Cultural Influence on Sustainability Discourse: A Comparative Analysis of CEO Letters in the Cosmetics and Fashion Industry

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Abstract

The national cultural background of a company's founders and managers significantly influences corporate culture and communication. Over the past two decades, the link between culture and sustainability practices has been demonstrated, including how sustainability embeddedness is reflected in CEO letters. This study examines if companies in the cosmetics and fashion industries reveal cultural influences on sustainability in their CEO letters. These letters, the most influential part of annual reports, convey the CEO's vision, operations, and performance. Using quantitative and qualitative content analysis, the research investigates whether national culture influences the content of CEO letters by analysing letters from 15 companies across 10 countries. The study found no statistically significant correlation between Hofstede's cultural dimensions and sustainability narratives in CEO letters. However, feminine cultures tend to have stronger sustainability orientations. These findings suggest that companies should adapt their sustainability communication to align with local cultural values, thereby enhancing stakeholder engagement, particularly for multinational beauty and fashion companies.

Keywords: *CEO Letters, Corporate Communication, Embeddedness, Sustainability.*

Introduction

Corporate reputation has been the subject of increasing academic interest since the 1980s. A key precursor to a company's reputation is the sustainability of the company, i.e. the ability to achieve growth and development opportunities based on stakeholder expectations (Montiel & Delgado-Ceballos, 2014). Framed within the 'triple bottom line' approach, sustainability serves as a means to legitimize companies, demonstrating their commitment to all stakeholders and influencing investment decisions made by various actors (Pérez-Cornejo et al., 2023). This, in turn, promotes both financial and non-financial performance growth. Moreover, a positive corporate reputation and responsible, sustainable business practices directly enhance a company's competitive advantage by establishing trust with consumers and business partners (Nagiah & Suki, 2023).

The key to the contribution of corporate sustainability to companies' reputation lies in corporate communication. Over the past decade, the regulatory environment and increasing demands from stakeholders to understand companies' sustainable activities have led to an exponential growth in the communication of sustainability strategies, goals, and outcomes (Montiel & Delgado-Ceballos, 2014; Aggerholm & Thomsen, 2024). Corporate sustainability communication is a tool for transparent corporate operation, accountability and gaining legitimacy. The regulatory environment increasingly requires companies to compile corporate sustainability reports, but publicly published annual reports are also an important platform for communicating companies' results and plans. The most read and attention-grabbing part of the reports is the CEO letter, which serves as a resource for stakeholders to access CEO narratives about corporate vision, operations, and performance (Arvidsson, 2023), forming a positive image of support and trust (Hu et al., 2024).

Analysis of CEO letters has received increasing attention in academia in recent years, however, cultural differences are not taken into account despite the fact that national culture influences both managerial decisions and actions and how different stakeholders in companies perceive these actions (Pérez-Cornejo et al., 2023).

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The study aims to analyse cultural differences in sustainability narratives in CEO letters in the cosmetics and fashion industries. The research focuses on the industry due to notable differences in sustainability practices across different sectors. Additionally, the cosmetics and fashion industry has undergone a significant shift towards sustainability and respect for the environment and society, although numerous challenges still need to be addressed.

The main question of the research is how culture differentiates sustainability discourse, its themes and priorities. The emphasis on the role of culture stems from the initial literature finding that corporate reputation as a legitimation process is not the same in all cultures, as stakeholders' expectations and interests differ in various cultures (Pérez-Cornejo et al., 2023), just as green proactivity, environmental protection, corporate social responsibility and sustainability also appear with varying emphases from culture to culture (Tehrani et al., 2021; Huang et al., 2024).

Literature Review

In the context of corporate sustainability, decision-makers must consider a triple set of economic, social and environmental considerations in order to improve long-term performance and maintain competitiveness, which is part of the triple bottom line (TBL) framework. The environmental dimension of sustainability expectations and results goes back to the original sustainability concept, meaning minimizing the company's impact on the physical, natural environment. Economic sustainability refers to a company's contribution to maintaining the viability of a larger economic system, while social sustainability is a multifaceted dimension, and although often equated with corporate social responsibility, it describes much more broadly the impact of companies on local communities, from corporate philanthropy to community well-being to ensuring safe working conditions (Reilly & Hynan, 2014; Reddy & Thomson, 2015; Nagiah & Suki, 2023).

Companies are no longer only expected to increase their sustainability activities, but also to increase the transparency of these practices and their progress through various reports. The growing interest of stakeholders in the embeddedness of sustainability, i.e. the extent to which a company has internalised sustainability into its operations, mindset and strategy, has a fundamental impact on corporate reputation (Arvidsson, 2023). Accountability for companies to ensure legitimacy and transparency takes place within an extensive framework and regulatory environment (KPMG, 2022), but strategic communication about sustainability is also the result of an internal desire (Aggerholm & Thomsen, 2024).

