

## The impact of the phenomenon of green washing on accounting reporting on sustainable performance

تأثير ظاهرة الغسيل الأخضر على الإبلاغ المحاسبي عن الاداء المستدام

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### Summary :

The biggest challenge that the world is currently experiencing is the trend towards building a sustainable global system whose basis for its work lies on the shoulders of economic units that constitute a large part of the structure of the global economy, which imposes on them to follow sustainable performance in the implementation of their activities, although the twentieth century witnessed various changes and unprecedented activities towards a radical transformation towards sustainable thinking, which constitutes a pity for the success of companies and their superiority over competitors by describing all strategies, activities and other capabilities, but this The transformation calls for many changes in the performance of economic units and the importance of including changes and events that occur in the environmental, social and economic aspects, and the main concern of the units has become how to report accounting for the sustainability of their activities and use them as a real strategy to achieve long-term benefits, but sometimes this may push economic units to unreliable coverage of the dimensions of sustainability used in their activities and their entry into the so-called green washing phenomenon.

The objective of the current research is to show the extent of the impact of misinformation methods carried out by companies through their claim to adopt sustainable environmentally friendly performance and social responsibility towards their employees, society and the surrounding environment and its reflection on accounting reporting, which includes the financial and non-financial aspects and in light of this the researcher relied on the descriptive approach to study the theoretical side with the help of Arab and foreign references. Through the use of statistical methods to collect and analyze data and information about the research sample (Zain Iraq), which was obtained according to a questionnaire that included several questions in three axes of the research sample represented by a number of people who are familiar and in contact with the company's data, whether they are data users, consumers or investors, and the results of the statistical outputs in measuring the impact of the phenomenon of green washing in economic units showed that it has a significant impact on accounting reporting on sustainable performance

**Keywords :** Accounting Reporting, Sustainable Performance, Green Washing

يعد التحدي الأكبر الذي يعيشه العالم حالياً هو التوجه نحو بناء نظام عالمي مستدام أساس عمله يقع على عاتق الوحدات الاقتصادية التي تشكل جزء كبير من هيكل الاقتصاد العالمي والذي يفرض عليها اتباع الاداء المستدام في تنفيذ انشطتها على الرغم من ان القرن العشرين شهد تغيرات مختلفة وأنشطة غير مسبقة نحو التحول الجذري باتجاه التفكير المستدام الذي يشكل بودقة لنجاح الشركات وتفوقها على المنافسين من خلال وصف كل الاستراتيجيات والأنشطة والقدرات الأخرى إلا ان هذا التحول يستدعي تغيرات عديدة في اداء الوحدات الاقتصادية وأهمية شمولها التغيرات والأحداث التي تطرأ على الجوانب البيئية والاجتماعية والاقتصادية، وأصبح الشغل الشاغل للوحدات كيفية الإبلاغ المحاسبي عن استدامة انشطتها واستخدامها كأستراتيجية حقيقية لتحقيق منافع طويلة الامد الا انه في بعض الاحيان قد يدفع ذلك الوحدات الاقتصادية الى تغطية غير موثوقة عن ابعاد الاستدامة المستخدمة في انشطتها ودخولها حيز مايسمى ظاهرة الغسيل الأخضر

إن هدف البحث الحالي هو بيان مدى تأثير اساليب التضليل التي تقوم به الشركات من خلال ادعائها بتبني اداء مستدام صديق للبيئة ومسؤوليتها الاجتماعية تجاه العاملين فيها والمجتمع والبيئة المحيطة وانعكاسه على الإبلاغ المحاسبي الذي يشمل الجانبين المالي وغير المالي وفي ضوء ذلك اعتمد الباحث على المنهج الوصفي لدراسة الجانب النظري وذلك بالاستعانة بالمراجع العربية والاجنبية. اما في الجانب العملي تم استخدام المنهج الاستقرائي لدراسة واقع الوحدات الاقتصادية ومعرفة مدى تأثيرها بظاهرة الغسيل الأخضر من خلال استخدام الاساليب الاحصائية لجمع وتحليل البيانات والمعلومات عن عينة البحث (شركة زين العراق) والتي تم الحصول عليها وفق استبانة تضمنت عدة أسئلة في ثلاث محاور لعينة البحث المتمثلة بعدد من الأشخاص الذين هم على اطلاع وتماس مع بيانات الشركة سواء كانوا مستخدمين لبيانات او مستهلكين او مستثمرين وبينت النتائج للمخرجات الاحصائية في قياس تأثير ظاهرة الغسيل الأخضر في الوحدات الاقتصادية ان له تأثير معنوي على الإبلاغ المحاسبي عن الاداء المستدام

الكلمات المفتاحية : الإبلاغ المحاسبي، الاداء المستدام، الغسيل الأخضر

## Introduction

One of the most important trends of modern accounting over the past years is the emergence of an important and new branch in accounting called (sustainability accounting), and this branch is characterized by reporting on sustainable performance that economic units seek to provide by submitting reports that include information on the environmental, social and economic dimensions in addition to traditional financial reports, although the reports submitted on sustainable performance are voluntary and not mandatory, but this new requirement has taken a wide echo in various countries of the world and that Most major economic units practice a form of sustainable performance according to the publication of the sustainability report independently and separately from the financial report, as the social and environmental performance of the institution during the year is documented according to predetermined standards, and another method that is used to disseminate sustainability information is through integrated reports through which all aspects of sustainability are mixed and disclosed in the annual report.

One of the most important reasons that led to the use of sustainable performance of economic units and disclosure is for the purpose of increasing profits through the prosperity of the reputation of the economic unit, whose sustainable reports are of a social nature and are concerned with the aspect of social responsibility towards society through employment, job creation, training and development, charitable and humanitarian support and other social work, and its reports are also of an environmental nature through initiatives and practices that it works on, including innovation in products to develop environmentally friendly products, awareness and education. To make environmentally friendly decisions, transparency and disclosure on the effects of companies in the environment, including carbon footprint, emissions, initiatives and partnerships with government units and non-profit units to reach comprehensive solutions to protect the environment and of an economic nature through the implementation of small and medium enterprises that are of great importance in the economies of all societies and play an important role in the process of economic and social development in most countries of the world on the one hand and provide job opportunities, creativity and innovation for the emergence of new projects and local development

Hence the importance of the research to find out the extent of the commitment of economic units to report on their sustainable performance according to the methods referred to in advance and not to pursue other methods that represent the problem of research through claims or the adoption of unsustainable or environmentally friendly performance to cover them and illusion of them to users as environmentally friendly through the implementation of voluntary campaigns or giving donations all suggest their social responsibility, but the reality is contrary to that. Based on the foregoing, this research will be divided into the following investigations:

- research methodology, previous studies and the contribution of the current :**The first topic** .research
- a theoretical approach that includes the axis of the phenomenon of green :**The second topic** ing on sustainable performance washing and the axis of accounting report
- **The third topic:** the extent to which the phenomenon of green washing affects accounting reporting on sustainable performance.
- .conclusions and recommendations :**Fourth topic**

