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Sustainability reports as simulacra? A counter-account of A and A+ GRI reports

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Abstract

Purpose – The purpose of this paper is to examine the extent to which sustainability reporting can be viewed as a simulacrum used to camouflage real sustainable-development problems and project an idealized view of the firms' situations.

Design/methodology/approach – The method was based on the content analysis and counter accounting of 23 sustainability reports from firms in the energy and mining sectors which had received application levels of A or A+ from the Global Reporting Initiative (GRI). The information disclosed in some 2,700 pages of reports was structured around 92 GRI indicators and compared with 116 significant news events that clearly addressed the responsibility of these firms in sustainable development problems. Moreover, the 1,258 pictures included in sustainability reports were categorized into recurring themes from an inductive perspective.

Findings – A total of 90 per cent of the significant negative events were not reported, contrary to the principles of balance, completeness and transparency of GRI reports. Moreover, the pictures included in these reports showcase various simulacra clearly disconnected with the impact of business activities.

Originality/value – The paper shows the relevance of the counter accounting approach in assessing the quality of sustainability reports and question the reliability of the GRI's A or A+ application levels. It contributes to debates concerning the transparency of sustainability reports in light of Debord's and Baudrillard's critical perspective. The paper reveals the underexplored role of images in the emergence of several types of simulacra.

Keywords Sustainability reporting, Sustainable development, Counter accounting, Transparency, Simulacra, GRI, Assurance, Spectacle, Energy industry, Mining industry

Introduction

Sustainability reporting has become an increasingly common practice in companies' attempts to respond to expectations, pressures and criticisms from stakeholders who want to be better informed about the social and environmental impacts of business activities. Over 80 percent of companies worldwide now publish sustainability reports (KPMG, 2008), and considerable research has been devoted to examining their increasing use, the reasons for their development,

and their relevance to improving the accountability of corporate leaders (Deegan, 2002; Unerman et al. 2007; Adams, 2004; Gilbert and Rasche, 2007; Owen et al. 2000). However, the use of these reports and their expected benefits, particularly in terms of better informing stakeholders, presuppose that the disclosed information is as transparent as possible and reflect the firms' actual performance and impacts. In the absence of such transparency, sustainability reports tend to resemble marketing tools aimed primarily at improving the firms' image and social legitimacy (Laufer, 2003; Duchon and Drake, 2009; Milne et al. 2006; Deegan et al. 2006; Cho and Patten, 2007). The optimistic rhetoric used in these reports, the questionable reliability of the disclosed information, and the control of that information by senior management undermine transparency and have been widely criticized (Cho et al. 2010; Adams, 2004; Gray, 2006; Owen et al. 2000; O'Dwyer, 2005; Bebbington et al. 2007). In this critical perspective, sustainability reporting could potentially amount to a kind of simulacrum: an artificial and idealized representation which is disconnected from reality to some extent. However, the nature of this simulacrum and the degree to which the representations in the reports are disconnected from the reality of business impacts need to be ascertained.

The aim of this paper was thus to examine the extent to which sustainability reports can be viewed as simulacra that lack transparency and camouflage genuine sustainable-development problems, presenting an idealized version of the firms' situations. The concept of simulacrum proposed by Baudrillard (1984, 1988, 1994) sheds light on the artificial representations of reality as conveyed by the signs and images employed to control social representations. Debord's criticism of the "society of the spectacle" (1990, 2002) takes a similar view and further criticizes the influence of the media and imagery that project a spectacle that is divorced from reality to some degree. Using this perspective to analyze sustainability reporting may shed new light on the underlying reasons for the lack of transparency of many sustainability reports and on the virtually unexplored role of the many images they contain.

This paper contributes to the debate on transparency in sustainability reporting by showing how the disclosed information and images tend to reflect the simulacra of the society of spectacle. To minimize bias related to the quality of the analyzed reports, the study focused on reports that reached the highest application level (A and A+) of the Global Reporting Initiative (GRI), which is generally regarded as the strictest guideline in the field (Moneva et al. 2006; Brown et al., 2009). The transparency of the information disclosed in these reports and their tendency to resemble simulacra were examined on three complementary levels of analysis. First, the paper examines the extent to which the 23 analyzed reports addressed various significant current events that are covered by the sustainable development indicators used by the GRI and that call corporate responsibility into question. This analysis helps demonstrate the relevance of counter accounting (Adams, 2004; O'Dwyer, 2005; Gallhofer et al. 2006; Paisey and Paisey, 2006; Sikka, 2006) in assessing the level of transparency in sustainability reporting and whether or not certain fundamental principles of reporting were applied. Counter accounting in the area of sustainability reporting can be defined as the process of identifying and reporting information on organizations' significant economic, environmental and social issues that comes from external or unofficial sources (expert reports, research papers, online journals, studies from NGOs, government publications, legal proceedings, etc.) in view of verifying, complementing or countering organizations' official reports on their performance and achievements. The counter accounting of 116 significant news events related to sustainability issues showed the importance

of examining not only the information presented in the official sustainability reports, but above all the information which was not in the reports that was likely to harm the firms' image. Second, the paper examines the reports' overemphasis on achievements and positive statements, which advanced an idealized – even narcissistic – vision of the firms' contributions to sustainable development. Third, the paper examines the role and meaning of the sustainable development imagery included in the reports. This analysis helps shed light on various types of simulacra used to advance idealized representations that were disconnected from the real impacts of business activities.

The paper contributes to the literature by exploring the opacity and "portrayal gap" (Adams, 2004) of sustainability reports through a counter accounting approach based on extra-organizational sources of information. The results of this approach question the reassuring aura of prestige and trustfulness of GRI sustainability reports which are presented as reliable, balanced and – in most cases studied – verified by external auditors (Gilbert and Rasche, 2007; KPMG, 2008; Dando and Swift, 2003). The paper also contributes to better understand the underexplored role of pictures inserted in reports, their meaning and contribution to the building of an artificial idealized image of corporate sustainability. Finally, the paper explores the relevance of a new and promising perspective of analysis based on the simulacra of the "society of the spectacle" (Debord, 2002; Baudrillard, 1994) that helps to make sense of the reports' lack of transparency and proliferation of misleading images.

The remainder of the paper is organized as follows. First, the main debates on transparency in sustainability reporting are reviewed and the relevance of the concept of simulacrum is demonstrated, particularly its usefulness in highlighting the unreliability of the disclosed data and the proliferation of imagery whose role remains little explored in the literature. Second, the main steps used to analyze the content of the reports are presented, as well as the materials used to conduct a counter accounting of the disclosed information. Finally, the main results of the study are discussed and illustrated with various examples using information and images drawn from the reports.

Sustainability reporting and the ideal of transparency

The growing use of sustainability reporting is based on an ideal of transparency which presumes that the information reported provides the most complete and realistic portrait possible of the positive and negative impacts of corporate activities: "Transparency can be defined as the complete disclosure of information on the topics and indicators required to reflect impacts and enable stakeholders to make decisions, and the processes, procedures and assumptions used to prepare those disclosures" (GRI 2006, p. 6). In general, the transparency of sustainability reports is related to the credibility, completeness and reliability of the disclosed information (Roberts, 2009; Menéndez-Viso, 2009; Livesey and Kearins, 2002; Dando and Swift, 2003; KPMG, 2008; ISEA (Institute of Social and Ethical Accountability), 2003). This ideal of transparency is consistent with a functionalist and positivist paradigm, according to which reality can be measured and described in a clear, rational and precise manner. According to this view, the operations and performance metrics of a company, including its sustainable-development performance, can be realistically analyzed and described (Power, 1997; Thomson, 2007). This emphasis on the ideal of transparency in the debate on sustainability reporting can be explained

in large part by the quest for accountability (Owen, 2008; Deegan, 2002; Roberts, 2009; ISEA (Institute of Social and Ethical Accountability), 2003). Indeed, one of the main purposes of sustainability reporting is to help firms be accountable to various stakeholders, to meet their expectations and to demonstrate compliance with sustainability standards (Roberts, 2009; ISEA (Institute of Social and Ethical Accountability), 2003; Unerman et al. 2007). Thus, improving accountability essentially assumes greater transparency with the goal of making "visible" to stakeholders information that might otherwise be withheld: "The development of accountability also increases the transparency of organizations [...] The 'inside' of the organization becomes more visible, that is, transparent" (Gray, 1992, p. 415).

Transparent reporting not only fits with this virtuous ideal of rationality and comprehensive information, but also responds to practical necessity. For instance, financial markets increasingly require disclosure of reliable data on environmental and social issues to supplement financial information and better assess company risk (Waddock, 2008; Devinney, 2009). The growth of social investment funds and the development of indices based on sustainable companies, such as the Dow Jones Sustainability World Indexes, have contributed to this need for information (Deegan, 2002; KPMG, 2008; Waddock, 2008). The very existence of these funds is based on the presumption that it is possible to transparently assess sustainability performance and, consequently, that the main impacts, whether positive or negative, are clearly reported.

Although some studies have been critical of how firms have applied the principles of transparency and accountability (Roberts, 2009; Livesey and Kearins, 2002; Unerman et al. 2007; Gray, 2010; Owen and O'Dwyer, 2005; Menéndez-Viso, 2009; Bebbington et al. 2007; Springett, 2003), the mainstream literature has continued to maintain a relatively optimistic view. Thus, most studies in the field have been centered on a rather descriptive, non-critical and functional perspective that tends to emphasize the benefits of sustainability reporting in improving corporate accountability and stakeholder communication, and in better informing investors about non-financial issues (Deegan, 2002; Gilbert and Rasche, 2007; Thomson, 2007; Waddock, 2008; KPMG, 2008; Peck and Sinding, 2003). The increasingly systematic use of very demanding and detailed standards, notably the Global Reporting Initiative (GRI)[1], has reinforced the prevailing optimism about the relevance, rigor and relative transparency of sustainability reports.