The study first reviews the role and relevance of corporate communication in today's business environment and defines the role of the CEO letter in corporate communication. The second main part of the literature review is the definition of culture, and the relationship of cultural dimensions applied in the empirical part with sustainability is the third main topic.

Corporate External Communication – In Focus with the Ceo Letter

The beginning of corporate communication as a science can be dated back to the 1980s. Since the second half of the last century, the term corporate communication has become widespread in both academic discourse and corporate practice (Bhatia & Bremner, 2014). Corporate communication in this study refers to the entirety of external and internal communications of organizations and companies. Corporate communication 'encompass public relations, public affairs, investor relations, corporate advertising, environmental communication, and internal communication'(Riel & Fombrun, 2007, 20). Organizational communication is communication with a formal message to corporate stakeholders such as shareholders, employees, media and other stakeholders with a long-term perspective. Corporate communication includes marketing communications, organizational communications, and management communications. This term refers to a unified strategy for developing communications within organizations (Riel & Fombrun, 2007).

In corporate communication, the CEO's letter in reports plays a particularly important role for shareholders, as it reveals the viewpoints represented by the head of the company (Craig & Amernic, 2018). In most cases, the CEO letter accompanies annual audited financial statements, integrated reports, and

stand-alone sustainability reports, as well as other corporate reporting documents, although there may be different practices. The CEO letter is the most influential and widely read part of the reports, with Arvidsson (2023) pointing out that CEOs play an important role in formulating companies' sustainability visions and clarifying related issues. 'Although companies can now resort to a variety of tools and website pages to communicate with their numerous stakeholders, CEO annual letters, where tone at the top is conveyed, still have enormous rhetorical importance in building credibility and imparting confidence (Resche, 2020, 93).

With regard to the planned methodology of the research, it is important to distinguish between the annual reports published by companies. In this article, CEO letters from annual reports are analysed of internationally leading cosmetics and fashion companies with different cultural backgrounds, as Mäkelä and Laine (2011) identified significant differences in the focus of CEO letters. According to their findings, annual financial reports are structured around the economic discourse of growth and profitability, while sustainability reporting is structured around the theme of well-being, so the latter is not relevant to the analysis, since sustainability is fundamentally at its core, although references in annual reports to sustainability are now expected from all stakeholders (Arvidsson, 2023).

Communication is fundamentally a culturally determined process. The country's history, geography, climate, customs and values, as well as orientation and norms influence the way of communication (Hall, 1976; Damberg et al., 2024). The correlation between sustainability discourse and national culture is reinforced by the fact that CEO narratives adapt political and regulatory initiatives, socio-political events and civil society activism, so national culture is reflected in the texts, just as CEOs' words can mutually shape stakeholders' perceptions at a high degree of corporate embeddedness (Arvidsson & Sabelfeld, 2023).

Cultural Values and Attitudes Towards Environment

Since the cultural change of the 1980s, the term culture has often been used in an undefined way for everything that cannot be reduced solely to economics or politics (Smelser & Swedberg, 2005). Culture is a complex concept that has a long tradition of study and research. One of the most common formulations is that 'the collective programming of the mind which distinguishes the members of one group or category of people from another' (Hofstede, 1984, 51).

Cultural studies have been built on describing, capturing and comparing patterns of cultural orientation, but they differ fundamentally in logic and approach, although they have their roots in the same value choices. Kluckhohn and Strodtbeck (1961) identified six value orientations related to time, basic human nature, forms of relationships, level of activity of activities, and the choice between the degree of privacy and public space, i.e. individual and community focus, which make it possible to identify fundamental differences between cultures. Another fundamental value orientation is the relationship with nature, which can be based on dominance over nature or living in symbiosis with it. There are many cultural dimensions or value orientations in existing cultural frameworks that may explain public attitudes towards the environment. The inner direction versus outer direction dimension of Hampden-Turner and Trompenaars (2000) also illustrates the relationship with nature. 'Inner direction conceives of virtue as inside each of us – in our souls, wills, convictions, principles and core beliefs, […] while outer direction conceives of virtue as outside each of us in natural rhythms, in the beauties and power of nature, in aesthetic environments and relationships' (Hampden-Turner & Trompenaars, 2000, 234).

To analyse cultural differences in the sustainability narratives, the six dimensions of one of the most frequently used culture models, Hofstede et al. (2010), is used.

The fundamental question of the dimension of individualism and collectivism, which deals with the question of identity, is the degree of interdependence between members of society. The focus of the dimension is on the self-image, the relationship of individual identity to an individual or group. In individualistic societies, individuals focus mainly on themselves and their individual successes, the task takes precedence over relationships, while in collectivist societies individuals have a strong sense of belonging to groups, with an emphasis on common interests and goals. According to the literature, collectivist cultures

are more likely than individualistic cultures to demonstrate environmentally friendly attitudes and intentions. This is because they perceive the environment as a shared value that all members of the culture should equally access and care for (Filimonau et al., 2018).

