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the Financial Sector

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TIIVISTELMÄ:

Tutkimuksen tarkoituksena on ymmärtää ja kuvailla vastuullisuusraportointia valtionomisteisissa yhtiöissä. Yritysten vastuullisuusteema on saanut yhä enemmän jalansijaa, ja yritysten odotetaan kiinnittävän huomiota toiminnassaan taloudellisten näkökulmien lisäksi myös ympäristö- sekä sosiaalisiin näkökulmiin. Myös vastuullisuusraportoinnin merkitys on korostunut viime vuosina, ja yhä useampi yritys julkaisee vastuullisuusraportteja, joko osana vuosikertomusta, tai itsenäisinä raportteina. Raportointi on pitkälti perustunut vapaaehtoisuuteen, mutta pakollista raportointivelvollisuutta löytyy useista maista sekä Euroopan Unionin tasolla.

Tutkimuksessa keskitytään valtionomisteisiin yhtiöihin, jotka toimivat finanssialalla. Valitut yhtiöt ovat Business Finland Oy, Finnvera Oyj, Finnfund Oy, Ilmastorahasto Oy, Suomen Teollisuussijoitus Oy sekä Oppiva Invest Oy. Tarkoituksena on selvittää raportoivatko yhtiöt vastuullisuudestaan ja kuvailla mistä taloudellisista, sosiaalisista sekä ympäristönäkökulmista yhtiöt raportoivat. Tutkimus on toteutettu sisällönanalyysia käyttäen, mutta myös kvantitatiivisia elementtejä on hyödynnetty. Tutkimuksen aineisto koostuu yhtiöiden julkaisemista vastuullisuusraporteista sekä vuosiraporteista. Analyysin tarkoituksena on kiinnittää myös huomiota siihen, miten yhtiöt ovat julkaisseet raportteja sekä onko raportteja ulkoisesti varmennettu.

Tutkimuksen teoriaosuudessa perehdytään yritysvastuullisuuteen, vastuullisuusraportointiin sekä siihen liittyvään olennaiseen käsitteistöön. Yritysvastuullisuus tutkimuksessa pohjautuu etenkin *Carrollin (1991)* pyramiditeoriaan, sekä *Triple Bottom Line* teoriaan. Teoriaosuudessa tarkastellaan lisäksi yritysvastuullisuuden historiaa ja kehittymistä. Tutkimuksen toinen teoriaosuus käsittelee tarkemmin vastuullisuusraportointia, sekä siihen liittyviä käytäntöjä.

Tutkimushavainnoista käy ilmi, että suurin osa kohdeyhtiöistä julkaisee vastuullisuusraportteja, mutta julkaisukäytännöissä on eroavaisuuksia. Analysoiduista vastuullisuusraporteista nousee esille, että kaikkiin kolmeen osa-alueeseen, taloudelliseen, sosiaaliseen, sekä ympäristönäkökulmaan on raporteissa kiinnitetty huomiota. Vaikka raportointi on monilta osin yhtenevää, niin eroavaisuuksia löytyy mistä osa-alueista on raportoitu kattavammin, ja mistä osa-alueista vain mainittu.

Johtopäätöksenä voidaan todeta, että raportointi on kattavaa ja yhtiöt ovat etenkin huomioineet myös sidosryhmien merkityksen. Raportoinnissa on kuitenkin parantamisen varaa, etenkin ulkoisten varmistusten osalta. Tulevaisuudessa voidaan odottaa raportoinnin merkityksen kasvavan, sillä eri sidosryhmät ovat entistä kiinnostuneempia yhtiöiden toiminnasta.

AVANSANAT: Corporate Social Responsibility, Corporate Social Responsibility reporting, CSR reporting, Sustainability reporting, Corporate Social Responsibility and State-owned Enterprises

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Abbreviations

CSR	Corporate Social Responsibility
EU	European Union
GRI	Global Reporting Initiative
TBL	Triple Bottom Line
ESG	Environmental, Social, and Governance
PRI	Principles of Responsible Investing

1 Introduction

Corporate Social Responsibility, known as CSR, has achieved popularity over the last decades. CSR has increasingly gained interest among different groups, from companies to researchers, and there has been a drastic growth in CSR literature (Carroll, 2008, p. 35). Enterprises' operations have an impact both on people and the environment globally, not only through the offered products or services but also through the entire supply chain (European Commission, 2022).

