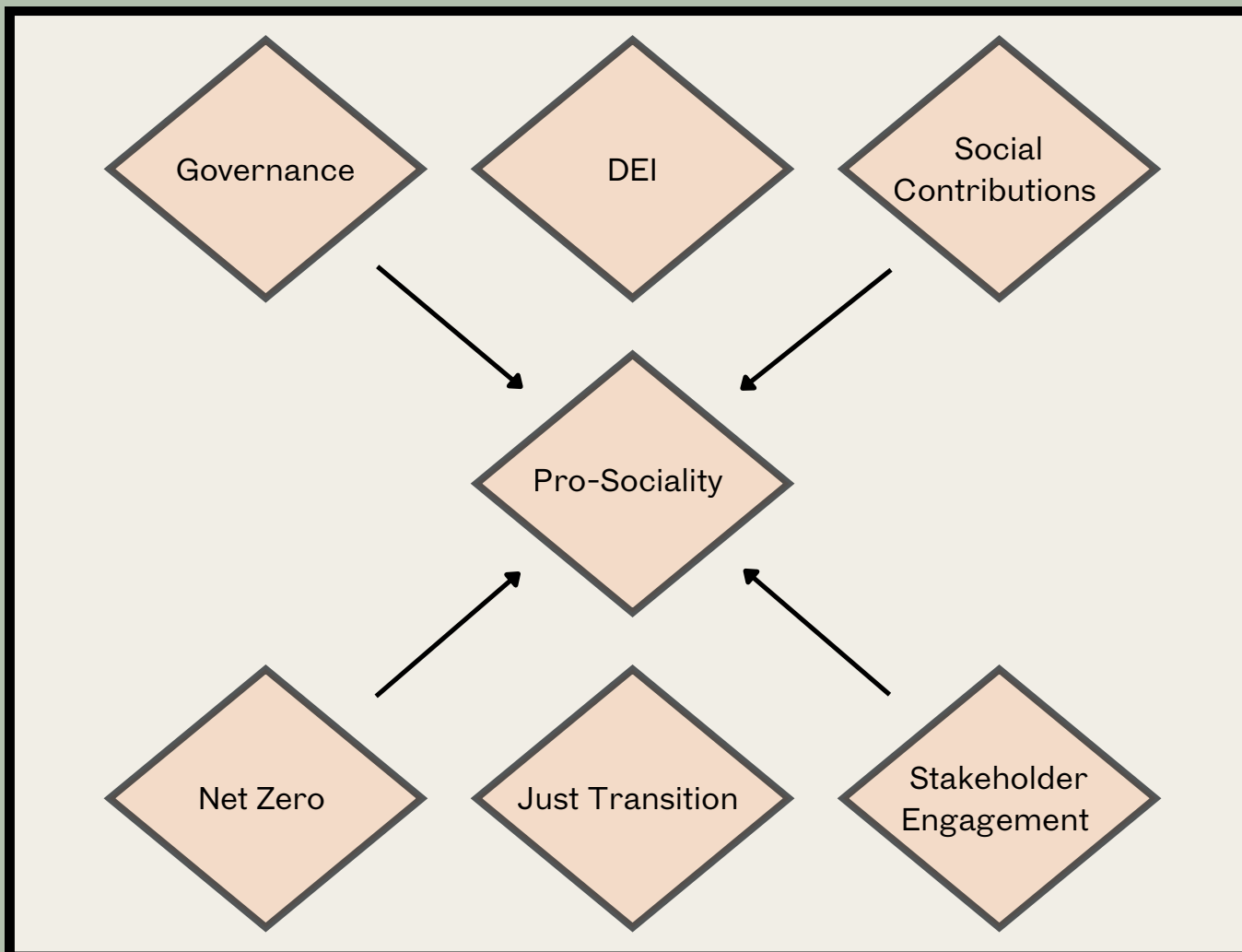


How Do Companies Portray Themselves as Prosocial: An Analysis of Oil and Gas Companies' Sustainability Reports

