

EU POLICIES AND LAW TO STIMULATE SDGs EMBRACEMENT – APPRECIATED BY RESPONSIBLE CONSUMERS BUT NOT BY BUSINESSES

Robert K. MacGregor¹, Radka MacGregor Pelikánová², Filip Rubáček³

Abstract

The concept of sustainability has been advanced by the United Nations (UN). The last milestone was reached in 2015 by UN 2030 Agenda with 17 Sustainable Development Goals (SDGs). This international law plan has been embraced in the regional law by the EU and on the national level by EU member states. However, the mapping of the EU inducement and its perception by local addressees, socially responsible consumers and businesses, is absent. The objective of this paper is to fill this vacuum via a three step approach, i.e. (i) by reviewing EU instruments to stimulate SDGs based on a content analysis of key policies related to the sustainability and Green Deal, as well as Regulations and Directives, and by performing a Czech case study (ii) to ascertain the appreciation of these instruments by responsible consumers based on a survey and (iii) to assess the SDG endorsement by responsible companies based on the Delphi exploration of their own Internet self-reporting. Their juxtaposition implies indices about the evolution of the concept of sustainability.

Keywords

European Union (EU), Responsible Companies, Sustainability Development Goals (SDGs)

I. Introduction

Ever since the Brundtland report came out in 1987, the modern concept of sustainability with its economic, environmental and social pillars has been advanced vigorously and consistently by the United Nations (“UN”). The last milestone was reached in 2015 with the UN Resolution Transforming our world: the 2030 Agenda for Sustainable Development (“2030 Agenda”) which brought forth the famous 17 Sustainable Development Goals (“SDGs”) and 169 targets. This 2030 Agenda is an international law plan for people, planet and prosperity and SDGs are meant to realize human rights of all by being integrated and balancing the three dimensions of sustainable development: the economic, social and environmental.

On the regional level, both the environmental as well as social dimension of sustainability has been endorsed in the EU (Chmelíková et al., 2019). Indeed, SDGs promptly became an integral part of EU international strategies and have been projected into both EU policies as well as EU law. Regarding EU policies, the European Commission has issued the Communication COM(2016) 739 “Next steps for a sustainable European future” already in 2016 and the Reflection Paper “Towards a Sustainable Europe by 2023” in 2019, both addressing extensively, vigorously and consistently, SDGs and their implementation (Borchardt et al., 2022). The current European Commission under the presidency of Ursula von der Leyen continues with this trend, including the endorsement of a set of policies under the auspices of COM(2019) 640 final - The European Green Deal from 11 December 2019 in order to achieve climate neutrality (to reduce net emissions by at least 55% by 2030 and to achieve 2050 climate neutrality). A perfect example is the Press Release “The Green Deal Industrial Plan: putting Europe's net-zero industry in the lead” from February 2023. Regarding EU law, the sustainability and SDGs should be behind many, if not almost all, law instruments. As a matter of fact, the command and goal of sustainable development made its way into the primary EU law already in 1997/1999

¹ Metropolitan University Prague, Dubečská 900/10, 100 00 Praha 10, Czech Republic.
E-mail: RobertkMacGregor@yahoo.com.

² Metropolitan University Prague, Dubečská 900/10, 100 00 Praha 10, Czech Republic.
E-mail: RadkaMacGregor@yahoo.com.

³ Metropolitan University Prague, Dubečská 900/10, 100 00 Praha 10, Czech Republic.
E-mail: Filip.Rubacek@mup.cz.

with the Treaty of Amsterdam amending the Treaty on the EU which, as one of the substantive amendments, changed the wording of Article B for “*The Union shall set itself the following objectives: to promote economic and social progress and a high level of employment and to achieve balanced and sustainable development, in particular through the creation of an area without internal frontiers.*” Regarding EU secondary laws addressing sustainability and corporate social responsibility (“CSR”), especially via the reporting harmonization (Hála et al., 2022), one need look no further than the Directive 2013/34/EU of 26 June 2013, on annual financial statements (“Directive 2013/34”) as amended in 2014, and also the Directive (EU) 2017/1132 of 14 June 2017, relating to certain aspects of company law (MacGregor Pelikánová & MacGregor, 2020a). It can even be argued that the allegedly higher form of CSR with an orientation on competitive advantage, aka Creating Shared Value (“CSV”) (Porter & Kramer, 2011), is an integral part of the pro-value orientation of the EU system, i.e. of the move from a positive to a natural law perspective.

A rather interesting development occurred recently via Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector (“SFDR”) initiated by the European Commission of Jean-Claude Juncker (MacGregor Pelikánová & MacGregor, 2020b), a pro-Green Deal Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investments (“Taxonomy Regulation”) advanced already by the European Commission of Ursula von der Leyen (MacGregor Pelikánová & Rubáček, 2022) and, more recently, the Directive (EU) 2022/2464 amending Directive 2013/34/EU, as regards corporate sustainability reporting (“CSRD”). The SFDR targets malpractice and misleading information in the financial sector, while the Taxonomy Regulation tackles greenwashing (Balcerzak et al., 2023) and the CSRD fights against non-financial reporting fragmentation by specifying and extending sustainability reporting and referring directly to the Green Deal, SFDR and leading to the situation that approximately 50 000 companies subject to the CSRD have to make reports according to European Sustainability Reporting Standards (“ESRS”). Therefore, after 2024 the CSR reporting, as well as the Environmental, Social, Governance (“ESG”) reporting according to CSRD, will progressively become the duty for e.g. over one thousand Czech companies.

On the national level, SDGs have been enjoying as well a positive reception, but the level and intensity of their projection in national policies and law have been diversified, see e.g. the Czech Strategic Framework from 2017 and its implementation or the SDG Index and Dashboard, as well as OECD studies Measuring Distance to SDGs Targets. As a matter of fact, EU member states maintain their social and cultural differences as well as their level and nature of competitiveness (Kiselařková et al., 2019) and even the achievement of SDGs by 2030 is and remains extremely complex (Bali & Fan, 2019) and appears to progressively move from the category “difficult to be achieved” into the category “impossible” on national levels, and not only on them.

