

Linking the United Nations Sustainable Development Goals to Local Content in the Annual Integrated Reporting of Oil and Gas Companies

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INTRODUCTION

Oil and gas companies increasingly use SDG language in annual and integrated reports. Local content is where the sector's reporting meets host-country jobs, suppliers, skills, technology transfer, and community value. Industry guidance often frames local content through SDG 8, but company reports may connect it to other goals. This study tests whether companies merely reference SDGs or connect them to local-content commitments in their annual integrated reporting.

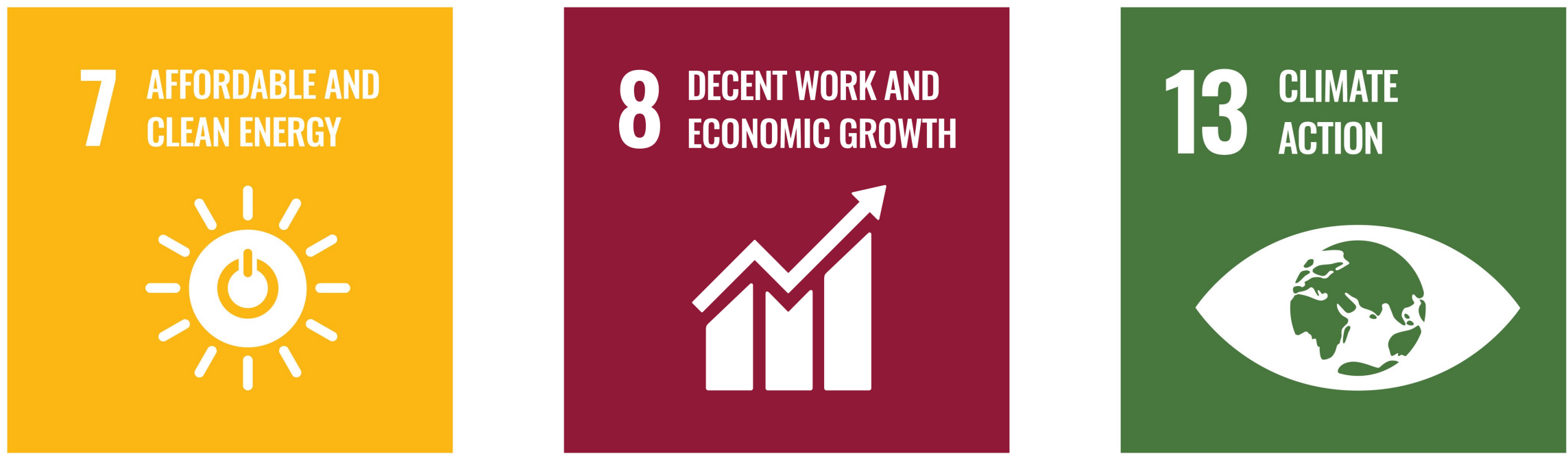
RESEARCH QUESTION

To what extent do oil and gas companies link the UN Sustainable Development Goals to local content in annual integrated reporting?

RESEARCH SUB-QUESTIONS

- SQ1.** Which SDGs are referenced most, and how does this vary by region, influence tier, and year?
SQ2. How is local content represented in the sampled reports?
SQ3. Which SDGs are linked to local content, and which are not?
SQ4. What company characteristics are associated with stronger or weaker linkage?