The dimension of hierarchy deals with social equality and inequality. Cultures characterized by high power distances tend to accept an unequal distribution of power, while egalitarian cultures that seek to minimize inequalities are characterized by a low power distance. Regarding the dimension of gender roles, masculine cultures are characterized by competition, achievement and success orientation, while in feminine cultures the dominant value of society is care for others and quality of life.

The high and low uncertainty avoidance index, which describes the relationship to the unpredictable, is particularly important in business, as it shows whether a society and its members see uncertain situations as a threat, try to control the future, or, on the contrary, are not afraid to take risks.

Hofstede's fifth dimension is short- or long-term time orientation. The low score of this dimension refers to the short-term view of time in society, where change is surrounded by suspicion, while high-score, future-oriented cultures are characterized by a tendency to thrift and perseverance. Hofstede's (Hofstede Insights, 2024) time orientation dimension, which deals with time perspective, suggests that long-term-oriented cultures should have higher eco-friendly attitudes than short-term oriented cultures. Hofstede's sixth dimension, indulgence versus restraint, refers to societies where indulgence means a greater acceptance of enjoying life (Hofstede et al. 2010).

The Impact of Culture on Sustainability

The sustainable contribution of companies to the economy, society and the environment beyond their economic activities and profit-driven behaviour has become a fundamental expectation. Culture and sustainability, corporate social responsibility, green proactivity and sustainability reporting have been examined in a variety of contexts. Wang et al. (2021), examining the relationship between green proactivity and culture, found that the dimensions of masculinity and uncertainty avoidance hinder green proactivity. Similar findings are made by Calza et al. (2016), who explore along the GLOBE dimensions that collectivism, performance orientation, self-advocacy and uncertainty avoidance within the group negatively influence companies' environmental proactivity, while future orientation and gender equality have a positive effect. Miska et al. (2018), based on a study of thirty-six countries, also examine the GLOBE dimensions to reveal that future orientation, gender equality, uncertainty avoidance and power distance positively, while performance-oriented practices negatively predict corporate sustainability practices. Ringov and Zollo (2007) examined corporate social responsibility (CSR) and found that national culture plays an important role in corporate responsibility practices and social expectations. Power distance and masculinity have a significant negative impact on corporate social and environmental performance, while cultural differences in terms of individualism and uncertainty avoidance do not have a significant impact. Pérez-Cornejo et al. (2023) explored the cultural impact of CSP on corporate reputation, highlighting that CSP has a stronger positive impact on corporate reputation in low-power, collectivist, feminine, and high-uncertainty cultures.

Ordonez-Ponce (2022) examined the relationship between each country's SDG (Sustainable Development Goals) scores and cultural dimensions and found that power distance and masculinity contribute negatively to sustainability, while individualism, uncertainty avoidance, long-term orientation, and indulgence positively influence sustainability. However, results vary by region and SDG (Ordonez-Ponce, 2022). According to the results of a statistical analysis by Tehrani et al. (2021), countries with a cultural dimension to femininity reward companies that invest in socially responsible strategies that can improve quality of life.

Not only sustainability, but also sustainability reporting depends to a large extent on national culture. Results from Gallén and Peraita (2017) show that disclosure of responsibility practices in countries with higher gross domestic product per capita (GDP per capita) is negatively associated with individualism and masculinity and positively associated with uncertainty avoidance and indulgence. Similar findings are made by Gallego-Álvarez and Ortas (2017), who argue that power distance and masculinity are negatively, while uncertainty avoidance is positively related to environmental sustainability reporting. Romero and

Fernandez-Feijoo (2013) find that culture influences interest in highlighting the credibility of sustainability reporting in different countries. In countries characterized by collectivism and low power distance, companies do not need to enhance their credibility through social responsibility disclosures; these companies operate democratically and prioritize internal cohesion. Conversely, in individualistic societies with significant power distance, companies must exert additional effort to demonstrate their commitment and ensure transparency in their social responsibility reporting. However, a clear link between cultural dimensions and sustainability reporting cannot always be established. In their research, Fernandez-Feijoo et al. (2011) expected that the United States prefers economic information over social and environmental disclosures because of its individualistic and masculine characteristics, but found no significance.

Overall, it can be concluded that while certain dimensions, such as femininity and future orientation, were positively associated with sustainability in all studies, while masculinity and short-term orientation were negatively, other dimensions such as uncertainty avoidance, power distance, or group orientation versus individualism did not always produce the same results or showed a close, significant correlation with sustainability and corporate responsibility, and communication. Based on these literature results, the following hypotheses were defined in the study along only two dimensions:

Hypothesis 1: CEO letters from companies in countries with high scores on Hofstede's Long-Term Orientation dimension will contain more explicit and detailed references to sustainability compared to those from countries with low scores.