On the local level, the SDGs reception appears rather undocumented (Balcerzak & MacGregor Pelikánová, 2020). There is no doubts that the concept of sustainability demands a multi-stakeholder model and cross-partnership (Van Tulder et al, 2016; Van Tulder & Keen, 2018), bottom up approach and active support by all, especially the ultimate carriers of social responsibility – businesses and consumers (Cerchia & Piccolo, 2019). However, there is some questioning about the strategic advantage based upon the sustainability by targeting SDGs, and the enthusiasm of the UN and European Commission is definitely not shared by businesses and consumers *en block*, see e.g. the economic and social determinants of SMEs (Mařecká et al., 2017; Stepien & Polcyn, 2019). Indeed, the three original strategies towards the competitive advantage, aka Porter’s generic strategies (cost, leadership, differentiation, and focus) have been complemented by three additional strategies (variety-based, needs-based and access-based strategies) and recently are even expanded to two more strategies based on the competitive target criterion (capturing the core and broadening without diluting) (Moon et al., 2014). Indeed, the integration of CSR, CSV and other value concepts, by European businesses, undergoes a progression with both varying speeds and intensities. (Streimikiene & Ahmed, 2021;. Washburn, et al., 2018). Therefore, the question is how these strategies overlap with CSR, CSV and SDGs and this not only statically but as well dynamically during the application.

Certainly, in the democratic society in times of crises and financial difficulties, businesses could hardly be ordered by law to spend more for the sake of the sustainable development of the entire society. Instead, the law and policies should motivate and induce businesses and their managers and employees (MacGregor et al., 2020), especially if such businesses proclaim their social responsibility and have sufficient resources, to be sustainable, to engage with CSR and actively participate in communications about (Ferraro & Beunza, 2018) the creation of values common for all, i.e. creating shared values (“CSV”). However, this is only one side of the coin, i.e. customers at their end should as well induce and support business to go for CSR and CSV and be ready to pay a sustainability/CSR premium, i.e. an extra payment for goods or services from reliable sustainable sources (MacGregor Pelikánová & Hála, 2021). Arguably, crises magnify differences and bring opportunities to make changes (D’Adamo & Lupi, 2021), both on the individual and organizational levels (Kovoor-Misra, 2009), both in traditional areas by traditional instruments as well as in unconventional areas by unconventional instruments (Hirschman, 1980). The set of current crises should litigate towards the consideration of traditional as well as new or less conventional values (Cowling & Dvoutletý, 2023). Who is brave enough to start a new business during the Covid-19 pandemic and the full recognition of the ethical dimension of the business conduct (MacGregor Pelikánová et al., 2021)? These trends should be even more accelerated in specific industries known for (allegedly) abundant financial resources and inherent ethical issues, see the luxury sector (Cerchia & Piccolo, 2019), tobacco and alcohol (Sroka & Szántó, 2018) as well as pharmacy sectors.

Sustainability is about balancing, integrating and respecting various needs and demands, and about compromising on values and their prioritization (Staničková & Melecký, 2020). Wanting everything immediately is an opulent fiction. Instead, sustainability should be about a pragmatic, lean and self-disciplined reality and shared values balancing. There is a myriad of definitions of sustainability (White, 2013) and communications (Ferraro & Beunza, 2018), along with the search for a consensus, are both extremely difficult and desperately needed.

These 17 SDGs and their 169 targets should be the stimulating focal point on the horizon, i.e. stars adjusted by the EU at which the ultimate addressees and executives of sustainability both focus and act on, on a daily basis in the EU – European businesses and consumers – towards *people, planet, prosperity, peace and partnership*. They should definitely push the pendulum away from the conventional perception of the ultimate responsibility of a business (to increase the profits, preferably of shareholders) (Friedman, 2007) towards CSR progressively turning in CSV (Kramer & Pfitzer, 2016).

Well, is this correct, do the EU and EU consumers and businesses speak in the same language about the same things and with the same desire to do it? Are they considering all four layers of the CSR pyramid (Carroll, 2016), including the ethical responsibility (avoiding harm as expected by the society) and philanthropic responsibility (doing extra good deeds as desired by the society) (Eger et al., 2019)? Do Europeans want and state the same as what European businesses desire and declare via their e-platforms par excellence, i.e. via their self-reporting on their own Internet domain (MacGregor Pelikánová, 2021)? Since this is not well documented, there is the potential for a deep misunderstanding and crippled materialization, i.e. the concept of sustainability might be threatened by the miscommunication and mis-transposition of SDG to the lowest levels. In order to address this burning issue, it is not primarily critical what the UN wants and says, but rather what the EU declares and pushes, how Europeans perceive it and what ultimately Europeans do. In sum, the perception and embracement of SDGs and EU pro-SDGs instruments, in particular by socially responsible businesses and consumers, is not well documented and this creates a vacuum crippling the legitimacy, effectiveness and efficiency of the entire system.

The size and format of this paper and related study allows neither a massive overview nor a critical analysis of the entire evolution of all EU policy and law instruments dealing with SDGs, nor a longitudinal data collection from the entire EU about the appreciation of these EU instruments by millions of Europeans and about the real endorsement of SDGs by millions of European

businesses. Instead, an indicative pioneering study is to be performed. The objective of this paper is to fill the above described vacuum via a three step approach, i.e. (i) by reviewing EU instruments to stimulate SDGs based on a content analysis of key policies related to the sustainability and Green Deal, as well as Regulations and Directives, and by performing a Czech pilot case study (ii) to ascertain the appreciation of these instruments by responsible consumers based on a survey and (iii) to assess the SDG endorsement by responsible companies based on the Delphi exploration of their own Internet self-reporting. Their juxtaposition implies indices about the evolution of the concept of sustainability. In order to satisfy this objective, after this Introduction (I.) and Data and Methodology setting (II.), the mapping and exploration of EU instruments is performed (III.) to be followed by the presentation of the Czech pilot case study regarding a survey concerning the perception of these instruments by Czech responsible consumers (IV.) and the self-proclamation of SDG responsible businesses, aka Czech top responsible large companies via their own Internet domains (V). This plethora of information creates a good potential for critical comparison and suggestions, including limitation disclaimers and recommendations for future studies (VI.).

II. Data and methods

As indicated above, this paper rests on three sets of issues and each of them requires particular data and methods for exploration, while considering the nature of the data, these methods need to be more qualitative than quantitative (Silverman, 2013). Their juxtaposition, critical glossing and Socratic questioning (Areeda, 1996) lead to the results of addressing these three conceptually related, but inherently different sets, generated data suitable for advanced methods, such as critical comparative case control studies and Meta-Analysis (Glass, 1976) and their interconnection (Heckman, 2005). In this manner is built the study design (Yin, 2008), errors can be reduced (Schmidt, & Hunter, 2014), objectives boosted and indices about the evolution of the concept of sustainability suggested, if not directly implied. Firstly, a content analysis of EU policies and law instruments to stimulate SDGs is to be performed (Krippendorff, 2013; Vourvachis, & Woodward, 2015). Hence, the obvious sources of data are the Internet domains with Websites of the European Commission, such as <https://knowsdgs.jrc.ec.europa.eu/>, EurLex Website and publications of Eurostat published online, such as <https://ec.europa.eu/eurostat/en/web/products-flagship-publications/>, e.g. (Eurostat, 2023). Namely, these sources are to be explored and the collected information interpreted while using conventional EU tools. The EU policies and law instruments are to be literally quoted, linguistically explored (Hyland, 2007), and teleologically interpreted with respect to the spirit of the EU legal system. Manifestly, due to the inherent nature of these instruments, such a mapping cannot be done by a mere key word processing or by artificial intelligence methods and instruments. Since this demands an advanced qualitative content text analysis (Kuckartz, 2014), the manual approach should prevail, and the automatic approach can be merely complimentary. The glue of this plethora of approaches is the question of SDG stimulation, i.e. the content analysis is principally focussed on SDGs. In order to increase the visibility, results of this rather theoretical part are to be presented via a table, see Table 1. Then, this theoretical part is to be followed by two more practical parts built upon a pilot Czech case study, see the 2nd set and 3rd set of issues.