Corporate social responsibility is nothing new, and the roots can be traced for centuries despite the recent growth of the concept itself (Carroll, 2008, p. 19). CSR can be defined as a concept where enterprises implement social and environmental aspects in their business activities and stakeholder relations (Unido, 2022). CSR focuses on implementing practices in enterprises that promote, e.g., sustainability, accountability, transparency, and improving society, which means that the business should promote other aspects besides wealth maximation, for example, public value (Maisuradze et al., 2020, p. 27). Probably the most well-known concept of CSR is described by Carroll (1991), who illustrates the concept with a pyramid model that consist of four parts of CSR: enterprises have economic, legal, ethical, and discretionary expectations.

In Finland, enterprises have a long history of considering other aspects of the business than profits. CSR in Finland can be traced back to the 18th and 19th centuries and the industrialization era, when factory owners built infrastructure and provided services such as schooling to attract the workforce. Over the years, the role shifted to the government, and these days enterprises in Finland operate under strict environmental and social regulations. In addition, strong labor unions have a vital role in promoting employee positions and working conditions. (Juholin, 2004; Panapanaan et al., 2003.) The state-owned enterprises (SOEs) are also part of the Finnish economy, and the aim of this type of organization is to fulfil political or public tasks (Valtionkanslia, 2022).

Enterprises are confronted an increasing and extended pressure from different stakeholders, such as investors, employees, and customers, to act socially responsible. A growing number of enterprises are not only implementing CSR policies and practices but also implementing mechanisms to report on their social responsibility. (Carroll, 2008, p. 19-21.) Despite its popularity, the concept of CSR has received critics regarding to what extent the enterprises are socially and environmentally responsible, as well as critics regarding the challenges of reporting (Christensen et al., 2021).

Both mandatory and voluntary actions have been presented to promote CSR as well as reporting policies. In their CSR reports or sustainability reports, enterprises disclose non-financial information on their impacts and actions regarding social and environmental issues (Christensen et al., 2021). Reports are yet mostly voluntary, but mandatory regulation is increasing, particularly among the European Union member states (Anderson 2019). Different international standards and guidelines provide tools for reporting, whereas the Global Reporting Initiative (GRI) presents likely the most popular reporting standards.

1.1 Research questions

Even though the literature regarding CSR widely analyses the relationship between society and business in the private sector, the question of responsibility in state-owned enterprises (SOEs) is not as widely discussed. It is crucial to mention that the connection between business and CSR is less highlighted than in private sector, even though the field is growing. (Heath, 2011, p. 725-731, See also Garde-Sanchez et al., 2018.) State-owned enterprises often have other purposes than merely wealth maximizing, and they often have social and political goals which can easily conflict (Maisuradze et al., 2020, p. 27). For that reason, the topic of CSR and state-owned enterprises is interesting as CSR promotes the values which are often expected from the public sector (e.g., accountability and transparency).

This study aims to give an overview of CSR reporting in Finnish state-owned enterprises in the financial industry. The purpose is to determine whether the enterprises are providing reports, and what information regarding CSR is presented. The following research questions are answered:

Research question 1: Do the Finnish state-owned enterprises operating in the financial industry provide CSR reports?

Research question 2: What kind of information related to CSR policy is provided in the reports?

Firstly, the aim is to determine whether the enterprises are providing CSR reports, and how the reports are provided. Secondly, the aim is to find out what kind of CSR related information is presented in the reports. Plenty of academic literature regarding CSR has been published, and the theory guides the analysing process of the reports.

1.2 Research method and data

As the State of Finland is the major owner of many enterprises, some limitations needed to be established due to the time and nature of the study. This study focuses specifically on the financial sector, the third-largest sector in state-owned enterprises after the energy and manufacturing sectors (Valtionkanslia, 2022). The industry was chosen due to its size, allowing it to gather data from all the enterprises, also, the state-owned enterprises operating in the financial field have a significant societal influence. Choosing the enterprises from the same industry allows to compare the collected information as reporting can vary in different industries. The study aims to understand CSR reporting in the public sector. However, it is essential to acknowledge that this study applies only to enterprises operating in the financial field.