## The first topic

### 1. Methodology

The researcher will rely on the descriptive approach to study the theoretical side with the help of Arab and foreign references, periodicals and the Internet. On the practical side, the research will reality of Zain Iraq survey of the a conducting depend on the inductive approach by Telecommunications Company and standing on the extent of the impact of the phenomenon of units. Based green washing on accounting reporting on the sustainable performance of economic mation that will be obtained according to a questionnaire that on the extrapolation of data and infor included several questions in three axes of the research sample and the use of inferential statistics :and testing the hypotheses assumed by the researchers as follows

- significant correlation between the phenomenon of green washing There is a statistically ".and accounting reporting on sustainable performance
- There is a statistically significant impact of the phenomenon of green washing in accounting reporting on sustainable performance .

research community is represented by a number of telecommunications companies listed on The r the Iraq Stock Exchange, which consists of two companies (Zain Iraq, Asiacell) according to the .2024 special website of the Iraq Stock Exchange for the year

and the , search limits can be indicated by Zain Iraq Telecommunications Company The spatial (2024) time limits of the search are in the period

## 2. Analysis of previous studies and contribution of current research

### .Arab and foreign studies focused on ,First: Discussing what previous local

Previous local and Arab studies discussed some cognitive matters related to the variables of the (Abdullah: 2021) and the study (Moussawi: 2017-AI) the study ,(Odeh: 2015) study, as the study e social performance of economic units and the statement of disclosure of evaluating th **dealt with** their social and environmental responsibility and its role in maximizing the value of the company hich it is based, through a statement of the foundations of measurement and the social activities in w She focused on the important role played by the means (Hassan and Hussein: 2018) as for a study

of combating green washing in protecting the environment and its impact on the company's reputation, which records a weakness in social responsibility indicators in the field of research effects generated from daily slaughterhouses of meat and poultry and indifference to the negative **Jassim: )** a study **,(Hajami: 2020-Al)** a study **,(Saadi: 2013-Al)** work, on the other hand, a study The impact of sustainability disclosure on the quality of **(Sharhan: 2023)** and a study **(2020)** plying standards in enhancing investor confidence and financial reporting and the role of ap improving financial performance by assessing the reality of reporting sustainability according to the standards, in addition to presenting a proposed model for auditing the dimensions of and evaluating performance programs for economic units and emphasizing the sustainability importance of reporting in accordance with the standards and indicators of the global initiative, ental and which contributes to supporting the strength of reports within the social, environm **Abdullah: )** and a study **(Baroudi: 2017-by a study (Al** economic dimensions, as highlighted financial -Highlighting the role of sustainability in improving the level of disclosure of non **(2018)** ts impact on sustainability reports by events and an analysis of the concept of assurance and i revealing the important role of disclosure of sustainable performance and stressed the pursuit of sustainable development for the purpose of protecting the environment and providing economic and future and relying on legislation and laws that contribute to the being in the present-well **the** and **(Hamidani and Falkawi: 2019)** financial reports, moreover, the study-regulation of non misleading practices in **(Khaira: 2020)** and a study **study of (Bin Sheikh Maryam: 2022)** inability and their negative impact on the environment, knowledge of legal means to combat susta green washing and the mandatory nature of social responsibility to prevent this phenomenon by .them voluntary creating binding methods and rules for companies instead of considering

As for foreign studies, the study **(SánchezTorné et al., 2020)** and **the study (Halkos & Nomikos, 2021)** **focused** on the importance of social responsibility and its impact on the company's reputation by adopting the analysis of the literature related to companies (CSR) and identifying the most important dimensions through the use of the RepTrak® scale, either a study **(de Vries et al., 2015)** and a study **(Arowoshegbe& Emmanuel, 2016)** focused on sustainability and public perceptions of greenwashing through experiments showing the motivations of energy companies behind it, in addition to clarifying the interdependence of the terms sustainability and the triple bottom line (TBL) as examination and measurement tools for their activities, moreover, **the study (Longoni & Cagliano: 2018),** the study **(Goel: 2021)** and the study **(El Qirem et al., 2023).**) focused on environmental disclosure practices and the role of green supply chain management on the company's results as well as the statement of standards for reporting sustainability by major companies on the Bombay Stock Exchange and on the other hand to know the impact of sustainability accounting on the quality of reporting in the pharmaceutical and chemical sectors in China, and in another context focused **on the study (Seele & Gatti, 2015)** and study **(Parguel et al., 2015)** to provide a new conceptual framework that classifies the phenomenon of green washing and demonstrates the evoking of nature in advertising and its impact on consumers through perceptions of the disappearance of the green character on the brand.

## **Second: What distinguishes the current study from previous studies: -**

Previous studies have been used to build some pillars of the theoretical framework of the study, as an accumulation of knowledge and an overview of the research topic that gave the they represent .researchers the opportunity to start through it and frame some relevant ideas and concepts

es, each The current study was inspired by the important points addressed by previous studi according to his environment, from the importance of sustainability and the need to combat the phenomenon of green washing and proceeded from the current problems suffered by society from ic units for their activities and environmental damage as a result of the practices of econom unreliable claims of commitment to the dimensions of sustainability, all of which prompted the researcher to the need to prepare a study that sheds light on the misinformation practiced by elves as environmentally friendly and the current study economic units by promoting them focused on the analysis of environmental and social dimensions This study is one of the few studies in the local environment that dealt with the study of misleading the sustainable performance of called green washing phenomenon -omic units (communication companies) in light of the soecon financial misleading -by submitting annual reports that include misleading financial and non porting and knowing the information, this in turn will contribute to the evaluation of accounting re degree of behavior practices of this phenomenon by companies

## **The second topic**

### **Theoretical aspect**

The theoretical aspect can be divided into two axes according to the research variables, which are :as follows

#### **The first axis : - The phenomenon of green washing**

-:Its paragraphs will be indicated as follows

#### **The emergence and concept of the phenomenon of green washing :First**

Since the early sixties of the last century, the world began to appear disturbed and worried about some issues related to the environment such as pollution and depletion of energy sources, and in the early seventies became more concern than in the past, as complex issues appeared, including global climate change and the increasing depletion of natural resources and environmental damage arising from the remnants of activities carried out by various industries, logging, encroachment on green spaces and the production of a series of products that have damage to the environment and humans, in addition to the lack of use of resources Natural by man wisely (Najm, 2012: 15) In light of the changes over the years, demands began to preserve the environment and the emergence of associations and bodies calling for this for the purpose of protecting the rights of future generations and increasing pressure from the responsible authorities to seek to enact laws and guidelines that protect the environment and enhance the compatibility of companies' business with the environment (Al-Samadi, 2010: 11) The results of the statistics of the World Health Organization also showed that pollution is one of the main causes that led to the death of five million children annually as a result of a disease caused by pollution of the surrounding environment. Through the exhaust of cars and factories (Miqdadi, 2006: 18) Accordingly, many companies in different countries of the world have resorted to reconsidering what they offer to society under their social responsibility towards them and take the environmental dimension as a key role in their activities to reflect a positive image of the company's strategy and enhance its confidence in front of stakeholders and society (Al-Bakri, 2012: 48) The term "green washing" was first coined in 1986 by environmental scientist Jay Westerfield. In an article inspired by the popular theme of the time hotels had the so-called "towel rescue" (Khaira, 2020:157-158)

Green washing is a deceptive encouragement of society, which companies practice regarding the environmental features of the products or works they carry out, which they do not report honestly