One of the main goals of the GRI is to strengthen the rigor and transparency of sustainability reporting to stakeholders: "A sustainability report should provide a balanced and reasonable representation of the sustainability performance of a reporting organization – including both positive and negative contributions" (GRI 2006, p. 3). To achieve this goal, the GRI puts forward several reporting indicators and principles: materiality, stakeholder inclusiveness, sustainability context, completeness balance, clarity, comparability, reliability, etc. Increasingly, the application of standards like the GRI is being verified through a process of external assurance or certification (KPMG, 2008). This assurance process, which draws its inspiration from accounting audits (Deegan et al., 2006; Boiral and Gendron, 2011), is intended to ensure that the disclosed information is reliable and in compliance with standards, and that it therefore reflects reality as transparently as possible (ISEA (Institute of Social and Ethical Accountability), 2003; GRI (Global Reporting Initiative), 2006; Owen and O'Dwyer, 2005; Dando and Swift, 2003). Verification of this information by supposedly independent auditors can enhance the credibility

of the reports, augment the social legitimacy of organizations and generate greater confidence among stakeholders (Power, 1997; Gilbert and Rasche, 2007).

Camouflaging sustainability issues and the society of spectacle

Although the increasing use of systematic standards such as the GRI has undoubtedly helped to improve the rigor of sustainability reporting (Dando and Swift, 2003; KPMG, 2008), the reliability and transparency of these reports remain controversial. A few studies have stressed the opacity of sustainability reports, their questionable connection with the firm's real situation, and their often superficial nature (Gray, 2010; Unerman et al. 2007; Moneva et al. 2006). On the one hand, the reporting process does not necessarily help improve sustainable development performance or strengthen the company's commitment to sustainability (Cho and Patten, 2007; Cho et al. 2010; Unerman et al. 2007). On the other hand, some researchers find that the disclosed information tends to reflect business interests rather than a genuine concern for transparency and accountability (Laufer, 2003; Cho et al. 2010; Adams, 2004; Gray, 2006; Milne et al. 2006). By employing optimistic rhetoric, sustainability reports can even camouflage the fundamentally unsustainable nature of some of the firm's activities and the absence of a substantial commitment to sustainability (Moneva et al. 2006; Gray, 2010).

The relationship between sustainability performance and reporting practices has been widely debated in the literature. According to the voluntary disclosure theory, "companies with better environmental performance due to an unobservable proactive environmental strategy have an incentive to use disclosure to signal this strategy to investors and other relevant stakeholders" (Cho et al. 2012a, p. 489-90). Voluntary disclosure thus makes it possible for a firm to inform stakeholders of the organization's sustainability performance, to distinguish itself from poor-performing competitors, and to increase its reputation by shedding light on hard-to-imitate sustainability strategies. From this perspective, the level of sustainability disclosure, which is measured by the GRI application levels, should be indicative of the organization's commitment in this area (Clarkson et al. 2008; Bewley and Li, 2000). The voluntary disclosure theory has been criticized and opposed to the legitimacy theory[2]. According to the legitimacy theory, an organization takes sustainable development into consideration in response to external institutional pressures, resulting in actions intended mostly to improve the firm's image with stakeholders (Deegan, 2002; Hooghiemstra, 2000; Gumb, 2007; Adams, 2004). This emphasis on the firm's projected image to outside parties rather than on substantive integration of reporting practices is not conducive to transparency; rather, it encourages a symbolic and superficial approach primarily intended to showcase the firm's social responsibility (Wagner et al. 2009; Milne et al. 2006). Concern for the company's image and social legitimacy with various stakeholders thus tends to favor a marketing and impression management rationale intended to seduce and persuade rather than to straightforwardly present the firm's situation (Hooghiemstra, 2000; Cho and Patten, 2007; Cho et al., 2012b; Wagner et al. 2009; Milne et al. 2006; Deegan et al. 2006). Seen from this legitimacy perspective, which is contrary to the assumptions of the voluntary disclosure theory, organizations exposed to strong external pressures due to poor sustainability performance are more likely to increase disclosure in order to improve their social legitimacy (Cho et al. 2012a).

Although these debates shed light on the motivations underlying reporting practices, they do not necessarily question the extent to which the "real" corporate sustainability performance can be measured. On the contrary, this performance tends to be considered as a whole which can effectively be measured through various proxies and then compared to the degree of voluntarily disclosed information. The fragmented and elusive nature of sustainability (Springett, 2003; Moneva et al. 2006; Milne et al. 2006; Igalens and Gond, 2005) should call into question this type of monolithic measurement. Moreover, the possible discrepancy between very concrete sustainability issues that are supposedly reported and what is actually reported by organizations in concrete terms tends to be overlooked or subsumed within a general view of corporate sustainability.

This possible discrepancy calls for a more fundamental and critical reflection on the misleading relationship between publicly available information and reality. The criticisms of Debord (1990, 2002) and Baudrillard (1984, 1988, 1994) concerning the simulacra of the "society of the spectacle" are increasingly cited to explain this discrepancy, which can affect many spheres, including the media, advertising, and political discourse and imagery (Grandy and Mills, 2004, Macintosh et al. 2000, Gumb, 2007).

According to Debord (1990), the modern world is characterized by the "society of the spectacle" – dominated by the proliferation of misleading images and representations that tend to take the place of directly experienced reality: "In societies where modern conditions of production prevail, life is presented as an immense accumulation of spectacles. Everything that was directly lived is now merely represented in the distance" (Debord, 2002, p. 7). The concept of spectacle thus reflects the loss of contact with reality, which is increasingly understood through the proxy of information and images that have invaded all areas of society, including advertising, politics, organizational communication, consumption and entertainment. Adherence to the "society of the spectacle" results in a state of dependence or even alienation with regard to the artificial representations that constitute a "falsification" of society's needs and expectations (Debord, 1990, 2002).

Baudrillard (1984, 1988, 1994) further explored this analysis of the relationship between the representations conveyed by the society of spectacle and real activities. Like Debord, Baudrillard criticizes the influence of mass communication, the replacement of reality by the image, and the simulacra promoted by the society of spectacle. According to Baudrillard, modern society has been marked by several stages of simulacra that have dominated at different periods of history. The stage of simulacra that dominates the postmodern society is the simulation simulacra based on the proliferation of information, signs and images that have no connection with objective reality. The notion of simulacrum is thus associated with a rationale of falsification and a loss of contact with reality. This loss of contact has reached a peak in postmodern society, which is characterized by its hyperreality, that is, by self-referential representations separated from any reference to reality: "Hyperreality refers to the current condition of postmodernity where simulacra are no longer associated with any real referent and where signs, images, and models circulate, detached from any real material objects or romantic ideals" (Macintosh et al. 2000, p. 14). Baudrillard's concept of hyperreality thus goes further than Debord's analysis of the society of spectacle and radicalises it. While Debord's society of spectacle reflects the distance between reality and its representations, which are manipulated by the ruling elite, hyperreality tends to

determine or replace reality, leading to the collapse of distinctions between the real world and simulations (Baudrillard, 1994; Lane, 2009). Indeed, this more radical perspective gives more credence to the hold that the society of spectacle can have on us, its control over information, and consequently the unsubstantial nature of activities supposedly aimed at recording, analyzing and transparently reporting the reality of organizations' impacts.

The concept of simulacra, which has been taken up by several authors in the management literature (Grandy and Mills, 2004; Macintosh et al. 2000), encapsulates quite effectively the gist of Debord's and Baudrillard's criticisms of representations of reality. Simulacra are generally somewhat artificial representations that distort reality or are disconnected from it, based on information and images that appear to be authentic and legitimate or that conform to social expectations. In the context of sustainability reports, such simulacra can be defined as the reporting of unreliable, misleading or non-transparent information and images that tend to highlight and artificially inflate the corporate commitment to sustainable development.

Sustainability reports as simulacra?

Despite certain differences, Debord's and Baudrillard's analyses are based on several interrelated principles and observations that shed new light on the simulacra of sustainability reports:

- The growing disconnect between reality and its representations.
- The control and manipulation of information.
- The influence exerted by the proliferation of misleading images.

First, the simulacrum conveyed by the society of spectacle tends to be artificially substituted for direct perceptions of reality, the latter becoming increasingly elusive or even fictional (in the case of Baudrillard's simulation simulacra). In this view, more information does not contribute to a better understanding of reality, but rather tends to increase confusion and bolster the illusion of an increasingly transparent representation of things. As stated by Baudrillard (1994, p. 79): "we live in a world where there is more and more information and less and less meaning." The illusion of meaning and transparency through more information is conveyed by reporting standards such as the GRI which tend to associate report quality with the extent of information released on various indicators (GRI (Global Reporting Initiative), 2006). The GRI thus proposes different application levels depending on the completeness of the information released and the coverage of a wide range of sustainability indicators. Nevertheless, as stressed by Debord and Baudrillard, information overload is all the more confusing and misleading when it is, from the outset, disconnected from reality, and thus reinforces the hold of the spectacle which "keeps people in a state of unawareness" (Debord, 2002, p. 10). Generally speaking, the reliability of sustainability reports has been questioned by a number of authors (Owen et al. 2000; Unerman et al. 2007; Laufer, 2003; Deegan et al., 2006). These criticisms concern not only the quality of the disclosed information, but also the process of assurance or certification to which firms increasingly turn (Manetti and Becatti, 2009; KPMG, 2008, Deegan et al., 2006). If this assurance process is intended to build trust in the reliability and transparency of sustainability reports, its effectiveness is still subject to numerous limitations, including the lack of auditor independence, conflicts of interest, control of the certification process by company executives, and lack of involvement of key stakeholders (Unerman et al. 2007; Bebbington et al. 2007;

Moneva et al. 2006). From Debord's perspective, these assurance mechanisms could be part of the spectacle itself, helping to reinforce the stakeholders' alienation by artificially inflating the credibility of a fake reality. From Baudrillard's perspective, assurance mechanisms could cover the very absence of such a reality. Thus, sustainability reports and assurance mechanisms could represent a hyperreality conveying signs, data and images without any reference to the real world. Although this perspective may seem too radical, it calls into question the concept of sustainable development, whose vague definition, lack of concreteness and uncertain applications inside organizations have been largely criticized (Springett, 2003; Livesey and Kearins, 2002; Gray, 2010; Moneva et al. 2006; Milne et al. 2006).

