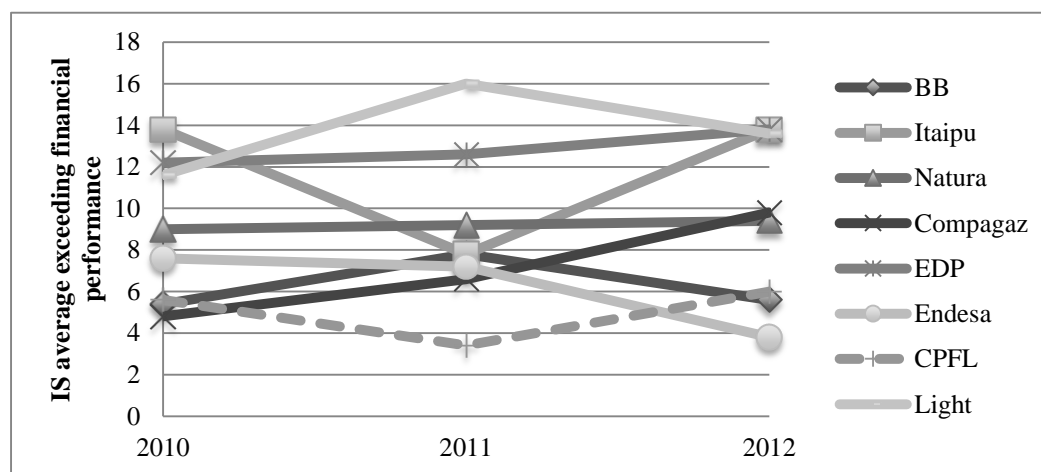
| Company         | Percentage of total indicators with growth higher than: |               |               |               |               |
|-----------------|---|---------------|---------------|---------------|---------------|
|                 | Net Revenue   | Net Profit    | EBITDA        | ROA           | ROE           |
| Banco do Brasil | 0.60%   | 14.20%        | 16.70%        | 11.10%        | 15.40%        |
| Banco Itaú      | 10.50%  | 10.50%        | 17.30%        | 11.70%        | 11.10%        |
| Bradesco        | 11.70%  | 18.50%        | 19.10%        | 19.10%        | 16.00%        |
| Copagaz         | 10.50%  | 14.80%        | 14.80%        | 9.30%         | 16.00%        |
| Copel           | 4.90%   | 6.80%         | 6.20%         | 5.60%         | 5.60%         |
| CPFL            | 4.30%   | 11.10%        | 8.00%         | 12.30%        | 10.50%        |
| EDP Energias    | 14.80%  | 29.00%        | 21.60%        | 27.20%        | 26.50%        |
| Endesa          | 8.00%   | 11.70%        | 15.40%        | 10.50%        | 11.70%        |
| Itaipu          | 17.30%  | 22.80%        | 27.80%        | 20.40%        | 21.00%        |
| Light           | 20.40%  | 30.90%        | 24.10%        | 27.20%        | 24.70%        |
| Natura          | 11.70%  | 19.80%        | 16.70%        | 20.40%        | 16.70%        |
| Petrobras       | 8.00%   | 27.80%        | 31.50%        | 30.20%        | 33.30%        |
| Tractebel       | 6.80%   | 14.20%        | 12.30%        | 8.60%         | 8.60%         |
| Unimed Rio      | 9.30%   | 6.20%         | 6.20%         | 6.20%         | 6.20%         |
| V&M             | 17.90%  | 13.00%        | 14.20%        | 25.30%        | 25.30%        |
| <b>Total</b>    | <b>10.50%</b>   | <b>16.70%</b> | <b>16.80%</b> | <b>16.30%</b> | <b>16.60%</b> |