**Hamidawi and )** ommunicationand work to deliver unrealistic information in various ways of c and the term green washing appeared through the continuous growth over ,(Falkawi, 2019: 345 the previous decades under the name of preserving the environment and providing environmentally green washing is referred to as consisting of the merger friendly products, and the phenomenon of ) of two terms**Green**) In the sense of green to describe the environment and(**Brainwashing**in ( the sense of brainwashing to describe misleading propaganda The phenomenon began to expand h the image reflected by companies about preserving the environment and not to harmonize wit and researchers differed in the (**Khaira, 714: 2020**) harming it, unlike their actual practices lieve that interpretation of the term green washing and there were many opinions, some of them be it is "the process of giving the economic unit an environmental image and favoring sustainable ) "development, while its production is polluting products and unfit for the environment**Jean Noel Breka et Monyedodo Regis, 2013:6**ent defined it as "communication while UN Environm ,( processes through which an economic unit tries to strengthen environmental and social ) "commitments despite the absence of actions to confirm it**Pnue, 2006:79** while ,(**Frances Bowen defined it as** the environmental performance of an economic unit misleading consumers about and doing so through positive environmental promotion, but in return for the environmental ) performance of the unit. Economics is negative**Bowen,2014:2** and many scholars ( )**Furlow,Gillespie,Mitchell&Ramey,Ramus&Montiel,Stamoulakis&Bridwell,Voson a rely** ( unified view based on the Oxford English Dictionary in their definition of greenwashing as "disinformation spread by an organization to provide a public picture of its social responsibility" )**Selee&Gatti,2015:4**It can be said that the term green washing is a phenomenon (.( **characterized by misinformation practiced by economic units to promote the sustainability of their performance and coverage of social responsibility and the purpose of which is to gain d reputation, which is reflected positively in increasing their profits, while the a goo advertisements submitted for their work are not realistic as they are transferred to society**

### **consequences of using green signs for economic units and false claims Second: The**

There are negative consequences arising from the use of green signs for economic units and affecting different parties as follows:- (**Makri, 2014: 162**)

- 1- The consumer naturally resorts to issues that :ectionConsequences of the consumer's dir** simulate the reality of the environment and be wary of economic units that use the arguments of green products, so if the consumer feels cheated, his confidence in those products will dealing with the economic unit will decrease, and this leads to making the decrease, and then consumer in constant doubt about his purchase of all green labels, including environmentally .friendly products
- 2- s that actually work The economic unit :The consequences of the trend of green companies** with environmentally friendly products and carry out work that serve the community will be negatively affected by the economic units that claim environmental orientation, as the danger of those who are really interested in social that the economic units will face is the equality responsibility and between other parties that only claim to implement their responsibility towards society through advertisements and arguments presented, and thus credibility will be .leads to increased efforts to prove this existent, which-almost non
- 3- The consequences of the future of green products :** The consumer who is suspicious of the products bearing the green mark or the advertisements claimed by the economic units may lead to the consumer stopping using them due to the false promotion of some of them, and this makes it difficult to the real growth of environmentally friendly products, as some economic

units use the green label to promote and walk traditional products with a higher return than they were in the past.

**Based on the above, we find that the false green signs used by economic units to promote their products and claim to implement sustainability and provide services to the community lead in the future to the consequences of not trusting what is advertised or written on it of environmentally friendly phrases and therefore the economic units that take into account in their work sustainable performance will be affected in addition to the difficulty that will be faced by those units that wish in the future to implement their social responsibility and take the field of sustainability**

### Third: The Sins of Green Laundry

Organization 2007 in "Terrachoice" Label Management-Canadian Eco Ecologist There " She added the seventh 2009 d in a year are six sins practiced by companies for green washing an sin, which is as follows [www.e-education.psu.edu/emsc302/files/TerraChoice\\_2010.pdf](http://www.e-education.psu.edu/emsc302/files/TerraChoice_2010.pdf),

(Terrachoice, 2007: 2-5)

- 1- **Sin of the Hidden Trade-Off** It is directing the viewer to one environmental pillar of the : product and neglecting the rest of the aspects of the product and claiming that this product is environmentally friendly, but it does not include the basic qualifications to cover all for example, recycled content from paper and focuses on one issue and neglecting ,aspects the rest of the important issues (such as energy, water, global warming, depletion of forests (for the paper industry
- 2- **Sin of No PROOF** sin by claiming sustainability Economic units face falling into such a : and preserving the environment by providing information in a simple way and supporting this with the support of a third party whose opinion is not reliable, for example (household ithout supporting evidence and a certificate lamps that enhance their energy efficiency w (proving this
- 3- **Sin of Vagueness:** It is a sin characterized by lack of clarity and leads to a state of confusion in understanding through the submission of economic units ambiguous environmental claims that cause misunderstanding among the recipient of interested parties (such as pesticides that are written free of chemicals)
- 4- **Sin of Irrelevance** This sin is represented by information mentioned by the economic : nability, which may be realistic, but unit about its social responsibility in achieving sustai CFCs ,in return it is not useful to the consumer, for example, **which are one of the main contributors to ozone depletion, although there are no products manufactured with** However, some manufactured 30 them because they are attended by approximately .free and use it as an advantage-products still add CFC
- 5- **Sin of Lesser of Two Evils** It is the environmental claims that present the product as good : effects on the and can verify its composition, but on the other hand it has damage and consumer and the environment, for example, cigarettes, it consists of tobacco resulting from biological agriculture, which makes the product safe during smoking, but it has effects .on human health and the environment
- 6- **Sin of fibbing:** It is environmental claims that have no validity in reality and lead to abuse because they do not include reliable certification, such as advertising an automated media product bearing the Energy Star or EPEA logo without a certificate.

- 7- **Sin of worshipping false labels** This sin is achieved as a result of the illusion that the :  
-product includes aspects of sustainability through logos and promotion using the eco label and there are many examples of products bearing green logos in the field of "een information technologygr" technology and called

An illustration can be shown comparing the situation of life when practicing sustainable .performance and the reality it will be like using green washing



**Figure (1)** Comparison of sustainability activities with the growing phenomenon of green washing

**Source :** Prepared by the researchers based on the literature on the subject

## **Second Theme: Accounting Reporting on Sustainable Performance**

Its paragraphs will be indicated as follows:

### **First: The emergence of sustainability and its stages of development**

Sustainability witnessed many developments in the forties and fifties and sustainable development was seen as an increase in per capita income levels, similar to economic growth. Since 1968, youth movements have emerged in Europe and the United States. It rebels against the nature of consumer society and questions the feasibility of continuous development in light of the massive waste of natural resources. This period witnessed a great interest in the environment and was triggered by the emergence of the book *The Limits of Growth* published by the Club of Rome in 1972. Which showed that technological progress is not limitless, as it is limited to the quantities of available natural resources, which are in the end depletionable, contrary to what was imagined, and therefore the ecological balance is closely related to the correct behavior of man towards the components of the environment, and human activities in various fields have led to the disruption of many ecosystems through the technological development that it seeks, especially in the 25 years after World War II, the environment by virtue of what prevails within it of the system and interaction between its various components, rarely able to absorb the imbalances caused by humans unless these imbalances exceed a certain limit, and in the event that this limit is crossed, which is currently happening, development will become harmful in the long run, and a demolition factor that has effects on the environment that are difficult to remedy (Saidi, 2013: 50), It should be noted here that the deterioration of environmental conditions will constitute a great burden on

the economy in the long run, because the longer the pollution control is neglected, The cost of treatment has risen (Cato,2020:10), and as a result, the interest of economists in environmental issues has increased since the sixties of the last century, due to the emergence of pollution problems and the deterioration of environmental quality, hence the relationship between the economy and the environment arose and developed over three successive time stages, namely:

**1. The stage of exploiting environmental resources to the maximum extent possible:**

This phase lasted until the sixties of the last century when growth and development were almost synonymous, referring to the increase in GDP. According to this understanding, the magnitude of the loss in growth and development, environmental factors, environmental resources and the size of social costs are no longer taken into account because the growth achieved is at the expense of the environment because it does not take nature into its economic calculations, which may lead to pollution, destruction and depletion of resources (**Samaqa, 2006: 20**).