Second, the control and manipulation of information is a key driver of the simulacra of the society of spectacle, which are established by and for leaders to maintain the established order. This control results in distorted and idealized representations of reality which have implications for reporting practices. The control exerted by company executives and hegemonic interests over the disclosure of sustainability information is thus a major target of criticism (Owen et al. 2000; Laufer, 2003; Gray, 2010; Paisey and Paisey, 2006; Sikka, 2006). This control is particularly significant because sustainability reports are issued on a voluntary basis and subject to very little outside control. Because of the managerial capture of the reporting process, the information that firms disclose tends to be biased, reflecting the management's interests rather than the firm's true situation (Owen et al. 2000; Gray, 2010; Unerman et al. 2007). Outside stakeholders have little involvement in collecting the information or preparing the reports (O'Dwyer, 2005; Bebbington et al. 2007; Unerman et al. 2007). The control of this information by company executives favors a tendency toward greenwashing rather than transparency (Laufer, 2003; Ramus and Montiel, 2005; Wagner et al. 2009). Greenwashing presupposes the existence of a simulacrum that artificially showcases the firm and its supposed concern for the environment and good stakeholder relations. This optimistic and artificial rhetoric about sustainable development can lead to an "organizational narcissism" (Duchon and Drake, 2009) orchestrated by and for the company. Narcissism is defined as "a pervasive pattern of grandiosity, need for admiration, and lack of empathy" (American Psychiatric Association, 1994, p. 629). In the context of sustainability reports, organizational narcissism can be defined as seeking admiration and recognition by highlighting the firm's laudable achievements and camouflaging most of its negative impacts, which are likely to undermine the grandiose image that the reported information promotes. Although this narcissism may appear to be legitimate because it reflects the objectives of the firm in terms of social legitimacy, image improvement and, more generally, profit maximization, it is, in theory, incompatible with most GRI principles: completeness, transparency, reliability, balance, etc. For example, according to the principle of balance, "the report should reflect positive and negative aspects of the organization's performance to enable a reasoned assessment of overall performance" (GRI 2006, p. 13). Nevertheless, from the Debord and Baudrillard perspectives, this principle of balance remains an empty promise because it supposes that sustainability performance is a "reality" that can actually be measured and then transparently reported to the public whatever the interests of corporations. Far from being balanced, the information controlled by the ruling elite essentially represents a narcissist spectacle: "the spectacle is the ruling order's nonstop discourse about itself, its never-ending monologue of self-praise, its self-portrait" (Debord, 2002 p. 10).

Third, the influence exerted by the proliferation of misleading images has been strongly criticized by Debord and Baudrillard. The proliferation of images that are supposed to faithfully represent reality fuels simulation simulacra that seem "more real than real" (Baudrillard, 1994, p. 81). These images tend to alienate people from artificial representations. This criticism of the proliferation of images also has implications for understanding sustainability reporting by emphasizing the role, meaning and potentially misleading impacts of the pictorial representations inserted in corporate reports. Although the role of images in sustainability reports remains largely unexamined, a few studies have shown that financial annual reports are progressively becoming image-filled public relations materials (Campbell et al. 2009; Preston and Young, 2000)[3]. It is thus an increasingly common practice for firms to turn to graphic designers to make their annual reports more visually appealing and to include images that do not necessarily represent reality (Preston et al. 1996). Although, to our knowledge, there have been no systematic studies of the question, images in sustainability reports can be used to reinforce certain messages, highlight complex problems that are difficult to describe, or lend credibility to assertions (Caron and Turcotte, 2009). For the most part, however, businesses present images that do not reflect reality in a neutral and transparent manner: "Images do not represent, they create reality" (Preston et al. 1996, p. 134). In the same way, the images included in sustainability reports (of forests, rivers, smiling faces, etc.) can create an idealized representation of the firm, its supposed concern for the environment, or its positive stakeholder relations. Not only can these images hide the unsightly realities of industrial pollution that are difficult to justify (and thus rarely represented), they can also produce the illusion, in the minds of readers, that the firm has a positive effect on ecosystems and society in general. In this way, the images included in sustainability reports may contribute to creating simulacra that are reassuring to readers but divorced from reality. According to Debord, "the society of the spectacle" exerts its domination through the selection and proliferation of images. These images represent an abstract commodity used to maintain power and alienate people: "the real world is replaced by a selection of images which are projected above it, yet which at the same time succeed in making themselves regarded as the epitome of reality" (Debord, 2002, p. 12).

Counter accounting: toward an emancipation from corporate simulacra?

Despite their relevance in critically scrutinizing sustainability reports, the analyses of Baudrillard and Debord have apparently not been used in this perspective and have seen relatively little use in the field of management in general. The few publications based on these authors have essentially stressed the manipulation, deception and alienation resulting from managerial discourse and control over information, including the area of accounting. Boje et al. (2004) used Debord's concept of "the society of the spectacle" to compare the Enron saga with a series of spectacles controlled by the company, starring its top executives and leading to a bankruptcy with extensive media coverage. Grandy and Mills (2004) took up Baudrillard's concepts of hyperreality and simulacra to show that the discourse of strategic management is increasingly based on abstract models and disconnected from reality: "Most, if not all, models of strategic thinking have attained a level of representation that is disconnected from reality, they are hyperreal" (p. 1167). These simulacra of strategy make it possible to rationalize the discourse of corporate executives and strengthen control over the organization through seemingly legitimate management models or methods. The creation and publication of these management models and methods are no exception to the society of spectacle. Basing their analysis largely on Debord's

society of spectacle (1990, 2002), Clark and Greatbatch (2004) have shown that the process of producing best-selling management books is based on "spectacle images" and popular rhetoric intended to attract a certain audience.

The simulacra of the society of spectacle also seem to occur, to some extent, in accounting practices and the preparation of corporate annual reports. Macintosh et al. (2000) demonstrated connections between the main types of simulacra described by Baudrillard (1994) and changes in financial accounting characterized by an increasingly large disconnect between the accounting signs and their referents in objective reality. Uddin et al. (2011) and Gumb (2007) also showed how accounting practices such as the preparation of financial reports and participatory budgeting can be described as a form of spectacle. For example, certain key financial issues tend to be masked by an emphasis on more secondary issues and by the pseudo-rational discourse of corporate executives (Gumb, 2007). If corporate financial reports reflect the simulacra inherent in the society of spectacle to a certain degree (Macintosh et al. 2000; Gumb, 2007), it seems reasonable to assume that sustainability reports, which are less regulated, rigorous and well defined, are not exempt from this tendency.

These criticisms of the control and alienation resulting from corporate simulacra raise the question of the extent to which we can emancipate ourselves from the hegemonic discourse conveyed in sustainability reporting. This emancipation poses various challenges[4], one of which would be overcoming the companies' control of information in order to obtain a more realistic view of corporate sustainability. Nevertheless, most firms' real sustainable-development issues and commitments remain, from the outset, uncertain and opaque (Springett, 2003; Milne et al. 2006). What would "true" sustainability performance be in organizations? Is belief in such a "truth" and its subsequent measurement not a myth conveyed by the society of spectacle itself? How can it be unequivocally measured and communicated, independent of biased corporate statements?

Although the answer to these questions remains debatable, the difficulty in emancipating ourselves from the managerial capture of sustainability reports is clearly fuelled by the focus on company reports themselves, even though other sources could be used. The development of the internet, including online reporting, has thus opened new and alternative sources of information on corporate sustainability (Gallhofer et al. 2006; Gallhofer and Haslam, 2006; Sikka, 2006). Stakeholders are increasingly using information on corporate sustainability published on the internet (O'Dwyer, 2005; Gallhofer et al. 2006). One reason for this is simply that most newspapers now publish their articles online. In addition, the internet allows more widespread, immediate and democratic access to information than do traditional media sources (Gallhofer et al. 2006). Online reporting thus "potentially allows a wealth of up-to-date, unofficial, critical and alternative channels of accounting information to compete with the official [channels]" (Gallhofer et al. 2006, p. 685). Due to their diversity and abundance, documents published online are to some extent free of the control that corporate executives and managers may attempt to exert over published information.

Although it has rarely been used in research (Gallhofer et al. 2006), counter accounting or shadow accounting (O'Dwyer, 2005; Adams, 2004; Dey, 2007) through online information is practiced by some NGOs such as Corporate Watch. In their case study on Corporate Watch

practices, Gallhofer et al. (2006) showed the role of this organization and the potential of the web to counter hegemonic discourse on corporate sustainability and disseminate counter accounting information to a large audience. Gallhofer et al. (2006) also stressed the "emancipatory potential" of counter accounting based on online information. Nevertheless, this emancipatory potential is restricted by various factors: the social and political forces using this technology, the limited possibility of accessing the web for many people, the dominance of the English language, increasing commercial content, the lack of reliability of many sources, etc. (Gallhofer et al. 2006; Sikka, 2006; Paisey and Paisey, 2006)[5].

Whatever the emancipatory issues underlying the use of the internet, online counter accounting certainly questions the monolithic view of information conveyed by Debord and Baudrillard. Moreover, online counter accounting makes it possible to assess whether sustainability reports are transparent with respect to specific sustainable development issues that have been clearly covered by alternative sources of information and whether reports meet their stakeholders' need for information as required by the GRI (Global Reporting Initiative) (2006). When such criteria are not met, these reports could be likened to simulacra that camouflage actual sustainable-development problems and present a greenwashed spectacle.

Methods

The objective of this paper is to analyze to what extent the information and images in sustainability reports can be considered a simulacrum that is rather disconnected from critical issues and portrays an idealized vision of the real impacts of the organization's activities. The qualitative content analysis method is a particularly relevant approach for reaching the stated objectives of this study. This method makes it possible to analyze hard-to-quantify sources of information, including text and images from sustainability reports, newspaper articles and other media sources (Zhang and Wildemuth, 2009; Hsieh and Shannon, 2005).

Data collection

The collection of data was centered on firms in the energy and mining sectors. These sectors were chosen based on the scope of the sustainable-development problems they face, the intensity of external pressures – including pressure from media coverage – and the fairly systematic use of the GRI standards (Günther et al. 2007, Amnesty International, 2009).