Secondly, a Czech pilot case study is performed to ascertain the appreciation of these EU pro-SDGs instruments, both policies and law, by a perspective and responsive group of Europeans, namely 52 students belonging to generation Z and studying business administration subjects at a private university in Prague. The digital platform sustain.cz was used to manage this type of survey. The respondents provided their identification (age, gender, occupation) and expressed their consent with the statement "EU and EU policies move consistently, effectively and efficiently towards the meeting of 17 SDGs" by using a 5-point Likert scale (strongly agree, agree, neutral, disagree, strongly disagree) (Allen & Seaman, 2007). In order to increase the visibility, the collected results are to be projected in a graph, see Figure 1.

Thirdly, a Czech pilot case study is to be performed to ascertain the appreciation of these EU pro-SDGs instruments, both policies and law, by a perspective and responsive group of European businesses,

namely 36 Czech companies selected by the panel of independent assessors of the well-known Alliance “Business for Society” aka “Business pro Společnost” (“BpS”) as the „BpS Top responsible large company – TOP 25“ („Czech large TOP 25“). These 36 companies must operate in the Czech Republic, employ more than 250 employees and/or have an annual turnover of over EUR 50 million and/or have assets of over EUR 43 million and at the same time have a high BpS synthetic index. Namely, each of these companies belong in the “Czech large company” category and have managed to be one of the 25 companies in this category with the highest BpS synthetic index in 2021 or 2022, i.e. belongs in Czech large TOP 25 for 2021 and/or 2022. Theoretically it could be 50 companies, but since 14 companies managed to get in these Czech large TOP 25 in both 2021 and 2022, then the pool includes 36 companies. This BpS synthetic index combine (i) sustainability and CSR strategy, (ii) responsible approach to employees, (iii) integration across supply chains, (iv) environmental responsibility, and (v) support of communities and involvement of employees. In sum, these 36 companies are officially recognized as highly responsible and pro-sustainable in 2021 and 2022 and they should endorse SDGs via their self-proclamations, provided these companies are truly pro-sustainability and SDGs, as set by EU instruments, are truly pro-sustainability. Therefore, the Delphi manual exploration of their own Internet self-reporting is to be done with a Likert scoring (0 no, + basically/partially, ++ endorsing, +++ strongly endorsing) and automatically by a key word search “SDG” or “sustainable development goal” (how many times mentioned, i.e. included). In order to increase the visibility, the collected results are to be presented via a table, see Table 2.

III. Content analysis of EU policies and law instruments stimulating SDGs

The current European Commission firmly proclaims that it has undertaken several concrete actions to progress towards the SDGs and refers to the Green Deal, the Climate law and European Pillar of Social Rights Action Plan (Eurostat, 2023). Crises, including Covid-19, have arguably accelerated the green and digital transformation (Eurostat, 2013). Well, the key pre-requirement for that is a proper setting of EU policies and law to make them truly SDG stimulating.

A content analysis of EU policies and law instruments to stimulate SDG requires a thorough search of official EU Internet domains, namely Internet domains with Websites of the European Commission and EurLex. These instruments have already been contextually and historically presented in the Introduction and they are listed in Table 1, below, along with their extracts mentioning SDGs and with the critical comments.

Table 1 Content analysis of EU policies and law instruments stimulating SDGs

POLICY INSTRUMENTS	Extracts	Comments
Communication SWD (2016) 739 Next steps for a sustainable European future – European action for sustainability from 22 November 20162015 marked a defining year for sustainable development worldwide. World leaders adopted at the 70th UN General Assembly on 25 September 2015 a new global sustainable development framework: the 2030 Agenda for Sustainable Development (hereafter the "2030 Agenda") having at its core the Sustainable Development Goals (SDGs). In the same year, the Paris Climate Agreement (COP21) , the Addis Ababa Action Agenda , as an integral part of the 2030 Agenda, and the Sendai Framework for Disaster Risk Reduction were also adopted ... A full overview of how European policies and actions contribute to the Sustainable Development Goals, within the EU and through the EU's external action, is presented in the Staff Working Document accompanying this Communication. For each of the 17 SDGs, the most relevant actions that the European Union is undertaking are summarised. ...This mapping exercise shows that current EU policies address all 17 goals. The Europe 2020 strategy plays an important role in addressing several of the SDGs.	SDGs are heavily referred to.
Reflection Paper COM (2019) 22 Towards a Sustainable Europe by 2023 from 30 January 2019	These SDGs plot out a route on how to overcome challenges we face, and to improve our habitat, our economy and our lives.... Many of these concerns have to do with challenges that go beyond borders and threaten jobs, our prosperity, our living standards, our freedom, and our health. No one state or nation	SDGs are heavily referred to.