**2. The stage of achieving economic growth while protecting the environment from the negative effects of that growth**

This phase began in the early sixties and continued until the early seventies, and development in the sixties indicates the extent to which the national economy is able to achieve an annual GDP growth rate of 5% to 7% or more, which will be higher than the population growth rate. At this stage, pollution problems became more important in industrialized countries, and the need to choose between the environment and economic growth arose. The economy is still an economy that seeks to maximize the monetary value of individual benefits derived from the exploitation of environmental resources, rather than protecting the environment (**Morsi, 1998: 92**).

**3. Phase of environmental economic development**

This phase began in the early seventies with the publication of The Limits of Growth by the Club of Rome in 1972, and continued until the Portland Commission report in the late eighties. Committed to striking a balance between developmental economic activities and natural ecosystems, some have begun to propose sustainable development as a model of development, an alternative that would generate great scientific and intellectual interest (**Saidi, 2013:50**).

Hence, the concept of sustainable development actually began to emerge in the eighties and gained popularity after its publication in the Brundtland Report (**1987**) of the World Commission on Environment and Development (**WCED**) (**Yadav & Bandyopadhyay, 2014:130**). In the report tagged "Our Common Future" it is also referred to as the "Brundtland Commission" in the introduction to our Common Future report, and It was invited in December 1983 by the Secretary-General of the United Nations for the purpose of investigating and preparing a report to present a global agenda for change and more specifically, the reference items from the United Nations General Assembly were (**Sharabi, 2007, 10**):

- I. Propose a long-term environmental strategy to achieve sustainable development by the year **2000** and beyond.
- B. Identify possibilities for integrating the relationship between people, resources, environment and development into national and global policies.

The Committee includes representatives from both developed and developing countries and holds public meetings in countries around the world.

In its report, the Committee explained that it was not drafting all the details about the existing individuals problems and what their causes were, but rather developed an approach through which from different countries could create appropriate policies and solutions (Holmberg, 2019, 72). At the same time, individuals who are poor and hungry will react adversely to the environment in their survival, for example by cutting down forest which they live, often working to destroy it for In our time, most countries have tended to contribute to achieving (Sharabi, 2007: 10) trees sustainability goals through their awareness that it is the way to prosperity and healthy living in It now sets sustainability goals as global goals through (Mualla, 2021: 5) and future the present (Hajj, 2022:3-Al) which it shares a balance between social, economic and environmental goals

### Second: The concept of sustainable performance

The concept of performance must be clarified in general for the purpose of reaching a full understanding of the interdependence of performance with sustainability, as the concept of and writers, and since performance varies according to the fields and specializations of thinkers performance measurement measures vary and vary according to the nature and content of the work, their definitions of the concept of performance also differ in accordance with the objectives of the easures it, and in its simplest sense, performance refers to the economic unit and the entity that m results obtained in any area of work, such as the results achieved through the exercise of A function, expressed in a specific unit of measurement (Deakin & Maher, 1987: 878), and some e that performance is the final result of the unit, which is what believ Wright meant when "performance defined "those results that the economic unit seeks and works to achieve

(Wright, et.al 1998: 1998), ity of and others interpret performance as a measure of the abil the economic unit to achieve the goals it seeks, which is expressed and defined by Eccles as "a "reflection of the ability and ability of the economic board to achieve its goals (Eccles, 1991:31.)

Mazhoda **finds** that the concept of performance has a close link to efficiency and effectiveness, as he showed by expressing the concept of effectiveness as the extent of the ability or inability of the economic unit to accomplish and achieve its planned goals, while he indicated that efficiency symbolizes the extent of economy in the resources used by the unit in achieving those goals and performance represents the link to the interaction that combines both resources, goals and expected results (Mazhoda, 87: 2001), on the other hand, Al-Obaidi **believes** that performance is the process of analyzing and studying the degree of success of the economic unit in the optimal use of the resources available to it to achieve the objectives of the program, and thus identify deviations and explain their causes and who is responsible for these deviations and address them (Al-Obaidi, 2009: 13). It is the degree of conformity of some performance and administrative standards on a person or group through a systematic scientific system that includes the development of foundations and special rules that take into account the various disciplines, experiences and nature of work, and the result of this process is the formation of the comprehensive strategic framework for the unit in the long term, which reflects the future direction of the economic unit (Masoudi, 2015: 27), and these units seek to improve performance to include sustainability, as most

researchers and writers attribute the birth of the concept of sustainable performance in the report of the Committee (**Brundtand**) Held in 1987 and multiple interpretations by other writers, which led to the lack of agreement on a unified concept of sustainable performance (**Asif et.al, 2011: 356**) and the attempt of economic units to employ their resources, which is reflected in raising the standard of living of the population in addition to the trend in reducing the consumption of both energy and natural resources (**Nashat, Nashat Majeed, 93: 2023**) and on the other hand maintains its interest in financial performance by providing appropriate financial information that serves users(**Zabalah and Al-Afas 191:2023**) In Table (1) below, we mention some of the definitions referred to by writers and researchers in their description of sustainable performance.

**Table (1) Definitions of Sustainable Performance**

<b>(Dahou&amp;Berland, 2013:154)</b>	including ,It is the performance that is based on four main axes achieving goals, using resources and optimizing internal processes, and .satisfying the actors in the economic unit
<b>(Quraishi,36:2017-Al)</b>	It is the process of exploiting the skills and capabilities of the economic l plans to achieve the optimal use of its unit and its organizationa available resources in a way that ensures the sustainability of its economic growth, achieves its desired goals and enhances its .reputation
<b>(Mohammed, Rumaiddi, 2019:24)</b>	It is to sustain the high performance of the organization by taking advantage of all its material, human and financial capabilities to help it create unique products and services that ensure the sustainability of its position in the business environment.
<b>(Al-Hajami, 2020:31)</b>	"A business approach that creates long-term value for shareholders and other stakeholders by leveraging opportunities and managing risks in economic, environmental, social and institutional aspects"

**Source :** Prepared by the researchers based on the sources mentioned in the table

Through the above, it can be said that despite the different opinions, words and trends in order to give a specific concept to the term sustainable performance, it is in fact going in one direction agreed upon by most researchers who expressed sustainable performance is a term synonymous with success and excellence, achieving strategic superiority is only a way for the survival of the economic unit and the continuity of its growth, through a set of dimensions represented by economic performance, social performance and environmental performance.