Hypothesis 2: In countries with high scores on Hofstede's Femininity dimension, CEO letters will emphasize personal and corporate responsibility for sustainability, whereas in countries with high scores on Masculinity, the focus will be on community and societal benefits of sustainability initiatives.

Table 1. The Values of The Examined Countries Based on Hofstede's (Hofstede Insights, 2024) Dimensions

Country	Power Distance	Individualism	Masculinity	Uncertainty Avoidance	Long Term Orientation	Indulgence
France	68	74	43	86	60	48
Germany	35	79	66	65	57	40
Great Britain	35	76	66	35	60	69
Italy	50	53	70	75	39	30
Japan	54	62	95	92	100	42
Poland	68	47	64	93	49	29
Spain	57	67	42	86	47	44
Sweden	31	87	5	29	52	78
Switzerland	34	79	70	58	42	66
United States	40	60	62	46	50	68

The first table shows the values of the analysed countries along Hofstede's dimensions, which will be used for the subsequent analysis.

Research Design and Empirical Methodology

The aim of this study is to analyse the extent and manner in which sustainability is discussed in CEO letters in annual reports of beauty and fashion companies in ten different countries and to understand how these sustainability narratives are influenced by cultural values. The research question can be formulated as follows: How do cultural values influence the sustainability narratives in CEO letters of beauty and fashion

companies in different countries? To test our hypotheses, we compared sustainability narratives along selected cultural dimensions of Hofstede. 15 companies from the beauty and fashion industry in 10 countries were involved in the analysis. The industry faces major sustainability challenges due to the changing regulatory environment, increasing pressure from social media influencers and Generation Z regarding product ingredients, packaging, transportation, recyclability and refill ability, product testing, human resource management and many other areas, while the industry is largely driven by consumer demand, and currently, demand for sustainable practices appears to be high (McKinsey, 2020; 2023; Acharya et al., 2021; Alevizou, 2021).

The selection of the fifteen companies and ten countries analysed is justified by several factors. Although cultural comparisons would be better illustrated by the involvement of several countries, it can be observed that major companies in the beauty and fashion industry are mostly concentrated in a few countries. The countries included in the analysis represent significant markets in the fashion and beauty industry, with France, the United States of America, Japan and Germany being the leading countries in the beauty product market (Global Edge, 2024). In terms of the European market, the countries with the most fashion distributors and retail companies are Italy, France, Poland and Germany. The European Union values cultural heritage, expertise, creativity, innovation and the high added value fashion and beauty industry (European Commission, n.d.). The selection of countries is based on cultural diversity, as in the cultural model of Lewis (2006), both linear-active (Germany, Scandinavian and Anglo-Saxon countries), multi-active (Mediterranean), reactive (East Asian countries) and a mix of multi-active and linear-active (Poland) countries were included in the analysis.

The selection of companies was a much more complex process. Their inclusion in the analysis was justified by their economic influence, including a significant impact on global trade through their extensive supply chains and high annual turnover, while practical considerations differentiated the selection. On the one hand, the industry's complex and interconnected value chain (European Commission, n.d.) has created difficulties, reducing the number of companies that can be analysed by merging several brands into a single conglomerate. In such cases, the group of companies brought together the companies was investigated. Furthermore, it was not possible to select specific companies due to the accessibility, language and structure of the annual reports. The availability of CEO letters and other relevant data may vary by country. Analysing the same number of companies from each country can be challenging when data from some countries is scarce or difficult to obtain. An observation of data collection is that CEO letters are mostly typical of Western companies, although mostly financially focused reports without personal messages are available here in many companies. There were several cases where the chairman rather than the CEO delivered his message, or both, but there were also cases where interviews were offered instead of letters. These were not considered errors but were included in the analysis due to the rare occurrence of CEO letters. The differences are collected in the Table 2.

Table 2. Data Of the Companies Analysed

Company	Country	Note regarding differences in the analysis
LVMH Group	France	Annual reports, Chairman and Chief Executive Officer message
Shiseido	Japan	Integrated report (2023, 2022); Annual report (2019, 2018); Director, Chairman and CEO letters
H&M	Sweden	Annual and sustainability report (2023, 2022); Annual report (2019, 2018); CEO letters
Fast Retailing	Japan	Integrated report, Message from CEO (2023, 2022); Annual reports, Message from CEO (2019, 2018)
Hugo Boss	Germany	Annual reports, CEO letters, 2018, 2019, 2021, 2022
Adidas	Germany	Annual reports, Interview with the CEO to shareholders (2023, 2022); CEO letters (2019, 2018)
L'Oréal	France	Annual reports; Chief Executive Officer (interview), Message from Chairman of the Board of Directors (2023, 2022); Prospects and interview with CEO (2019, 2018)