In order to limit the study to companies that use the GRI systematically, only sustainability reports that used the highest application levels (A and A+) were analyzed. In theory, the application level determines the level of completeness and transparency in sustainability reporting (GRI (Global Reporting Initiative), 2006). Reports prepared at the A or A+ application level are supposed to address all the core indicators in the GRI guidelines (79 total) and the indicators included in the appropriate Sector Supplement[6]. More importantly, the information in sustainability reports must also comply rigorously with the reporting principles defined by the GRI, namely completeness, stakeholder inclusiveness, balance, reliability, accuracy, and so on[7].

The content analysis focused on the year 2007 for various reasons[8]. First, the time lag between the year covered by a sustainability report and the date the report is actually released can be quite long (sometimes between one and two years). Second, the time delay facilitated the search for news articles covering significant events that occurred in 2007, but which were published somewhat later, following investigations and more in-depth studies, such as reports by Amnesty International. Third, the sample was chosen by selecting all the A and A + GRI sustainability reports of mining and energy organizations from the official list of the GRI website[9] as it appears in 2009 when the data extraction process begun[10]. Fourth, given the volume of information analyzed (2,700 pages of information from the reports, 116 significant news events, 1,258 pictures), the data extraction, categorization and analysis lasted nearly two years. The final sample, based on the GRI official list released in 2009, included 11 sustainability reports using the A or A + application level from firms in the energy sector and 12 from firms in the mining sector, for a total of 23 companies included in this study (Table I).

In addition to the information in the sustainability reports, news articles covering events involving each of the 23 companies were studied. The selected articles had to meet three main criteria, namely that they:

(1) addressed significant events that occurred in 2007 implicating the responsibility of one of the 23 firms in a major spill, conflict with local residents, explosion, etc.;
(2) clearly involved a sustainable development issue covered by one or more of the GRI indicators; and
(3) were based on specific, well-documented facts.

Furthermore, to limit bias stemming from unreliable information, each of the events selected for the study had to be mentioned in at least two different, independent information sources. Three main types of online information sources were used:

(1) electronic databases and specialized journals: ABI/INFORM, EBSCO and Science Direct;
(2) articles published on the web: local and international newspapers published on the internet, online magazines, expert reports, websites of NGOs such as Amnesty International, documents from environmental protection agencies, etc.; and
(3) websites of organizations specializing in counter accountability, including Corporate Watch and the Business and Human Rights Resource Centre.

For linguistic reasons, only articles published in English (the vast majority), Spanish or French were taken into account. Five researchers who read one or more of these languages fluently participated in collecting news articles covering sustainable development problem events that occurred in 2007 involving the 23 firms[11]. A total of 116 significant problematic events involving sustainable development issues and implicating the firms under study were identified.

Table I. Analyzed sustainability reports

Firm	Sector of activity	Country	Title and length of the 2007 sustainability report	GRI application
BP	Energy	UK	Sustainability Report, 44 p	A+
CPFL Energia	Energy	Brazil	Annual Report, 68 p	A+
Gas Natural	Energy	Spain	Corporate Sustainability Report, 148 p	A+
Kospo	Energy	Korea	Energy Player Sustainability Report, 40 p	A
OJSC Oil Company Rosneft	Energy	Russia	Report on Social Responsibility and Corporate Sustainability for 2007, 172 p.	A+
Petrobas	Energy	Brazil	Social and Environmental Report, 124 p.	A+
Repsol	Energy	Spain	Corporate Responsibility Annual Report, 192 p	A+
RWE	Energy	Germany	If Not Now, When?, 88 p	A+
Shell	Energy	Netherlands	The Shell Sustainability Report, 40 p	A+
S-Oil	Energy	Korea	S-Oil Sustainability Report, 98 p	A+
Suncor	Energy	Canada	A Closer Look at Our Journey Toward Sustainable Development, 92 p.	A+
Anglo American	Mining	UK	Report to Society 2007: Focusing on a sustainable Future, 73 p.	A+
Anglogold	Mining	South Africa	Report to Society, 218 p.	A+
Avon Metals	Mining	UK	Our 20/20 Vision: Sustainability Report, 30 p	A
BHP Biliton	Mining	Australia	It's our BHP Billiton Sustainability Report, 309 p	A+
Codelco	Mining	Chile	Codelco Sustainability Report, 147 p.	A+
Illawarra Coal	Mining	Australia	Illawarra Coal, Pride, Passion, Performance Sustainability Report, 48 p	A
Newmont Mining	Mining	USA	Beyond the Mine Newmont Sustainability Report, 332 p.	A+
Peñoles Industries	Mining	Mexico	Our stakeholders: the core of our sustainable development strategy, 120 p.	A+
PT Kaltim Prima Coal	Mining	Indonesia	More than Mining: Sustainable Development Report, 74 p	A+
Rio Tinto	Mining	UK	Rio Tinto Annual Report – Sustainable Development Review, 12 p.	A+
Teck Cominco	Mining	Canada	Our Commitment: Teck Sustainability Report, 54 p.	A+
Usiminas	Mining	Brazil	Sustainability Report, 184 p.	A

Data analysis

Content analysis is based on a process of systematically classifying the collected data (Kohlbacher, 2005; Hsieh and Shannon, 2005). This classification process makes it possible to structure the data around similar themes so as to facilitate analysis and identify explicit or underlying trends. Given the volume of information collected and the diversity of this information (performance indicators, text, images), the classification process was conducted in three main steps (Table II).

In the first step, the information in the sustainability reports concerning company performance, achievements and other issues was analyzed, using an analysis grid based on the GRI performance indicators to structure the information[12]. The GRI grid (G3) is based on 79 core and trans-sectorial indicators plus more specific sectorial indicators (see Table III). The qualitative and quantitative information for each core and sectorial GRI indicator provided in the sustainability reports was compiled in Excel spreadsheets[13].

General comments on the degree to which that information was clear, transparent and optimistic were also included. This classification by indicator and type of issue was necessary to systematically analyze how firms reported their sustainable development performance or

problems. It also facilitated the subsequent comparison between the information in the sustainability reports and events involving the firms that occurred in 2007 which were covered by the media.

Objectives of data analysis	Classification system used
Step 1: Content analysis of sustainability issues and performance as reported by organizations	
Analyze how information related to sustainability issues was reported in order to paint an overall picture of the organizations' sustainability performance and facilitate the counter accounting process	Classification based on the GRI core indicators, additional indicators and sector supplement indicators. Information from the 23 sustainability reports was extracted and grouped according to GRI indicators (including both core and sector indicators). Each indicator was used as a specific category
Step 2: Counter accounting of the organizations' sustainability issues	
Analyze whether significant events covered by online information sources were reported in the sustainability reports in order to assess the extent to which the reports credibly reflected reality or replaced it with simulacra	Classification based on the relationships between the 116 significant identified events and the information disclosed in the 23 sustainability reports. Each event was classified as (1) not reported, (2) reported incompletely or with bias, or (3) clearly reported. When an event was incompletely (2) or clearly (3) reported, all relevant information available was extracted from the sustainability report and analyzed in detail
Step 3: Content analysis of images in the sustainability reports	
Analyze the main types of symbolic messages conveyed by the images in the reports to elucidate underlying simulacra of corporate sustainability	Classification process based on five main categories of simulacra that emerged from report analyses: (1) unspoiled nature, (2) innocence and happiness, (3) caring and stewardship, (4) cooperation and external recognition, and (5) ingenuity and innovation

Table II.
Content analysis classification process

The second step involved analyzing how the organizations' sustainability reports addressed the 116 significant problematic events that occurred in 2007. Each identified event was documented in as much detail as possible, using several articles as information sources for each event. The manner in which each event was addressed in the sustainability reports was then checked, using the analysis grid for the information on each GRI indicator (see Table II, Step 1)[14]. For each firm, the manner in which the events were addressed was examined using a four-column table including:

- a description of the problematic event involving the firm (excerpts from news articles);
- an assessment of the relationship between the event and the GRI criteria or indicators;
- extracts of text related to the event (if any) from the firm's sustainability report; and
- a detailed analysis of how the event was addressed in the report.

In the third step, the images in the sustainability reports were analyzed. This analysis was based on five sub-steps:

(1) *Selection of reports.* The reports from two firms (Rio Tinto and CPFL Energia) were excluded from the analysis because they did not contain images;
(2) *Selection of images to be classified.* A portion (about 30 to 40 percent) of the images in the analyzed reports were not directly related to sustainable development issues,

14

including pictures of company executives, production processes, transport vehicles, corporate offices, products, and so on. To simplify the analysis, these fairly neutral images, as well as sketches or drawings included in the reports, were excluded. Only photographs[15] that were possibly connected to the social and environmental issues of sustainable development were analyzed. Most of these photographs were inserted into the reports to illustrate various sustainability issues covered by GRI indicators (biodiversity, water quality, health and safety, etc.) and therefore to convey a message (or simulacrum) about the way these issues were handled by companies[16];

(3) *Development of a classification grid.* The grid was prepared using a grounded theory approach (Strauss and Corbin, 1990), which is quite similar to that used in qualitative content analysis (Kohlbacher, 2005). The categories were thus not grouped into the five main recurrent themes that emerged from this analysis (see Table II, Step 3);

(4) *Classification of the images in the reports.* The images concerning sustainable development in each report were classified using an MS Word table. Each image was coded using the five thematic categories (Table II)[17]. A total of 1,258 images were classified;

(5) *Analysis of the five image categories.* This analysis involved counting the total number of images in each category for each company, plus a qualitative analysis of the representations conveyed by each category of images[18].

	Aspects of sustainable development	GRI grid core indicators	Mining sector supplement indicators	Oil and gas sector supplement indicators
	Economy	9 (EC1 to EC9)	2	1
	Environment	30 (EN1 to EN30)	4	7
	Work	14 (LA1 to LA14)	2	No sector indicator
	Human rights	9 (HR1 to HR9)	1	1
Table III.	Society	8 (SO1 to SO8)	4	4
GRI sustainable	Product responsibility	9 (PR1 to PR9)	No sector indicator	1
development indicators	Total	79	13	14

Results

The analysis of the 23 reports showed that the reporting practices tended to reflect the main principles associated with simulacra of the society of spectacle:

- a disconnect from the realities of the negative impacts of business activities, due to a lack of transparency in reporting;
- control and distortion of the disclosed information, which is primarily focused on putting the company in a good light; and
- the proliferation of misleading images.