### **Third: Components of sustainable performance**

The basic components of sustainable performance are as follows (Wahiba, 2012:100):

1- **Economic performance:** represents the profit achieved by the economic unit by maximizing its production in accordance with the optimal use of available resources.

2- **Social performance:** It is the translation of what the economic unit provides to the communities in which it operates, with the aim of consolidating social values related to improving the lives of the poor and customers, providing opportunities for all segments of society, and improving the quality of the products provided by the unit to the community. The social functioning of an economic unit means the level of its human resources and its cohesion.

3- **Environmental performance:** which refers to the results obtained by the economic unit through its dealings with the environment and to everything provided by the unit to protect the environment and preserve and develop natural resources rationally.

#### **financial reports in economic units-importance of reporting according to non Fourth: The**

financial reports emerged as a result of the -The need for the importance of reporting non rapid development and the different requirements of society and stakeholders, which obligated :llowing activitiesfinancial reports according to the fo-economic units to take care of non

#### **1- The importance of reporting social activities**

The concept of social responsibility of economic units has become an important and crucial issue because it is linked to various factors such as social and environmental, as it improves the reputation of economic units, and the confidence of investors, customers, shareholders and employees. Trust, more effort and dedication to work, increase the credibility of the economic unit, enhance its competitiveness, improve financial performance and attract investors, leading to an increase in market value (Alshannag et al, 2016: 50), in addition to affecting the content of integrated reports and reflected on the value of the company because it provides a perspective based on the appropriateness and reliability of accounting information for standard-setters (Majeed & Wathiq, 2023:1122) and also depends on its relationship with society, because it is necessary for the survival and continuity of the economic unit, and because one of the objectives of reporting on social activities is to indicate the sources of the impact of the economic activities of the unit on society through the employment of individuals, and the protection of the environment from Pollution, and conservation of energy sources, which led to an increasing demand for economic units to display and disclose information related to social activities in financial reports, and social responsibility reports are defined as the presentation of information related to social activities in a way that reflects the social performance of economic units, and the possibility of evaluating them (Jitaree, 2015: 98).

#### **2- The importance of reporting on environmental activities**

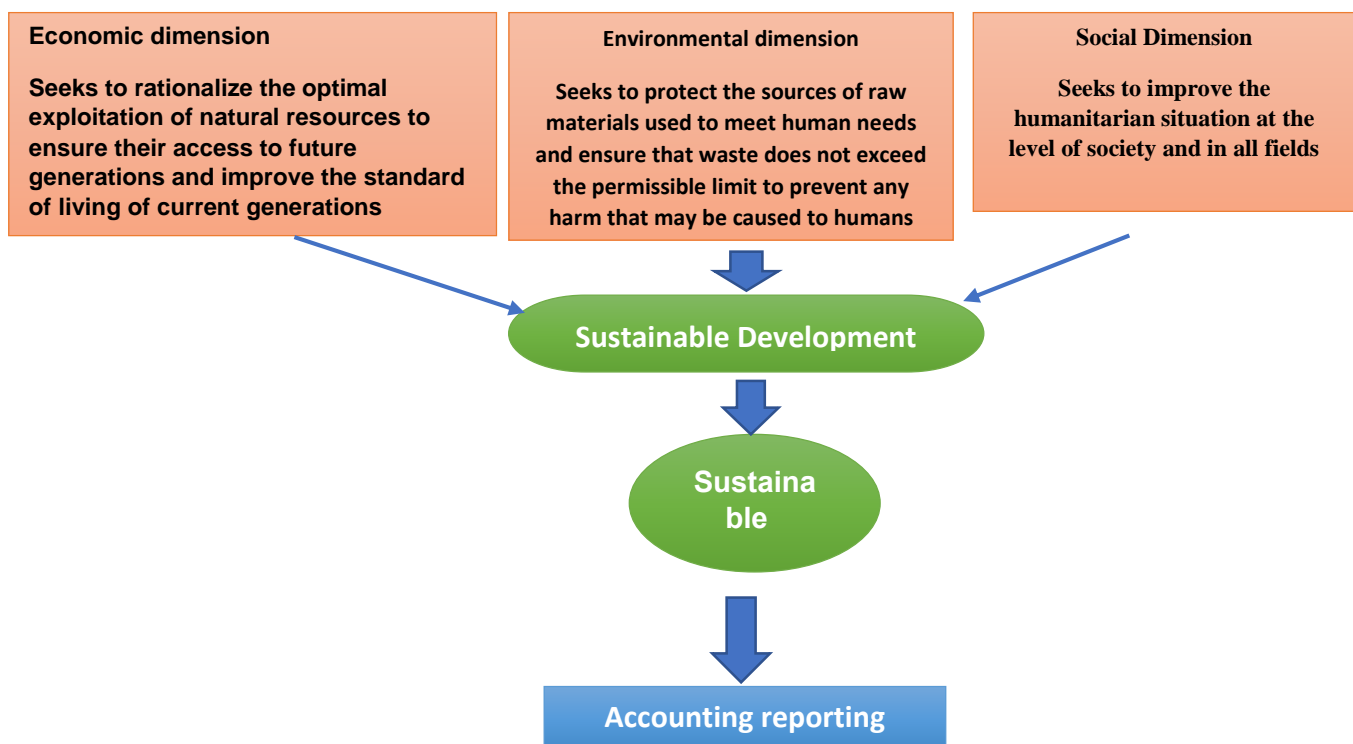
In recent years, deficiencies in traditional accounting reports have appeared, and to counter this, it was s supporting financial reports, necessary to keep pace with the development and attention to the report represented by environmental reports, as the demand for reports on the environmental activities of economic units increased among users of financial statements, due to the diversity of beneficiaries and the diversity of s, and environmental activities have become one of the important indicators to measure the organization's need awareness of environmental issues; However, it is the presentation of information related to environmental

t facilitate the users of these lists to assess their environmental activities through financial statements that performance and make sound decisions (Jabali, 8:2020)

### 3- The importance of reporting economic activities

Reporting on sustainability activities is an important tool that enables economic units to measure their performance and contribution to achieving sustainable development, thus increasing efficiency and improving the performance of units, and Reporting on the most important economic indicators such as potential cash flow, increasing resources and reducing risks can increase the confidence of investors and customers in their investments and in making various decisions. In addition to enhancing its reputation and reporting on indirect economic impacts, which include infrastructure investment reporting requirements, support services, And the economic value generated and distributed, and revenues that have a significant impact on the financial performance of economic units in the financial markets (Majeed, 2023:46).

Figure (2) below shows the components of accounting reporting on sustainable performance.



Components of accounting reporting on sustainable performance (Figure 2)

Source: Prepared by the researchers based on the literature on the subject

### accounting reporting on Fifth: The impact of the phenomenon of green washing on sustainable performance

Accounting reporting on sustainable performance is one of the modern terms that economic units have begun to work on, and it has taken a good turn and wide acceptance, as the term

1, economic and financial, environmental-explains how companies deal with financial and non social information, risks and opportunities that may affect the future performance of companies and the achievement of revenues and their status, and that the first to prepare bulletins on the British Society of Certified Public sustainability information reporting reports was the Accountants (ASCA) and after its importance was found European companies began to prepare reports voluntarily before a decision was made to bind them to these reports, under various nomenclature, including (Gray, 2010: 159).

