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## **Accounting for the Sustainable Development Goals: Walking the talk or managing impressions?**

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## Abstract

**Purpose** – This paper examines the extent, quality, and tone of Sustainable Development Goals (SDG) disclosures by UK FTSE 100 firms, assessing whether these reflect genuine commitment or serve impression management purposes.

**Design/Methodology** – A meaning-oriented content analysis of SDG-related disclosures from 75 FTSE 100 company reports is conducted. Drawing on the SDG Compass and KPMG's SDG reporting criteria, we develop a multidimensional analytical framework to assess disclosure scope, quality (semantic attributes and managerial orientation), and tone (thematic manipulation and structural emphasis).

**Findings** – SDG reporting is widespread but predominantly symbolic. Most firms emphasise a narrow set of high-profile goals (notably SDGs 8, 12, 13), with disclosures often framed in overly optimistic language, reinforcing favourable corporate narratives. Crucially, our targeted analysis reveals that many SDG sub-targets are poorly aligned with existing sustainability reporting frameworks, limiting their operational relevance. We demonstrate that these structural deficiencies, coupled with managerial apathy, foster superficial engagement and constrain meaningful accountability.

**Originality/value** – This study reframes symbolic SDG engagement as the outcome of both managerial choices and structural limitations within the SDG architecture. It contributes to SDG disclosure literature by developing a composite framework that integrates disclosure scope, quality, and narrative tone—offering a multidimensional lens for evaluating sustainability reporting. By extending the analytical lens beyond headline goals, it offers fresh insights into the institutional and managerial conditions that legitimise symbolic reporting. These insights are particularly salient as deliberations on the post-2030 sustainable development agenda gather momentum.

**Practical implications** – The paper calls for the development of more specific, business-relevant SDG sub-targets and performance indicators, enhanced assurance practices, and stronger alignment of post-2030 frameworks with established sustainability reporting standards.

**Keywords:** Sustainability Development Goals, Impression management, Accountability, Symbolic reporting, SDG Compass

**Paper type:** Research paper

## 1 2 3 1. Introduction 4 5

6 Over the years, the role of businesses in promoting sustainable development has attracted  
7 significant scholarly attention (Bebbington *et al.*, 2017; Gray, 2010; Laine, 2005). This  
8 research field has recently broadened with the adoption of the United Nations (UN) 2030  
9 Agenda for Sustainable Development, which includes 17 sustainable development goals  
10 (SDGs) aimed at addressing “areas of critical importance for humanity and the planet” (UN,  
11 2015, p. 3). Although originating as intergovernmental aspirations, the 2030 Agenda has  
12 profound implications for the private sector. As Abhayawansa *et al.* (2021, p. 924) underscore,  
13 “failure to achieve the SDGs will destroy the fabric of society, carry grave risks for the earth  
14 and its inhabitants and make enhancing economic value both meaningless and challenging.”  
15 Achieving the SDGs requires robust accountability mechanisms at both governmental and  
16 corporate levels to ensure that social actors fulfil their commitments and progress toward the  
17 targets (Bowen *et al.*, 2017; Lauwo *et al.*, 2022). In this context, SDG-related disclosures have  
18 emerged as the primary means through which corporations demonstrate their contributions to  
19 the 2030 Agenda and substantiate the business case for such efforts. Rosati and Faria (2019)  
20 conceptualise SDG-related disclosure as any information that pertains to an organisation’s  
21 contributions to the SDGs, which enables stakeholders to evaluate the extent to which it  
22 addresses the economic, social, and environmental challenges outlined in the goals.  
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25 Since their inception, SDG-related disclosures have gained prominence across various  
26 corporate reporting platforms, reflecting growing awareness and integration of the SDGs into  
27 business practices. Along these lines, research into corporate disclosures on the SDGs has  
28 flourished in recent years, with several scholars exploring the role of accountability processes  
29 in achieving the SDGs. Recent studies have explored how accountability processes can be  
30 leveraged to enhance progress on the SDGs, underscoring the critical role of transparent  
31 reporting in driving contributions toward sustainable development objectives (e.g.  
32 Abhayawansa *et al.*, 2021; Avrampou *et al.*, 2019; KPMG, 2024; Lauwo *et al.*, 2022; Lodhia  
33 *et al.*, 2023). However, these studies also underscore the potential symbolic nature of such  
34 disclosures, suggesting that organisations may strategically manage stakeholders’ perceptions  
35 by selectively presenting positive information, often as a means for legitimacy and/or  
36 reputation management. This paper aims to contribute to this growing body of literature by  
37 critically analysing the content, quality, and tone of SDG-related disclosures in corporate  
38 reports. In particular, we explore whether, and to what extent, organisational managers use  
39 SDG-related disclosures as a mechanism to provide substantive insights into corporate  
40 contributions to the SDGs or merely to manage stakeholder perceptions. We believe such a  
41 focus is particularly relevant for two reasons.  
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44 First, how businesses frame their discourse around the SDGs reflects their responses to  
45 institutional pressures and their efforts to shape and manage the field in which they operate  
46 (DiMaggio and Powell, 1983; Milne *et al.*, 2009). In this context, language plays a central role  
47 in constructing meaning and shaping an understanding of firms’ SDG-related impacts and  
48 contributions. SDG-related disclosures are predominantly narrative in nature, allowing for  
49 significant managerial discretion over the report content. Given the qualitative nature of these  
50 disclosures, elements such as tone and readability are critical in framing firms’ SDG-related  
51 initiatives. Several scholars argue that managers often prefer narrative disclosures due to their  
52 ability to deliberately shape and direct the narrative presented to stakeholders (Cho *et al.*, 2010;  
53 Neu *et al.*, 1998). As Neu *et al.* (1998, p. 269) aptly state, narrative disclosures allow managers  
54 to “stage and direct the play they wish their publics to see, to pick the characters, to select the  
55 script, and to decide which events will be highlighted and which will be omitted.”  
56 Consequently, SDG-related disclosures, which typically encompass firms’ strategies, policies,  
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3 and actions, may risk being tailored to manage perceptions rather than offering value-relevant  
4 information for decision-making. This could manifest in selective manipulation of information  
5 quantity, thematic content, or tone (Cho *et al.*, 2010; Merkl-Davies and Brennan, 2007).  
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7 Second, SDG-related disclosures in their current form remain largely unregulated, granting  
8 management considerable discretion over the thematic content and presentation of information.  
9 This flexibility affords management, if it so desires, to frame SDG-related performance in a  
10 manner that portrays the company favourably. This is particularly significant given the broad  
11 focus of the SDGs beyond corporations and the persistent ambiguity regarding the business  
12 case for the SDGs (Scheyvens *et al.*, 2016). Schramade (2017, p. 88) underscores the  
13 importance of the SDGs as a communication tool, providing a shared framework for companies  
14 to demonstrate impact to investors and other stakeholders. However, while SDG-related  
15 disclosures have increased in recent years, concerns remain regarding their content,  
16 complexity, and quality. A recent KPMG (2024) survey on sustainability reporting found that  
17 74% of the world's 250 largest companies include SDG-related disclosures in their  
18 sustainability reports. Yet only 8% disclose both positive and negative impacts on the SDGs,  
19 indicating an imbalance. The report concludes that many companies leverage the SDGs for  
20 marketing purposes rather than as a genuine guide for corporate strategy. In light of this, a  
21 critical perspective has emerged, characterising SDG-related disclosures as largely symbolic  
22 rather than substantive (e.g. Heras-Saizarbitoria *et al.*, 2021; Silva, 2021; Thammaraksa *et al.*,  
23 2024). This strand of the literature highlights the potential (ab)use of SDG-related disclosures  
24 to mask business as usual, calling for further research on whether firms' SDG-related  
25 disclosure aligns more closely with rhetoric or meaningful action (Bebington and Unerman,  
26 2018). Nicolò *et al.* (2024) further emphasise that a superficial approach to SDGs reporting  
27 could undermine investor decision-making and erode stakeholder trust, creating significant  
28 risks to corporate reputation and long-term viability.  
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30 Drawing on the legitimacy (Ashforth and Gibbs, 1990; Deegan, 2002) and impression  
31 management (Merkl-Davies and Brennan, 2007, 2017) perspectives, we examine whether  
32 SDG-related disclosures signify a genuine commitment to the UN 2030 Agenda (substantive  
33 approach) or merely represent an attempt to construct an image of an SDG-committed  
34 organisation, tailored to influence stakeholders' perceptions (symbolic approach). Following  
35 Jones (2011), we argue that a substantive approach entails the disclosure of SDG-related  
36 information in an unbiased manner, in accordance with the requirements of the SDG Compass  
37 and KPMG's quality criteria for SDG-related disclosures (KPMG, 2018). Such disclosures are  
38 expected to be informative, providing quantifiable information to assist users in appreciating  
39 both positive and negative impacts on the SDGs and the underlying corporate approach to the  
40 SDGs. Conversely, if a symbolic approach (impression management) is adopted, we would  
41 expect SDG-related disclosures to be presented in a self-serving manner. For this purpose, we  
42 examine the sustainability performance reports (sustainability reports, corporate social  
43 responsibility (CSR) reports, integrated reports, and annual reports) of selected Financial Times  
44 Stock Exchange (FTSE) 100 companies for the 2022 financial year. We build on the risk  
45 disclosure framework proposed by Beretta and Bozzolan (2004) and KPMG's (2018)  
46 framework on 'how to report on the SDGs' to capture the content and quality of SDG-related  
47 disclosures, and the extent to which these disclosures support either substantive or symbolic  
48 management. Furthermore, we develop a qualitative composite impression management score  
49 based on keywords, statements, and reinforcements to examine the extent of biased language  
50 or tone present in firms' SDG-related disclosures.  
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Our study makes three significant contributions to the literature on corporate accountability in the pursuit of the SDGs. First, we problematise the emerging field of SDG reporting by providing empirical evidence that corporate SDG-related disclosures are susceptible to managerial capture, echoing broader patterns of symbolic sustainability practices (Li *et al.*, 2023; Michelon *et al.*, 2015). Addressing Bebbington and Unerman's (2018) call for research into the rhetorical-substantive continuum of SDG-related accounting initiatives, we critique the predominant reliance on word counts and references as proxies for disclosure quality. By empirically examining SDG-related disclosures at both goal and sub-target level, we offer a more granular critique of the symbolism associated with corporate engagement with the SDGs. Our findings reveal how optimism and ambiguity are strategically used to construct a façade of commitment, masking limited organisational change. Drawing on narrative disclosure literature (Beretta and Bozzolan, 2004, 2008; Hasseldine *et al.*, 2005; Michelon *et al.*, 2015), we develop a multidimensional framework that captures the disclosure depth, thematic focus, and communicative tone, thereby offering a richer evaluation of SDG reporting practices.