Aeffe Group	Italy	Annual reports; Chairman's letters 2023, 2022; No data regarding 2019, 2018
Inditex	Spain	Annual reports, Chairperson's message and CEO's statement (2023, 2022); Letter from the Chairman (2019, 2018)
Nike	US	Annual reports, President and Chief Executive Officer (2023, 2022); Chairman, President and Chief Executive Officer (2019, 2018)
Burberry	UK	Annual reports, Chair's letter and CEO letter
Richemont	Switzerland	Annual reports, Chairman's review
LPP	Poland	Consolidated Annual Report, CEO letter (2023); President of the Management Board letter (2022, 2019, 2018)
Kao Corporation	Japan	Integrated reports, CEO message
Moncler	Italy	Annual reports, Chairman's letters

The results may be influenced by the fact that, while equal representation of individual countries is ideal for achieving statistical equilibrium, it is not always practical or necessary. In certain countries, a higher concentration of multinational companies operating in the fashion and beauty sector allows for the analysis of a greater number of companies from these regions. As long as the sample encompasses a diverse range of countries and companies, valuable insights can still be obtained.

The choice of four years (2018, 2019, 2022 and 2023) also has primarily practical reasons: annual reports and CEO letters before 2018 were hardly available in the industry. In two cases there was no data for the four selected years, so in the case of the Italian Aeffe group the years 2018 and 2019 were omitted, while in the case of Hugo Boss the data for 2023 was not available, so 2022 and 2021 were analysed. However, the quantitative text analysis did not reveal any significant differences between the different years, consequently the qualitative analysis did not take into account the change over time and only examined the most recent letters from 2023, which can still explain cultural differences.

The research method is a combination of qualitative and quantitative techniques proposed in the literature (Craig & Brennan, 2012; Arvidsson & Sabelfeld, 2023). To statistically analyse the qualitative mentions of economic, ecological, and social sustainability in the CEO letters along Hofstede's cultural dimensions, mixed-method approach was used to integrate qualitative data with quantitative analysis. Thus, a qualitative, software-based content analysis was carried out first, which identifies the main keywords and topics along the triple focus of sustainability. In qualitative research, the frequency of sustainability-related keywords and themes in each CEO letter were counted using Provalis WordStat software. In the second step of the research, qualitative analysis was carried out based on quantitative results, which helps deeper understanding. To do this, the 2023 CEO letters (2022 for Hugo Boss) were read through by the authors and the codebook was determined in advance (Table 3).

Table 3. Codebook Of the Quantitative Analysis

Economic sustainability		
E1	Financial Performance	Mentions of financial growth, profitability, revenue increase, cost reduction, and overall financial performance of the company
E2	Market expansion	Discussions about entering new markets, expanding market share, or increasing global presence
E3	Innovation, investment	References to investing in new technologies, research and development, and innovation
E4	Risk management	Statements regarding strategies to manage financial risks, economic downturns, or other economic uncertainties
Ecological sustainability		
ECO1	Environmental Impact Reduction	Circular economy and mentions of efforts to reduce the environmental footprint, such as lowering emissions, waste reduction, and pollution control

ECO2	Renewable Energy Use	References to the use of renewable energy sources
ECO3	Resource Conservation	Discussions about conserving natural resources, such as water, minerals, and raw materials, and promoting sustainable resource use
ECO4	Biodiversity Protection	Statements regarding efforts to protect biodiversity, support wildlife habitats
ECO5	Knowledge expansion	References to projects that promote knowledge expansion, learning
Social sustainability		
S1	Community development	Mentions of community development projects, local community engagement
S2	Employee Welfare	Statements about employee benefits, health and safety programs, training and development, and overall employee well-being
S3	Social Equity and Inclusion	References to initiatives that promote social equity, diversity, and inclusion within the company and the broader community
S4	Stakeholder Engagement	Discussions about engaging with stakeholders, including customers, employees, suppliers to meet their needs

Subsequently, the authors individually reviewed the letters in detail and coded them according to a pre-established coding system. The basic unit of coding was the sentence, identifying specific sustainability factors; however, multiple codes were sometimes applied within a single sentence. After the initial coding, the authors jointly evaluated the assigned codes. It should be noted that the results of the analysis may be affected by the subjective nature of the coding process, despite multiple evaluations. The frequency of the codes was then used for analysis, with the values normalized by the length of the CEO letters (frequency per 1,000 words) to ensure comparability between letters of different lengths. In the third phase of the research, intercultural differences were explored along Hofstede's two cultural dimensions, masculinity and long-term orientation, which the literature has been most able to relate to sustainability.