1. Sustainability Report
2. Corporate Responsibility Report.
3. Corporate Social Report.
4. Social and Community Report.

The Administrative Committee on Coordination (ACC) has sought To conduct several (80 :2010 ,Moses) :researches and reached the following

- 1- There is a missing link between the current reports (financial report and sustainability report) and business strategy and risk.
- 2- financial reports are a series interconnected with financial information that is -Current non considered a summary of the results of the work of economic units
- 3- financial reports through a third party -There should be a new mechanism for monitoring non the trend to conduct annual meetings of shareholders and their agreement to develop a and new mechanism for monitoring and the introduction of a third party for the purpose of t over time conducting a correct assessment and creating sustainable value for the economic unit :as traditional reporting forms are not accurate for the following reasons
  - Economic units publish extensive information in various reports, which are often incoherent ministration in information and are based on specific standards and ideas prepared by the ad accordance with legal standards or procedures to reflect the extent of its commitment to them
  - There is a complexity in the standards when preparing financial reports, which requires interpretation to be understood by stakeholders.
  - istence of problems within the economic, environmental and social dimensions and The ex current crises such as (recession, climate change) that force serious thinking in the field of .business
  - hich leads to financial reporting lacks regulatory and conceptual frameworks, w-Non contradictions and difficulties in the inability to make comparisons between reports of .economic units of stakeholders
- 4- Financial reports are insufficient to cover all aspects of an economic unit and its inability to to create value in the short, medium and long term by managing its demonstrate its ability .strategic resources effectively
- 5- The value of an economic unit decreases decreasing with tangible assets and increasing increasingly with intangible assets, so the trend in the last three decades towards seeking to convert tangible assets into intangible assets.

**Through the above, it can be said that the traditional (basic) reporting is limited to financial information, which lacks coverage of a complete picture of the economic unit and does not satisfy the needs of society and does not meet the needs and expectations of stakeholders, including investors, of information to help them in making rational**

ation investment decisions, especially as we are in the midst of the age of information, innovation and technology. Therefore, international organizations of the accounting profession and large companies sought to search for a solution that meets the demands of stakeholders and the creation of longmeets the requirements of society It ensures a sustainable future and term value for economic units by preparing a single report that includes financial and non financial information that reflects all aspects of their activities, future strategy, business performance indicators with brevity and focus model and governance, as well as their key performance on the main issues of the unit and stakeholders, which is known as integrated reporting that reflects the story of the economic unit, its resources and the interrelated relations units, and their inability to fully apply between them. Therefore, some economic sustainability, began to adopt misleading methods and methods by committing one of the sins that were mentioned above in order to show their good performance and describe it as reputation in the market, and this causes them to be sustainable in order to enhance their .called (the phenomenon of green washing)-so

### **The third topic**

**The impact of the phenomenon of green washing on accounting reporting on sustainable performance / survey**

### **Practical side**

an overview of the research sample and the interpretation of the information ,In this aspect resulting from the analysis of the data collected according to the questionnaire form designed in iques and moral pointed Likerd scale, and using statistical analysis techn-the light of the five the research hypotheses interpretation to understand the main trends and problems and to prove - :as follows

### **First: About the research sample (Zain Iraq)**

al of The company was established based on an Emiri decree dated June 22, 1983 with a capital of KD 25 million as a Kuwaiti public shareholding company, where its services were limited to mobile and fax, and in 1986 the company officially announced the activation of its commercial system Itax and this step was services. As the company launched the developed communication s proactive of its kind in the Middle East and in 1986 and after nearly a year the company launched the calling service system and in 1994 the company activated GSM services, and building the GSM network was notonly a very important station for Zain, as the company helped by opening this network to build For the first time, they can send SMS, connect to the Internet, enjoy international roaming services, emergency services, send and receive faxes, divert o another number and block calls. In the first year of the new millennium, Zain was on a calls t date with an important event in its career, in 2001 the company switched to work under the gan to adopt a new management of the private sector, after it was privatized, so the company business strategy focused on Zain was one of the first companies to launch 3G technology in in order to transform its customer base to mobile communications technology that supports ,2004 The company has .igher data transfer ratesmore voice and data users simultaneously and at h witnessed rapid growth and significant geographical and operational expansion, as it has been

active in seven countries in the Middle East (Kuwait, Iraq, Lebanon, Bahrain, Saudi Arabia, countries in the continent of Africa (Burkina Faso, Chad, (5Jordan and Sudan) and in (1 Democratic Republic of the Congo, Republic of Congo, Gabon, Kenya, Madagascar, Malawi, Niger, Nigeria, Sierra Leone, Tanzania, Uganda, Ghana and Zambia).

### First: Field study method

objectives of the research and test its hypotheses, it is necessary to choose a To achieve the suitable community for the practical application of the research, depending on the local asking what economic units of the research community, as for the research sample, statistically, t called "simple -is recommended by specialists in such cases, which is the trend towards the so stratified random sample", where the research tool referred to in the appendices has been lyze and interpret responses in prepared in the form of questions through which to study, ana achieving the objectives of the research and testing its hypotheses, Where the research sample consisted of (72) questionnaires, which were distributed electronically via a dedicated link through the Google Forms program. he research tool consists of three axes, the first axis T included the demographic data of the research sample, while the second axis included (10 paragraphs) covering the variable (the phenomenon of green washing) and the third axis included covering the variable (accounting reporting on sustainable performance), where (paragraphs 10) category Likert scale, and -each part was formulated to analyze the responses using the five Table (1) shows the demographic characteristics of the study sample members.

Demographics (2) Table			
Variables	Categories	Iteration	Percentage
lifetime	Less than 30 years	9	12.5%
	From 30 to 40 years	44	61.1%
	From 41 to 50 years old	14	19.4%
	More than 51 years	5	6.9%
	<b>Total</b>	<b>72</b>	<b>100.0%</b>
Certification	diploma	6	8.3%
	Bachelor	20	27.8%
	Master	35	48.6%
	Doctor	11	15.3%
	<b>Total</b>	<b>72</b>	<b>100.0%</b>
The field of dealing with the company or viewing its data	investor	3	4.2%
	Consumer (product or service) and informed and followed up with the company's activity	51	70.8%
	financial statements User of company	13	18.1%
	Collaborating and social support from the company	5	6.9%
	<b>Total</b>	<b>72</b>	<b>100.0%</b>
Duration of dealing with the company	From 1 to less than 3 years	20	27.8%
	From 3 to less than 6 years old	12	16.7%
	From 6 to more	40	55.6%
	<b>Total</b>	<b>72</b>	<b>100.0%</b>

the program Prepared by the researchers based on the outputs of :Source spss.v27

- A. **Age:** It is clear from Table (2) that the individual sample consists mostly of the category (from 30 to 40 years) by (61.1%) and a frequency of (44), and the category (from 41 to 50 years) recorded a percentage of (19.4%), then followed by the two categories with percentages of (12.5% and 6.9%) for the categories (less than 30 years) and the category (more than 51 years).
- B. **Certificate:** It is noted that the members of the study sample have a master's degree by (48.6%) and a frequency of (35), then followed by the category of those who have a degree (bachelor's) by (27.8%) and a frequency of (20), followed by the categories (PhD) by (15.3%) and finally the category (diploma) by (8.3%).
- C. **The field of dealing with the company or viewing its data:** It is clear that (70.8%) of the study sample are those with the category (consumer (product or service) and informed and followed up with the company's activity) with a frequency of (51), while the category (user of the company's financial statements) recorded (18.1%), followed by the category (cooperating entities and obtaining social support from the company) by (6.9%), then finally the category (investor) by (4.2%).
- D. **Duration of dealing with the company:** The statistical results indicate that the category (6 years and more) has obtained the highest participation rate by (55.6%), followed by the category (from 1 to less than 3 years) by (27.8%), then finally the category (from 3 to less than 6 years) recorded a percentage of (16.7%)