Second, we extend the literature by highlighting the institutional design flaws within both the SDG framework and existing reporting standards that facilitate and legitimise symbolic engagement. Our analysis reveals notable inconsistencies and misalignments between SDG sub-targets and corporate reporting practices, reflecting broader structural deficiencies in the SDG architecture. In particular, the lack of prescriptive guidance on certain SDG themes and the structural orientation of many sub-targets toward national-level governance severely constrain the capacity of firms to meaningfully engage with the Agenda. This weakens the scope of corporate accountability and raises critical questions about the legitimacy of the private sector's role in global sustainable development discourse. These insights underscore the need for regulatory oversight, stakeholder engagement, and prescriptive reporting guidelines to promote more meaningful SDG engagement and reporting. As discussions surrounding the post-2030 development agenda gather momentum, we suggest that future iterations of the SDGs must incorporate more targeted and actionable sub-targets and indicators for corporations, enabling them to engage with and report on their contributions in ways that are both substantive and credible.

Third, we advance the symbolic perspective of legitimacy theory by developing a composite impression management score that captures both thematic and structural manipulation within corporate SDG-related disclosures. By shifting the analytical focus from the volume of disclosures to their construction and framing, we reveal how narrative strategies function as instruments of symbolic power to manage stakeholder perceptions. This approach builds on and extends the methodological framework of Brennan *et al.* (2009), providing a richer understanding of the strategic deployment of language and structure in corporate sustainability communication. We call for greater attention to the language, tone, and framing of sustainability narratives to critically interrogate the tensions between accountability, transparency, and corporate self-presentation. Together, these contributions offer a more critical and nuanced perspective on corporate SDG reporting, advancing interdisciplinary debates on the contested nature of corporate sustainability reporting and accountability.

The remainder of the paper is structured as follows. In the next section, we discuss the theoretical framework underpinning the study. This is followed by a synthesis of the SDG-related disclosure research from which we develop our disclosure framework to capture the scope and quality of SDG-related disclosures. Section 4 outlines the research methods and proceeds to present our findings in Section 5. The paper concludes with a discussion of findings, implications, and suggestions for future research.

## 2. Literature review

### 2.1. Theoretical perspectives

Legitimacy theory models the congruence between an organisation's value system and the superordinate system (Dowling and Pfeffer, 1975; Neu *et al.*, 1998; Suchman, 1995). Lindblom defined legitimacy as "[...] a condition or status which exists when an entity's value system is congruent with the value system of the larger society of which the entity is a part" (Lindblom, 1994, p. 2). Legitimacy theory is premised on the idea that organisations exist to the extent that stakeholders consider that they are legitimate (Deegan, 2002). Legitimacy is thus a critical resource that is conferred upon the organisation by its constituents when its actions are congruent with societal values and expectations, and any disparity (explicit or implied) between these two value systems results in a legitimacy gap. Legitimacy gaps may arise because of changing societal values and expectations (Deegan, 2002; Lindblom, 1994). Legitimation is the process whereby organisations justify their activities by gaining, maintaining or repairing their legitimacy (Suchman, 1995). According to Ashforth and Gibbs (1990), organisations manage legitimacy concerns either through substantive management or through symbolic management. Substantive management entails concrete, material changes in organisational actions intended to align organisational strategies and processes to social norms. This involves real or actual changes in corporate actions and policies, which may translate into significant improvements and thus increase organisational legitimacy (Ashforth and Gibbs, 1990; Michelon *et al.*, 2015).

On the other hand, symbolic management seeks to construct and maintain organisational legitimacy by portraying the organisation as socially responsible and emulating certain practices coherent with societal values and expectations. The objective is to shape stakeholder perceptions about the organisation by creating a "new face to the outside world while protecting the inner workings of the organisation from external view" (Hopwood, 2009, p. 437). An impressive body of literature suggests that managers tend to prefer symbolic actions over substantive ones due to the relative ease with which an organisation's image can be managed through narrative disclosures, as opposed to altering its outputs, goals, and operational activities to conform with social norms (e.g. Aerts, 1994, 2005; Cho *et al.*, 2010; Guillamon-Saorin *et al.*, 2012; Neu *et al.*, 1998). This stream of literature concludes that narrative disclosures provide an effective opportunity for organisational managers to deliberately manage stakeholders' impressions. Through narrative disclosures, managers can attempt to legitimise their current activities by associating with "symbols, values, or institutions which have a strong base for social legitimacy" (Dowling and Pfeffer, 1975, p. 127).

Impression management traces its roots in the social psychology literature, where it has been predominantly used to understand the behaviour of individuals (Bolino *et al.*, 2008; Edgar *et al.*, 2018). From a corporate reporting perspective, impression management is considered an attempt to influence the impressions conveyed to users of accounting information. Godfrey *et al.* (2003, p. 96) assert that impression management occurs "when management selects the information to display and presents that information in a manner that is intended to distort readers' perceptions of corporate achievement." This typically involves shaping representations to influence stakeholder perceptions by carefully controlling *what* is disclosed and *how* (Bansal and Kistruck, 2006). Consequently, impression management often results in a positive disclosure bias, as managers aim to present the firm in the most favourable light to enhance its reputation and image (Clatworthy and Jones, 2003; Schleicher and Walker, 2010). Generally, managers tend to have strong incentives for impression management, particularly in narrative disclosures. Narrative disclosures in corporate reporting "allow managers to stage and direct the play they wish their publics to see, to pick the characters, to select the script and

to decide which events will be highlighted and which will be omitted" (Neu *et al.*, 1998, p. 269). Many scholars argue that impression management often tends to be a low-cost and convenient alternative to more substantive actions aimed at enhancing organisational legitimacy. Along these lines, impression management has been documented across a broad spectrum of accounting disclosures, including minimal narrative disclosures (Leung *et al.*, 2015), labour practices (Li *et al.*, 2023), intellectual capital (Melloni, 2015; Melloni and Stacchezzini, 2016), and environmental disclosures (Cho *et al.*, 2010; Rodrigue *et al.*, 2013, 2015).

Impression management in narrative disclosures can manifest in various forms, with prior research identifying a wide range of strategies employed in corporate reporting (Brennan *et al.*, 2009; Merkl-Davies and Brennan, 2007). Prominent among these strategies are thematic manipulation, rhetorical manipulation, attribution of organisational outcomes, selectivity, and performance comparisons. On the whole, the literature suggests that impression management strategies focus primarily on either manipulating the presentation of information—such as language, verbal tone, graphical elements, imagery, and spatial positioning—or influencing disclosure choices, including thematic content, volume of information, and attribution. These strategies often introduce bias into the reporting process "through the use of ambiguity, responsibility avoidance, or both" (Cho *et al.*, 2010, p. 432).

In the specific context of SDG-related disclosures, organisational managers may be incentivised to engage in impression management. This stems from the general and less corporate-focused nature of the SDGs, coupled with the ongoing debates regarding the business case for the goals (Alexander *et al.*, 2022; Battaglia *et al.*, 2020; Scheyvens *et al.*, 2016). Furthermore, despite calls for businesses to integrate the SDGs into their reporting practices, the absence of regulatory requirements grants firms significant discretion over the content and presentation of these disclosures. While frameworks such as the SDG Compass and KPMG's quality criteria for SDG reporting (KPMG, 2018) offer guidance on SDG-related disclosures, many SDGs—such as SDG 1 (No Poverty), SDG 2 (Zero Hunger), and SDG 3 (Good Health and Well-Being)—remain too broad or lack prescriptive measurement indicators to effectively capture corporate contributions. As a result, businesses may tailor their disclosures in a manner that portrays a more favourable image of their SDG-related efforts. Through a symbolic approach, companies may give the appearance of aligning their practices with the SDGs, even if this does not reflect the underlying reality. Thus, the legitimacy and impression management perspectives offer a useful theoretical framing to extend the literature on corporate reporting on the SDGs.

