17 PARTNERSHIPS FOR THE GOALS

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Can You Trust the Numbers?

ESG Reporting, Public Perception, and Corporate Accountability

ESG Reporting and SDG 17: Partnerships for Sustainable Development

ESG (Environmental, Social, and Governance) reporting has become a cornerstone of corporate accountability, enabling businesses to measure and communicate their sustainability efforts. By fostering transparency and trust, ESG reporting aligns with SDG Goal 17: Partnerships for the Goals, which emphasizes collaboration, shared frameworks, and collective action to achieve sustainable development.

This poster argues that credible ESG reporting, with accessibility of traceable data fosters partnerships that drive collective action toward sustainability concerning environmental protection, social inclusion and economic efficiency.

Case Study of Greenwashing

Concept of Greenwashing

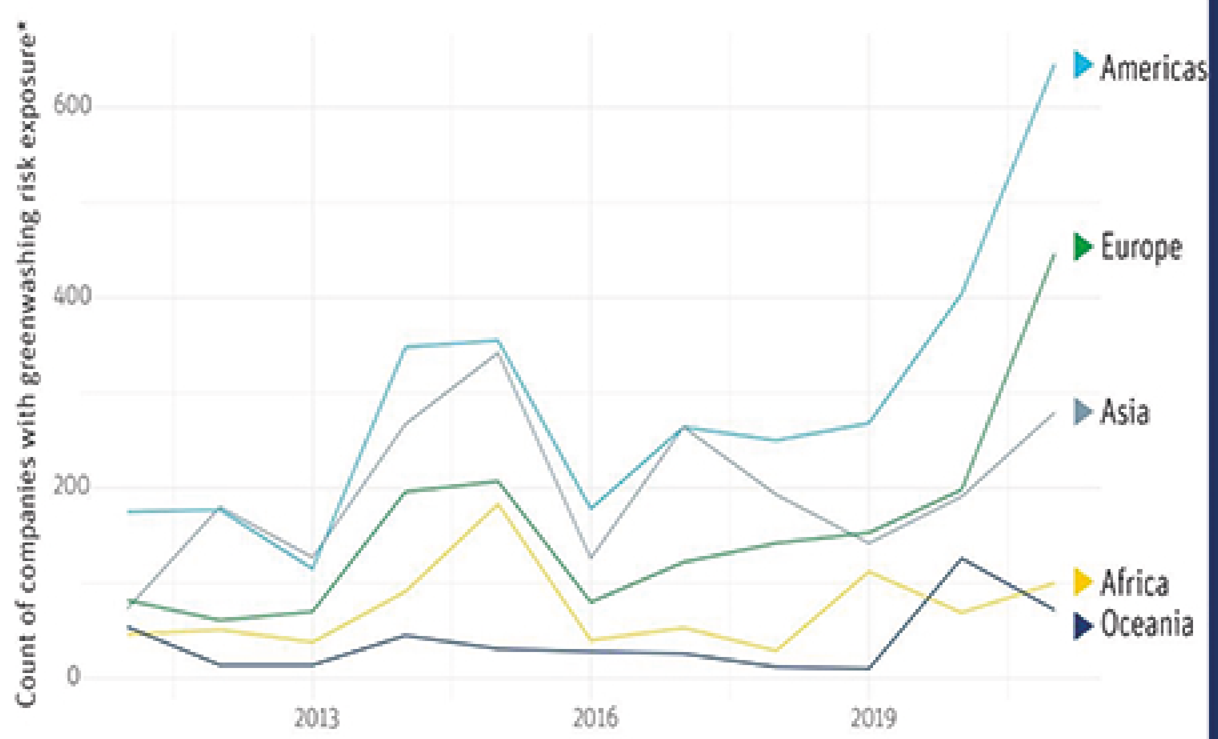
Referring to the practice where companies exaggerate or falsify their sustainability efforts to appear more environmentally friendly or socially responsible than they actually are via data. This practice undermines the credibility of ESG disclosures and poses significant challenges for stakeholders, including investors, regulators, and the public.

Prevalence and Impact

- Greenwashing curbs decision-making processes, destabilizes financial markets, and erodes stakeholder trust.
- Companies often engage in greenwashing through **"talk more and work less"** strategies and tone management (Yu et al, 2024).