ECONOMIC POLICY

<p>Political Guidelines for the next European Commission 2019-2024 from 16 July 2019</p>	<p>can effectively deal with these challenges alone. We need the scale of the European Union, which – when unified and determined – is a global force to be reckoned with. However, ultimately even a European scale will not be enough; we need an agenda that has a global impact, and that agenda is best captured by the 17 Sustainable Development Goals (SDGs) 193 states signed up to, including the European Union and its Member States. These SDGs plot out a route on how to overcome the challenges we face, and to improve our habitat, our economy and our lives.</p>	<p>Six priorities and the very 1st one is A European Green Deal. SDGs are discussed.</p>
<p>COM(2019) 640 final – The European Green Deal from 11 December 2019</p>	<p>I want Europe to strive for more by being the first climate-neutral continent... I will refocus the European Semester into an instrument that integrates the United Nations Sustainable Development Goals. Economic governance and democratic accountability must go hand in hand if we want to strengthen ownership of our common decisions. In this spirit, I want the European Parliament to have a louder voice when it comes to the economic governance of our Union.</p>	<p>SDGs in the centre of the focus. Direct reference to Political Guidelines</p>
<p>COM(2023) 62 final - The Green Deal Industrial Plan: putting Europe's net-zero industry in the lead from February 2023 from 1 February 2023</p>	<p>The Green Deal is an integral part of this Commission's strategy to implement the United Nation's 2030 Agenda and the sustainable development goals priorities announced in President von der Leyen's political guidelines . As part of the Green Deal, the Commission will refocus the European Semester process of macroeconomic coordination to integrate the United Nations' sustainable development goals, to put sustainability and the well-being of citizens at the centre of economic policy, and the sustainable development goals at the heart of the EU's policymaking and action.</p>	<p>SDGs not mentioned</p>
<p>The EU remains an attractive destination for sustainable investments. The European Single Market over the last 30 years has delivered very significant economic benefits, raising annual EU GDP by 8-9% on average. The European business model is based on openness, the European social model provides education, social protection of workers, as well as health and environmental protection. We offer a business-friendly environment (e.g. quality of infrastructure, rule of law). Together with fair competition and an unparalleled regulatory framework geared towards the twin digital and green transitions, this is helping to provide the necessary predictability for investors. The Green Deal Industrial Plan aims to simplify, accelerate and align incentives to preserve the competitiveness and attractiveness of the EU as an investment location for the net-zero industry.</p>		

LAW INSTRUMENTS

<p>Treaty of Amsterdam (1997/1999) – TEU</p>	<p>Art. 3(3) The Union shall establish an internal market. It shall work for the sustainable development of Europe based on balanced economic growth and price stability, a highly competitive social market economy, aiming at full employment and social progress, and a high level of protection and improvement of the quality of the environment. It shall promote scientific and technological advance.</p>	<p>SDGs not mentioned.</p>
<p>Directive 2013/34 on annual financial statements</p>	<p>Art. 19a Sustainability Reporting (1) Large undertakings, and small and medium-sized undertakings, except micro undertakings, which are public-interest entities as defined in point (a) of point (1) of Article 2 shall include in the management report information necessary to understand the undertaking's impacts on sustainability matters, and information necessary to understand how sustainability matters affect the undertaking's development, performance and position. The information referred to in the first subparagraph shall be clearly identifiable within the management report, through a dedicated section of the management report. (2) The information referred to in paragraph 1 shall contain: (a) a brief description of the undertaking's business</p>	<p>SDGs not referred to.</p>

<p>Directive 2017/1132 on aspects of company law</p>	<p>model and strategy, including: (i) the resilience of the undertaking's business model and strategy in relation to risks related to sustainability matters; (ii) the opportunities for the undertaking related to sustainability matters; (iii) the plans of the undertaking, including implementing actions and related financial and investment plans, to ensure that its business model and strategy are compatible with the transition to a sustainable economy and with the limiting of global warming to 1,5 °C in line with the Paris Agreement under the United Nations Framework Convention on Climate Change.</p>	<p>SDGs not referred to.</p>
<p>Regulation (EU) 2019/2088 on sustainability related disclosures in the financial services sector ("SFDR")</p>	<p>Article 14 Documents and particulars to be disclosed by companies. Member States shall take the measures required to ensure compulsory disclosure by companies of at least the following documents and particulars: (a) the instrument of constitution, and the statutes if they are contained in a separate instrument; (f) the accounting documents for each financial year which are required to be published in accordance with Council Directives 86/635/EEC (1) and 91/674/EEC (2) and Directive 2013/34/EU of the European Parliament and of the Council (3);...(3) Directive 2013/34/EU of the European Parliament and of the Council of 26 June 2013 on the annual financial statements, consolidated financial statements and related reports of certain types of undertakings, amending Directive 2006/43/EC of the European Parliament and of the Council and repealing Council Directives 78/660/EEC and 83/349/EEC (OJ L 182, 29.6.2013, p. 19).</p> <p>Art. 2 (17) 'sustainable investment' means an investment in an economic activity that contributes to an environmental objective, ... provided that such investments do not significantly harm any of those objectives and that the investee companies follow good governance practices, ...</p> <p>Art. 2a Principle of do no significant harm (1) The European Supervisory Authorities .. (collectively, the 'ESAs') shall, through the Joint Committee, develop draft regulatory technical standards to specify the details of the content and presentation of the information in relation to the principle of 'do no significant harm' referred to in point (17) of Article 2 of this Regulation consistent with the content, methodologies, and presentation in respect of the sustainability indicators in relation to the adverse impacts referred to in paragraphs 6 and 7 of Article 4 of this Regulation.</p>	<p>SDG not referred to.</p>
<p>Regulation (EU) 2020/852 on the establishment of a framework to facilitate sustainable investment ("Taxonomy Regulation")</p>	<p>Preamble (2) On 25 September 2015, the UN General Assembly adopted a new global sustainable development framework: the 2030 Agenda for Sustainable Development (the '2030 Agenda'). The 2030 Agenda has at its core the Sustainable Development Goals (SDGs) and covers the three dimensions of sustainability: economic, social and environmental. The Commission communication of 22 November 2016 on the next steps for a sustainable European future links the SDGs to the Union policy framework to ensure that all Union actions and policy initiatives, both within the Union and globally, take the SDGs on board at the outset.... On 11 December 2019, the Commission published its communication on 'The European Green Deal'. (9) Achieving the SDGs in the Union requires the channelling of capital flows towards sustainable investments. It is important to fully exploit the potential of the internal market to achieve those goals. In that context, it is crucial to remove obstacles to the efficient movement of capital into sustainable investments in the internal market and to prevent new obstacles from emerging.</p>	<p>SDG referred as the foundation.</p>
<p>Directive (EU) 2022/2464 amending Directive 2013/34/EU, as regards corporate sustainability reporting ("CSRD")</p>	<p>Preamble (6) In its resolution of 25 September 2015 entitled 'Transforming our world: the 2030 Agenda for Sustainable Development' (the '2030 Agenda') the United Nations (UN) General Assembly adopted a new global sustainable development framework. The 2030 Agenda has at its core the UN Sustainable Development Goals ('SDGs') and covers the three dimensions of sustainability: economic, social</p>	<p>SDGs referred to as the foundation.</p>

and environmental. The Commission Communication of 22 November 2016 entitled 'Next steps for a sustainable European future: European action for sustainability' linked the SDGs to the Union policy framework to ensure that all Union actions and policy initiatives, both within and outside the Union, take those goals on board at the outset. In its conclusions of 20 June 2017 on 'A sustainable European future: The EU response to the 2030 Agenda for Sustainable Development', the Council confirmed the commitment of the Union and its Member States to the implementation of the 2030 Agenda in a full, coherent, comprehensive, integrated and effective manner, in close cooperation with partners and other stakeholders. (45) (45) Sustainability reporting standards should also take account of internationally recognised principles and frameworks on responsible business conduct, corporate social responsibility, and sustainable development, including the SDGs, the UN Guiding Principles on Business and Human Rights, the OECD Guidelines for Multinational Enterprises, the OECD Due Diligence Guidance for Responsible Business Conduct and related sectoral guidelines, the Global Compact, the International Labour Organization's (ILO) Tripartite Declaration of Principles concerning Multinational Enterprises and Social Policy, the ISO 26000 standard on social responsibility, and the UN Principles for Responsible Investment.