TABLE 6 - NUMBER OF SUSTAINABILITY INDICATORS EXCEEDING ECONOMIC AND FINANCIAL PERFORMANCE

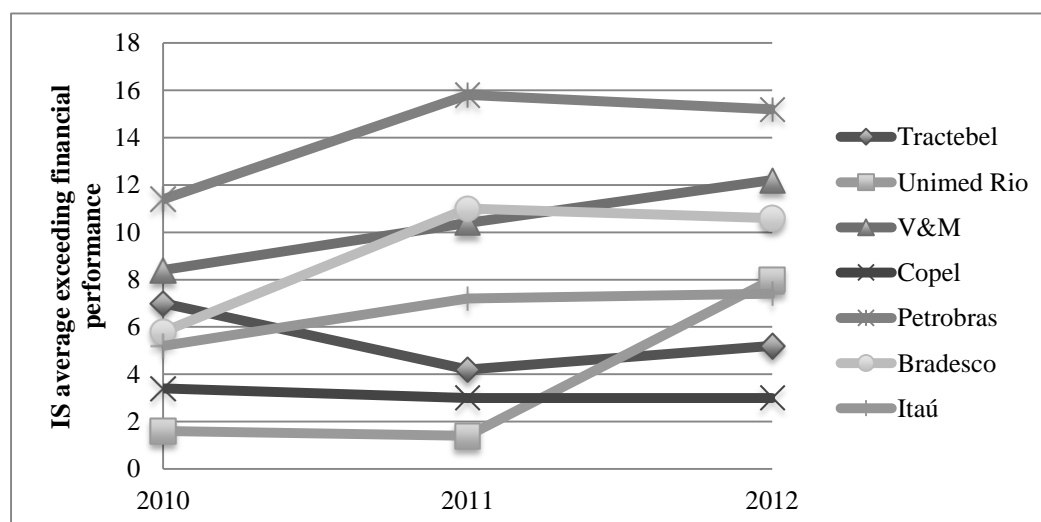
SOURCE: The author.

| Company         | Position for each IEF |        |        |     |     | Average position | Position |
|-----------------|-----------------------|--------|--------|-----|-----|------------------|----------|
|                 | Revenue               | Profit | EBITDA | ROA | ROE |                  |          |
| Light           | 15                    | 15     | 13     | 14  | 12  | 13.80            | 1        |
| EDP Energias    | 12                    | 14     | 12     | 14  | 14  | 13.20            | 2        |
| Petrobras       | 6                     | 13     | 15     | 15  | 15  | 12.80            | 3        |
| Itaipu          | 13                    | 12     | 14     | 11  | 11  | 12.20            | 4        |
| Natura          | 11                    | 11     | 9      | 11  | 10  | 10.40            | 5        |
| V&M             | 14                    | 6      | 5      | 12  | 13  | 10.00            | 6        |
| Bradesco        | 11                    | 10     | 11     | 9   | 9   | 10.00            | 6        |
| Copagaz         | 9                     | 9      | 6      | 4   | 9   | 7.40             | 8        |
| Banco Itaú      | 9                     | 3      | 10     | 7   | 5   | 6.80             | 9        |
| Banco do Brasil | 1                     | 8      | 9      | 6   | 7   | 6.20             | 10       |
| Endesa          | 6                     | 5      | 7      | 5   | 6   | 5.80             | 11       |
| Tractebel       | 4                     | 8      | 4      | 3   | 3   | 4.40             | 12       |
| CPFL            | 2                     | 4      | 3      | 8   | 4   | 4.20             | 13       |
| Unimed Rio      | 7                     | 1      | 2      | 2   | 2   | 2.80             | 14       |
| Copel           | 3                     | 2      | 2      | 1   | 1   | 1.80             | 15       |