The State of Finland either has strategic ownership or a particular task in the enterprises, meaning that it has political aims or responsibility to fulfill public objectives through the ownership (Valtionkanslia, 2022). The enterprises are Business Finland Oy, Finnvera Oyj, Ilmastorahasto Oy, Oppiva Invest Oy, Suomen Teollisuussijoitus Oy, and Finnfund Oy. All the enterprises work in the financial field, mostly investing in growing companies, funding projects, or providing expert services. Enterprises operate under a chosen ministry that supervises and monitors each of them.

The data of this study consists of published CSR reports or annual reports with integrated CSR part. Enterprises can provide CSR information in different forms, for example, as a stand-alone reports or as a part of their annual reports. The data was gathered in Spring 2022 and analyzed within the framework created by theory. Any other published CSR information, such as press releases, are not covered in this study.

This study is based on a qualitative approach, where the data is collected by the author herself. Qualitative methods are flexible, adaptable, and include different approaches for analyzing data. The chosen research approach is deductive content analysis, which aims to interpret and describe textual and visual data. As the aim of this study is to understand and describe a real-life phenomenon, content analysis was considered the most suitable research approach. (Saaranen-Kauppinen and Puusniekka, 2009, p. 4-6, 97; Köhler et al., 2018, 3-5.) In addition, this study includes some quantitative elements to give an overview of the reporting.

1.3 Structure of the work

Chapters two and three present the theoretical framework for the study, as the most common definitions and theories behind CSR and CSR reporting are explained in these chapters. The development of CSR is described briefly in chapter two, CSR is also viewed in the context of Finland and in the context of state-owned enterprises. Furthermore,

chapter three focuses on CSR reporting and its development. International standards for reporting, such as GRI Standards, are introduced in chapter three, as well as the challenges of reporting.

Chapter four describes the research methodology and data collection. In this chapter, the state-owned enterprises that are the target group of the study, are introduced. Chapter four also explains the chosen methodology, how the study was conducted and how the coding frame for the analysis was created. Chapter five in turn, aims to answer the research questions and describe the results in three main aspects, social, economic, and environmental aspects.

Furthermore, the final chapter discusses the results of the study, reflecting the results to the theory. Reliability and ethical considerations are evaluated in the final chapter, as well as the limitations of the study are discussed. Also, suggestions for future studies are presented.

2 Corporate Social Responsibility

Corporate social responsibility as a concept is relatively new topic for scholars and enterprises that are implementing CSR policies. It is commonly understood that enterprises should engage in responsible and sustainable business practices, where they consider not only shareholders but the community and other stakeholders. (Anderson, 2019.) Apart from CSR having increasingly been the focus of enterprises and academics during the last years, it has also gained public interest (Cunningham, 2011, p. 718-724). The theoretical background of CSR creates the framework for this study, and in this chapter, the concept of CSR and models such as Carroll's pyramid and Triple Bottom Line are described.

The challenge of defining CSR is the lack of a clear definition in the literature and CSR foundations, which are hardly inspected when raising the question of responsibility (Cunningham, 2011, p. 718-724). Varying definitions typically include the following CSR dimensions: economic, environmental, and social dimensions (Dahlsrud, 2006, p. 3-11). The nature and context of the dimensions are complex, which makes defining CSR difficult and complicated. Regardless of the discussion in the CSR field, there is no consensus on the definition, and it remains partly poorly understood. (Sheehy, 2015.)

2.1 Definition of Corporate Social Responsibility

Hopkins (2006) highlights stakeholders in his definition of CSR. According to Hopkins, CSR means treating corporate stakeholders, both inside and outside of a corporation, ethically or socially responsible. Businesses should aim to create higher living standards while maintaining profitability (Hopkins, 2006, p. 300-303). McWilliams and Siegel (2001) define CSR as actions that create further social good and activities that go beyond the law and corporate economic interests.