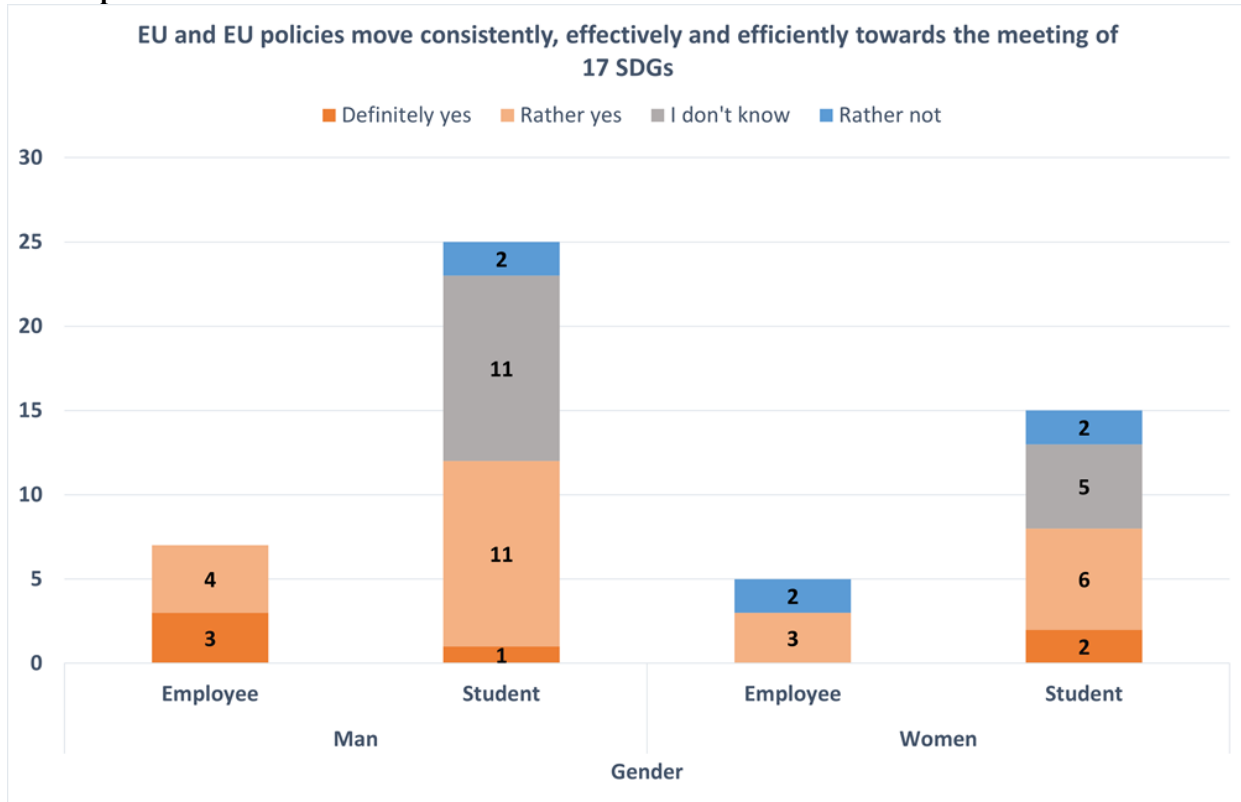
Source: Own processing by the Authors based on commission.europa.eu and eur-lex.europa.eu/

The results of the content analysis of EU policies and EU law are through the presentation, via Table 1, self-explanatory. Namely, EU policies, since 2015 until now, i.e. during the entire era of the UN 2030 Agenda with 17 SDGs, are clearly and explicitly conceived and operated so as to declare and materialize SDGs. Naturally, considering the specificities of various European Commissions, recently a clear interaction with the Green Deal can be observed. Regarding the EU law, a curve can be observed and SDGs are progressively moving from the "not mentioned" to considered and ultimately referred to in the Preamble as the foundation. It appears that the EU law has not yet reached the stage to include them directly in the "regulatory" part of EU Regulations and Directives, i.e. not only in their preambles. Further, it is worthy to gloss that EU mapping of SDGs progress reveals serious failures and lack of actions regarding such critical goals and targets as 9.4., see <https://knowsdgs.jrc.ec.europa.eu/enablingsdgs/individual-assessment-tools>.

IV. Czech Case study – Czech consumer perception of a pro-SDGs move by the EU and EU policies

The Czech pilot case study regarding the Czech consumer perceptions of a pro-SDGs move by the EU and EU policies is performed while using a rather homogenous responsive group of Europeans, namely 52 students belonging to generation Z and Business administration subjects studying at a private university in Prague. The digital platform sustain.cz allowed for their identification (age, gender, occupation) and collection of their answers whether "EU and EU policies move consistently, effectively and efficiently towards the meeting of 17 SDGs" by using a 5-point Likert scale (strongly agree, agree, neutral, disagree, strongly disagree). The results are visualized by Figure 1 and can be complemented by the results from the Czech pilot case study regarding the Czech large TOP 25 and, despite a rather small size, can still bring interesting propositions.

Figure 1 Czech consumers (Generation Z, private university in Prague, BA subjects) of a pro-SDG move by the EU and EU policies



Source: Own processing by the Authors based on the survey

The survey implies three propositions. Firstly, no respondent replied “not” and very few “rather not” (6 out of 52), i.e. the question about whether “EU and EU policies move consistently, effectively and efficiently toward the meeting of SDGs” is replied predominantly positively. Secondly, employee respondents (respondents both studying and working) are more certain about their replies and none of them used “I do not know” (0 out of 12), while a significant part of the student respondents (respondents only studying and not working) used exactly this reply (16 out of 40), i.e. both male students (11 out of 25) and female students (5 out of 15) used exactly this reply. Thirdly, in general, male respondents are even more inclined to answer positively the answer (19 out of 32) than female respondents (11 out of 20). In sum, according to this, responsible and perspective young Czech consumers appreciate the move of EU and EU policies towards SDGs, while consumers studying and working are more certain about it than consumers only studying, and this while male consumers are even more positive about this trend than female respondents.