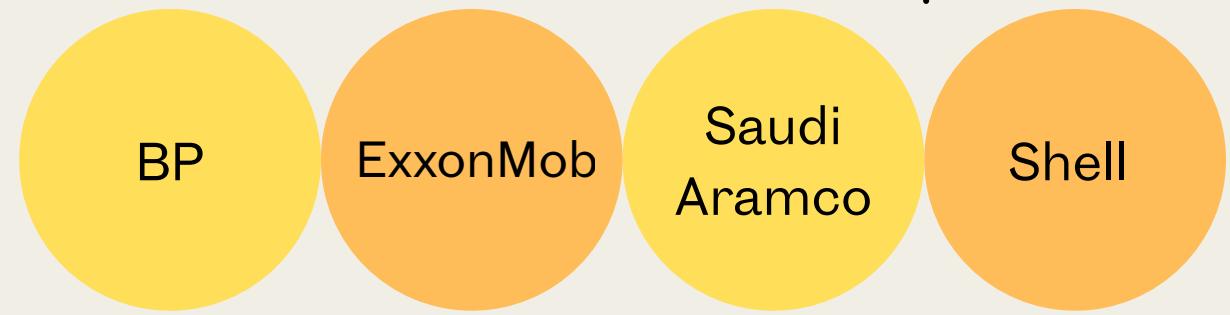
By Eleanor Goulding

CENTRAL THESIS

Prosocial behaviour and duty-based purpose are of increasing focus in the corporate world. Companies seek to legitimise themselves through actions such as community engagement and environmental stewardship to increase shareholder interest and stakeholder trust.



FOCUS COMPANIES



CHALLENGES

- **Small scale:** Limits generalisability across the sector
- **Self-reported data:** Companies may highlight positives and downplay negatives
- **Qualitative bias:** Interpretation risk, requires an objective approach

FINDINGS

- Companies use sustainability reports to appear environmentally and socially responsible.
- All report Scope 1 & 2 emissions as required; only Shell voluntarily discloses Scope 3, showing transparency and commitment.
- Social investments focus on STEM education, reskilling, and community support-creating mutual value.
- Exceeding requirements by revealing voluntary social spending shows contribution to a goal-based purpose.
- DEI and governance themes appear across all reports, especially gender equality metrics, showing a strong emphasis on ethical responsibility.
- Reporting aligns with IPIECA guidelines, ensuring clarity and stakeholder appeal.
- Greater data disclosure builds trust, legitimacy, and stakeholder confidence.
- Transparency and voluntary reporting demonstrate prosocial behaviour and value creation.
- True prosociality requires a holistic approach.

FOCUS AREAS

There are common themes running through all of the sustainability reports that directly link to prosocial behaviour:

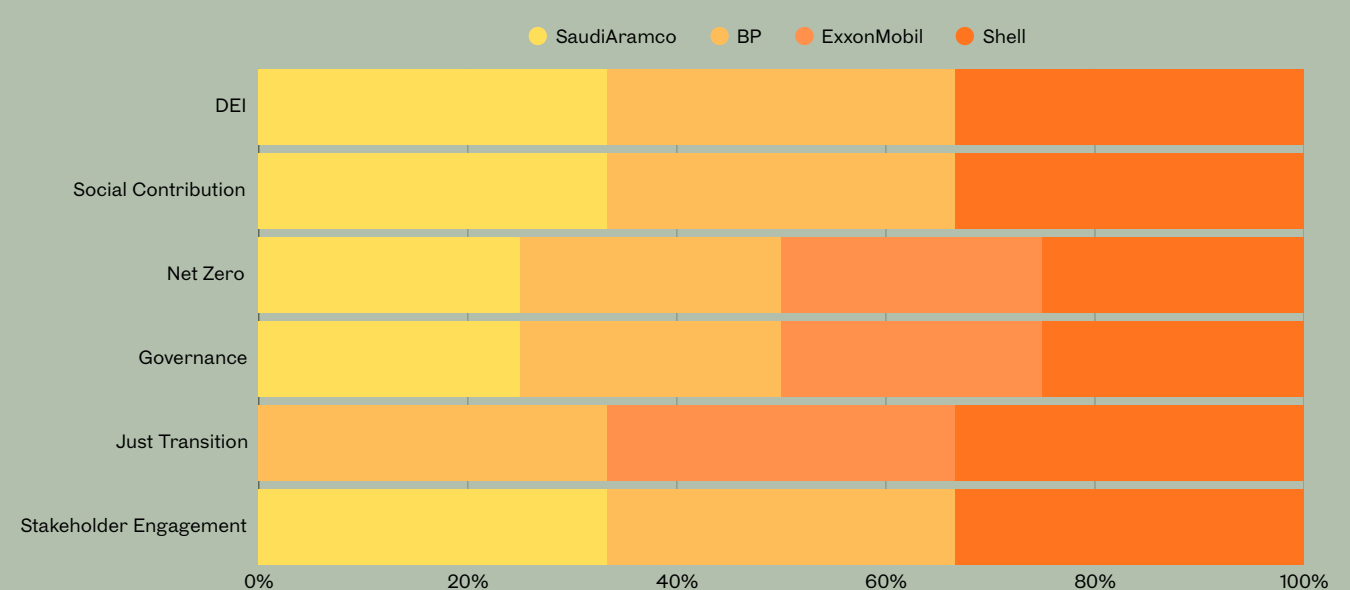
- **Just Transition:** A just transition is explained in the latest Ipieca reporting guideline to be, "The concept to provide access to affordable energy, and that an energy transition should be executed in a fair and just manner for those impacted, including communities, workforces and consumers." (Ipieca, 2025)
- **Diversity, Equity and Inclusion:** Diversity, equity, and inclusion are required in business to ensure a diverse, equitable workforce that harnesses the knowledge and skills of a varied workforce. Freedom from exclusion is a right that every worker should have to be able to work safely and comfortably. DEI is something every company should incorporate to fully maximise innovation, employee engagement and social reputation.
- **Social Investment:** Social investment goes beyond a company's duty to maximise returns for shareholders and shows an overarching moral purpose to invest in communities and give back to people.
- **Governance:** Corporate governance is core to being prosocial as it is part of the ESG investing principle that measures a business's environmental and social impacts, as well as how transparent and accountable they are.
- **Stakeholder Engagement:** Stakeholder engagement and integration are key to a company's purpose and transition to a prosocial reputation. Incorporating and valuing stakeholders' needs into a company's principles increases the social value of a company, as they build trust and long-term value creation.
- **Net Zero and Environmental Impact:** An obvious but important goal is the journey to net zero. It is required to report on Scope 1 and 2 emissions but additional efforts express a true want to contribute to decarbonising the oil and gas industry.

TAKE-AWAYS

- Each report shows clear efforts to appeal to both shareholders and stakeholders, with increasing integration with the latter.
- True prosocial behaviour beyond regulation involves investing in communities and workforce development - acknowledging issues, improving living standards, and creating opportunities for skill growth.
- Further research to fully explore the topic would require a larger dataset examined over a set period to observe changes in the frequency of topics and to assess the effectiveness of reported prosocial initiatives.

METHODOLOGY

- **Thematic analysis (qualitative):** Identify recurrent themes (economic development, social investment, climate/global agreements, governance).
- **Comparative approach:** Highlight similarities and differences to show common prosocial strategies and unique company distinctions.
- **Benchmarking with Ipieca guide:** Compare sustainability reports against Ipieca's five sustainability report guides to assess alignment.



This chart shows the alignment of each company with the six prosocial behaviours:

- Shell and BP directly address all six.
- ExxonMobil mentions three and its most recent report has limited reporting on social contributions.
- Net Zero and Governance are the only topics reported on by all four companies.