SDGs FOREGROUNDED IN THE CAPSTONE



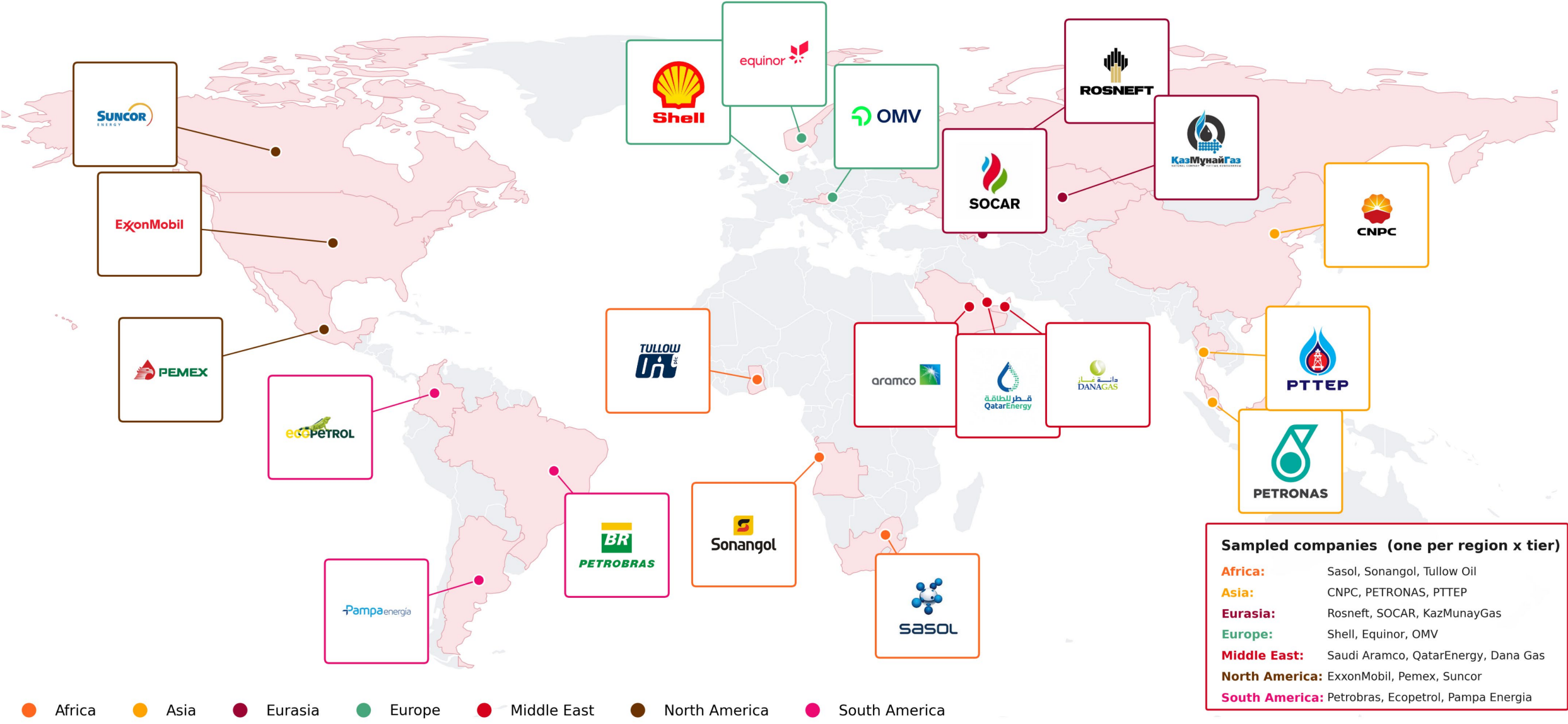
METHODOLOGY

Directed qualitative content analysis using MAXQDA and reproducible post-processing. The study codes all 17 SDGs and seven local-content categories across English, Spanish, and Portuguese reporting.

- 01** Collect 210 annual/integrated reports
- 02** Code SDG and local-content references
- 03** Resolve language-specific counts
- 04** Calculate frequency, co-occurrence, and propensity
- 05** Interpret patterns through legitimacy and institutional theory