V. Czech Case study - Internet self-reported endorsement of SDG by Czech TOP 25

The Czech case study regarding Internet self-reporting regarding SDGs by Czech large TOP 25 is relevant and complements well the Czech case study based on the survey of the perception of EU policies for SDGs by Czech consumers, see above. Despite a rather small size of this sample, only 36 companies, interesting propositions can be suggested. Namely, the pool of these companies is heterogenous regarding the industry, but strongly homogenous regarding the business size parameters (Czech large companies) and regarding the strong pro-sustainability orientation of each of these 36 companies. Plainly, these companies are recognized as sustainability leaders in the Czech Republic, they all (no exceptions!) report about their sustainability, CSR and/or CSV and/or ESG while using their own Internet domains. Hence, their attitude to SDGs can be manually assessed by Delphi with a Likert scoring (0 no, + basically/partially, ++ endorsing, +++ strongly endorsing) and automatically by a key word search “SDG” or “sustainable development goal” (how many times mentioned, i.e. included).

ECONOMIC POLICY

Table 2 Czech large TOP 25 for 2021 and/or 2022 Rate of unemployment and inflation rate in the Czech Republic

Czech large company	Origin	BpS synthetic Index	SDG by Delphi (Word count)
Accenture	Ireland/USA	94	++(19)
Albert	The Netherlands	87	0
Coca-Cola	USA	85	+++
ČEZ	Czech Republic	91	+++ (30)
Česká podnikatelská pojišťovna (VIG)	Austria	95	++(19)
ČSOB	Belgium	88	+++
Direct Parcel Distrib. (Geopost)	France	87	+(1)
EdenRed CZ	France	88	0
GEFCO ČR (CEVA)	France	73	0
GlaxoSmithKline	UK	94	+(1)
HP Inc.	USA	89	0
Hyundai	South Korea	80	0
IKEA	Sweden	78	0
ING Bank	The Netherlands	81	++(6)
Kooperativa pojišťovna	Austria	87	++(2)
Komerční banka	France	86	+(3)
KPMG	The Netherlands	87	+(5)
Letiště Praha	Czech Republic	75	0
Lidl	Germany	81	++
L'Oréal	France	71	+(1)
Microsoft	USA	80	+++ (120)
MIELE	Germany	85	+(1)
MONETA Money Bank	USA	93	0
Nestlé	Switzerland	89	0
O2 Czech Republic (PPF)	Czech Republic	92	0
Orlen Unipetrol	Poland	85	0
Pivovary Staropramen	Czech Republic	87	++
Philip Morris	USA	79	+(20)
Plzeňský Prazdroj	Czech Republic	91	+
PwC	UK	87	+(3)
Saint Gobain Adfords	France	92	0
Skanska	Sweden	91	+(1)
Škoda Auto (VW)	Germany	80	+
Tesco	UK	93	0
VELUX	Denmark	94	0
Vodafone	UK	98	++(14)

Source: Own processing by the Authors based on the <https://byznysprospolecnost.cz/> and own Internet domains of these Czech large TOP 25

Three propositions are clearly implied, see Table 2. Firstly, there are large differences between these Czech large TOP 25, i.e. all these Czech large companies have a high BpS synthetic index, but some of them truly consider SDGs and incorporate them in their strategies, others do it just symbolically and the remaining completely pass on it. Hence, a high BpS synthetic index does not mean that such a pro-sustainable company embraces SDGs. Secondly, indices about national trends suggest that

companies from Austria (++) are more pro-SDGs than companies from Germany (+), while companies from France (0) are even further behind. Thirdly, the Czech large TOP 25 from certain industries are much more for SDGs (finance industry) than from other industries (food industry).

VI. Conclusion

The concept of sustainability has been heralded by the SDGs and has its place in the EU, EU policies and EU law. This general statement has been established and confirmed by numerous studies and has become a notoriety. However, an updated, details, interaction and perception-oriented assessment has not yet been published. Namely, the awareness about the evolution, as well as about the newest additions to EU policies and laws reflecting SDGs, such as CSRD, and their appreciation by highly relevant and influential stakeholders are both missing and absolutely critical for the effectiveness and efficiency of current sustainability endeavours in the EU. Plainly, the lack of knowledge about pro-sustainability and sustainability stimulating EU instruments, and/or the lack of their appreciation by key stakeholders, can seal the destiny of the sustainability with SDGs in the EU. In contrast, their knowledge, appreciation and implied volunteered commitment can save the sustainability with SDGS in the EU and perhaps could even contribute to the progress of Western civilization, based on Christianity and individual responsibility. In sum, the study about such knowledge, appreciation and commitment is both vital and challenging. Consequently, a three-step approach to study appropriate pro-SDG EU policies and law documents, their setting and perception, by responsible consumers and companies, is to performed in order to extract pioneering propositions. Indeed, it leads to three interesting and entirely pioneering sets of suggestions worthy of further exploration, verification or correction.

Firstly, the results of the content analysis of EU policies and EU law instruments to recognize, advance and stimulate SDGs, and the commitment to them, reveal a much higher maturity of EU policies than of EU law. Namely, EU policies since 2015 until now, i.e. during the entire era of the UN 2030 Agenda with 17 SDGs, are clearly and explicitly conceived and operate to declare and materialize SDGs. Naturally, considering the specificities of various European Commissions, recently a clear interaction with the Green Deal can be observed. In contrast, regarding the EU law, a curve can be observed and SDGs are progressively moving from the “not mentioned” to considered and ultimately referred to in the Preamble as the foundation phase. It appears that the EU law has not yet reached the stage to include them directly in the “regulatory” part of EU Regulations and Directives, i.e. references to SDGs are, so far, merely mentioned in preambles or in implementations instruments.

Secondly, the survey of 52 private college students reveals that these representatives of Generation Z believe that the EU, EU law and EU policies move consistently, effectively and efficiently toward the meeting of SDGs, and the strength of this belief and certainty about it is stronger by respondents who both work and study than by respondents only studying, and generally is stronger by male respondents than female respondents. Hence the positive determinants for the appreciation of EU instruments to stimulate SDGs are income status (employees over students) and gender (male over female), i.e. male private college students that are employed are more convinced about the consistency, effectiveness and efficiency of EU instruments to stimulate SDGs.