Counter accounting and denial of reality

The number of significant events related to sustainability issues that were reported in the press varied widely among the firms, depending in part on their size and the scale of their activities.

However, regardless of their size or sector of activity, the firms exhibited very little propensity to clearly report significant adverse events (see Table IV). Of the identified events, 90 percent were either omitted from the sustainability report or addressed in a very incomplete and non-transparent fashion. As the data in Table IV indicate, these firms seemed to practice a form of reality denial with regard to events that should have been reported, but which may have threatened the firms' image.

The first type of reporting practice, that of acknowledging significant adverse events related to sustainability, involves disclosure of relatively clear information about the event. Although such disclosure is required by the GRI (according to the principles of balance, completeness, transparency, stakeholder inclusiveness, etc.), only 10 percent of the identified events were clearly presented in the sustainability reports we examined. The rate of acknowledgement was particularly low in the energy sector (about 6 percent of events). The events reported were usually presented very briefly and factually. The following example is fairly representative of the type of information disclosed:

> *In relation to Alaska, we have paid a $12-million fine and are subject to one to three years' probation. We also paid $4 million restitution to the State of Alaska and an additional $4 million to support Arctic environmental research* (BP, p. 7).

Firm	Number of events identified	Not reported	Partially or poorly reported	Rather clearly reported
BP	11	5	3	3
CPFL Energia	1	1	0	0
Gas Natural	2	2	0	0
Kospo	0	0	0	0
OJSC	0	0	0	0
Petrobras	6	4	2	0
Repsol	11	9	2	0
RWE	6	3	3	0
Shell	19	11	8	0
S-Oil	3	1	1	1
Suncor	5	2	3	0
Anglo American	6	2	3	1
Anglogold	11	2	6	3
Avon Metals	0	0	0	0
BHP Billiton	8	4	4	0
Codelco	3	1	2	0
Illawara Coal	3	2	1	0
Newmont Mining	7	5	1	1
Peñoles Industries	0	0	0	0
PT Kaltim Prima Coal	1	0	0	1
Rio Tinto	8	8	0	0
Teck Cominco	5	0	3	2
Usiminas	0	0	0	0
Total	116	62	42	12
Percentage	100	54	36	10

Table IV. Counter accounting results

Disclosure of this type of information allows the reader to recognize that a problem or negative impact exists; however, given the length of the sustainability reports analyzed (more than 100 pages on average), it is easy to overlook very short passages concerning adverse events. In addition, these passages were usually diluted in much longer, positive and well-illustrated descriptions about the firms' activities in support of sustainable development. It is thus difficult to identify information about negative impacts in the reports, unless one conducts a specific search to find it, as was the case for this study.

The second type of reporting practice involves a very incomplete, biased and/or distorted presentation of the adverse events, making it difficult if not impossible to recognize the real nature of the problem. This quite common practice (see Table IV) is inconsistent with the GRI principles of completeness, sustainability context and/or stakeholder inclusiveness. In practice, these complementary and interdependent principles seem to be adhered to almost exclusively in reporting the firms' positive actions, and are only rarely applied to their negative impacts. According to the completeness principle:

> *Coverage of the material topics and indicators and definition of the report boundary should be sufficient to reflect significant economic, environmental, and social impacts and enable stakeholders to assess the reporting organization's performance in the reporting period* (GRI, 2006, p. 12).

The reported information's lack of completeness was apparent in the evasive, unspecific and biased nature of the disclosed negative information. For example, RWE was under investigation in 2007 by the European Commission for abuse of its dominant market position. RWE was suspected of having implemented illegal measures to exclude potential competitors from the natural gas market in the North Rhine-Westphalia region of Germany (Europa, 2007). This problem falls under the GRI's indicator S07 on anti-competitive behaviour. In its report, RWE strongly emphasized its commitment to fair competition, and made a very vague reference to a "demand" from the European Commission, without mentioning the accusations the firm was facing:

> *In Germany, where RWE owns transportation and transmission networks, unrestricted access to these networks has a key role to play in promoting genuine competition. We therefore guarantee every power generator unrestricted, discrimination free access to our transportation and distribution network subject to fair terms and conditions, and will continue to do this in the future, too. The European Commission is nevertheless demanding that these distribution networks be run by independent companies* (RWE, p. 44).

Some reports were clearly too short to apply the GRI completeness principle. This was the case for the report from Rio Tinto, which was only 12 pages long (see Table I), despite the vast size of the company and the impact of its activities. Most reports however were quite lengthy and yet did still not respect the completeness principle in presenting negative events.

The principle of sustainability contextualization was also rarely respected, except for positive issues. According to this principle, "the report should present the organization's performance in the wider context of sustainability" (GRI 2006, p. 11), providing sufficient information so

readers can understand the extent and severity of the impacts of business activities within their social, environmental and economic context. The sustainability context was usually fairly well covered in news articles. For example, many newspaper articles criticized the impacts of BHP Billiton's activities concerning the Cerrejón Coal Mine in Colombia, which is the largest opencast coal mine in the world (Science News, 2007). Many studies have demonstrated the severity and diversity of the mine's impacts, which affect economic, social and environmental sustainability (see for example OECD Watch, 2007). Documented problems included the following: diseases caused by occupational exposure to carcinogenic crystalline silica; forced eviction and relocation of the local population; environmental and health impacts of discharges of sediments containing lead, copper and zinc; pollution of nearby waterways; and injuries among the local populations due to confrontations. In its sustainability report, however, BHP only emphasized its efforts to maintain good relations with the community, without clearly explaining the impact of the Cerrejón mine or why the company was subject to recurring criticisms from various organizations.

> *Further to our case studies in previous years, the Company has continued to work with Cerrejón coal mine, Colombia, on the management of community relations issues at the mine. In July 2007, the Company received notice from the Australian Foreign Investment Review Board alleging a breach of the OECD Guidelines for Multinational Enterprises. [...] [W]e have been sensitive to human rights allegations raised against the mine before, and during, our involvement with the operation* (BHP, p. 259).

This decidedly vague information was inconsistent with the gravity of the sustainable development issues and the stakeholders' need for information therein. According to the principle of stakeholder inclusiveness, "the reporting organization should identify its stakeholders and explain in the report how it has responded to their reasonable expectations and interests" (GRI, p. 10). This principle implies that, even if some external pressures are not fully justified from the firm's point of view, they must be addressed in the report. Whatever their real impacts, most of the adverse events we analyzed led to considerable outside pressure and questioning to which the reports never really responded (see Table IV). For example, the Red Dog Mine, operated by Teck Cominco, was the subject of numerous critical articles and reports from government agencies (see for example Alaska Department of Environmental Conservation, 2010) due to its major environmental impacts (e.g. methanol, lead and zinc spills) that are related to various GRI indicators. According to the Environmental Protection Agency (EPA), the mine is one of the top polluters in the USA: "Federal environmental regulators have listed the Red Dog Mine in Northwest Alaska as the top toxic polluter in the United States, for the sixth consecutive year" (Siku News, 2007). The mine was the subject of numerous lawsuits and requests for information from stakeholders, while the company paid for advertisements in local newspapers with the slogan: "Alaska's Red Dog Mine: A model of responsible development" (see for example The Artic Sounder, 2008, p. 16). In 2007, residents of the neighbouring municipalities announced their intention to sue Teck Cominco Alaska for more than 770 violations of environmental regulations. These violations and the related outside pressure were not explicitly addressed in Teck Cominco's sustainability report, which did little to comply with the principle of stakeholder inclusiveness. The report was limited mainly to highlighting the company's environmental efforts at the Red Dog Mine and denying the extent of the pollution generated by the mine:

Due to the high-grade rock and ore at Red Dog, this mine has reported the nation's largest TRI "release" for the past few years. However, these releases are not pollution in the conventional sense. Our records of TRI releases indicate that 99.9% of the total reported releases are in the form of piles of rock that have been mined, stored and thoroughly managed in an environmentally responsible way on-site (Teck Cominco, p. 22).

The last type of reporting practice with regard to adverse events is not disclosing any information about them at all. This was the case for 54% of the news events we analyzed, with practically identical rates of non-reporting in the energy and mining sectors. Thus, in over half the cases, it was essentially impossible for stakeholders to become informed, however imperfectly, about certain major events related to sustainable development from these sustainability reports[19]. The sustainability report with the greatest number of such omissions was that issued by Shell (see Table IV). The events that Shell did not report were fairly representative of the diversity of economic, environmental and social problems that are hidden behind the reassuring appearances of sustainability reports. For example, with regard to economic sustainability issues, Shell was accused by the French competition authority (Autorité de la Concurrence, 2008) of colluding with other oil companies in pricing kerosene on Réunion Island. Contrary to the GRI requirements (SO7 and SO8 indicators on anti-competitive behavior and compliance with laws and regulations), the report made no mention of the matter nor of the legal proceedings totalling several million Euros for anti-competitive practices. With regard to social issues, one notable event in 2007 involved Shell being sued by some of its Ethiopian and Malaysian employees for discriminatory hiring practices. Whether they were justified or not, these discrimination cases involving hundreds of employees (Donovan, 2007) were not mentioned in the sustainability report contrary to GRI requirements (see for example HR4 incidents of discrimination and actions taken). Finally, Shell was accused of misleading advertising by the British Advertising Standards Authority in 2007, for having connected the term "sustainable development" with exploitation of the oil sands in Alberta, an operation which has had particularly negative environmental impacts (Advertising Standards Authority, 2008). This charge should have been mentioned in Shell's report (PR7 indicator on incidents of non-compliance with regulations and voluntary codes concerning marketing communications, including advertising).

Optimistic statements and corporate narcissism

The existence of simulacra in sustainability reports involved more than a disconnect between the real issues and the disclosed information: it was also reflected in the creation of an idealized vision of the firm's commitment to sustainable development in order to improve its image in the eyes of its stakeholders. This narcissism was reflected in several complementary trends observable in most of the analyzed reports that exaggerated corporate commitment toward sustainability:

- Emphasis on the firm's positive achievements.
- Emphasis on virtuous statements and commitments.
- Showcasing of outside awards and distinctions.