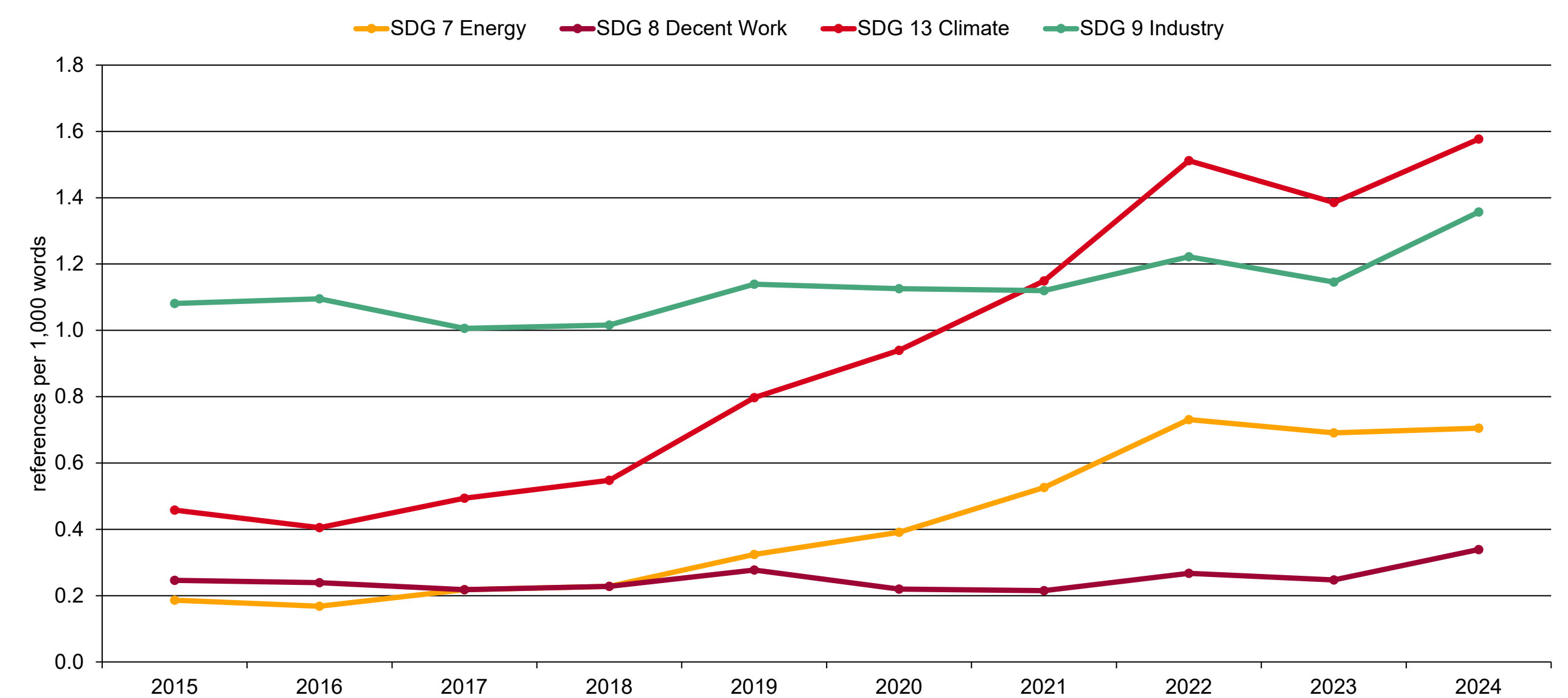
SAMPLED COMPANIES

The corpus covers 21 oil and gas companies: one company per region × tier cell, tracked over the decade after the SDGs were adopted.