Thirdly, the Czech large TOP 25 in 2021 and 2022 , i.e. 36 Czech large companies with a high BpS synthetic index about their sustainability, differ dramatically in their recognition, appreciation and embracement of SDGs. They all use their Internet domains to place on their www information about their sustainability, but only some of them truly consider SDGs and incorporate them in their strategies and declare it, while others do it just symbolically and the remaining completely pass on it. Hence, there is not a clear link between the BpS synthetic index about sustainability and the orientation towards SDGs. It can be argued, as well, that there are indices about national and industry trends. Namely, there are indices suggesting that companies from Austria (++) are more pro-SDGs oriented than companies from Germany (+), while companies from France (0) lag even further

behind. The finance industry seems to be much more advanced than the food industry and here a link to EU law can be observed, see e.g. SFDR.

As already pointed out, the pools of examined EU policy and law instruments, of consumer respondents and of Czech large businesses, with their Internet domains, were rather small, qualitatively oriented and rather indicative. The strength of the suggested propositions could be further built by future studies entailing more EU policy and law instruments, by expanding the pool of respondents and businesses and employing other exploratory and assessment methods. The longitudinal, multi-jurisdictional and cross-sectorial features could facilitate the adjustment and ultimately the confirmation or rejection of the presented propositions. However, already at this stage it can be safely concluded that the modern concept of sustainability is undergoing a rather bustling evolution which is strongly marked by personality features, see the typology of persons behind key sustainability and/or CSR endeavours and their cultural and other backgrounds (Turečková et al., 2023). Yes, sustainability remains an elusive concept (White, 2013), an aspiration and a desired drift in the muddy waters of the current highly competitive market and split global society and SDGs should be lighthouses helping to guide and land in safe harbours of shared values. The UN and EU really believe in them and their embracement by all stakeholders, but even the arguably most sustainable Czech large companies are split in this respect as testified to by this study as well prior studies (Balcerzak & MacGregor Pelikánová, 2020). Hence, the question is whether the synergetic effect of EU instruments and the pressure by responsible consumers would push them to cross the Rubicon or whether this entire concept is too ambitious and ill matching to the current business setting. *Quo vadis sustainability? Auream quisquis mediocritatem diligit* (Horatius, 23) – the golden mean is to be cherished. Let's respectfully cherish the golden mean.

Acknowledgements

This paper/monograph/chapter is the result of the Metropolitan University Prague research project no. 100-2 “International Business, Financial Management and Tourism” (2023) based on a grant from the Institutional Fund for the Long-term Strategic Development of Research Organizations.

References

- Allen, E., & Seaman, Ch. (2007). Likert Scales and Data Analyses. *Quality Progress*, 64–65. <http://rube.asq.org/quality-progress/2007/07/statistics/likert-scales-and-data-analyses.html>.
- Areeda, Phillip E. (1996). The Socratic method. *Harvard Law Review*, 109(5), 911-922.
- Balcerzak, A., MacGregor, R. K., MacGregor Pelikánová, R., Rogalska, E., & Szostek, D. (2023). “The EU regulation of sustainable investment: The end of sustainability trade-offs?” *Entrepreneurial Business and Economics Review*, 11(1): 199-212. Doi: 10.15678/EBER.2023.110111.
- Balcerzak, A., & MacGregor Pelikánová, R. (2020). Projection of SDGs in Codes of Ethics – Case study about Lost in Translation? *Administrative Sciences*, 10(4), 1-18. Paper 95. Doi: 10.3390/admsci10040095.
- Bali, S., & Fan, Y.W. (2019). Achieving sustainable development goals: Predicaments and strategies. *International Journal of Sustainable Development, and World Ecology*, 27, 96–106. Doi: 10.1080/13504509.2019.1692316.
- Borchardt, S., Barbero Vignola, G., Buscaglia, D., Maroni, M. and Marelli, L. (2022). *Mapping EU Policies with the 2030 Agenda and SDGs*. Luxembourg: Publications Office of the European Union, Doi: 10.2760/110687.
- Carroll, A.B. (2016). Carroll's pyramid of CSR: taking another look. *International Journal of Corporate Social Responsibility*, 1,3. Doi: 10.1186/s40991-016-0004-6.
- Cowling, M., & Dvouletý, O. (2023). Who is brave enough to start a new business during the Covid-19 pandemic? *Baltic Journal of Management*, 18(3), 402-419. Doi: 10.1108/BJM-11-2022-0414.

- Cerchia, R.E., & Piccolo, K. (2019). The Ethical Consumer and Codes of Ethics in the Fashion Industry. *Laws*, 8(4), 23. Doi: 10.3390/laws8040023.
- Chmelíková, G., Krauss, A. & Dvoutělý, O. (2019). Performance of microfinance institutions in Europe-Does social capital matter? *Socio-Economic Planning Sciences*, 68, 100670.
- D'Adamo, I., & Lupi, G. (2021). Sustainability and Resilience after COVID-19: A Circular Premium in the Fashion Industry. *Sustainability*, 13(4), 1861. Doi: 10.3390/su13041861.
- Eger, C., Miller, G., & Scarles, C. (2019). Corporate Philanthropy Through the Lens of Ethical Subjectivity. *Journal of Business Ethics*, 156, 141–153. Doi: 10.1007/s10551-017-3551-1.
- Eurostat (2023). Sustainable development in the EU – Monitoring report on progress towards the SDGs in an EU context. 2023 Edition. Retrieved June 23, 2023 from <https://ec.europa.eu/eurostat/en/web/products-flagship-publications/w/ks-04-23-184>.
- Ferraro, F., & Beunza, D. (2018). Creating common ground: A communicative action model of dialogue in shareholder engagement. *Organization Science*, 29(6), 1187–1207. Doi: 10.1287/orsc.2018.1226.
- Friedman M. (2007). The Social Responsibility of Business Is to Increase Its Profits. In: Zimmerli W.C., Holzinger M., & Richter K. (Eds) *Corporate Ethics and Corporate Governance*. Springer, Berlin, Heidelberg. 173-178. Doi: 10.1007/978-3-540-70818-6_14.
- Glass, G. V. (1976). *Primary, secondary, and meta-analysis of research*. Educational Researcher.
- Hála, M., Cvik, E.D., & MacGregor Pelikánová, R. (2022). Logistic Regression of Czech Luxury Fashion Purchasing Habits During the Covid-19 Pandemic – Old for Loyalty and Young for Sustainability? *Folia Oeconomica Stetinensia*, 22(1), 85-110. Doi: 10.2478/fole-2022-0005.
- Heckman, J. J. (2005). The Scientific Model of Causality. *Sociological Methodology*, 35(1), 1–97. Doi: 10.1111/j.0081-1750.2006.00164.x.
- Hirschman, E. C. (1980). Innovativeness, novelty seeking, and consumer creativity. *Journal of consumer research*, 7(3), 283-295. Doi: 10.1086/208816.
- Horatius, Quintus Flaccus (23 BC). *Carmina (Carmen) II,X,V – Ode 2.10*.
- Hyland, K. (2007). Applying a Gloss: Exemplifying and Reformulating in Academic Discourse. *Applied Linguistics*, 28(2), 266–285. <https://doi.org/10.1093/applin/amm011>.
- Kiseličková, D., Šofranková, B., Erika Onuferová, E., & Čabinová, V. (2019). The evaluation of competitive position of EU-28 economies with using global multi-criteria indices. *Equilibrium. Quarterly Journal of Economics and Economic Policy*, 14(3), 441–62. Doi: 10.24136/eq.2019.021.
- Kovoor-Misra, S. (2009). Understanding perceived organizational identity during crisis and change: A threat/opportunity framework. *Journal of Organizational Change Management*, 22(5), 494-510. Doi: 0.1108/09534810910983460.
- Kramer, M. R., & Pfitzer, M. W. (2016). The Ecosystem of Shared Value. *Business and society, Harvard Business Review*, 94(10), 80–89.
- Krippendorff, K. (2013). *Content Analysis: An Introduction to its Methodology (3rd ed)*. Los Angeles, CA : SAGE Publications.
- Kuckartz, U. (2014). *Qualitative Text Analysis—A Guide to Methods, Practice and Using Software*. 1st ed. London : SAGE Publications. Doi: 10.4135/9781446288719.
- MacGregor, R.K., Sroka, W., & MacGregor Pelikánová, R. (2020). The CSR Perception of Front-line Employees of Luxury Fashion Businesses: Fun or Free for Sustainability? *Organizacija*, 53(3), 198-211. Doi: 10.2478/orga-2020-0013.