Although such self-promotional tendencies may seem legitimate, they can lead to excesses and imbalances that hinder transparency and, furthermore, reinforce the simulacra revealed by a detailed analysis of these reports.

The first of these narcissistic tendencies seen in the sustainability reports involved placing overstated emphasis on the firms' positive achievements. The minimal information on adverse events stands in sharp contrast with the wealth of information in the reports describing the nature, context and effects of the firms' positive contributions to sustainable development. Interestingly, this emphasis on positive achievements sometimes touched on situations in which the firm's activities had resulted in the negative impacts that were particularly criticized by stakeholders, but which were not mentioned in the sustainability report. For example, problems concerning the lack of respect for human rights at Newmont's Yanacocha mine, the largest open-pit gold mine in Latin America, were severely criticized by various humanitarian organizations such as Oxfam, GRIFUDES and Father Arana. The cited problems included contamination of drinking water, violation of indigenous rights, open conflict with local people, confrontations with demonstrators, and threats to the NGOs investigating the mine (see for example Oxfam America, 2007). Not only were these problems not addressed in Newmount's sustainability report, but the report highlighted the Yanacocha mine's excellent performance as represented by an environmental prize received for its clean production practices and water treatment processes, a tree planting program, employee training, commitments to the welfare of the local population, and even obtaining ISO 14001 certification. The mine was thus portrayed as a model facility. The report even devoted a special section to the promotion of human rights at Yanacocha:

> *Newmont's Minera Yanacocha mine in Peru is taking its human rights program to a new level by ensuring that both employees and contractors embrace the company's human rights standards and guidelines. [...] This involvement is considered one of the most innovative business initiatives in South America, earning the operation a reputation as a human rights leader* (Newmont, p. 95).

The second narcissistic tendency we observed was emphasizing virtuous rhetoric and general commitments that were not necessarily related to firm activities and/or specific indicators. For example, the reports tended to highlight the firms' support for global causes such as the international fight against climate change, conservation of biodiversity in remote areas, protection of the world's water resources, the fight against child labour, and the condemnation of all forms of discrimination. This support is certainly relevant, but it was not necessarily backed up by clear and convincing information concerning the firms' performance in these areas. The reports also tended to detail the firms' compliance with general and not very restrictive codes of conduct and international initiatives, such as the UN Global Compact. Finally, the reports emphatically stressed the firms' support for or membership in NGOs working for various sustainable development causes, such as protection of human rights, community health, biodiversity conservation, literacy, decreasing school dropout rates, and reforestation. For example, the sustainability report issued by Peñoles Industries mentions the firm's membership in no less than thirty different associations.

The third narcissistic tendency noted in the reports was the showcasing of awards and distinctions for the firm's achievements. These accolades were received from several types of stakeholders with varying degrees of independence such as business leaders, employees, outside organizations and certification bodies. The praise and awards from these sources tended to inflate the image the reports projected, that of model companies that were responsive to societal expectations. Most of the reports thus presented examples of model employees who demonstrated the firm's commitment to sustainability or the employee's own sustainable

development efforts. Awards presented to employees in recognition of their commitment to sustainable development were also mentioned by some firms. For example, the report from BHP Billiton devoted eight pages to describing its company-wide employee HSEC (health, safety, environment, community) awards (pp. 27-35). By describing the awards given to some thirty employees, it was as if the entire company was being recognized and rewarded for excellence in sustainable development. Some recognition took the form of awards, certifications and endorsements from purportedly independent outside organizations such as environmental NGOs, human rights organizations, governments, municipalities, industrial organizations, newspapers, and certification bodies. Although information about this type of outside recognition may be relevant, the sheer number and diversity of the awards described (e.g. about thirty in the case of Petrobras) tended to erode their distinctive value. For example, the Repsol report devoted three pages to describing a dozen outside awards for gender equity, transparency, health and safety, quality, financial responsibility and combating climate change (pp. 27-29). This type of award helps create an overall image of normality, compliance and excellence, which tends to supplant the image often associated with major mining and energy companies, that of polluters with little regard for environmental constraints and human rights.

Images of sustainability and corporate simulacra

The omnipresence of images was a key feature of most sustainability reports. Although the literature on sustainability reporting has largely overlooked these images, they often occupied more space in the reports than did the data. Some reports, such as Newmont's, contained hundreds of photographs and almost seemed like photo albums about the benefits of sustainable development. Given the number of images, the goals of sustainability reports and the problems of the firms we examined, one might expect that a portion (however small) of the photographs would be used to represent negative impacts, if only to illustrate the challenges the firms were facing. However, in the 23 reports combined, only ten photographs (including five in a single report, that of the OJSC Oil Company) clearly represented pollution problems such as factory chimneys with plumes of smoke, mining residues, and so on.

This near absence of realistic images of the negative impacts of business activities stood in sharp contrast with the proliferation of images projecting a rather idealized and artificial vision of the firms' sustainability. These idealized and artificial visions resembled simulacra, that is, representations that were disconnected from reality, but which tended to artificially inflate the companies' image and social legitimacy. These idealized representations were not monolithic, and were accordingly grouped into a few recurring themes that conveyed five types of simulacra concerning the firms' sustainable development record: unspoiled nature, innocence and happiness, caring and stewardship, cooperation and external recognition, and ingenuity and innovation. These simulacra promulgated a spectacle of corporate sustainability through seemingly realistic images that were consistent with stakeholder expectations, but which tended to conceal deeper problems as revealed by the counter accounting analysis.

Table V summarizes the classification of images from the 23 reports into these five types of simulacra.

The simulacrum of unspoiled nature was reflected in 29 percent of the sustainable development images (see Table V). It was based on images of nature in the wild, including rare animals, majestic trees, tropical forests, green meadows, crystal clear lakes, waterfalls, rivers and salmon. Some photos represented rare or threatened species, such as whales (Petrobras, p. 83) and jaguars (Anglo American, p. 52). Others represented more ordinary elements of nature that nonetheless generally convey an image of purity, such as clear water, green leaves or colorful butterflies. Although these images of unspoiled nature were most often featured in the sections devoted to the environment, they were also frequently used to illustrate other aspects of the reports. Some companies even used such images on the cover of the report. This was the case for Teck Cominco's report, entitled Our Commitment, whose cover featured a caribou on the tundra. The message symbolically conveyed by these images was quite clear: the firms tend to portray themselves as guardians of ecosystems and protectors of wildlife. These sustainability reports were thus meant to present an illustrated and documented account of the firms' role as a defender of nature, which, given the major environmental impacts of oil and mining activities, is a simulacrum. This simulacrum was present in virtually all the reports examined, with the exception of that of BP (see Table V). In terms of the number of images, it was the dominant simulacrum in the reports issued by Gas Natural, Repsol, Avon Metals and Codelco. In general, the simulacrum of unspoiled nature was more prevalent in the mining sector, where it represented 33 percent of the images classified (compared to 18 percent for the energy sector)[20].

Table V: The five simulacra of corporate sustainability

Firm	Unspoiled nature	Innocence and happiness	Caring and stewardship	Cooperation and external recognition	Ingenuity and innovation	Total
BP	0	2	8	5	5	20
Gas Natural	9	7	7	5	3	31
Kospo	1	10	5	14	5	35
OJSC	6	10	13	23	13	65
Petrobras	5	4	8	5	3	25
Repsol	17	4	11	2	6	40
RWE	2	2	11	0	2	17
Shell	2	0	7	5	7	21
S-Oil	12	19	10	20	6	67
Suncor	8	2	6	2	3	21
Energy sector (%)	62 (18)	60 (18)	86 (25)	81 (24)	53 (15)	342 (100)
Anglo American	7	10	11	5	4	37
Anglogold	11	10	28	9	8	66
Avon Metals	18	8	3	13	3	45
BHP Billiton	3	4	17	3	0	27
Codelco	42	17	14	5	6	84
Illawara Coal	3	7	10	8	1	29
Newmont	193	197	78	25	9	502
Peñoles	13	23	6	5	2	49
PT Kaltim	1	2	21	4	0	28
Teck Cominco	6	2	6	1	1	16
Usiminas	8	10	11	1	3	33
Mining sector (%)	305 (33)	290 (32)	205 (22)	79 (9)	37 (4)	916 (100)
Energy þ mining (%)	367 (29)	350 (28)	291 (23)	160 (13)	90 (7)	1,258 (100)

The simulacrum of innocence and happiness was reflected in 28 percent of categorized pictures (see Table V). It was based on images of children or, more rarely, adults having fun, laughing or taking part in recreational activities. The majority of the images in this category were of children[21]. As was true for the images of unspoiled nature, this type of image was not necessarily restricted to a specific section of the report, although the sections on human rights were often illustrated with pictures of children. For example, in a section devoted to the

corporate profile and governance, Codelco's report featured a picture of three smiling children holding clods of earth in their hands (p. 64). Some firms also featured pictures of children on the cover of the report. For example, the cover of the report from Illawarra Coal showed two young children wearing safety helmets, sitting on the seat of a mining machine. The proliferation of such images tends to showcase the firm's concern for the future of children and the generations to come. These concerns seem to be genuine and based on family values. The firm's activities thus appear to be beneficial for the surrounding populations, contributing to their well-being and even to their happiness. This simulacrum was found in all of the reports examined, with the exception of that of Shell (see Table V). It was quite dominant in the reports from Newmont and Peñoles. As was the case for images of unspoiled nature, images portraying innocence and happiness were more frequently used in the mining sector than the energy sector. This may again be a reflection of the more visible impacts of mining activities, as well as the stronger criticism received by mining companies regarding their respect for human rights. The simulacrum of innocence and happiness thus seems to be at odds with the pressures mining companies are subject to and the impacts of mining activities, including long-term damage to natural resources, impacts on the health of surrounding communities, clashes with indigenous peoples, and the relocation of local populations.