## Second: Testing the normal distribution of research variables

To answer the questions and hypotheses of the research, it is necessary to ensure the normal distribution test before starting to review and analyze the results of the study, where you must first verify the data collected from the research sample tracking the normal distribution according to the Kolmogorov-Smirnov Test , as shown in the following table

Table 3 Normal Distribution Test Results				
Type and parameters of the test Variables	Kolmogorov-Smirnov			
	Test parameter	Sample size	Moral value	Test morale
The phenomenon of green washing	.1600	92	.2200	Moral
Accounting reporting on sustainable performance	.1300	92	.1340	Moral

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It is clear from the value of the significance level of the Kolmogorov-Smirnov test for variables was higher than (5%) and this indicates that the data are distributed normally and thus the results .obtained from the sample can be generalized

## :Third: Alfa cronbach stability coefficient

This test is one of the prerequisites for the stability of the search instrument, as the stability indicates the degree of internal consistency of the main search metrics and Cronbach alpha. It is one of the most commonly used metrics for testing the search tool, as shown in the table below.

Stability Test Table 4			
Variables	Alpha Cronbach		
	Test Value	Number of paragraphs	Moral significance
The phenomenon of green washing	0.769	10	Moral stability
Accounting reporting on sustainable performance	0.791	10	Moral stability

Source: Prepared by the researchers based on the outputs of the program (spss.v27)

shows that all Cronbach alpha values for the study variables exceed the percentage (4) Table or in other words, the study tool is reliable and ,and are considered statistically acceptable (%60) .reliable in hypothesis testing and descriptive analysis

#### Fourth: Descriptive Statistics and Analysis of Results:

The process of presenting the results in their descriptive form and discussing them requires the use of various tools and methods, including measures of central tendency. Where the data obtained were relied upon and summarized in tables, analyzed and interpreted, as follows.

##### 1- The phenomenon of green washing

Table (5)				
Descriptive indicators of the variable The phenomenon of green washing				
t	Questions	Arithmetic mean	Standard deviation	The intensity of the answer
1.	Economic units use misleading claims about their contribution to humanitarian services that include job creation, unemployment reduction, awareness campaigns, and their participation in charitable donations.	3.722	0.786	74.44%
2.	Economic units use a mask with so-called environmentally friendly products to cover their negative effects on the environment	3.639	0.918	72.78%
3.	Economic units focus in their advertisements on the positive side of the product and service and neglect the negative aspects of their use	3.819	0.948	76.38%
4.	<b>When you follow the activity of the economic unit, it becomes clear that it deals with unreliable parties and takes their opinion of its activities and implementation</b>	<b>3.375</b>	<b>0.824</b>	<b>67.50%</b>
5.	The economic unit uses the language of ambiguity when clarifying the safety conditions of its services and products provided.	3.611	0.891	72.22%
6.	By following the activity of the economic unit, it actually shows the moral side other than what you harbor in the interior.	3.486	0.897	69.72%

7.	<b>Failure to treat telecommunication card pollutants is evidence of the economic unit's non-compliance with the conditions of preserving the environment</b>	3.972	0.849	79.44%
8.	The consumer or (the customer with the company) is interested in green ecological signs on the products of the economic unit and its services and have an impact on his decision	3.625	0.696	72.50%
9.	The economic unit's treatment of the radiation of communication towers is insufficient according to your knowledge	3.986	0.842	79.72%
10.	Economic units use sustainability slogans in their annual reports to cover their pollutants on the environment	3.778	0.916	75.56%
<b>Total</b>		<b>3.701</b>	<b>0.857</b>	<b>74.02%</b>

the program Prepared by the researchers based on the outputs of :Sourcepsps.v27

: The table shows the following

The trends of most of the study sample were positive for most of the paragraphs included in the variable the phenomenon of green washing, where he recorded a total arithmetic mean of (3.701) while most of the ,(%02.and strongly agreed in the content of the phrases amounted to (74 paragraphs recorded a percentage of agreement reached the intensity within the field (67.59% to where the field of arithmetic averages greater than the value of the arithmetic mean of the (%79.44 point Likert scale of (3) where it was within the range -ivemeasurement tool according to the f to 3.972) while the standard deviation coefficient was recorded To disperse the answers 3.375( within the range (0.696 to 0.948). As for the highest rate of agreement and the lowest rate of ment for the paragraphs included in the variable the phenomenon of green washing, explained agree :as follows

- A. The phrase with the seventh sequence (not treating the pollutants of communication cards he conditions of preserving is evidence of the lack of commitment of the economic unit to t the environment) has received the highest intensity of agreement in the content of the phrase, as it reached (79.44%) and an arithmetic mean higher than the hypothetical mean rded in the answer (0.849) and these of (3.972), while the dispersion coefficient was reco percentages indicate the importance of addressing the pollutants of communication cards, which is evidence of the commitment of the economic unit to the conditions of preserving .the environment
- B. th sequence (when you follow the activity of the economic unit, it The phrase with the four is clear that it deals with unreliable parties and take into account their opinion of its activities and implementation) has obtained the lowest intensity of agreement in the content phrase, as it reached (67.50%) and an arithmetic mean higher than the hypothetical of the mean of (3.375), while the dispersion coefficient was recorded in the answer (0.824), and omic unit these percentages indicate the importance of following up the activity of the econ in dealing with unreliable parties and taking into account their opinion of their activities .and implementation

## 2- Accounting reporting on sustainable performance

(6) Table (performance Descriptive indicators of the variable (accounting reporting on sustainable				
t	Questions	Arithmetic mean	Standard deviation	The intensity of the answer
1.	The economic unit seeks to report its sustainable performance to achieve the greatest profits	4	0.782	80.00%
2.	ISO 26000 The economic unit operates in accordance with which include commitment to corporate , guidelines governance and human rights, reducing negative impacts on the environment, maintaining fair trade practices and responsibility towards consumers, promoting innovation and development, n with the international community and other cooperatio international standards adopted in the field of social .responsibility	3.292	0.735	65.84%
3.	The Economic Unit is committed to maintaining sustainable development and meeting the needs of the current generation without prejudice to the rights of the future generation as you know	3.333	0.816	66.66%
4.	financial -The Economic Unit discloses financial and non information transparently in its annual reports as per your .knowledge	3.167	1.125	63.34%
5.	Economic units avoid causing harm to society according to your knowledge	3.097	0.915	61.94%
6.	There are effects on the environment as a result of the economic unit's activities and are not disclosed.	3.806	0.720	76.12%
7.	The economic unit is committed to providing services to the community such as charitable donations and contributing to reducing unemployment, and they are disclosed according to your knowledge	3.347	0.974	66.94%
8.	The economic unit recycles waste and produces environmentally friendly products and reports them in its annual reports	3.208	1.013	64.16%
9.	Economic units support projects that achieve the welfare of the community (such as contributing to supporting infrastructure, supporting sports and arts, supporting scientific research, universities and schools)	3.361	1.018	67.22%
10.	The economic unit provides sufficient information on product quality and environmental safety	3.375	1.006	67.50%
Total		3.393	0.910	67.86%