## 2.2. Corporate reporting on the SDGs

The bulk of research so far has primarily concentrated on the drivers of SDG-related disclosures. Broadly, the literature classifies the drivers of SDG-related disclosures into country-level institutional factors and firm-level factors. Rosati and Faria (2019b) identify several country-level institutional factors that influence SDG-related disclosures, including climate change vulnerability, national CSR, employment protection, and lower levels of market coordination. Similarly, Bose and Khan (2022) show that SDG-related disclosures are more prevalent in shareholder-oriented jurisdictions and in countries with established sustainability regulations and higher SDG performance ratings. At the firm level, previous studies highlight several antecedents of SDG-related disclosures, including firm size, ownership structure, board characteristics, and chief executive officer attributes (García-Sánchez, Rodríguez-Ariza, *et al.*, 2020; Garrido-Ruso *et al.*, 2023; Martínez-Ferrero and García-Meca, 2020). Subramaniam *et al.* (2023) document institutional ownership, CEO duality, firm size, board gender diversity, sustainability committee and board experience in sustainability as influencing factors of SDG-

related disclosures. In a related study, García-Sánchez et al. (2020) show that ownership by foreign investors, pension funds, and other investors affect SDG-related disclosures. Also, Awuah et al. (2024) reveal that chief officer narcissism and power influence corporate reporting on the SDGs. In summary, these studies indicate that SDG-related disclosures are influenced by a combination of managerial, organisational and country-level institutional factors.

In the context of the SDGs, Bowen et al. (2017) highlight accountability processes as a critical governance challenge in the planning and implementation of the SDGs. Unlike the Millennium Development Goals, the 2030 Agenda establishes broad outcomes at the goal level, operationalised through sub-targets under each goal, along with indicators for monitoring purposes. Despite this more structured approach, some scholars argue that the current mechanisms for operationalising the goals are inadequate, as many of the SDG sub-targets and indicators lack specificity and measurability (Bowen et al., 2017; International Council for Science (ICSU) and International Social Science Council (ISSC), 2015). For instance, the ICSU and ISSC (2015) report indicates that only 29% of the 169 sub-targets are considered well-developed, while the majority of the targets and indicators lack the precision needed for effective implementation and monitoring. This gap creates challenges in assessing progress and holding stakeholders accountable for achieving the SDGs. Although empirical studies indicate an increasing trend in SDG-related disclosures within corporate reports, existing accounting research has paid limited attention to the thematic content and quality of these disclosures. As a result, it remains unclear whether firms adopt a substantive or symbolic approach in communicating their contributions towards achieving the SDGs.

From a substantive perspective, SDG-related disclosures are characterised by a genuine commitment to stakeholder accountability and transparency. Such disclosures should comprehensively detail corporate policies, objectives, targets, and actions related to the SDGs, incorporating quantifiable information to enhance the quality of the disclosures and foster meaningful stakeholder engagement. Furthermore, they should address both the positive and negative business impacts of the SDGs, along with the measures adopted to mitigate adverse effects, thereby delivering value-relevant information for stakeholders and the market. In this context, existing research suggests that substantive SDG-related disclosures are particularly useful for professional analysts and play a critical role in shaping market outcomes. For instance, Nicolò et al. (2024) provide empirical evidence that SDG-related disclosures improve analyst forecast quality, underscoring the value relevance for market participants. Similarly, García Meca and Martínez Ferrero (2021) provide evidence that corporate engagement with the SDGs, coupled with related disclosures, improves performance in industries that are environmentally sensitive or prone to controversies. These findings underscore the critical role of substantive SDGs reporting in fostering transparency, informing market decisions, and driving corporate accountability.

Conversely, a symbolic approach to SDGs reporting aims to portray the company as committed to the SDGs, with disclosures that are often detached from the underlying reality (Boiral, 2013; Hopwood, 2009). This approach involves the (un)conscious manipulation of SDG-related disclosures to obscure corporate activities, shaping stakeholders' perceptions of the firm's contributions to the SDGs. As Scheyvens et al. (2016) argue, a significant barrier to meaningful SDG integration is the inherent tension between the prevailing business model, which prioritises short-term gains, and the long-term orientation of the 2030 Agenda. Additionally, the absence of clear reporting guidelines, limited regulatory enforcement, and the broad scope of the SDGs exacerbate accountability challenges, creating opportunities for managerial discretion and potential manipulation in the reporting process. By managing *what* and *how*

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3 companies communicate their contributions to the SDGs, organisational managers may  
4 selectively disclose information to reinforce legitimacy and enhance corporate reputation, often  
5 at the expense of genuine accountability. Disclosures in such cases tend to include generic or  
6 boilerplate statements, providing minimal value in advancing stakeholders' understanding of  
7 the firm's actual impacts on the SDGs or the specific initiatives undertaken to address these  
8 impacts. This selective and superficial reporting raises concerns about the credibility and utility  
9 of SDG-related disclosures in fostering meaningful engagement with the 2030 Agenda.  
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12 Overall, research on the scope and quality of SDG-related disclosures, though still nascent, is  
13 beginning to offer valuable insights (Lodhia *et al.*, 2023; Silva, 2021). Understanding how  
14 firms engage with and report on the SDGs remains complex but critical, given the global  
15 importance of these goals and the pivotal role of the private sector in achieving them. In this  
16 context, the substantive versus symbolic perspectives offer a promising framework for  
17 advancing this emerging field. Bebbington and Unerman (2018, p. 10) highlight the need for  
18 further research to determine where firms' "SDG-related accounting initiatives lie on the  
19 continuum between pure rhetoric and meaningful action." Responding to this call, our study  
20 examines the thematic content, quality, and tone of SDG-related disclosures, providing novel  
21 insights into the evolving practices and challenges of corporate reporting on the SDGs.  
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#### 24 2.2.1. *Disclosure framework: scope and quality of SDG-related disclosures*

25 Prior SDG disclosure research has adopted several measures to capture the volume and quality  
26 of disclosures. In particular, a strand of the literature employs a dummy variable (whether the  
27 SDGs are mentioned or otherwise) as an indication of reporting (e.g. García Meca and Martínez  
28 Ferrero, 2021; Kazemikhasragh *et al.*, 2021; Martínez-Ferrero and García-Meca, 2020; Rosati  
29 and Faria, 2019a), while others consider the frequency of SDG mentions (word counts) (e.g.  
30 Ahmad and Buniamin, 2021; Gerged and Almontaser, 2021; van der Waal and Thijssens,  
31 2020). Although these measures offer preliminary insights, they remain limited in assessing  
32 the scope (thematic content) and quality following recommended guidelines such as the SDG  
33 Compass and KPMG's quality criteria for SDG reporting (KPMG, 2018). As Michelon *et al.*  
34 (2015) argue, while both the amount ('*how much*') and themes ('*what*') of disclosure are  
35 equally relevant for corporations and report users, they fail to consider other important  
36 dimensions that characterise the information disclosed.  
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40 According to Beretta and Bozzolan (2004, p. 266), disclosure quality depends on "both the  
41 quantity of the information disclosed and, on the richness, offered by additional information."  
42 They suggest that the mere disclosure of a large volume of information may not necessarily  
43 amount to high-quality reporting; rather, the value lies in the additional insights and contexts  
44 offered. Expanding on this perspective, Michelon *et al.* (2015) accentuate that the richness of  
45 sustainability disclosures could be understood as the degree to which the information enables  
46 users to understand the social and environmental impacts of corporate activities and infer the  
47 organisation's approach to sustainable development. In other words, the more comprehensive  
48 and insightful sustainability disclosures, the better-equipped stakeholders are to evaluate the  
49 organisation's commitment to sustainable development. In the context of SDG-related  
50 disclosures, a good report should not only inform about an organisation's objectives but also  
51 detail the activities and strategies to achieve those objectives. This includes disclosures on  
52 priority SDGs and sub-targets, significant impacts (both positive and negative) related to  
53 priority SDGs, objectives and progress achieved, along with the strategies and measures to  
54 manage impacts related to priority SDGs. Thus, greater information diversity indicates the  
55 firm's awareness of its impact on a wider scale, which might be indicative of social  
56 responsibility, accountability and management's commitment to sustainable development  
57 (Beck *et al.*, 2010).  
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The Global Reporting Initiative (GRI), in collaboration with the UN Global Compact (UNGC) and World Business Council for Sustainable Development (WBCSD), developed the SDG Compass to guide companies on how they can align their strategies as well as measure and manage their contribution to the SDGs. The guidance is based on five steps: understanding the SDGs, defining priorities, setting goals, integrating, and reporting and communicating. Drawing on the SDG Compass, KPMG (2018) proposed a nine-item quality framework for evaluating the substantiveness of SDG-related disclosures. The framework focuses on firms' acknowledging the business impacts of the SDGs and making a business case for them (understanding), identifying priority SDGs and sub-targets with explanations of the methodology used (prioritisation), and reporting performance goals and indicators to measure progress (measurement). In this context, a substantive approach to reporting would entail adherence to all the elements of the framework (understanding, prioritisation, and measurement), along with the three sub-elements within each category. On the other hand, any disclosure that falls short of these criteria could be perceived as symbolic.