The simulacrum of caring and stewardship was reflected in 23 percent of the images analyzed. It was based on images intended to illustrate the firms' efforts to protect the environment and take care of people. Some of these photos appeared quite realistic, showing real sustainable development activities such as employees measuring the quality of wastewater from a facility, tree planting activities, medical care being given to local people, help with housing construction, and food distribution. However, in most cases, these images seemed to be either staged or part of the graphic design of the document. First, some of these images portrayed symbolic acts that were not associated with a particular company and were not explained in the report, such as photographs of hands planting a tree or a physician treating a child. Second, some images were clearly simulations. For example, Petrobras presented a picture of an oil spill simulation exercise, demonstrating the efficacy of the firm's spill-control equipment (p. 70). According to the text of the report, the company had 86 spills in 2007 (an increase from 2006). Nevertheless, the report did not include a single photo of these very real, not-at-all simulated spills or clean-up operations. The simulacrum of caring and stewardship was sometimes shown on the cover of the report. For instance, Suncor, a company widely criticized in Canada for its major contribution to greenhouse gas emissions due to its oil sands operations, featured an image of a hand planting a bush on the cover of its report. The title of the report appeared in the center of the image: A Closer Look at Our Journey toward Sustainable Development. The proliferation of such images, quite disconnected from the reality of the impact of the companies' activities, creates a simulacrum of deep concern for environmental conservation and caring for people. Through these images, this simulacrum allows companies to play the role of committed actors or even crusaders for sustainable development. The simulacrum of caring and stewardship was found in all of the reports we analyzed (see Table V) and was dominant in about one third of them, particularly those of BP, Petrobras, RWE, AngloGold, BHP, Illawarra and PT Kaltim. The percentage of images classified in this simulacrum was very similar for the energy and mining sectors, at 25 percent and 22 percent respectively.

The simulacrum of cooperation and external recognition was reflected in 13 percent of the categorized images. It was based on photographs showing teamwork, collaboration with stakeholders, and recognition of the firm's excellence. The teamwork images took several forms, including workers cooperating in a task, work meetings, employees holding hands, and training seminars. Images of collaboration with stakeholders were quite similar, including meetings with stakeholders, employee participation in outside events (conferences, sporting events, etc.), cooperation with other companies, and visits to indigenous communities. Finally, many pictures were related to awards and other outside recognition for sustainable development achievements. These were usually photos of group award presentations or of certificates, and were found in various sections of the reports. For example, the section on the environment in S-Oil's report had images of several environmental certificates (including ISO 14001) and official documents recognizing the firm's voluntary commitment to reducing greenhouse gas emissions (p. 27, 40, 44, 45). The report's section on social performance showed images of "heroic firefighters" wearing medals (p. 75). Other photographs of groups of employees holding diplomas or wearing medals (p. 44, 82) were not explained in the report. The message promulgated by these images was clearly associated with the effectiveness of teamwork in sustainable development and its recognition by stakeholders. These images tended to portray the company as a good corporate citizen or even a model organization. The awards a firm received were presented as tangible evidence of the strength of its commitment and external recognition of that commitment. This simulacrum was found in all the analyzed reports except that of RWE (see Table V), and was the dominant visual message in the reports issued by Kospo, OJSC and S-Oil. This simulacrum was relatively more common in the energy sector (24 percent of all images) than in the mining sector (9 percent)[22].

The simulacrum of ingenuity and innovation was reflected in 7 percent of the analyzed images (see Table V). It was apparent in photographs evoking science, innovation and creative solutions for sustainable-development problems. Most images in this group were fairly standard, such as photos of scientists in laboratories, technical drawings and green technologies (solar panels, wind turbines, etc.). Some of the images represented new technologies developed by the company. For example, the reports from Shell (p. 15) and BP (p. 27) presented photographs of new types of biofuels. There were also photographs of new technologies or prototypes backed by the company. For example, Codelco's report had a photo of a solar-powered vehicle (p. 26) which was developed by students of the Physical Science and Mathematics Faculty of the University of Chile who were sponsored by the company. The images tended to showcase trust in the firm's scientific knowledge and ingenuity devoted to seeking innovative green solutions. As portrayed by these images, the firm appeared to be a source of solutions rather than of problems. Support for technologies that did not directly or exclusively involve the firm's activities also appeared as evidence of its leaders' sensitivity to global concerns, beyond the limits of the organization itself. The simulacrum of ingenuity and innovation was not dominant in any of the reports analyzed and did not appear at all in some reports (BHP and PT Kaltim). It was, however, more common in the energy sector (15 percent of all images) than the mining sector (4 percent)[23].

Conclusion

The findings of this study reflect the main characteristics of simulacra in the society of spectacle, namely the disconnect with reality, the distortion of information, and the influence exerted by the proliferation of images (Debord, 1990, 2002; Baudrillard, 1984, 1994).

First, the counter accounting analysis showed that only 10 percent of significant news events concerning sustainable development were reported clearly and explicitly in the sustainability reports. Not only do these results call into question the ideal of transparency generally associated with sustainability reporting, particularly for those companies using the GRI guidelines with A and A + application levels (KPMG, 2008; ISEA (Institute of Social and Ethical Accountability), 2003; Moneva et al. 2006), they also confirm that sustainability reports can be viewed as simulacra that camouflage real sustainable-development problems, presenting an idealized version of company situations.

Second, the information actually disclosed shows a very clear trend toward organizational narcissism (Duchon and Drake, 2009), which contributed little to the transparency and credibility of the reports. This narcissism was particularly evident in the emphasis on positive achievements – including activities related to issues or events that were strongly criticized in the press – and managers' virtuous statements that were often only remotely relevant to the GRI requirements. The unilateral descriptions of the firms' awards and laudable achievements reflected the "self-portrait" and "monologue of self-praise" (Debord, 2002 p. 10) conveyed by sustainability reports. The overemphasis on positive aspects may seem consistent with both voluntary disclosure theory and legitimacy theory, which predict that firms use sustainability reports to send positive signals to improve their competitive positioning and/or social legitimacy (Deegan, 2002; Gumb, 2007; Adams, 2004; Cho et al., 2012a, b; Clarkson et al. 2008). Nevertheless, given the significant and well-known sustainability issues of mining and oil sectors, such overemphasis tended to have a pervasive effect by undermining the credibility of the reports' optimistic rhetoric. From this perspective, the release of more information on negative issues that was amply covered by the media would not necessarily undermine the companies' reputations and would certainly have reinforced the credibility of their sustainability reports while improving compliance with the GRI requirements.

Third, the proliferation of images that were largely disconnected from the firms' genuine impacts promulgated several simulacra of the firms' true role in sustainable development. The influence these type of images have on the perception of reality is far from neutral (Preston et al. 1996, Campbell et al. 2009). The proliferation of images symbolizing unspoiled nature, innocence, or caring and stewardship thus contributed to the rationale of "falsification" (Debord, 2002, p. 30) behind the simulacra inherent in the society of spectacle. The omnipresence of positive images visually replicated and reinforced the omnipresence of positive statements in the reports. Similarly, the virtual absence of negative images paralleled the scarcity of information about the negative events involving the firms, despite the GRI requirements for balance and completeness.

Contributions

This study makes four main contributions to the literature on reporting practices.

First, it shows the relevance of the counter accounting approach in assessing the quality of sustainability reports and the application of GRI principles assumed to improve transparency. Although the counter accounting approach is central to the activities of NGOs such as Corporate Watch and the Business and Human Rights Resource Center, it has not been extensively used in sustainability reporting research (Gallhofer et al. 2006). To date, the literature has mainly focused on the information that is actually disclosed in these reports, rather than the information which is omitted. With few exceptions, notably the case study by Adams (2004), in which the "portrayal gap" of the Alpha company was examined, discussions of counter accounting have remained largely theoretical and exploratory (O'Dwyer, 2005; Dey, 2007; Sikka, 2006; Gallhofer et al. 2006) rather than focusing on specific sustainability reports and their concealment of critical information. As argued by the burgeoning literature on online counter accounting (Gallhofer et al. 2006; Paisey and Paisey, 2006; Sikka, 2006), the use of the internet as an alternative source of information can certainly have an "emancipatory potential" (Gallhofer et al. 2006). Nevertheless, online alternative information on corporate sustainability is generally dispersed, non-structured and not necessarily usable to effectively counter the detailed GRI reports released by organizations. This study proposes and experiments with a new approach to verifying the transparency of sustainability reports from specific and well-documented events rather than from a general, monolithic and uncertain assessment of sustainability performance. Although such an approach requires a great deal of information and analysis, it can be used by researchers, NGOs and other stakeholders alike.

Second, this study questions the reliability of sustainability reports that use the GRI's A or A + application level. There has been considerable general criticism of the reliability of sustainability reports (Laufer, 2003; Deegan et al., 2006; Owen et al. 2000; Unerman et al. 2007). However, to our knowledge, this criticism has focused neither on the dissimulation of critical sustainability events, nor on reports that use the highest GRI application level. The lack of transparency of these reports raises fundamental questions about the reliability and usefulness of the assurance process, which most of the reports we analyzed had undergone. The utility of the practice of assurance for sustainability reports has, in general, been quite controversial (Owen and O'Dwyer, 2005; Dando and Swift, 2003; Deegan et al., 2006). This study contributes to this debate by demonstrating that the assurance process was not as reliable as claimed, as shown by the many non-conformities with GRI principles observed in reports that were certified at the A + level (18 reports out of 22). This lack of reliability reinforced the simulacra associated with sustainability reports by emphasizing the alleged conformity and trustworthiness of information which, after analysis, appeared to be largely disconnected from both GRI principles and critical issues revealed by online counter accounting.

Third, the analysis of photographs contained in sustainability reports showed that this idealized commitment or simulacrum was far from neutral and, indeed, was based on a few reassuring and recurring "image-spectacles" (Clark and Greatbatch, 2004), namely: unspoiled nature, innocence and happiness, caring and stewardship, cooperation and external recognition, ingenuity and innovation. This study thus improves our understanding of the role played by images in sustainability reports. A few studies on the use of images in financial reports have shown that they serve to make the documents more attractive and to convey implicit messages to readers (Preston and Young, 2000; Campbell et al. 2009). However, research on this topic is still scarce and does not contribute to understanding the simulacra promulgated through the images included

in sustainability reports. Our study makes an important contribution in this regard through the systematic classification and analysis of over 1,250 images.