**Source:** Prepared by the researchers based on the outputs of the program (spss.v27)

The trends of most of the study sample were positive for most of the paragraphs included in the variable accounting reporting on sustainable performance, where he recorded a total arithmetic mean of (3.393) and strongly agreed in the content of the phrases amounted to (67.86%), while most of the paragraphs recorded a percentage of agreement reached the severity within the field (64.16% to 80%) where the field of arithmetic averages greater than the value of the arithmetic mean of the measurement tool according to the five-pointed Likert scale of (3) where it was within the range (3.208 to 4) while the coefficient of Standard deviation of the dispersion of answers

within the range (0.720 to 1.125). As for the highest rate of agreement and the lowest rate of agreement for the paragraphs included in the variable accounting reporting on sustainable performance, it is explained as follows:

- A. The phrase with the first sequence (the economic unit seeks to report its sustainable performance to achieve the greatest profits) has won the highest intensity of agreement in the content of the phrase, as it reached (80%) and an arithmetic mean higher than the hypothetical mean of (4), while the dispersion coefficient was recorded in the answer (0.782) and these percentages indicate the importance of the economic unit's endeavor to report its sustainable performance to achieve the greatest profits.
- B. The statement with the eighth sequence (the economic unit works on recycling waste and producing environmentally friendly products and reports them in its annual reports) has received the lowest intensity of agreement in the content of the phrase, as it reached (64.16%) and an arithmetic mean higher than the hypothetical mean of (3.208), while the dispersion coefficient was recorded in the answer (1.013), and these percentages indicate the importance of recycling waste and producing environmentally friendly products and reporting them in their annual reports.

#### **Fifth: Presenting the product of the response of the sample members to the first main hypothesis:**

To determine the type of relationships between the variables of the research through the statistical program (SPSS.27) and through its statistical outputs in the test of the significance of the correlation between the main variables of the research. Table ( 7) shows the relationship test.

Table 7 Correlation estimation for search variables		
Variables	The phenomenon of green washing	Morale level
Accounting reporting on sustainable performance	0.454- **	Less than 5%

**Source:** Prepared by the researchers based on the outputs of the program (spss.v27)

The results reached on the hypothesis of the correlation using Pearson's correlation coefficient, between the phenomenon of green washing and accounting reporting on sustainable performance, where the value of the correlation between these two variables was (-0.454\*\*), which is an inverse correlation at the level of significance (5%), where this relationship indicates the significance of the relationship between the two variables at a confidence level (95%). The use of economic units is misleading about their contribution to humanitarian services that include job creation, unemployment reduction and awareness campaigns. And its participation in providing charitable donations and in fact shows the ethical side other than what it contains in the subconscious, which in turn negatively affects the accounting reporting on sustainable performance, including providing services to the community such as charitable donations and contributing to reducing unemployment.

#### **Sixth: Presenting the product of the respondents' response to the second main hypothesis:**

This paragraph deals with the test of the impact hypothesis according to the linear regression model of the (greenwashing phenomenon) in (accounting reporting on sustainable performance) as shown in the following table.

Table (8) Impact hypothesis analysis		
Regression indicators		Estimated Value
(R <sup>2</sup> ) Explanatory ability		0.206
( $\alpha$ ) statistical parameter		1.985
$1\beta$		0.491
Degree of freedom		72
Standard error		0.045
Moral significance		0.000
<b>Y=1.985 +0 .491X</b>		
Test (F)	Tabular	3.15
	Calculated	40.39
Test (t)	Tabular	1.990
	Calculated	10.911

**Source:** Prepared by the researchers based on the outputs of the program (spss.v27)

Table (8) shows the following:

The statistical outputs in measuring the impact of the phenomenon of green washing in economic units showed a significant impact on accounting reporting on sustainable performance, as confirmed by the test (F) at the level of significance (5%), which reached a tabular value of (3.15), which is smaller than its calculated value for estimating the model of (40.39), which reflects the strength of the research model in predicting the value of accounting reporting on sustainable performance, Where it was found that the use of economic units mask so-called environmentally friendly products to cover their negative effects on the environment, and the amount of the indicator explanatory ability (0.206) where this value refers to the amount of what is explained by the phenomenon of green washing in accounting reporting on sustainable performance and by (20.6%) and the rest is attributed to other variables did not fall within the research model, and showed the direct impact parameter, which amounted to (0.491) and a significant significance less than (5%) and confidence limits (95%) that confirms the presence of a significant impact with Statistical significance of the phenomenon of green washing in accounting reporting on sustainable performance, which confirms the significance of this effect (T-test), where the test value was recorded (10.911), which is smaller than its tabular value (1.990).

## Conclusions and recommendations

### Conclusions:

- 1- The economic units seek to apply sustainable performance in their activities by integrating the THREE MAIN DIMENSIONS, THE ECONOMIC DIMENSION, THE SOCIAL DIMENSION AND THE ENVIRONMENTAL DIMENSION, AND THAT THIS CONCEPT IS A TERM SYNONYMOUS WITH SUCCESS AND EXCELLENCE, AS ACHIEVING SUSTAINABLE STRATEGIC EXCELLENCE IS ONLY A WAY FOR THE SURVIVAL AND GROWTH OF THE ECONOMIC UNIT.
- 2- THE INADEQUACY OF TRADITIONAL FINANCIAL REPORTS AND THEIR LACK OF COVERAGE OF NON-FINANCIAL INFORMATION, AS THE INFORMATION THEY CONTAIN HAS BECOME INSUFFICIENT, BECAUSE THEY ARE LIMITED TO FINANCIAL ASPECTS ONLY, WHICH

DIAGNOSED A GAP BETWEEN THE REQUIREMENTS OF SOCIETIES AND STAKEHOLDERS AND THE SUSTAINABLE DEVELOPMENT GOALS, WHICH REQUIRES THE NEED FOR ACCOUNTING REPORTING ON NON-FINANCIAL INFORMATION TO REDUCE OR LIMIT THIS GAP.

- 3- The results of the statistical outputs of the economic units showed the significant correlation between the research variables through the presence of the so-called ambiguity language as a result of the failure of the economic units to clarify the safety conditions for their services and products provided appropriately and the trend in their advertisements on the positive side of the product and service and neglecting to address the negative aspects

### **Recommendations :**

- 1- The need for economic units to report their sustainable performance reliably within the environmental, social and economic fields in a clear manner and to avoid the language of ambiguity in the statement of information about their products and services
- 2- The need for the competent authorities to pay attention to finding standards that economic units are obliged to follow as a law to avoid falling into the practices of the phenomenon of green washing and to increase consumer awareness in the use of products and services that are not harmful to the environment
- 3- The need for economic units to realize that their competitive success is not limited to achieving financial profit only, but rather fair profit through commitment to their social responsibility towards society represented in the fields (ethical, humanitarian, legal and economic)

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