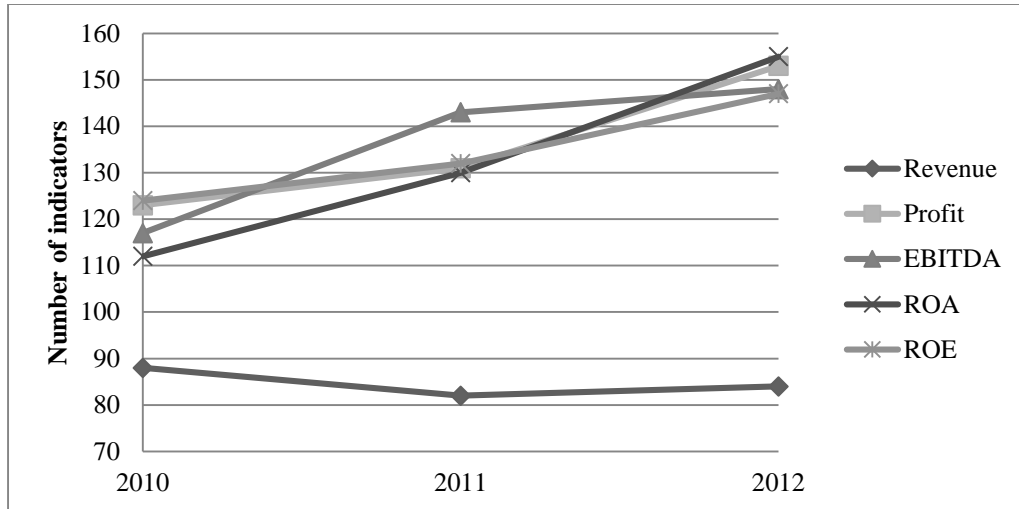
TABLE 7 - RANKING (POSITION) OF A+ BRAZILIAN COMPANIES  
 SOURCE - The author



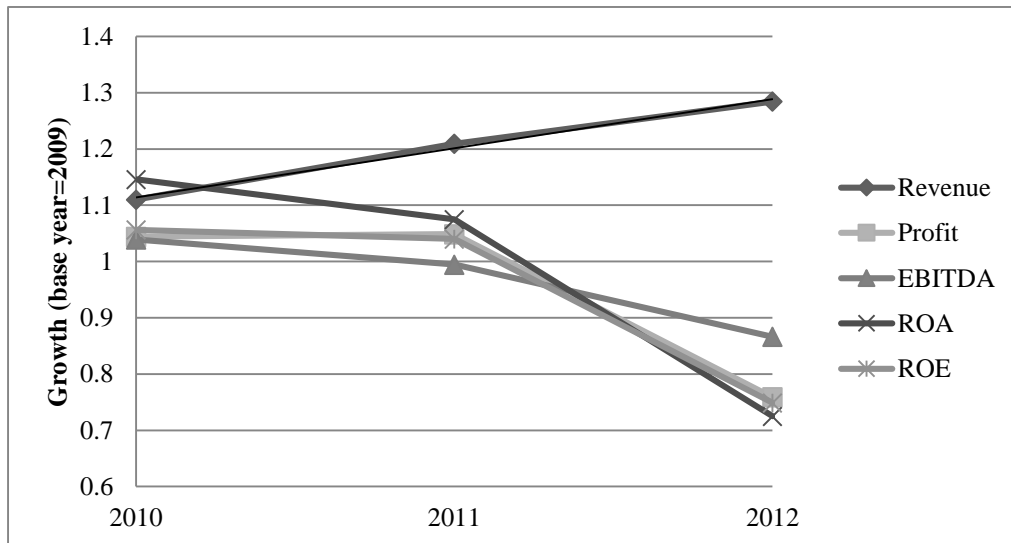
GRAPH 1 - AVERAGE EVOLUTION OF SUSTAINABILITY INDICATORS  
 SOURCE: The author



GRAPH 2 - AVERAGE EVOLUTION OF SUSTAINABILITY INDICATORS (Cont.)  
 SOURCE: The author



GRAPH 3 - AVERAGE EVOLUTION OF ALL INDICATORS  
 SOURCE: The author



GRAPH 4 – EVOLUTION OF ECONOMIC AND FINANCIAL INDICATORS  
 SOURCE: The author