Results

In the qualitative analysis phase, CEO letters were examined through basic word frequency analysis using software. Based on this, the most frequent (and relevant) words are growth (288), brand (227), world (215), market (169), customers (159), global (154), people (153), future (143), digital (121), strategy (114) and sustainable (105). If the average frequency of the word sustainable per ten thousand words is analysed, the letters of the Italian Aeffe Group and the Italian Moncler do not contain the term at all, while the Spanish Inditex, the British Burberry, the Swedish H&M, the Japanese Kao Corporation and Shiseido, the Polish LPP, the German Hugo Boss contain the term relatively often. According to a similar analysis of the term sustainability, this does not occur in the case of the Italian Aeffe Group, nor does it occur in the Polish company LPP, although it is used relatively frequently by H&M (Sweden), Richemont (Switzerland), Moncler (Italy) and Inditex (Spain).

Regarding national data (Fig. 1.), it can be concluded that Sweden and Spain use the words most often, while the United States, France and Poland use the words the least.
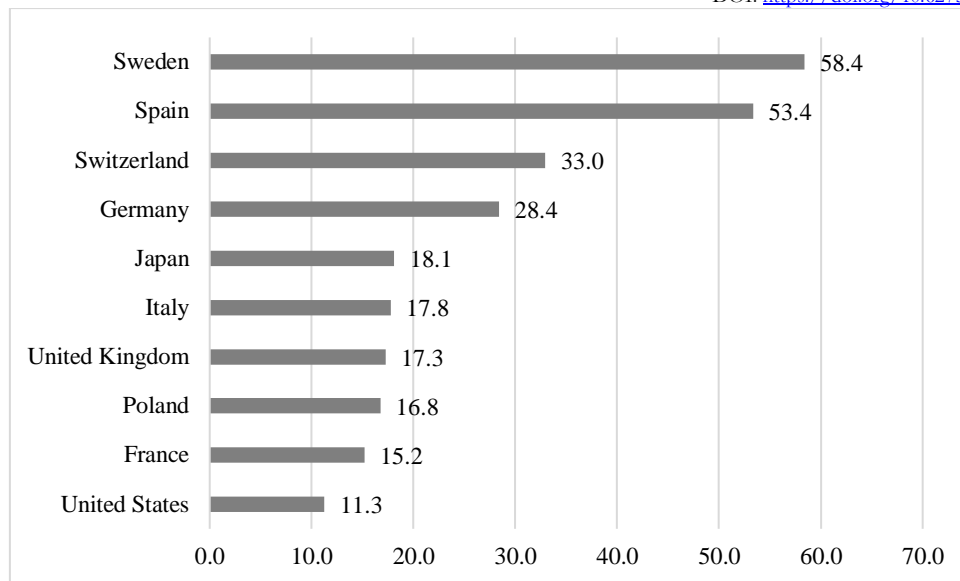
Fig. 1. The Average Mention of The Words Sustainability and Sustainable Per 10,000 Words, According to Countries

Overall, in terms of longitudinal analysis, it is clear that the two words were mentioned most often in 2019 (68), equally in 2022 and 2023 (48-48), and least frequently in 2018 (42). Most companies, including Adidas, Burberry, H&M, Hugo Boss, Inditex, Kao Corporation, L'Oreal and Shiseido, mention the two terms every year. There is no significant difference between four years, and companies do not show higher engagement over time. The reason for this is presumably that sustainability has been embedded into the thinking of companies for several years now.

The text analysis software further contributed to the analysis by identifying additional terms. Using a proximity plot, it became possible to illustrate the other terms frequently associated with 'responsible', 'responsibility', 'sustainable', 'sustainability', and 'sustainably'. The following table (Table 4) summarizes the common words identified by the software along the three dimensions of sustainability according to the authors' own assessment and classification. The initial terms of the proximity plot search were treated as a separate category (general terms).

Table 4. This Is the Table. Table Captions Should Be Placed Above the Tables.

General terms		Economic	Ecological	Social
responsible, responsibility	sustainable, sustainability, sustainably, sustainable development, sustainable growth	creativity, industry, circular, profitable, growth	climate, emissions, environmental, recycled, materials, environment, sustainably sourced materials, climate change	social, commitment, values, colleagues, society, human, customers, rights, social responsibility

Other very common terms were identified by the software and included in the dimensions used for subsequent statistical analysis, such as social and environmental (most used by Spain, Italy, France, UK), social responsibility (used by Poland, UK, France), sustainable development (used by Japan, Poland, Sweden, Spain), sustainable growth (used by Sweden, UK, Switzerland, France, US, Japan), sustainability sourced materials (used by Sweden) and climate change (used by France, US, Sweden, UK, Japan).

The correlation analysis based on quantitative data from four years did not show a strong correlation, although the masculinity dimension shows a medium negative correlation with the frequency of words mentioned in the sustainability dimension and those mentioned in the ecological dimension (Table 5). In the case of masculinity, all factors examined received a negative sign, which illustrates the preliminary assumption of the study that the more masculine a country is, the less sustainability narratives can be expected to appear in CEO letters. However, no relationship has been confirmed in the dimension describing time orientation (and, incidentally, in the case of the other Hofstede's dimensions).