In turn, the European Commission (2022) proposes another definition of CSR. The European Commission defines CSR as enterprises' responsibility for their impacts on society, including social, ethical, environmental, human rights, and consumer concerns, to mention a few of the many aspects that the definition covers. The European Commission pushes forward a multidimensional concept of CSR, where businesses aim to prevent, manage, and mitigate their CSR activities.

CSR refers both to environmental and social responsibility. Literature points out that the environmental aspect gained less attention in the early years of CSR, but in the present day, it is considered as important as the social aspect of CSR (See Dahlsrud, 2006). There is a need to measure more the environmental impacts of a company, for example, the usage of natural resources. CSR's environmental aspect might even receive more attention than the social aspect. (Elkington, 2008, p. 55-56.)

Even if there is a common agreement to some extent that companies have other responsibilities outside of profit-making, some opponents also exist. Friedman (2007) argues that the social responsibility of an enterprise is to maximize its profits, and he bases his argument on that only people can have responsibilities, not enterprises as entities. He also argues that if an enterprise would use money to contribute to social interests, it would use the money of its owners, shareholders, for such purposes. If the shareholders would wish to do so, they could do it by themselves. For these reasons, enterprises do not have responsibilities outside of profit-making. (Friedman, 2007, p. 173-178.)

2.1.1 Carroll's Pyramid

Probably the most well-known theory of CSR was introduced by Carroll (1991), who demonstrates CSR through a four-part pyramid model. Carroll defined CSR earlier in 1979, when he already recognized the four responsibilities of a business: *the social*

responsibility of business encompasses the economic, legal, ethical, and discretionary expectations that society has of organizations at a given point in time.

The pyramid consists of four parts that constitute CSR. A company has economic responsibilities, legal responsibilities, ethical responsibilities, and philanthropic responsibilities. All the responsibilities have always existed to some extent, but ethical and philanthropic responsibilities have received more significant positions. (Carroll, 1991, p.39-47.)

Four different responsibilities build a pyramid, where economic responsibilities create the bottom line. The main idea of economic responsibilities is profitability, which is seen as the essential motive for businesses. At some point, the profitability motive changed to profit maximation, which has been the driving value since. The legal responsibilities constitute the second part of the pyramid and coexist with the economic responsibilities. Legal responsibilities are codified ethics that businesses are obliged to follow and function within the framework set by the law. (Carroll, 1991, p. 39-47.)

Ethical responsibilities and philanthropic responsibilities constitute the rest of the pyramid. The first mentioned standing for the expectations and norms that society and stakeholders consider as right and fair, and the latter includes the actions that make businesses good corporate citizens. Ethical responsibilities could be newly embraced values that would not be written in the law, but society expects the company to meet. In turn, philanthropic responsibilities refer to businesses actively pursuing good for society, for example, through contributions to the community or education. These responsibilities are seen more voluntarily, and therefore philanthropic responsibilities are at the top of the pyramid. (Carroll, 1991, p. 39-47.)

To sum up, the pyramid illustrates CSR, economic and legal responsibilities create the bottom of the pyramid, which undergirds the rest (Figure 1). Businesses should strive for profitability while obeying the law. Ethical and philanthropic duties in the pyramid

describe that enterprises have more responsibilities than just profit-maximizing, as those should seek to be ethical and good corporate citizens. In addition, it is essential to point out that the pyramid is not a perfect illustration of CSR, but it consists of the principles of business. (Carroll, 1991, p. 39-47.) Carroll's concept of CSR is widely cited in the literature, and different concepts of CSR have been developed further based on the pyramid (See Gibson and Smith, 2019, and Baden, 2016).



Figure 1: Carroll's Pyramid (Adapted Carroll, 1991)

2.1.2 Elkington's Triple Bottom Line

United Nations Industrial Development Organization (2022), so-called Unido, a particular agency of the United Nations, defines CSR as a concept where social and environmental aspects are implemented in companies and their activities and relations with the stakeholders. The basis for the definition lies in the Triple Bottom Line theory:

“Corporate Social Responsibility is a management concept whereby companies integrate social and environmental concerns in their business operations and interactions with their stakeholders. CSR is generally understood as being the way through which a company achieves a balance of economic, environmental, and social imperatives (“Triple-Bottom-Line- Approach”) while at the same time addressing the expectations of shareholders and stakeholders”

