

COMMUNICATION VERSUS SILENT SUSTAINABILITY

*Determinants of voluntary ESG disclosure and perceived competitive benefits
in the Slovak forest-based industry*

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INTRODUCTION AND AIM

Firms are sustainable. They don't always say so.

Corporate reporting is shifting from purely financial statements to ESG (Environmental, Social, Governance) disclosure. In the environmentally sensitive forest-based sector, transparent reporting is increasingly essential to maintain investor trust and a “social license to operate”.

Aim: to identify the determinants of voluntary ESG disclosure among Slovak forest-based firms and to evaluate how these choices affect their competitive positioning.



GREENWASHING

Low actual performance, high communication.
Misleading or overstated ESG claims.



GREENHUSHING

High actual performance, low communication —
“silent sustainability”. Driven by fear of
greenwashing accusations and high reporting costs.

THEORETICAL FRAMEWORK

Four firm archetypes by performance and communication

LOW → HIGH COMMUNICATION

PERFORMANCE

SILENT BROWN

Dark companies

Low performance, low communication.

GREENWASHING

Opaque companies

Low performance, high communication.

SILENT SUSTAINABILITY

Translucent companies — focus of this study

High performance, low communication.
Most Slovak forest-based firms.

VOCAL GREEN

Transparent companies

High performance, high communication.

KEY DETERMINANTS OF DISCLOSURE

1

Firm size

Larger firms have the resources for complex reporting; SMEs often see it as an administrative burden.

2

FSC / PEFC certification

A signal of quality and legitimacy — some firms hold it but choose not to market it.

3

Institutional and market pressure

Communication becomes relevant once customers or supply-chain partners request it.

MATERIALS AND METHODS

A mixed exploratory research design



72

firms — questionnaire survey

Frequency and percentage analysis of ESG activities, communication and barriers.



7

semi-structured interviews

Conducted in January 2025; focused thematic analysis of silence motives and benefits.

Topics analysed: ESG-related activities, external communication, reasons for communication silence, disclosure determinants and perceived competitive benefits. Given the small purposive sample, findings are exploratory.

RQ1

To what extent do firms implement ESG-relevant activities without communicating them externally?

RQ2

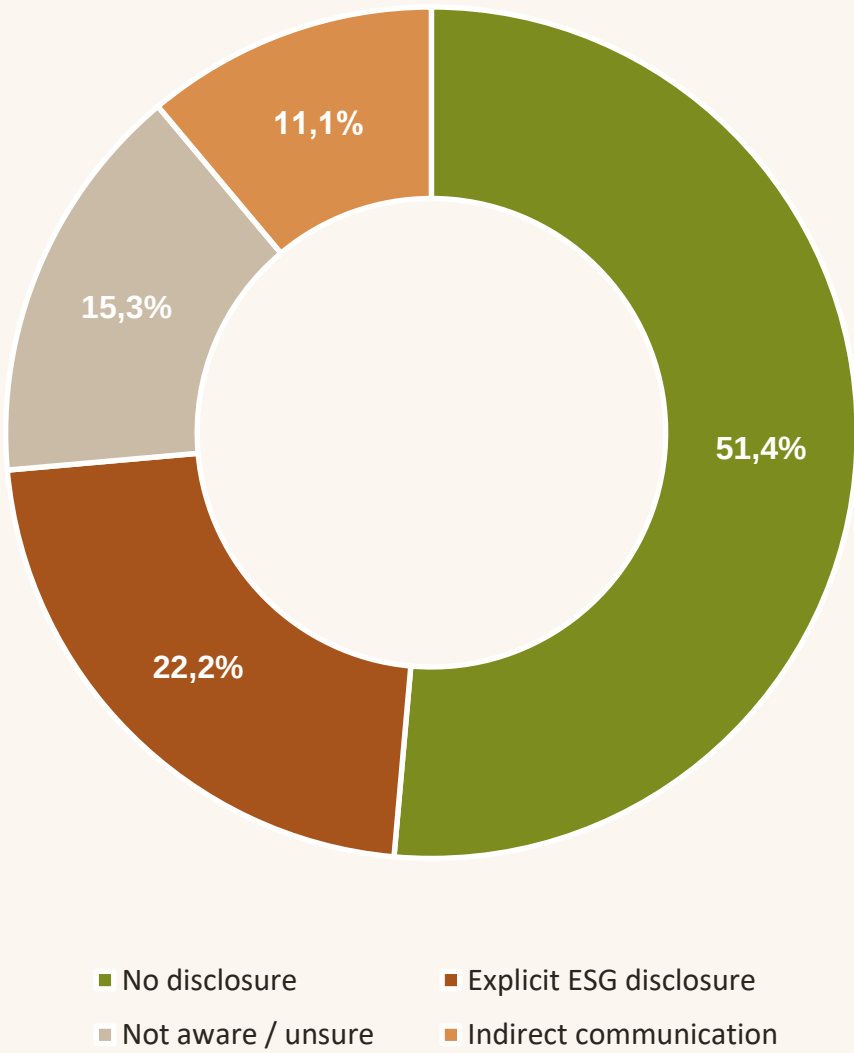
What factors influence voluntary ESG disclosure, and what competitive benefits do firms associate with it?



RESULTS I — THE PRACTICE-COMMUNICATION GAP

Firms act sustainably — they stay silent about it

How do firms communicate ESG information?



97.3%

of non-disclosing firms carry out at least one ESG activity (energy, waste, responsible sourcing).

56.8%

of non-disclosing firms hold FSC or PEFC certification — yet don't actively communicate it.

Clear evidence of “silent sustainability”: real practice runs well ahead of communication.

RESULTS II — DRIVERS AND PERCEIVED BENEFITS

Why firms stay silent — and what communication can bring



COMMUNICATION BARRIERS

- Administrative complexity and lack of internal expertise
- Costs of data collection, auditing and consulting
- Fear of being accused of greenwashing
- “Moral muteness” — sustainability as business as usual



DRIVERS OF DISCLOSURE

- Requests from customers and supply-chain partners
- Availability of verifiable data and certification
- Internal communication capacity
- Growing institutional and market pressure



PERCEIVED BENEFITS

- Higher credibility and customer trust
- Stronger reputation and market positioning
- Responsible sourcing, circularity, wood's carbon benefits
- No confirmed direct effect on sales or prices

DISCUSSION AND CONCLUSION

The silent sustainability paradox

97.3% of firms implement ESG activities — only **22.2%** communicate them.

The Slovak forest-based sector forms a cluster of “translucent companies” — high real performance paired with a low communication profile. This silence is driven mainly by perceiving communication as a reputational risk, by administrative costs and by a lack of expertise — not by an intention to conceal.

This strategic reticence comes at a cost: firms forfeit voluntary disclosure as a signaling mechanism that reduces information asymmetry and builds stakeholder trust.



CONCLUSION

Slovak forest-based firms must bridge the gap between practice and communication to secure their “social license to operate” and turn silent sustainability into a real, measurable market advantage.

Thank you for your attention



ACKNOWLEDGEMENTS

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The integration of eco-innovation into the innovation process

VEGA 1/0513/25

Business model of innovations based on the principle of sustainability

KEGA 012TUZ-4/2025

Marketing in the digital era: strategies, trends and technologies