Fourth, from a more theoretical perspective, this study helps demonstrate the pertinence of Debord's and Baudrillard's critical perspective in helping us to better understand an increasing organizational practice that is purported to bring about more transparency and rigor on sustainability performance. Although it has apparently not been used to analyze sustainability reports, a key strength of this critical perspective is its capacity to comprehensively and coherently integrate the various aspects of these reports that may explain their lack of reliability, such as the control of their contents by upper management, the proliferation of images, the loss of contact with reality, and the simulacra of the images included in the reports. This lack of reliability may not only be related to the managerial capture of sustainability reports (Owen et al. 2000; Gray, 2010; Unerman et al. 2007) but also to the broad and elastic definition of sustainability. The multiple, ambiguous interpretations of this concept (Livesey and Kearins, 2002; Gray, 2010; Moneva et al. 2006) tend thus to obscure the meaning of sustainability and corporate representations of it, particularly in sustainability reports (Milne et al. 2006; Springett, 2003; Devinney, 2009). The absence of a clear definition and meaning of corporate sustainability tends to give credence to the Baudrillard concept of hyperreality. Sustainability reporting may thus represent a hyperreality based on information which does not only mask reality but both determines it and raises the question of the genuine existence of a sustainability that is independent of its idealized representations. Sustainability reports are thus widely used by stakeholders and can have a real impact on corporate image, even though the underlying meaning, measurement and reality of sustainability remain opaque. As stressed by Baudrillard, such hyperreality tends to replace the real world by signs, symbols and idealized representations. In his analysis of Disneyland as a hyperreality, Baudrillard (1994) showed how Disney created an imaginary world that is "neither true nor false" in which great effort is made to enable visitors to believe in the reality of this fictive, idealized and entertaining environment. Likewise, the reports analyzed in this study tended to symbolically represent a sustainability Disneyland that was based on idealized images and information intended to make the unobservable and uncertain performances in this area as credible, realistic and entertaining as possible.

Implications and avenues for future research

Generally speaking, the results and limitations of this study point to several new avenues of research.

First, this study examined only 23 sustainability reports from two sectors. Larger studies, examining more reports from diverse sectors, would make it possible to validate our main findings. Single large-scale studies are quite unrealistic, however, due to the vast volume of information to be collected, including data on GRI indicators, analysis of reports that are often very lengthy, news articles about events involving each company, and the analysis of the numerous images included in the reports. The second limitation of this study is that it was focused on a single year, 2007. It would be interesting to conduct longitudinal studies to analyze how reporting practices evolve over a longer period. This longitudinal approach, explored by Adams (2004), may help shed light on changes in the type of information and images included in

sustainability reports, as they relate to each company's history, strategy and events bearing on sustainable development.

Our findings also have several practical implications for improving the application of GRI principles. First, it would be appropriate to clarify and strengthen the requirements for the application of certain principles, particularly those of completeness, stakeholder inclusiveness and information balance. These GRI principles are quite broadly defined and were obviously not seriously taken into account by certain companies. It would be desirable to clearly require that sustainability reports both provide an account of the main events having sustainable development impacts and occurring in the past year and respond more clearly to criticisms from outside stakeholders. Given that the number of major events affecting each of the firms was quite limited (see Table IV) and that the reports were rather lengthy, the reports could have devoted a few pages to analyzing the main criticisms made by stakeholders and responding to them. Involving some stakeholders in the reporting process is often considered another means of improving the quality and transparency of the disclosed information (Unerman et al. 2007; O'Dwyer, 2005; Gilbert and Rasche, 2007).

Better guidance on the use of images in these reports would also be needed to increase the realism of the reports. It may seem legitimate to make the reports more attractive with rather idealistic images (e.g. wild nature, smiling children), but if so, realistic images of the company's impacts should also be presented. The principle of balance, which applies to the reported information, should thus be extended to the images wherever possible. This would help ensure that the reports reflect, as far as possible, the reality of these impacts, rather than resembling public relations material.

Notes

1. The Global Reporting Initiative (GRI) is increasingly viewed as the main benchmark standard for preparing sustainability reports (Moneva et al. 2006). Almost 80 percent of the sustainability reports produced by the world's largest companies consequently use the GRI guideline (KPMG, 2008).
2. On the debate between voluntary disclosure theory and legitimacy theory in corporate sustainability reporting, see for example Cho et al. (2012) and Clarkson et al. (2008).
3. On the role of visual images in accounting and accountability, see the special issue of AAAJ on "imagining accounting and accountability" (2009).
4. With regard to these challenges, see notably Sikka (2006) and Gallhofer et al. (2006). It is worth mentioning that Baudrillard dismisses the possibility of stepping back from the system to develop critical and emancipatory thinking, contrary to Debord, who is considered as a more committed and revolutionary thinker (on this issue, see for example Ryan, 2006 and Lane, 2009).
5. On the emancipatory potential of online reporting and counter accounting, see the special issue of Accounting, Auditing & Accountability Journal published in 2006, especially the debate between Gallhofer et al., Paisey and Pasey, and Sikka (op. cit.).
6. If a firm chooses not to report on a particular indicator, it is supposed to explain the omission (GRI (Global Reporting Initiative), 2006).

7. Most of these principles are focused on improving transparency in sustainability reporting, including for negative issues (principle of balance) and response to stakeholder concerns (principle of stakeholder inclusiveness). Applying these principles clearly requires that significant sustainable-development issues, including those likely to be reported in the press, be addressed in sustainability reports using the A or A + application level of the GRI.

8. Although the sustainability reporting practices of companies may have changed since 2007, the main objective of the content analysis was not to study those changes or to analyze the current situation (supposing this would be possible) but to delve deeper into the reports' transparency and possible simulacra.

9. The format, information and internet address of this list have changed overtime. Currently, the list can be obtained at: http://database.globalreporting.org/search (accessed August 2012).

10. The content of this list has changed overtime, as new reports were added, including for the year 2007.

11. To facilitate the online search for relevant articles, each company name was cross-searched with keywords related to specific significant sustainable-development issues covered by the GRI indicators: greenhouse gas emissions, spill, hazardous waste, water withdrawal, environmental crisis, biodiversity, child labour, freedom of association, discrimination, corruption, forced labour, indigenous rights, and so on. The collected articles were then sorted and grouped by the events covered, retaining only significant, well-documented events that were reported by several independent information sources. The goal of this process was not to collect the greatest possible number of events, but to identify the most significant events that were most clearly linked to GRI indicators and, thus, that were supposed to be reported.

12. The list of GRI indicators and the sectorial supplements can be accessed on the GRI Website: www.globalreporting.org/reporting/Pages/default.aspx (accessed August 2012).

13. These spreadsheets included sectorial indicators (13 sectorial indicators for the mining sector and 14 for the oil and gas sector) and were based on 1,104 (12 reports £ (79 þ 13)) entries for the mining sector and 1,023 (11 reports £ (79 þ 14)) entries for the energy sector (see Table III).

14. When an event was not clearly reported according to the analysis grid, the sustainability report was more exhaustively analyzed. This analysis relied on searching the electronic version of the sustainability report for particular keywords related to the event in question, including the type of problem, the location where the incident took place, the names of people involved, and so on.

15. Although the exclusion of images such as manager photographs is debatable, the connection to sustainable development and the objectives of this study were unclear. Moreover, the objective was not to analyze all the visuals contained in the reports, but to understand the type of message or spectacle conveyed with regard to corporate commitment for sustainability. Only images recorded by camera – which represented most images inserted in the reports – were analyzed in order to be in line with the concepts of spectacle and simulacra, which are assumed to be based on realistic images. The concepts of images, pictures and photographs will be used interchangeably in the rest of the paper.

16. Given the diversity of images which can be found in sustainability reports and the qualitative approach followed in this study, no specific, a priori criteria were used to select photographs except for their relation with GRI indicators and sustainability issues in general.

17. For images that were used several times in the same report, each instance was coded to take into account the effect of repetition. More than one category were applied to some images (about 5 to 10 percent), in order to code these images in all applicable categories.

18. Given the qualitative perspective of this analysis and the visual nature of photographs, the objective of image selection, counting and analysis was not to perform a quantitative study based on mathematical accuracy but simply to look more closely at the main types of messages conveyed and their relative importance.

19. This lack of reporting through omission involved all of the sustainable development issues covered by the GRI – issues which could also potentially damage the firm's image – including illegal pricing cartels, discrimination, forced labour, spills that were the subject of legal action, relocation of populations, corruption, worker deaths implicating inadequate health and safety measures, and violation of the rights of indigenous peoples. The number and severity of these events, and their relationship to specific GRI indicators, makes it implausible that these omissions were the result of errors or oversights, or their lack of relevance to sustainability issues.

20. This difference can be explained by the more visible and severe impact that mining operations have on nature (particularly in the case of surface mining), which increases the need to reassure the public by creating a simulacrum of the firm's role in protecting nature.

21. In some cases, the children are playing (particularly in the reports from BP, Kospo, OJSC and Codelco). In others, they are taking part in sports or shows (particularly in the reports from Codelco, S-Oil, Petrobras, and OJSC). For the most part, however, the pictures were simply of the smiling faces of children. Some of the photographs in this category also showed broadly smiling adult faces (often of indigenous people).

22. This difference may be partly explained by the potentially higher risk associated with products in the energy sector (explosions, oil spills, etc.) and the greater complexity of its processes. These risks and complexity plainly require more group effort to reassure local populations through ostensible signs of outside recognition and dialogue with stakeholders. Despite the risks associated with the activities of oil companies, these images tend to project the appearance of excellence, operational control, and compliance with sustainable development standards.

23. This difference may be partly explained by marketing efforts to demonstrate that the activities of energy companies are not solely dependent on oil. Although oil production remains the main activity of firms like BP, Shell and Petrobras, this resource is increasingly seen as polluting, non-renewable and expensive; hence the need to establish a simulacrum in an attempt to show that the company has transcended its dependence on oil. BP's name changes – from British Petroleum to Beyond Petroleum to BP – are indicative of this type of simulacrum, as reflected in misleading images of the company's supposed reorientation toward alternative energy technologies.

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