Given the methodological limitations in prior SDG-related disclosure literature, we adapt Beretta and Bozzolan's (2004) risk disclosure framework to SDG-related disclosures. The framework captures "a great number of quantitative and qualitative features concerning a specific kind of voluntarily disclosed information" (Michelon *et al.*, 2015, p. 65). It considers four distinct yet complementary dimensions of disclosure, including the *content* of disclosures, the *economic sign* attributed to the expected impacts, the *type of measures* used to quantify and qualify the expected impacts, and the *outlook orientation and managerial approach*. Drawing on previous studies (Beretta and Bozzolan, 2004, 2008; Michelon *et al.*, 2015), we propose a framework that considers three distinct yet complementary dimensions: the *content* of the information disclosed (what is disclosed), the *type of measures* used to quantify and qualify SDG-related information (how it is disclosed), and *managerial orientation* (the corporate approach to the SDGs). Given the apparent dearth in the literature regarding the *content* of SDG-related disclosures, we rely on the SDG Compass and KPMG's quality criteria for SDG reporting. In our framework, the content of SDG-related disclosures includes the following categories: priority SDGs and sub-targets; business case and impacts on priority SDGs and sub-targets; performance objectives, and specific business actions toward priority SDGs. Concerning the attributes of the disclosures, we propose that the content will be enriched by the way firms' SDG-related actions/initiatives are qualified and quantified (type of measures). Thus, we consider whether SDG-related initiatives are expressed quantitatively, qualitatively, in financial or non-financial terms. Additionally, the managerial orientation captures the time orientation (forward-looking or historical) and organisational commitment (whether the SDGs are referenced in the Chairman's or CEO's statement). Figure 1 shows our disclosure framework adopted.

#### **<Insert Figure 1 Here>**

##### **2.2.2. Tone analysis of SDG-related disclosures**

Thematic manipulation is a well-established impression management strategy commonly employed in narrative disclosures (Brennan *et al.*, 2009; García Osma and Guillamón-Saorín, 2011). This strategy involves the use of language or verbal tone by management to portray their performance in the best possible light. Previous research has demonstrated that organisational managers do not communicate information neutrally; instead, they tend to obfuscate failures and emphasise achievements (Cho *et al.*, 2010; Clatworthy and Jones, 2003; Edgar *et al.*, 2021; Melloni and Stacchezzini, 2016; Schleicher and Walker, 2010). One common approach within this strategy involves altering the tone and language of narrative disclosures. For instance, Cho *et al.* (2010) demonstrate that companies with poor environmental performance used biased

language and tone in environmental disclosures to mitigate negative perceptions. Similarly, prior studies document evidence of positive reporting bias across various contexts, including intellectual capital disclosures (Melloni, 2015), forward-looking narratives (Schleicher and Walker, 2010), and annual results press releases (Brennan *et al.*, 2009). These findings underscore the importance of disclosure tone as a tool of opportunistic managerial behaviour in narrative reporting.

Understanding whether and how managers bias the tone of SDG-related disclosures represents a critical area of enquiry. Empirical evidence suggests that these disclosures are value-relevant, often informing professional analysts and investors in pricing decisions. As a result, manipulating the tone and content of SDG-related disclosures may significantly affect analysts' evaluations and, by extension, market valuations (e.g. García-Sánchez *et al.*, 2020; Nicolò *et al.*, 2024). In this context, our study focuses on the combined use of thematic manipulation and emphasis in framing SDG-related disclosures. Building on previous studies, we examine the strategic use of positive keywords and statements, in contrast to neutral or negative language, to construct a positive image of an SDG-committed organisation. Additionally, we analyse the use of emphasis (through reinforcements or qualifiers) to amplify favourable information and ensure that it captures readers' attention.

This paper advances the theoretical discourse by integrating Beretta and Bozzolan's (2004) risk disclosure framework with KPMG's scope-quality model and impression management theory. While each has been applied separately in CSR or sustainability reporting, their triangulated application to SDG disclosures is methodologically original. This hybrid framework not only captures the breadth and depth of disclosures but also interrogates their tone and persuasive elements, offering a multidimensional lens to assess the symbolic versus substantive dynamics in corporate SDG engagement.

### 3. Research method

The analysis focuses on the FTSE 100 index, which comprises the 100 largest companies listed on the London Stock Exchange by market capitalisation. The choice of listed UK companies is driven by the limited SDG-related disclosure research within this region (Awuah *et al.*, 2024). Existing literature suggests that large companies are particularly susceptible to external pressures due to their high visibility (Michelon *et al.*, 2015). Such pressures can pose risks to their legitimacy and reputation, prompting these organisations to disclose sustainability performance information as a strategic response to mitigate external threats (Neu *et al.*, 1998). To understand the scope (thematic content) and quality of current reporting practices, this study analyses the most recent sustainability performance reports available, as they provide a relevant snapshot of firms' SDG-related activities and outcomes. Specifically, we examined reports published during the 2022 financial year, offering insights into the prevailing state of SDG-related disclosures among the UK's largest publicly listed companies.

<Insert Figure 2 Here>

#### 3.1. Scope and quality of SDG disclosures

Consistent with previous studies, we adopt a meaning-oriented multi-stage qualitative content analysis to explore the scope and quality of SDG-related disclosures (Boiral, 2013; Cooper and Slack, 2015). First, a text search with the following terms "sustainable development goal\*" or "SDG\*" was performed to identify the sustainability performance reports that reference the SDG. This process yielded 75 sustainability performance reports. Next, for each report, we carefully teased out SDG-specific disclosure by identifying explicit references to the 17 SDGs and their associated targets. This involved a detailed content analysis where we isolated

1  
2  
3 statements, goals, and metrics directly linked to each SDG. This rigorous process was applied  
4 to all documents to ensure that our dataset focuses specifically on SDG-related information,  
5 distinguishing it from broader sustainability disclosures. We define the unit of analysis as  
6 single sentences because they are relatively more reliable than pages or paragraphs (Michelon  
7 *et al.*, 2015).  
8

9 Next, we apply our disclosure framework to the narrative disclosures to capture firms' SDG-  
10 related initiatives. In this process, the disclosures were analysed and coded based on the content  
11 they refer to (business case, priority SDGs and sub-targets, business impacts, performance  
12 objectives, and actions). For instance, we analyse relevant extracts to identify how firms  
13 conclude which SDGs are material to their operations. This is crucial because although the  
14 SDGs are interrelated, not all 17 goals are equally relevant to every company. These disclosures  
15 improve transparency and help address the increasing concerns about firms engaging in 'SDG-  
16 washing' or 'cherry-picking' (Heras-Saizarbitoria *et al.*, 2021). Also, we coded the SDG-  
17 related disclosures according to the type of measures (qualitative, quantitative, financial, or  
18 non-financial) and managerial orientation (historical, forward-looking, organisational  
19 commitment). Managerial orientation assesses the commitment at the top management level  
20 (references to the SDG in the chairman's or CEO's report) and whether SDG-related disclosures  
21 are either historical or forward-looking.  
22

### 23 3.2. Measuring the tone of SDG-related disclosures

24 In assessing the tone of SDGs-related disclosures, we adopt a manual meaning-oriented content  
25 analysis and differentiate between positive and negative statements and keywords. This  
26 involves manually reading all the statements and keywords and considering the context of the  
27 statements and keywords (Schleicher and Walker, 2010). Although this approach is highly  
28 subjective, it is deemed more reliable than computer-aided form-oriented content analysis,  
29 which focuses on word counts and is not sensitive to the context (Brennan *et al.*, 2009). As  
30 impression management strategies, such as thematic manipulation and emphasis, are usually  
31 subtle and sophisticated, meaning-oriented content analysis allows a more detailed analysis of  
32 the disclosures (Brennan *et al.*, 2009; García Osma and Guillamón-Saorín, 2011).  
33

34 We chose both statements and keywords as the unit of analysis to allow for methodological  
35 triangulation. To mitigate the subjectivity in the coding process, we derived a list of keywords  
36 based on keywords used in previous studies (Abrahamson and Amir, 1996; Henry, 2008) to  
37 guide the coding process. Statements were classified as positive or negative based on the nature  
38 of the information disclosed. We follow Rodrigue *et al.* (2015) and classify statements as (i)  
39 positive when they reflected an activity/action undertaken by the firm with beneficial  
40 implications on the SDGs, and (ii) negative when they reflected an activity undertaken by the  
41 firm with detrimental implications on the SDGs. Where a sentence refers to more than one  
42 issue that could be analysed separately, we treated the issue as a separate statement. As  
43 illustrated in example 1 in Table I, three statements can be identified within the single sentence  
44 (two positive and one negative). The scoring process involves coding the number of times a  
45 keyword or statement is mentioned within the SDG-related disclosures. Similar to Brennan *et*  
46 *al.* (2009), we included grammatical variations of words as separate keywords (e.g. "lead",  
47 "leader", "leading").  
48

### 49 <Insert Table I Here>

50 Furthermore, the use of emphasis has been described as a subtle promotional technique used in  
51 narrative reporting (Brennan *et al.*, 2009; Henry, 2008). Emphasis as an impression  
52 management strategy is premised on the assumption that the reader pays attention to the  
53

disclosures emphasised more (Brennan *et al.*, 2009). Although several techniques can be used to emphasise narrative disclosures (e.g., location, positioning, repetition, presentation), we focus on the use of reinforcements to emphasise SDG performance. Reinforcements in narrative reporting occur when a qualifier is used to emphasise a particular keyword (Brennan *et al.*, 2009; García Osma and Guillamón-Saorín, 2011). As Maat (2007, p. 68) underscores, qualifiers or evaluative comments are less subtle promotional techniques used to create a “stronger argument for a particular conclusion than the nonreinforced version.” For instance, in example 3 of Table I, the words “substantially” and “good” are used to reinforce the keywords “reducing” and “progress” respectively. Similarly, in example 4, the use of the word “slightly” de-emphasises the negative keywords “down” and “below”.