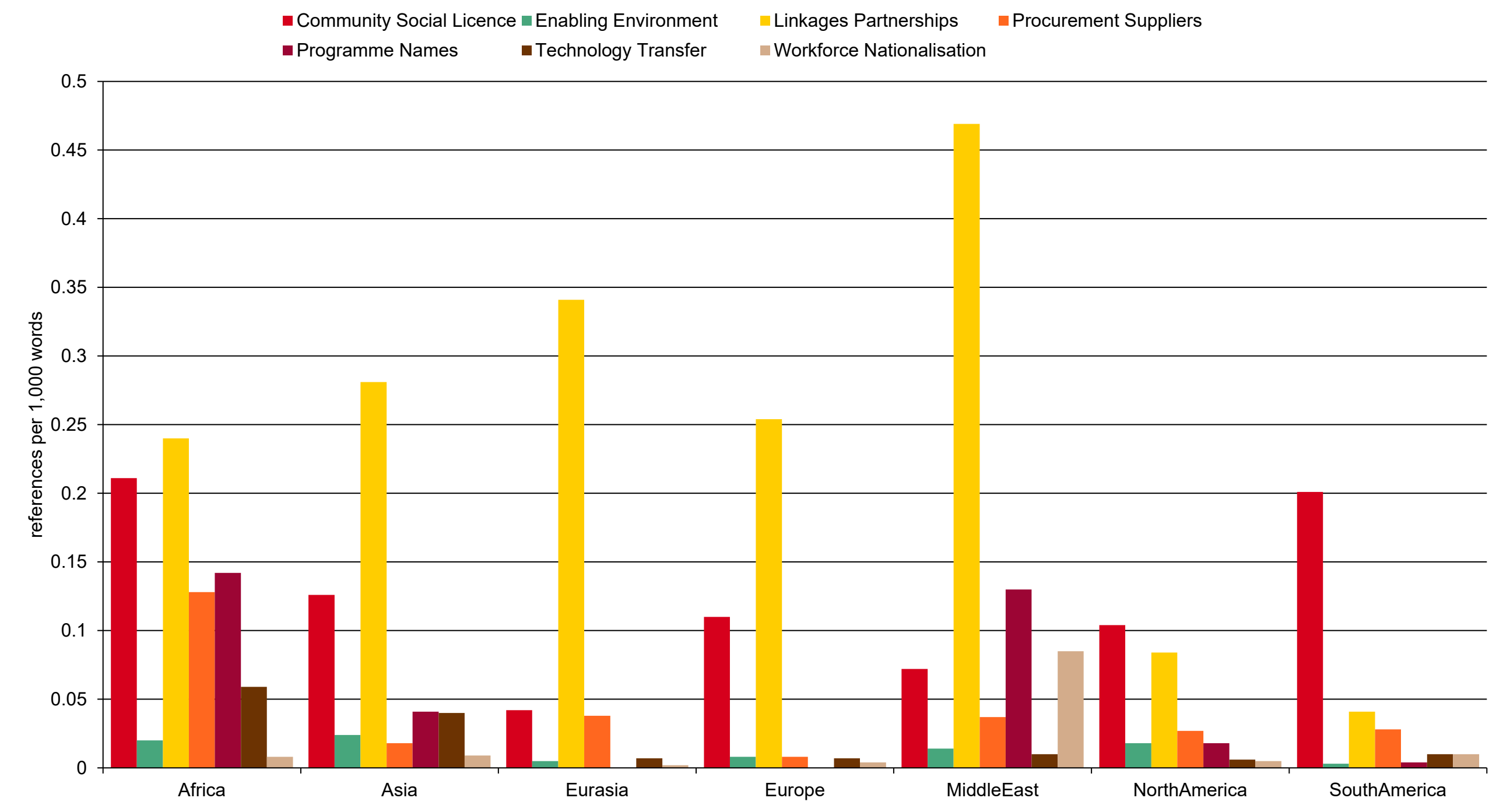


SQ1: SDGs REFERENCED BY REGION, YEAR, AND INFLUENCE TIER

	Africa	Asia	Eurasia	Europe	MiddleEast	NorthAmerica	SouthAmerica
SDG 1	0.06	0.08	0.04	0.03	0.02	0.02	0.10
SDG 2	0.00	0.00	0.00	0.00	0.00	0.00	0.02
SDG 3	0.48	0.73	0.74	0.30	0.53	0.49	0.86
SDG 4	0.14	0.23	0.18	0.03	0.14	0.10	0.18
SDG 5	0.10	0.08	0.09	0.14	0.07	0.07	0.16
SDG 6	0.19	0.28	0.38	0.22	0.31	0.73	0.72
SDG 7	0.23	0.66	0.21	0.73	0.28	0.32	0.32
SDG 8	0.31	0.24	0.29	0.24	0.16	0.21	0.27
SDG 9	0.76	1.88	1.02	1.02	1.24	1.59	0.89
SDG 10	0.12	0.12	0.10	0.18	0.06	0.13	0.26
SDG 11	0.05	0.03	0.01	0.02	0.01	0.04	0.06
SDG 12	0.13	0.34	0.11	0.25	0.14	0.18	0.35
SDG 13	0.72	1.28	0.48	1.41	0.48	1.12	0.79
SDG 14	0.02	0.19	0.09	0.05	0.08	0.03	0.06
SDG 15	0.11	0.41	0.12	0.15	0.11	0.33	0.46
SDG 16	0.90	1.08	1.13	0.63	0.46	0.40	0.98
SDG 17	0.19	0.34	0.18	0.15	0.19	0.31	0.28