Table 5. Correlation Analysis Between Hofstede's Dimensions and The Quantitative Data

	Power Distance	Individualism	Masculinity	Uncertainty avoidance	Long-term orientation	Indulgence
Responsibility	0,312	0,188	-0,363	-0,024	-0,225	0,199
Sustainability	-0,288	0,484	***-0,553***	-0,279	-0,109	0,368
Economic	-0,204	0,110	-0,021	-0,167	0,022	0,177
Ecological	0,072	0,484	***-0,674****	-0,179	-0,008	0,503
Social	0,075	0,176	-0,104	0,067	0,519*	0,188

** Correlation is significant at the 0.01 level (2-tailed).
* Correlation is significant at the 0.05 level (2-tailed).

Quantitative data analysis reveals even weaker correlations than those observed in qualitative analysis. The database, constructed based on the coding of mentions related to sustainability, measured these mentions across the economic, ecological, and social dimensions of sustainability for the year 2023. The correlation analysis indicates a moderately strong correlation in the dimension of time orientation within the fields of economic and social sustainability. However, while the correlation in the economic dimension is moderately negative, the social dimension shows a positive correlation. The dimension of masculinity, however, does not show any significant correlation with the sustainability factors, and the negative sign is not predominant across all dimensions (Table 6).

Table 6. Correlation Analysis Between Hofstede's Dimensions and The Qualitative Data.

	Power Distance	Individualism	Masculinity	Uncertainty avoidance	Long-term orientation	Indulgence
Economic	0,183	-0,487	-0,107	0,025	-0,564*	-0,244
Ecological	0,042	0,259	-0,472	-0,044	-0,190	0,158
Social	0,195	0,016	0,098	0,309	0,562*	-0,025

* Correlation is significant at the 0.05 level (2-tailed).

Testing the connection between Hofstede's masculinity and long-term orientation dimensions and sustainability narratives linear regression was conducted. The regression analysis indicates a weak correlation between masculinity and the sustainability themes under study. The low R Square value and non-significant ANOVA and coefficient results suggest that other factors, possibly company-specific characteristics, may play a more critical role in shaping the sustainability narratives of CEOs. These findings contribute to the understanding that while cultural dimensions can provide some insight into corporate communication practices, they may not always be the primary drivers of sustainability discourse in corporate reports. Further research might explore additional variables or different cultural contexts to gain a more comprehensive understanding of the factors influencing sustainability narratives.

Table 7. Normalized Frequency of Mentions Based on Qualitative Data Analysis

Company	Country	Economic	Ecological	Social
Adidas	Germany	9,22	0,00	5,93
Aeffe Group	Italy	18,18	0,00	0,00
Burberry	UK	7,58	1,78	5,80
Fast Retailing	Japan	5,86	0,42	19,67
LPP	Poland	29,59	0,00	1,23
H&M	Sweden	11,72	7,03	14,07
Hugo Boss	Germany	14,58	2,60	6,77
Inditex	Spain	7,58	8,26	19,97
Kao Corporation	Japan	10,43	5,21	16,22
L'Oreal	France	12,84	5,14	17,12
LVMH Group	France	12,23	3,06	3,06
Moncler	Italy	17,46	7,48	14,96
Nike	US	18,75	0,00	6,25
Richemont	Switzerland	16,55	3,82	3,18
Shiseido	Japan	6,96	0,99	19,38

A closer examination of the data reveals that, in terms of the frequency of normalized mentions per 1,000 words, economic and social aspects are prominently featured. In contrast, ecological aspects, despite being a fundamental dimension of sustainability, are notably underrepresented. In economic terms, most mentions fall into the category of financial performance (81.36) in terms of normalized value of all companies, which clearly the basic purpose of stakeholder information letters, but investments and innovation (62.02) and increasing market share were also highly mentioned (31.22). In the dimension of ecological sustainability, the general environmental impact reduction category received the most mentions (34.76), CEOs referred to the circular economy several times, and mentions of efforts to reduce the environmental footprint, such as lowering emissions, waste reduction, and pollution control. Other elements of the ecological dimension have been highlighted negligibly. In terms of social sustainability, the dimensions related to stakeholders (59.67) and employees (46.25) were particularly high, as most company leaders referred to customer satisfaction and taking into account the needs of other stakeholders, as well as a healthy, happy work environment and employee training. In terms of economic sustainability, the Polish LPP company stands out, although the significant economic focus of the CEO's letter can be attributed to the current stage and goals of the company's development trajectory, as expansion and increasing market share are the primary goals of the company.

It is noteworthy that all three Japanese companies analyzed rarely mention economic performance. Instead, they emphasize social factors significantly. In particular, employee well-being and customer satisfaction are highlighted with exceptionally high frequencies. Additionally, general community development is mentioned relatively often by these companies. This finding is intriguing because Japanese culture scores particularly high on masculinity according to Hofstede's dimensions, which contradicts the initial hypothesis. However, Japan also has the longest time orientation, which may influence these results.