Finally, we calculated a composite bias score based on the analysis of statements, keywords, and reinforcements. A weighting of 1.0 was assigned for each keyword or statement, and a weighting of 0.5 for each keyword reinforced with a qualifier. Thus, the total score ranges from a minimum of 1.0 to a maximum of 2.5 as shown in Table II. These scores capture the extent to which the SDG-related disclosures are biased towards positive or negative tone/language. Following García Osma and Guillamón-Saorín (2011), we compute a tone bias score as the difference between total composite scores for all positive keywords/statements, less the total composite scores for all negative keywords/statements, divided by the total composite scores for all keywords/statements. An illustrative example is provided in Table II showing that the SDG-related disclosures for Barratt Development Plc are biased towards a positive/optimistic tone. We conducted several rounds of coding to enhance the coding reliability. The initial coding was completed by the lead author. The remaining three authors critically reviewed the coding and mapping procedures, examining back and forth the coding decisions made. This process involved a critical review of references within the initial codes to ascertain the alignment with our framework.

<Insert Table II Here>

<Insert Figure 3 Here>

#### 4. Findings

This section presents our findings regarding the scope and quality of corporate SDG-related disclosures among FTSE 100 companies based on the analyses of sustainability performance reports.

##### 4.1. Scope of SDG-related disclosures

Figure 2 reveals that a majority of FTSE 100 companies provide some level of information regarding the SDG. Specifically, 75 companies include relevant disclosures about the SDGs in their sustainability performance reports. Notably, some companies have taken an additional step by explicitly labelling their reports as “sustainable development reports” (e.g., Mondi Group; Smurfit Kappa). Moreover, a few reporting companies issue separate reports solely dedicated to the SDGs, complementing the information presented in their sustainability performance reports (e.g., GlaxoSmithKline; Kingfisher; Mondi Group). Consistent with previous studies (Lodhia *et al.*, 2023; Rosati and Faria, 2019a; Silva, 2021), our results underscore a notable reception of the SDGs among private sector entities, particularly listed companies in the UK. An in-depth analysis of the reports indicates that most companies recognise the significance of the 2030 Agenda and articulate their respective roles in advancing this overarching mission. Also, the majority of reporting companies acknowledge the

1  
2  
3 collaborative efforts among governments, the private sector, and civil societies in addressing  
4 the global challenges espoused by the SDGs, as evidenced in the following quote.  
5

6 *“The UN Sustainable Development Goals (SDG) bring together governments, civil society and*  
7 *the private sector to create a sustainable future. We have mapped our Sustainability Agenda*  
8 *to the eight SDGs that are most relevant for our business and stakeholders”* (BAT, 2021, p.  
9 24).

10  
11 Analysing the reporting companies by industry, the results in Table III show that companies  
12 operating in all industries other than technology have integrated the SDGs into their reporting  
13 practices. The leading sectors include industrials, consumer discretionary, and financials, with  
14 17, 15, and 13 companies, respectively. The high proportion of the industrial and consumer  
15 discretionary sectors can be attributed to significant environmental and social impacts of  
16 companies operating in this sector (García Meca and Martínez Ferrero, 2021; Lodhia *et al.*,  
17 2023) as well as the sector’s representation among the FTSE 100 list. Overall, the results  
18 suggest that the SDGs have resonated well across all industries.  
19

20  
21 Furthermore, we note that most of the reporting companies explicitly disclose their priority  
22 SDGs (see Figure 3). Consistent with prior studies (Avrampou *et al.*, 2019; Lodhia *et al.*, 2023;  
23 Thammaraksa *et al.*, 2024), the most prominent goals across these reporting companies are  
24 SDG 13 - Climate Action, SDG 8 - Decent Work and Economic Growth, SDG 12 - Responsible  
25 Consumption and Production, and SDG 5 - Gender Equality. Specifically, out of the 75 reports  
26 examined, 86% mention at the goal level that their operations contribute to SDG 13. Following  
27 closely is SDG 8, with 78% of the companies referencing this as a priority goal. Similarly,  
28 SDG 12 is a priority for 71% of the companies, while 55% articulate that their activities  
29 contribute towards achieving SDG 5. We contend that these findings are not surprising given  
30 that these SDGs align closely with the private sector’s operational activities, regulatory  
31 requirements, as well as existing sustainability strategies of firms. Also, most sustainability  
32 reporting standards/frameworks offer prescriptive guidance on the topics covered by these  
33 goals, allowing companies to align their SDG-related disclosures with the content already  
34 disclosed on these topics. Additionally, these goals address pertinent issues that have gained  
35 considerable attention in both scholarly discourse and print media, particularly due to their  
36 implications on the environment and society as a whole. The least prominent SDGs include  
37 SDG 2 – Zero Hunger, SDG 14 – Life Below Water, SDG 1 – No Poverty, and SDG 16 –  
38 Peace, Justice and Strong Institutions. These goals are more oriented towards the public sector  
39 and thus seem disconnected from the core operations and sustainability practices of the private  
40 sector.  
41

42  
43 **<Insert Table III Here>**  
44

45  
46 Surprisingly, our analysis at the target level reveals a disconcerting trend. The results show that  
47 only a few companies disclose specific sub-targets related to the priority SDGs identified at the  
48 goal level. Specifically, only 17 companies provide disclosures on selected SDG sub-targets  
49 associated with the priority goals addressed in their reports. For instance, Next plc states its  
50 commitment to nine priority SDGs and further outlines some corporate actions aimed at  
51 contributing towards these goals. However, no explicit targets under each of these nine goals  
52 are disclosed. Similarly, Glencore Plc maps its actions and strategies to seven specific SDGs  
53 but fails to disclose the sub-targets under each of these goals that it has committed to advancing.  
54

55 While SDGs 8, 12 and 13 featured most prominently in corporate disclosures, a deeper look at  
56 the sub-target level reveals important gaps that raise concerns about both corporate engagement  
57 and the structural suitability of the SDG framework for private sector reporting. For instance,  
58

1  
2  
3 SDG 8 (Decent Work and Economic Growth) includes sub-targets such as 8.5 (full and  
4 productive employment and equal pay) and 8.7 (eradication of forced labour and child labour).  
5 However, few firms disclosed performance metrics explicitly aligned with these targets.  
6 Instead, disclosures focussed on general employment figures or workforce diversity statements,  
7 lacking specificity on sub-target benchmarks.  
8

9  
10 Similarly, SDG 12 (Responsible Consumption and Production) includes sub-target 12.5  
11 (substantially reduce waste generation through prevention, reduction, recycling, and reuse),  
12 which is well-aligned with existing GRI 306 (Waste) and GRI 301 (Materials) indicators. Yet,  
13 disclosures often failed to reference these or show measurable alignment, relying instead on  
14 high-level statements about circularity or waste reduction without accompanying metrics.  
15 Additionally, SDG 13 (Climate Action) presents another critical case. Sub-target 13.2  
16 (integrate climate change measures into national policies, strategies and planning) is framed at  
17 the governmental level, with limited corporate translatability. This perhaps explains why firms  
18 frequently referenced SDG 13 but rarely disclosed performance metrics beyond general  
19 emissions reduction, despite potential alignment with GRI 305 (Emissions).  
20

21 These patterns raise critical questions about the nature of the sub-targets themselves. While  
22 under-reporting could be interpreted as a lack of corporate commitment, it also reflects the  
23 structural limitations of the SDGs, particularly in the design and corporate relevance of certain  
24 sub-targets. As emphasised in the 2015 ICSU and ISSC report, the successful implementation  
25 of the SDGs is contingent, in part, on the alignment of targets and goals with existing  
26 international agreements and political processes (ICSU and ISSC, 2015). The SDGs were  
27 developed primarily by nation-states, and thus many sub-targets, particularly those under Goals  
28 8, 12, and 13, are framed in ways that assume state-level data availability, legal enforcement  
29 mechanisms, or societal infrastructure. In this context, several sub-targets emphasise  
30 macroeconomic, social, or institutional objectives that fall outside the direct remit or influence  
31 of individual corporations. Additionally, many of the indicators for monitoring the  
32 achievement of the sub-targets are largely aimed at national governments, lacking alignment  
33 with established reporting frameworks like GRI or ESRS, which hampers corporations' ability  
34 to disclose against them meaningfully. For example, only two (13.2.2 and 13.a.1) out of the  
35 eight indicators for measuring the progress on the five sub-targets under SDG 13 fall directly  
36 within the scope of corporations. This structural misalignment limits their direct applicability  
37 in corporate settings, especially where voluntary reporting prevails.  
38