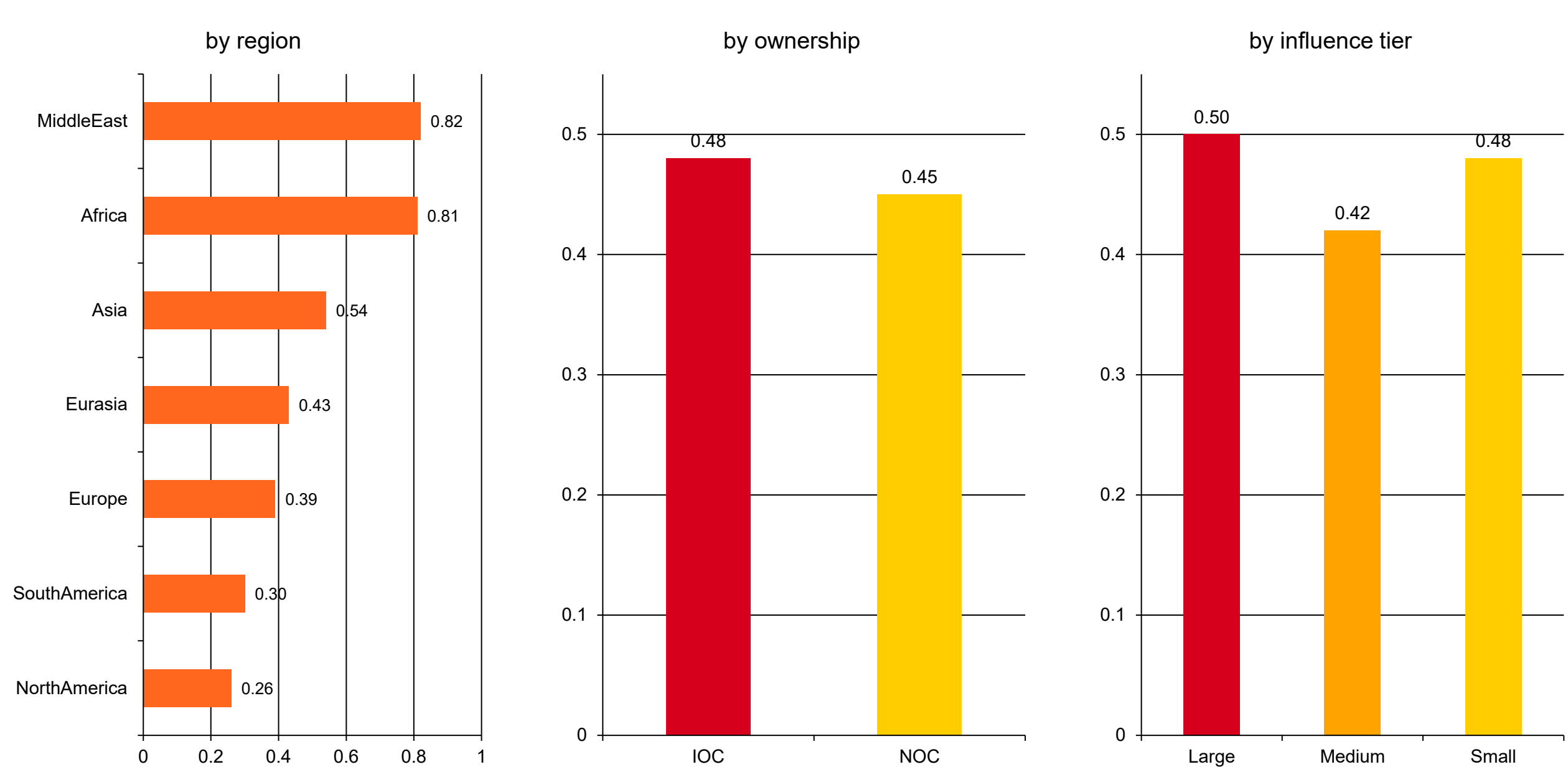
SQ2: HOW IS LOCAL CONTENT REPRESENTED IN THE SAMPLE