Regarding ecological sustainability, companies from Sweden and Spain refer to it most frequently, with one Italian company also making several mentions. A common cultural feature of Sweden and Spain is their low masculinity index, the lowest among the countries examined. This aligns with the first hypothesis, suggesting that a higher femininity index correlates with more frequent mentions of ecological sustainability. This is further supported by France, which has a femininity index similar to Spain and also mentions an ecological approach relatively often. It can also be observed that low mentions are related to the Anglo-Saxon countries.

Implications

The concept of corporate sustainability has attracted considerable interest in recent decades, mainly because companies are the main arena for implementing government policies and their considerable capital enables them to control resources more significant than sovereign nations. From a corporate perspective, embedding and communicating sustainability is no longer only an external expectation, but also an internal desire to differentiate oneself from competitors, reduce the costs and risks of doing business, and enhance corporate reputation (Schaltegger & Burritt, 2005).

It is now an axiom that increasing competition in the economy encourages companies to keep their competitive advantage in mind as much as possible, and that competitive advantage is directed not only at products and/or services, but increasingly at intangible assets, such as reputation, i.e. company recognition and acceptance. The relationship between sustainability and corporate reputation is close (complemented by the cultural context). Although the analyses did not result in a statistically significant correlation in all cases, the observations found behind the closer analysis of the data support the findings of the literature, according to which the influence of culture on sustainability concepts is not negligible. Accordingly, we agree with the conclusions and proposals of the literature that the optimal strategy for companies is to adopt a global perspective on these issues while demonstrating a keen sensitivity to local particularities (Ringov & Zollo, 2007). This perspective underscores the necessity for nations to consider their cultural specificities to enhance environmental sustainability. Consequently, to achieve environmental sustainability, it is recommended that national environmental policies be tailored to the cultural context of each nation (Wang & Huang, 2022). The Sustainable Development Goals (SDGs) represent the most extensive international agreement to date. However, international policies like the SDGs often neglect to incorporate local cultural factors essential for their successful implementation (Ordonez-Ponce, 2022). These findings further reinforce the need for nations to integrate their cultural specificities into environmental sustainability efforts. Therefore, it is proposed that nations pursue national environmental policies adapted to their unique cultural contexts to achieve sustainability (Huang et al., 2024).

The results can be useful for communication specialists to understanding the cultural influences on sustainability narratives, while for companies it is useful advice to be culturally resonant and to use effective sustainability messages in the corporate communications. Insights from this study can guide multinational beauty and fashion companies in tailoring their sustainability communications to align with the cultural values of different markets, potentially enhancing stakeholder engagement and support for their sustainability initiatives.

Conclusions

Corporate sustainability is a crucial pillar of reputation, especially in the highly customer expectation-driven beauty and fashion industry. External corporate communication assists companies in sharing their activities and achievements with external stakeholders. Corporate leaders play a particularly important role in this information dissemination, as they personally embody the company's values, norms, goals, and directions. Corporate sustainability is influenced by numerous factors, but it has now been established that external expectations are coupled with internal will: the concept of sustainability has become embedded in the strategy of all companies. The literature confirms that the implementation of sustainability actions cannot be detached from culture, as the perception of these actions by a given society is also determined by its culture. To meet the expectations and needs of stakeholders, companies must align with their cultural attitudes and norms. Global and multinational companies must consider both local and global needs simultaneously at this level. Therefore, following a much more global perspective on sustainability, none of our hypotheses were confirmed.

The hypothesis of this study suggested that Hofstede's cultural dimension of long-term orientation would positively correlate, while masculinity would negatively correlate with sustainability narratives in CEO letters. While no correlation was found in the time orientation dimension, quantitative analysis showed a moderately strong correlation with the masculinity dimension. This means that the more a country has a

feminine culture, the stronger sustainability appears in corporate operations. Further examination of the data confirmed that feminine cultures exhibit a stronger sustainability orientation in CEO letters, although this did not receive statistical confirmation.

The study cannot be considered representative or free from bias. The extraction of data was limited by the restricted availability of CEO letters and different approaches. The number of companies analysed is also debatable, though the examined letters allowed for the identification of basic correlations that could form the foundation for future research.

Future research should include the analysis of additional CEO letters to produce a larger sample size, thereby refining the results. It would also be worthwhile to investigate other factors influencing sustainability narratives and to test other cultural research models, which could yield further insights. It would also be worthwhile to separate fast fashion and high-end companies in the future, as well as to investigate how varying regulatory environments and government policies in different countries impact the sustainability narratives of companies. This can reveal how external legal pressures shape corporate communication on sustainability.

Conflict of Interest

The authors declare no conflict of interest.

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