- MacGregor Pelikánová, R. (2021). Internal Website Presentation Of Czech Luxury Fashion Businesses In The Covid-19 Era. *Marketing and Management of Innovations*, 5(3), 211-222. Doi:10.21272/mmi.2021.3-18.
- MacGregor Pelikánová, R., & Hála, M. (2021). CSR Unconscious Consumption by Generation Z in the COVID-19 era – Responsible Heretics not Paying CSR Bonus? *Journal of Risk and Financial Management*, 14(8), 390. Doi: 10.3390/jrfm14080390.
- MacGregor Pelikánová, R., & MacGregor, R.K. (2020a). The EU puzzling CSR regime and the confused perception by ambassadors of luxury fashion businesses: A case study from Pařížská. *Central European Business Review*, 9(3), 74-108. Doi: 10.18267/j.cebr.240.
- MacGregor Pelikánová, R., & MacGregor, R.K. (2020b). The Willingness of Generation Z to Officially Support CSR – A Central European Study. *DANUBE: Law, Economics and Social Issues Review*, 11(4), 271-282. Doi: 10.2478/danb-2020-0016.
- MacGregor Pelikánová., MacGregor, R.K., & Černek, M. (2021). New trends in codes of ethics: Czech business ethics preferences by the dawn of COVID-19. *Oeconomia Copernicana*, 12(4), 973–1009. Doi: 10.24136/oc.2021.032.
- MacGregor Pelikánová, R., & Rubáček, F. (2022). Taxonomy for transparency in non-financial statements – clear duty with unclear sanction. *Danube*, 13(3), 173-195. Doi: 10.2478/danb-2022-0011.
- Małecka, J., Łuczka, T., Šebestová, J., & Šperka, R. (2017). Economic activity and social determinants versus entrepreneurship in SMEs—Selected aspects. *Copernican Journal of Finance & Accounting*, 6(3), 47–61. Doi: 10.12775/CJFA.2017.016.
- Moon, H.C. et al. (2014). Extending Porter's generic strategies: from three to eight. *European Journal of International Management*, 8(2), 205-225. Doi: 10.1504/EJIM.2014.059583.
- Porter, M. E., & Kramer, M. R. (2011). Creating Shared Value., *Harvard Business Review* 89 (1-2): 62-77.
- Schmidt, F. L., & Hunter, J. E. (2014). *Methods of Meta-Analysis – Correcting Error and Bias in Research Findings*. London, UK : SAGE Publication.
- Silverman, David. 2013. *Doing Qualitative Research – A Practical Handbook*. London, UK : SAGE Publication.
- Sroka, W., & Szántó, R. (2018). Corporate social responsibility and business ethics in controversial sectors: Analysis of research results. *Journal of Entrepreneurship, Management and Innovation (JEMI)*, 14(3), 111–126. Doi: 10.7341/20181435.
- Staničková, M., & Melecký, L. (2020). Threats and challenges for the competitiveness of the European union: What are the perspectives for cohesion among the member states? *The European Union: Policies, Perspectives and Politics*. New York: Nova Science Publishers, Inc., 63-84.
- Stepien, S., & Polcyn, J. (2019). Risk Management in Small Family Farms in Poland. *Economic Science for Rural Development*, 50, 382-388. Doi: 10.22616/ESRD.2019.048.
- Streimikiene, D., & Ahmed, R. R. (2021). The integration of corporate social responsibility and marketing concepts as a business strategy: evidence from SEM-based multivariate and Toda-Yamamoto causality models. *Oeconomia Copernicana*, 12(1), 125–157. Doi: 10.24136/oc.2021.006.
- Turečková, K., Nevima, J., Vaňová, A., & Vitálišová, K. (2023). Society 4.0: general economic implications. *Journal of European Economy*, 22(2). Doi: 10.35774/jee2023.02.

Van Tulder, R., May, S., Crane, E., & Brammer, S. (2016). Enhancing the Impact of Cross-Sector Partnerships. Four Impact Loops for Channeling Partnership Studies. *Journal of Business Ethics*, 135(1), 1-17. Doi: 10.1007/s10551-015-2756-4.

Van Tulder, R., & Keen, N. (2018). Capturing Collaborative Challenges: Designing Complexity-Sensitive Theories of Change for Cross-Sector Partnerships. *Journal of Business Ethics*, 150(2), 315-332. Doi: 10.1007/s10551-018-3857-7.

Vourvachis, P., & Woodward, T. (2015). Content analysis in social and environmental reporting research: Trends and challenges. *Journal of Applied Accounting Research* 16 (2), 166-195. Doi: 10.1108/JAAR-04-2013-0027.

Washburn, N. T., Waldman, D. A., Sully de Luque, M. F., & Carter, M. Z. (2018). Executives' stakeholder values in the prediction of work process change. *Journal of Management Studies* 55(8), 1423-1451. Doi: 1423-1451. 10.1111/joms.12394.

White, M.A. (2013). Sustainability: I know it when I see it. *Ecological Economics*, 86, 213-217. Doi: 10.1016/j.ecolecon.2012.12.020.

Yin, Robert K. 2008. *Study Research. Design Methods*. Thousand Oaks : SAGE Publication.