39 Additionally, given the interconnectedness of the SDGs, many of the targets contribute to  
40 several goals, and some goals and targets may conflict, as action to achieve one target could  
41 have unintended consequences on others if pursued separately. For instance, while SDG 9  
42 advocates for industrial innovation, expanding infrastructure, and driving innovation in  
43 manufacturing sectors, SDG 13 stresses the need for emissions reduction, energy efficiency,  
44 and decarbonisation. These goals can sometimes be conflicting, considering the trade-off  
45 between the rapid development of infrastructure and/or the scaling of industries and increased  
46 emissions and environmental degradation. In this context, businesses may avoid disclosing  
47 sub-targets that they consider politically sensitive, difficult to measure, or reputationally risky.  
48

49 Nevertheless, structural misalignment does not wholly explain the reporting gaps observed.  
50 Even where sub-targets align reasonably well with corporate activities—such as inclusive  
51 employment (8.5), eradication of forced labour and child labour (8.7), sustainable management  
52 and efficient use of resources, production practices and procurement (12.2, 12.4, 12.5 and  
53 12.7), or climate education and institutional capacity (13.3)—disclosure remains limited or  
54 superficial. The GRI, together with UNGC, provides a comprehensive analysis of SDGs based  
55 on recognised reporting frameworks, offering a unified inventory of the possible disclosures  
56

for each SDG and sub-target (GRI and UNGC, 2022). Thus, for these sub-targets in particular, guidance exists in existing reporting frameworks/standards (e.g. GRI 301, 305, 306, ESRS E1, E5, S1, and S2) to align firms' disclosures with the material SDGs and sub-targets. However, for these sub-targets, while potentially material, they often receive superficial or no attention in the SDG-related disclosures. In this context, we argue that the uneven uptake of sub-targets is as much a reflection of the SDGs' architecture as it is of corporate strategic behaviour.

Aside from the limited disclosures on the sub-targets, the disclosures on the business case for priority SDGs are also sparse. Only a handful of companies (4%) disclose the links between the priority SDGs, including an analysis of the business impacts on the priority SDGs identified. Thus, similar to the SDG-related disclosures in Australian firms (Lodhia *et al.*, 2023), we note that most companies fail to demonstrate a rigorous assessment of business risks and opportunities from the SDGs, and whether their SDG-related activities are informed by a careful evaluation of the business risks and opportunities arising from the priority SDGs. The following extract illustrates how Mondi Group assesses its impacts on the SDGs.

*In determining the strategic relevance of each UN SDG, we consider both the positive and potentially negative impacts of our operations and factors – such as the significance of each goal and its sub-targets across our value chain. We evaluate the alignment of goals and sub-targets with our business activities, our ability to leverage our skills and resources to help drive change, and the importance of issues to our stakeholders* (Mondi Group, 2021, p. 22).

#### 4.2. Quality of SDG-related disclosures

Although the majority of the reporting companies disclose SDG-related initiatives, only a few companies provide measurable indicators to track progress (see Table IV). Specifically, only 25% of the reporting companies disclose quantitative (financial or non-financial) information in support of actions towards specific SDGs. SDG disclosures are largely qualitative, highlighting a challenge in evaluating how corporate-specific actions are contributing to the priority SDGs outlined. Also, the disclosures are predominantly historical, with little or no comparative information to assess a company's SDG-related performance over time. This suggests that while most companies reference the SDGs in their sustainability performance reports, there is a notable disparity in the level of attention given to the quality of SDG-related disclosures. This is further exemplified in instances where some companies align multiple SDGs to some firm-specific activities, implying their contributions to these goals, yet fail to adequately demonstrate the explicit connections between these activities and the SDGs (e.g., Aviva; Dechra Pharmaceuticals Plc).

Furthermore, managerial orientation reflects the extent to which corporate leadership integrates the SDGs into organisational strategy, with particular emphasis on the role of the CEO and Board Chair in driving these commitments. To assess this dimension, we examined the extent to which the SDGs are explicitly referenced in CEO and/or Chair statements within sustainability performance reports. The findings reveal limited managerial commitment, as only 21% of the reporting companies made explicit reference to the SDGs in their executive statements. For example, the CEO of AVEVA Group highlights their involvement with 2030Vision, a World Economic Forum initiative aimed at leveraging advanced technologies to accelerate the achievement of the SDGs. The CEO states:

*More recently, we joined 2030Vision, an initiative hosted by the World Economic Forum that seeks to fast track advanced technologies to accelerate the achievement of the UN Sustainable Development Goals (SDGs) in an inclusive manner. As we continue to advance and build AVEVA's own 2030 agenda, I look forward to leveraging our growing network of strategic partners and collaborators* (AVEVA Group Plc, 2021, p. 4).

Similarly, the CEO of RELX Plc emphasises the company's commitment to contributing towards the SDGs, stating:

*Our unique contributions to society are at the heart of our business. When we scale our expertise and knowledge, we make a significant impact in critical areas linked to the United Nations Sustainable Development Goals (SDGs): universal, sustainable access to information; protection of society and reduced inequalities; advancement of science and health; the rule of law and justice; and support for communities (RELX, 2021, p. 4).*

These limited references raise critical concerns regarding the extent of managerial commitment to the SDGs. Prior studies underscore the pivotal role of executive leadership in shaping organisational priorities and embedding sustainability into core operations. From a dynamic managerial capabilities perspective, managerial agency is central to enabling firms to adapt to evolving sustainability imperatives (Helfat and Martin, 2015; Helfat and Peteraf, 2015; Heubeck, 2023). This requires not only cognitive capabilities but also sustained attention to, and advocacy for, strategic issues such as the SDGs. According to Lodhia *et al.* (2023), active executive involvement is crucial for institutionalising the SDGs within corporate priorities and fostering an organisational culture conducive to long-term sustainability transformation. Public visibility and signalling through executive communications are key markets of such commitment. Without sustained top-level advocacy, efforts to embed the SDGs into corporate strategy and operations is likely to remain fragmented, superficial, and performative, thereby undermining their potential as catalysts for innovation, organisational change, and long-term value creation (Dyllick and Muff, 2016; Scheyvens *et al.*, 2016).

Overall, the lack of clear and measurable disclosures concerning specific actions on priority SDGs suggests corporate reporting predominantly revolves around SDG rhetoric rather than substantive commitments. The selective and heterogeneous nature of these disclosures reinforces earlier observations, suggesting that many businesses have not fundamentally transformed their operations to align with the SDGs. Instead, they often map existing sustainability initiatives to multiple SDGs without demonstrating genuine alignment or integration with these global goals (Awuah *et al.*, 2024; Silva, 2021; Thammaraksa *et al.*, 2024). Consistent with prior research, this evidence highlights a symbolic approach to SDG-related disclosures, wherein disclosures serve more as a means of reputation management than as a reflection of substantive action. Moreover, the quality of the disclosed information frequently falls short of the criteria for transparency and accountability established by frameworks such as KPMG's (2018) quality criteria for SDG reporting and the SDG Compass. This is particularly evident in the superficial nature of disclosures, which often lack depth and fail to provide actionable insights or detailed outcomes related to priority SDG initiatives. Such inadequacies suggest a troubling trend: instead of fostering genuine commitment to the global sustainable development agenda, these reporting practices risk perpetuating a façade of accountability. To drive substantive progress toward achieving the SDGs, companies must go beyond symbolic reporting and prioritise the delivery of meaningful, measurable, and transparent disclosures that reflect genuine integration of the SDGs into their core strategies and operations. Without such a shift, the potential for the private sector to contribute meaningfully to sustainable development will remain unfulfilled.

#### **<Insert Table IV Here>**

##### **4.2.1. Tone of SDG-related disclosures**

Having examined the content and quality of SDG-related disclosures, we then considered whether and how managers employ biased language/tone in framing corporate contributions

toward the SDGs. Table V presents the analysis of the number of statements and keywords used. Consistent with prior narrative disclosure literature, the results reveal a prevalent use of positive language in these disclosures (Cho *et al.*, 2010; Melloni and Stacchezzini, 2016; Schleicher and Walker, 2010). Specifically, we observe a positive tone bias, with an overall bias score of +0.532, suggesting the presence of thematic manipulation and selective emphasis. Firms tend to provide limited information about negative events while extensively highlighting positive impacts on the SDGs. Consistent with KPMG (2024), this trend demonstrates an inclination to frame SDG-related disclosures in a manner that enhances the company's image through the strategic use of positive statements, keywords, and qualifiers.

The results align with the view that companies are particularly keen to use their reporting discretion to portray a favourable impression of themselves to their stakeholders. As Aerts (1994, p. 337) aptly notes, impression management is often achieved through performance explanations, particularly in cases where the explanations of organisational events are not straightforward interpretations of data but are instead strategically constructed narratives. Given the broad and complex nature of the SDGs, coupled with the uncertainty regarding the business case for the private sector, firms are more likely to use certain language characteristics strategically to frame their SDG-related efforts in a positive light. Thus, it is not surprising that corporate contributions are expressed in a more optimistic and positive tone. For instance, KPMG (2024) concludes that many companies are using SDG-based targets primarily for marketing purposes rather than to guide corporate strategy. While such framing may enhance the perceived alignment with the 2030 Agenda, it also raises concerns about the reliability and completeness of the information presented. Further, the selective emphasis on positive impacts, coupled with a limited acknowledgement of negative events or challenges, risks distorting stakeholders' understanding of a company's true contributions to the SDGs. This could potentially mislead investors, regulators, and other stakeholders who rely on these disclosures to assess corporate performance and accountability (García-Sánchez *et al.*, 2020; Nicolò *et al.*, 2024).