SQ3: SDGs LINKED TO LOCAL CONTENT

	Programme Names	Workforce National.	Procurement Suppliers	Technology Transfer	Community Soc.Licence	Linkages Partnerships	Enabling Environ.
SDG 1 No Poverty			4	2	20		3
SDG 2 Zero Hunger				1	1		
SDG 3 Good Health	6	10	5	9	97	34	
SDG 4 Quality Educ.	9	1	20	138	89	7	11
SDG 5 Gender Eq.	5	4	4	3	10	3	2
SDG 6 Clean Water	2	1	4	4	73	16	2
SDG 7 Clean Energy	3	2	12	10	33	56	8
SDG 8 Decent Work	24	55	64	39	87	13	34
SDG 9 Industry/Innov.	45	34	64	74	125	136	46
SDG 10 Reduced Ineq.	5	2	20	1	178	18	2
SDG 11 Sust. Cities			4	4	25		
SDG 12 Resp. Consump.	23	6	23	9	24	6	2
SDG 13 Climate	5		9	8	44	73	2
SDG 14 Life Below Water			2		18	3	
SDG 15 Life on Land	11		5	4	93	11	2
SDG 16 Peace/Justice	17	14	30	6	150	34	5
SDG 17 Partnerships	34	1	39	191	274	77	3

SQ4: COMPANY CHARACTERISTICS ASSOCIATED WITH LOCAL CONTENT



BEYOND THE FIGURES

- 01** 3,081 sentence-level SDG-local content co-occurrences were identified across 100 SDG-LCR pairs.
- 02** SDG 17, SDG 4, SDG 10, and SDG 8 are most preferentially tied to local content.
- 03** SDG 13 climate is frequently referenced, but least connected to local content.
- 04** Community/social license dominates; statutory workforce and procurement categories trail.
- 05** Region matters most: Middle East and Africa have the highest normalized local-content reporting rates.

DISCUSSIONS

- SQ1: WHAT IS MOST REFERENCED?**
- SDG 9, SDG 13, and SDG 16 dominate raw references.
 - SDG 8 is modest everywhere despite being the goal most associated with local content.
 - Normalizing by report length changes raw regional dominance.
- SQ2: HOW IS LOCAL CONTENT FRAMED?**
- Linkages/partnerships and community/social license dominate local-content discourse.
 - Procurement, workforce nationalization, and enabling environment remain low.
 - The reporting emphasis is more relational than statutory.
- SQ3: WHICH GOALS LINK?**
- SDG 17 and SDG 9 produce the largest raw linkage counts.
 - Linkage propensity shows SDG 17, SDG 4, SDG 10, and SDG 8 are preferentially linked.
 - SDG 13 is frequent but least linked.
- SQ4: WHAT CHARACTERISTICS MATTER?**
- VALIDATION**
- Overall precision: 68.9%.
 - English precision: 91%.
 - Spanish: 71%; Portuguese: 45%.
 - Portuguese results are interpreted cautiously because financial tables inflated false positives
- LIMITATIONS**
- Co-occurrence shows textual association, not proven strategic intent.
 - The method measures presence and linkage, not depth or quality.
 - The purposive sample describes selected reports, not a statistical population.

CONCLUSIONS

The study supports a qualified yes. Oil and gas companies do connect SDGs to local content, but the linkage is uneven and selective rather than comprehensive. The key pattern is not which goals appear most often, but which goals are tied to host-country jobs, suppliers, skills, partnerships, and community value. SDG 13 is visible, yet weakly linked; SDG 8 is less visible, yet more directly relevant. Stronger reporting should move beyond broad SDG alignment and show measurable local-content pathways: procurement, workforce development, technology transfer, supplier growth, and durable community benefits.

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