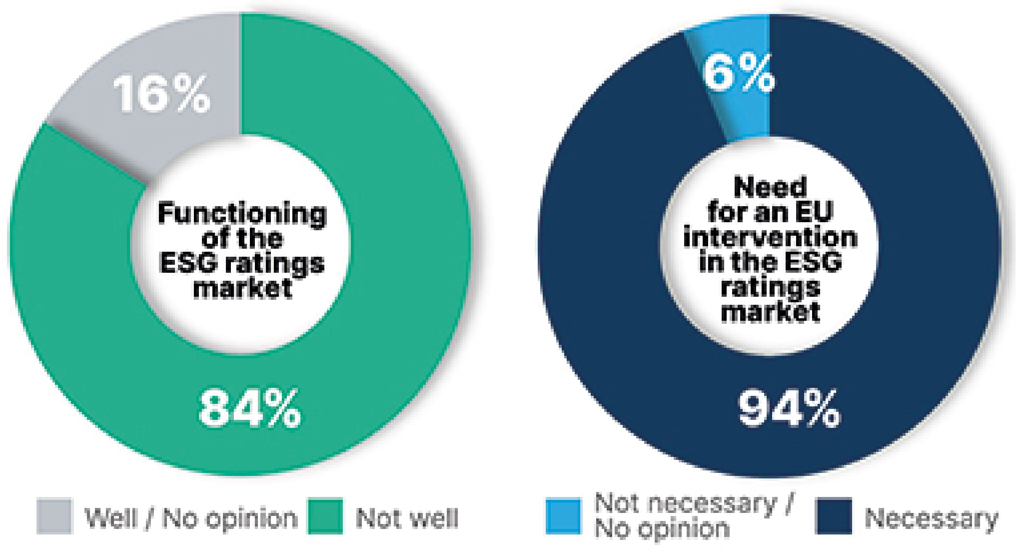
Consequences

- Greenwashing can temporarily reduce the cost of debt financing and increase stock returns due to enhanced corporate reputation, but these effects are not sustainable.
- It can lead to **increased risk and misallocation of resources,** ultimately harming firm revenues and market value.



Intervention in the ESG ratings market deemed necessary

Initiatives could improve rating credibility and comparability, clarify ESG objective with transparent rating methodology and avoid potential conflict of interests.



Source: Targeted consultation on the functioning of the ESG ratings market, European Commission, 2022. IEEFA

Influencing Factors

- Financial pressures and the need to meet regulatory requirements can drive companies to engage in greenwashing (Yu et al, 2024).
- Internal governance, such as board size and the presence of independent directors, can influence the extent of greenwashing.
- External factors, including media scrutiny, investor attention, and regulatory oversight, play crucial roles in mitigating greenwashing (Liu et al, 2025).