<Insert Table V Here>

## 5. Discussion and conclusion

Drawing on evidence from selected UK FTSE 100 companies, this study examines how corporate contributions to the SDGs are framed, assessing whether such narratives reflect genuine accountability to stakeholders or function primarily as impression management. While references to the SDGs have become a common feature of corporate sustainability reporting, our analysis reveals that such disclosures are largely confined to a narrow set of high-profile headline goals, with little or no engagement with sub-targets and minimal use of performance indicators. By extending the analytical lens beyond headline goals to critically evaluate sub-targets and the relevance of the SDG architecture within corporate contexts, we demonstrate that symbolic engagement cannot be attributed solely to weak corporate will or managerial apathy. Rather, it reflects deeper structural deficiencies embedded within the SDG framework itself. The broad, universal, and often non-business-centric design of many targets and indicators renders them difficult to operationalise, thereby legitimising selective or symbolic reporting. As a result, purported linkages between stated SDG priorities and actual business practices are often tenuous or entirely absent. In many instances, existing sustainability initiatives are repurposed as SDG contributions, signalling a performative rather than transformative orientation (Silva, 2021). This performativity is further reinforced through discursive strategies that privilege overly positive tone/framing, consistent with impression management.

Addressing these systemic deficiencies requires a fundamental reconfiguration of the institutional environment for SDG reporting. Recent policy initiatives of the European Union—the Corporate Sustainability Reporting Directive (CSRD) (EU 2022/2464) and the European Sustainability Reporting Standards (ESRS) (EU 2023/2772)—mark an important shift from voluntary to mandatory sustainability reporting for large companies. While this regulatory turn signals a broader institutional effort to promote substantive, impact-oriented reporting, the alignment between the ESRS and the SDGs remains limited, particularly at the sub-target level. In their comparative assessment, Danielsen and Callewaert (2024) show that the ESRS are unlikely to drive substantial progress on SDGs 3 (Good Health and Well-being), 9 (Industry, Innovation and Infrastructure), and 17 (Partnerships for the Goals). Although several SDGs are addressed thematically within the ESRS, notable gaps persist at the sub-target level, especially for SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 7 (Affordable and Clean Energy), SDG 10 (Reduced Inequality), and SDG 11 (Sustainable Cities and Communities). These gaps reflect not only technical limitations in the frameworks but also conceptual divergences between the SDGs' systemic, transformative ambitions and the ESRS's firm-centred, performance-based orientation. Consequently, the ESRS are more likely to promote engagement with goals lend themselves to quantifiable and entity-controllable outcomes than those requiring cross-sectoral collaboration or addressing grand social challenges.

This partial coverage risks entrenching existing patterns of selective reporting, whereby firms prioritise “easier-to-report” goals while marginalising those that are more challenging, less directly linked to financial and/or impact materiality. The omission is particularly problematic for goals such as SDG 4 and SDG 10, which require confronting systemic inequities, structural exclusion, and redistributive justice—areas that do not easily translate into conventional corporate accounting metrics. As Awuah *et al.* (2024) argue, without explicit guidance or requirements in these areas, corporate SDG-related disclosures may default to a performative logic, focusing on goals that are more measurable or reputationally advantageous. Such selective engagement not only undermines the potential of SDG reporting as an accountability mechanism but also perpetuates a fragmented understanding of sustainable development. As debates surrounding the post-2030 development agenda gather momentum, future iterations of the SDGs must more directly accommodate the private sector’s evolving role. Despite the SDG formulation process being described as ‘hyper-participatory’ (Scheyvens *et al.*, 2016), the goals, sub-targets, and indicators remain predominantly state-oriented. This design orientation limits the scope of corporate accountability, as many sub-targets fail to provide clear, actionable entry points for substantive corporate engagement with the agenda.

One productive pathway for achieving this lies in fostering collaborative partnerships between corporations, international sustainability standard-setters (e.g., ISSB, GRI, EFRAG), and global governance institutions such as the UN Global Compact and the World Business Council for Sustainable Development. Such alliances—rooted in the spirit of SDG 17—could facilitate the co-creation of indicators that are more attuned to social and environmental realities, while also enhancing the credibility and comparability of corporate SDG-related narratives. The development of clearer, context-sensitive, and standards-aligned sub-targets would not only encourage more meaningful engagement by firms but also support a shift toward more transformative forms of accountability. Also, embedding mechanisms for inter-organisational collaboration and value chain transparency within reporting frameworks could provide firms with the structural incentives and tools necessary to engage with goals that require cross-sectoral partnerships. Without these reforms, there is a risk that corporate SDG-related disclosures will continue to overstate business contributions, potentially obfuscating rather than advancing the ambitions of the 2030 Agenda. Aligning regulatory frameworks and

sustainability standards with the multidimensional aims of sustainable development is, therefore, not only desirable but essential if corporations are to be positioned as legitimate and responsible participants in global efforts to build more just, inclusive, and sustainable futures.

### 5.1. Implications and suggestions for future research

Our findings offer important implications for standard-setters, regulators, and corporate actors committed to advancing the accountability potential of SDG reporting. First, our study draws attention to structural deficiencies within the SDG framework itself—particularly at the sub-target level—which constrain the scope for meaningful corporate accountability. Contrary to prior studies that attribute symbolic SDG engagement solely to managerial apathy or weak organisational commitment, our findings suggest that the fragmented and misaligned nature of many sub-targets—often lacking coherence with existing reporting frameworks—creates conditions that legitimise symbolic engagement. While corporate engagement with headline SDG goals has improved, the vague and non-corporate-centric framing of the sub-targets fosters selective reporting practices. This, in turn, risks marginalising certain SDGs that are materially relevant yet commercially inconvenient. These insights are particularly salient as policymakers begin to formulate the post-2030 development agenda. If the private sector is to serve as a credible agent of sustainable development, the SDGs and sub-targets must better reflect operational realities and reporting practices of corporate actors. Addressing these systemic deficiencies requires both regulatory oversight and a fundamental rethinking of the SDG architecture and its interface with corporate reporting practices.

Second, our findings carry important implications for stakeholders, particularly investors and analysts who increasingly rely on SDG disclosures for decision-making (García-Sánchez et al., 2020; Nicolò et al., 2024). Despite their growing prominence, SDG-related disclosures remain largely voluntary, unaudited, and unstandardised, raising questions about their reliability and strategic relevance. While our study does not empirically assess investor reactions directly, the evidence reveals a persistent tendency towards symbolic and boilerplate disclosure practices, which diminishes the informational value of SDG reporting. To address this, we propose that stakeholders adopt structured evaluative tools—such as our disclosure framework—which considers not only the disclosure volume but also the discursive content and tone. Such an approach enables a more nuanced and critical assessment of the quality and substance of firms' SDG-related commitments and practices.

Finally, for corporate boards and executives, the findings reinforce the urgent need to move beyond rhetorical commitments and integrate SDG sub-targets into corporate strategy, resource allocation, and performance management systems. The prevailing pattern of repurposing existing sustainability initiatives as SDG contributions suggests a performative orientation that limits the transformative potential of the 2030 agenda. For SDG reporting to evolve into a meaningful accountability mechanism, firms must adopt an integrative approach that embeds SDG priorities within core governance and operational processes. Achieving this shift requires visible and sustained commitment from top management. Strategic engagement with the SDGs must go beyond signalling and serve as a catalyst for behavioural transformation, innovation, and long-term value creation. Without this, the private sector's contribution to the 2030 Agenda risks remaining largely symbolic, undermining both stakeholder trust and the broader legitimacy of corporate sustainability discourse.

Our results should be interpreted considering the choices made regarding the sample and the subjective analysis and interpretation of the data. The conclusions are drawn from a sample of 75 sustainability performance reports issued within one year from one jurisdiction. Therefore,

we do not seek to generalise the degree to which our findings may be evident in different research contexts. Nevertheless, we believe that our study extends the literature in this field. In light of these limitations, we advocate for more SDG-motivated accounting research. For instance, the perception of stakeholders regarding the credibility of SDG-related disclosures and the extent to which such disclosures influence the perceptions of stakeholders remain unanswered. Another promising area would be a longitudinal study of SDG-related disclosures and impression management. Such studies would provide valuable insight into how firms' SDG-related disclosure practices have developed over the period. Future research may also explore the effectiveness of standardisation in mitigating impression management in narrative disclosures by comparing SDG-related disclosures with other sustainability-related disclosures. Our proposed disclosure framework thus opens up avenues for evaluating corporate reporting on the SDGs, and we encourage future studies to build upon and refine our framework in other contexts.

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Table I: Examples of coding (thematic and structural manipulation)

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<p><b>Thematic manipulation</b></p> <p>Example 1: Analysis of statements</p> <p><i>Despite the SSE's scope 1 emissions falling by 19% compared to 2020/21<sup>(Statement+1)</sup>, and being the lowest since SSE's records began<sup>(Statement+2)</sup>, SSE's scope 1 intensity increased slightly by 1% to 259gCO2e/kWh in 2021/22<sup>(Statement-1)</sup> – SDG 13 (SSE plc, 2022)</i></p>	<p><b>Emphasis – Reinforcement of keywords</b></p> <p>Example 3: Emphasis – Reinforcement of positive keywords</p> <p><i>By leading the transition to a circular economy, we contribute to substantially<sup>(Reinforcement)</sup> reducing<sup>(Keyword)</sup> waste generation through prevention, recycling and reuse – SDG 12 (DS Smith, 2022)</i></p> <p><i>In 2021 we continued to make good<sup>(Reinforcement)</sup> progress<sup>(Keyword)</sup> on our operational carbon emissions reduction target – SDG 11, 7, 12, 13 (Aviva, 2021)</i></p>
<p>Example 2: Analysis of Statements with multiple keywords and statements</p> <p><i>This year we reduced<sup>(Keyword-1)</sup> GHG emissions by 5.3%<sup>(Statement+1)</sup>, building on our 2021 achievement<sup>(Keyword+1)</sup> of a 4.0% reduction<sup>(Keyword-2)</sup> in absolute emissions<sup>(Statement+2)</sup>. GHG emissions reductions<sup>(Keyword-3)</sup> were driven by continuous improvement<sup>(Keyword+2)</sup> projects<sup>(Statement+3)</sup> and an increase<sup>(Keyword+3)</sup> in the use of certificate-backed renewable gas at production sites in the United Kingdom and Canada<sup>(Statement+4)</sup> – SDG 7, 12, 13 (Diageo, 2022)</i></p>	<p>Example 4: Diminution of negative keywords</p> <p><i>93.45% of packaging solutions sold as CoC certified in 2021. This was down<sup>(Keyword)</sup> slightly<sup>(Reinforcement)</sup> in 2020 and was driven predominantly by low paper availability... – SDG 12, 13, 15 (United Utilities, 2022)</i></p> <p><i>We invested £3.2 million in R&amp;D this year, representing 4.8% of revenue. This was slightly<sup>(Reinforcement)</sup> below<sup>(Keyword)</sup> our target due to delays caused by the pandemic – SDG 4, 12, 14, 15, 16 (Dechra Pharmaceuticals PLC, 2022)</i></p>

Table II: Calculating qualitative composite impression management scores

Measure	Weighting				
Thematic – keywords	1.0				
Thematic – statements	1.0				
Emphasis – Reinforcement (keywords only)	0.5				
Maximum possible composite score per keyword/statement	2.5				
Minimum possible composite score per keyword/statement	1.0				
<i>Calculating bias using qualitative disclosures (Barratt Development Plc, 2021)</i>					
Measure	Positive	Negative	Positive score	Negative score	Total score
Thematic – keywords	13	5	13 x 1	5 x 1	18
Thematic – statements	18	3	18 x 1	3 x 1	21
Emphasis – Reinforcement of keywords	3	1	3 x 0.5	1 x 0.5	2
<b>Total composite score</b>			<b>32.5</b>	<b>8.5</b>	<b>41</b>

**Measure of bias**

$$32.5_{\text{positive score}} - 8.5_{\text{negative score}} = 24_{\text{Net positive score}} / 41_{\text{Total score}} = +0.59$$

The measure of bias is interpreted as follows: +1 = completely positively biased; 0 = no bias  
-1 = completely negatively biased

Table III: Total number of SDGs reporting firms by industry

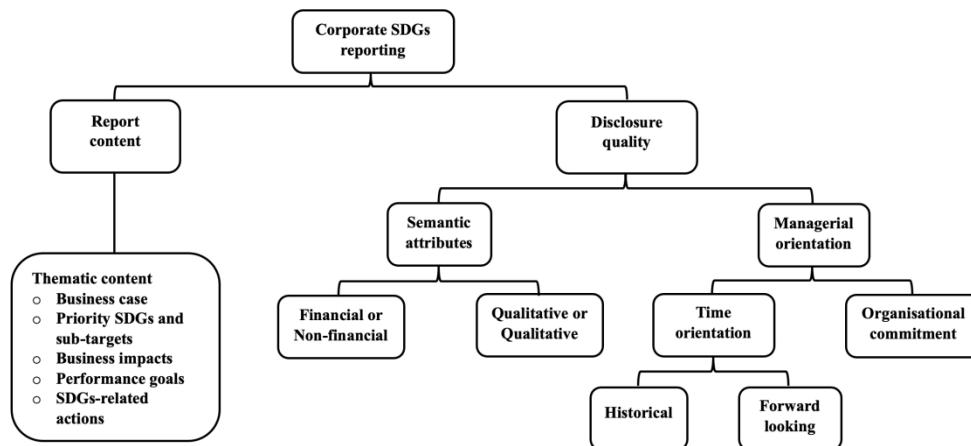
Industry	No. of companies
Industrials	17
Consumer Discretionary	15
Financials	12
Consumer Staples	9
Basic Materials	6
Health Care	5
Utilities	4
Real Estate	3
Telecommunications	2
Energy	2
<b>Total</b>	<b>75</b>

Table IV: Quality of SDGs-related disclosures

		Historical	Forward-looking
1	2	Quantitative Financial	<p><b>8 Companies</b></p> <p>As part of our commitment to invest \$30 million over three years in racial equity programmes, in 2021 we invested \$5.9 million and committed a further \$3.4 million, taking our first-year total to \$9.3 million (WPP, 2021)</p>
3	4	Non-financial	<p><b>11 Companies</b></p> <p>5.5 million tonnes of carboard produced in 2021/22 that can be easily recycled contributing to target 12.5 (DS Smith, 2022)</p>
5	6	Qualitative	<p><b>43 Companies</b></p> <p>Dechra made significant improvements during 2022, with all wood pallets and shippers used by the logistic centre in Denmark now being FSC certified. Most of our manufacturing sites and offices are also now using only FSC sourced paper combined with efforts to reduce paper usage by replacing with digital solutions (Dechra Pharmaceuticals PLC, 2022)</p>
7	8		<p><b>12 Companies</b></p> <p>We also renewed our commitment to support our community work and set a new target for 2020-2025 to donate over €24 million to social, environmental and community activities. This represents a 20% increase in our annual social investments so far. In addition, we will support volunteering by our employees (Smurfit Kappa, 2021)</p>
9	10		<p><b>7 Companies</b></p> <p>We are delighted and honoured to sponsor 831 young people (15 to 18 year-olds) through the Ivy House Award over 2021/22. We've committed to sponsor another 1,000 young people over 2023 and 2024 (Natwest Group plc, 2021)</p>
11	12		<p><b>19 Companies</b></p> <p>SEGRO is committed to championing low-carbon growth and has set a target to be net-zero carbon by 2030. We will reduce the embodied carbon in our new developments as well as reducing the carbon intensity of our properties through initiatives such as increasing our solar generation capacity. We want to play our part in tackling the increasingly evident challenge that climate change presents (SEGRO, 2021)</p>

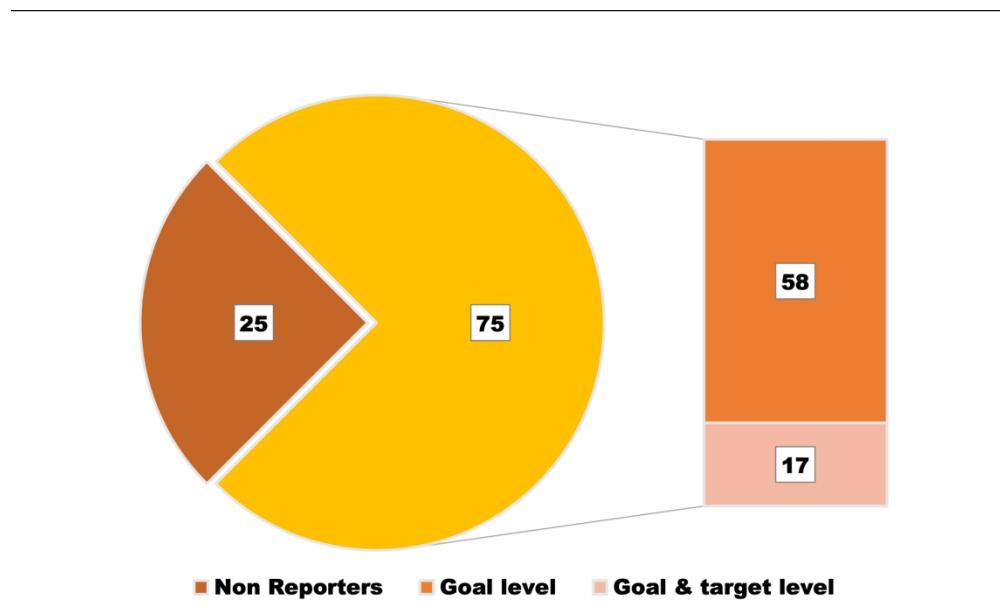
Table V: Impression management bias based on qualitative disclosures

Measure	Positive	Negative	Total	Weighting	Positive score	Negative score	Total score
Thematic – statements	657	152	809	1.0	657	152	809
Thematic – keywords	435	182	619	1.0	435	184	617
Emphasis – reinforcement of keywords	56	15	71	0.5	28	7.5	71
<b>Total composite IM score</b>					<b>1120</b>	<b>341.5</b>	<b>1497</b>
<i>Impression management bias score</i>							
Positive composite score	1120						
Negative composite score	341.5						
Total composite score	1497						
<b>Bias score</b>	<b>+0.532</b>						



Disclosure framework for SDGs reporting

415x210mm (144 x 144 DPI)



Corporate reporting on the SDGs

197x120mm (330 x 330 DPI)



Corporate reporting on specific SDGs

230x126mm (330 x 330 DPI)