Strategies to Mitigate Greenwashing

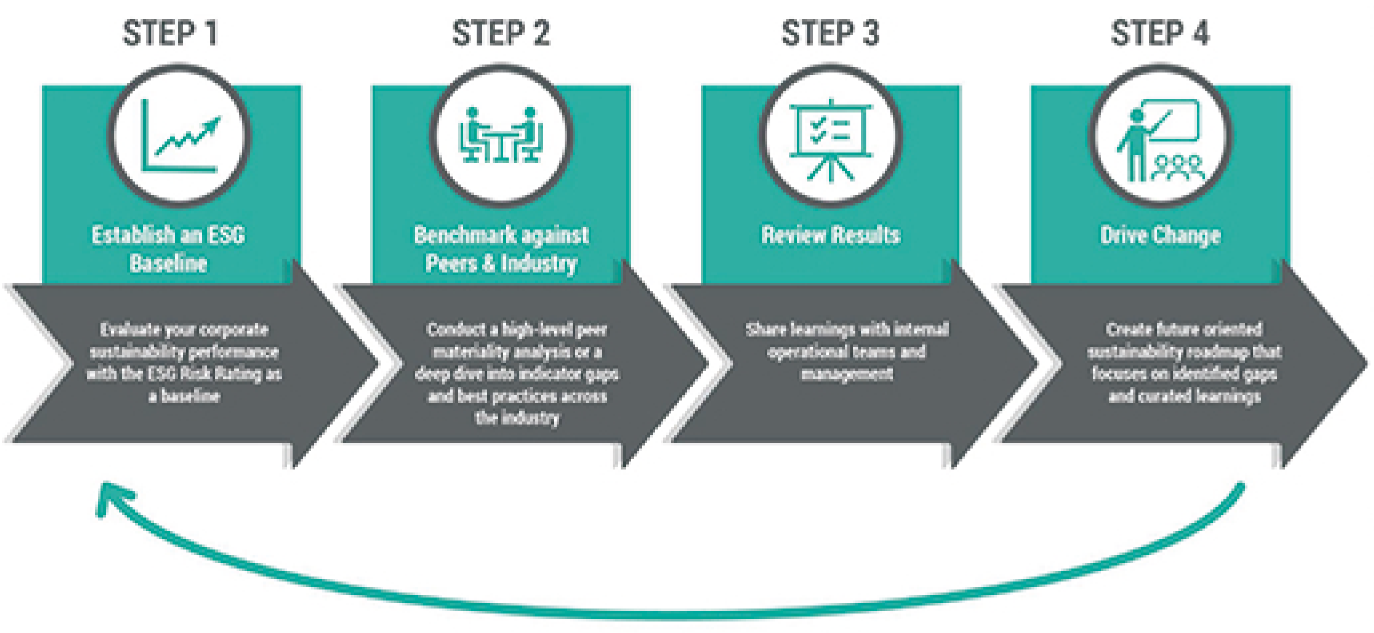
<u>Corporate Governance:</u>

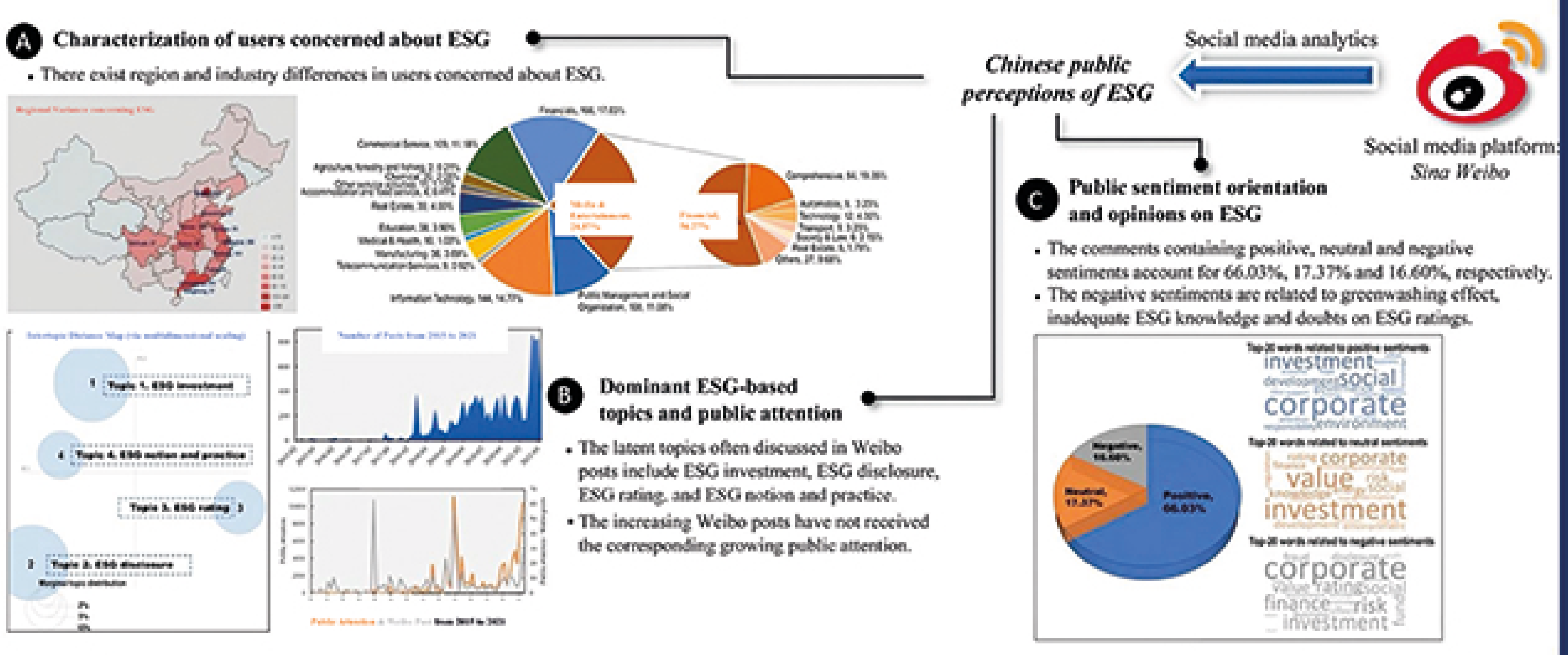
Strengthening internal controls, increasing executive shareholding, and improving analyst coverage can inhibit greenwashing (Luu et al, 2025).

<u>Stakeholder Engagement:</u>

- Public attention and media scrutiny can act as informal oversight mechanisms, pressuring firms to adopt genuine environmental actions.
- Investor vigilance and the threat of exit can influence corporate ESG practices and reduce decoupling between external and internal ESG actions (Zheng et al, 2024).

Prospects of Credibility: Learning from Practice





Benchmarking and Role Models

Publishing ESG data allows companies to benchmark against peers, setting industry standards that promote ethical practices and fair competition—key aspects of SDG 17. New entrants can follow the footsteps of role models, fostering a culture of collaboration and shared learning (Luu et al, 2025). In my internship, I conducted benchmarking tasks for clients, helping them align with industry best practices and fostering partnerships.

Positive Impact of Transparency

Publicly sharing ESG data increases awareness and accountability within companies, leading to tangible improvements in performance (Liu et al, 2024). Transparency in ESG reporting aligns with SDG 17's goal of fostering partnerships for sustainable development.

Public as a Driver of ESG Improvement

ESG reporting empowers the public, media, and civil society to hold companies accountable, fostering a collaborative approach to sustainability. Media scrutiny, for example, encourages social inclusion and drives ESG improvements, aligning with SDG 17's focus on multi-stakeholder partnerships (Liu et al, 2023). During my internship, I witnessed how media pressure and public engagement led to positive ESG changes for clients, demonstrating the power of collaboration in driving accountability.

Civil Oversight and Accountability

Public ESG data enables external watchdogs, NGOs, and governments to monitor corporate practices, ensuring accountability and fostering partnerships. Civil oversight strengthens long-term integrity in ESG reporting, contributing to shared goals and collaborative action, as media reports show how external oversight influences corporate behavior, showcasing the role of partnerships in driving accountability to make a difference (Zheng et al, 2024).

References

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SUSTAINABLE DEVELOPMENT GOALS