(Unido 2022)

Triple Bottom Line (TBL or 3BL) principle was introduced in 1997 by John Elkington, and since its introduction, the approach has achieved more ground in CSR. Since it was introduced, the concept has spread widely, and it is frequently used in academics, corporations, consulting, and NGOs (Norman and McDonald, 2004, p. 243-262). The TBL approach is based on the idea that businesses have other bottom lines than only creating economic value, such as social and environmental bottom lines (Elkington, 2004). The TBL approach encourages to govern a business responsibly that takes employees, the environment, and other stakeholders into account, for example, employee conditions in the supply chain. (Maisuradze et al., 2020, p. 35.) In particular, the theory emphasizes the importance of auditing and reporting the social and environmental bottom lines.

The TBL approach is based on three separate P's: *Profit, Planet, and People* (Figure 2). The first bottom line, profit, stands for the economic stability of being a profitable corporation. Planet bottom line stands for environmental responsibility and the last bottom line, people, stands for the social responsibility for people outside and inside of business. The main idea in TBL is that the bottom lines should be measured, calculated, and reported. (The Economist, 2009; Norman and McDonald, 2004, p. 243-262.) Business is sustainable when it implements the three bottom lines (Jeurissen, 2000, p. 229-231).

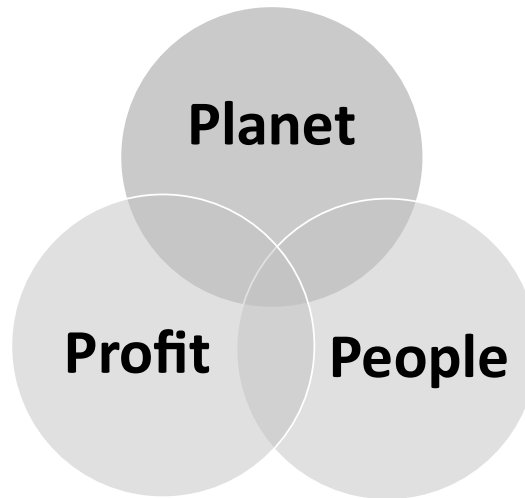


Figure 2: Triple Bottom Line (Adapted Elkington, 1997)

Despite the success of the TBL approach in CSR, it has also received well-argued critics, especially regarding the lack of generally accepted indicators for measuring the bottom lines of the planet and people. Profit can be calculated in monetary terms, for example in cash, when the other two bottom lines are not as easily measurable. Evaluating whether a corporation is socially or environmentally responsible is dependent on each subjective sense of what is good and bad. Therefore, it would be impossible to find common indicators to measure these bottom lines. (Elkington, 2008, p. 53; Norman and McDonald, 2004, p. 250-252.) Also, even if there were some indicators, the bottom lines could still be challenging to measure. For example, an oil spillage can have many social and environmental impacts which could not be easily measured.

Regardless of challenges, the TBL approach has become popular. (The Economist, 2009.) Elkington (2008) also points out that society's ability to assess whether a corporation is socially and environmentally going in the right direction will become more sophisticated. Many companies these days publish a CSR report, whereas the global standards for reporting are often based on the TBL approach (Elkington, 2004). More about the reporting will be covered in the third chapter.

2.2 Development of Corporate Social Responsibility

Historically, it has been commonly understood that enterprises have responsibilities outside of profit-making to some extent, regardless of the concept of CSR that has evolved later. Globalization has significantly impacted the spread of CSR, and the operational level of CSR, as a broader group of stakeholders and different national legislations set more expectations on how social, economic, and environmental aspects should be considered in enterprises' decision-making and operations. (Dahlsrud, 2006, p. 1-13; Carroll, 2008, p. 9-46.)

The CSR concept had its roots in the 1950s and 1960s when some noteworthy literature was published, and the idea began to spread. Bowen (1953) published the book *Social Responsibilities of the businessman*, which is considered one of the remarkable pieces of literature regarding CSR. In his book, Bowen mentioned the social responsibility of a business. (Gibson and Smith, 2019 p. 1-27; Carroll, 2008, p. 19.) The literature grew significantly in the 1960s as scholars showed more interest in CSR and introduced new definitions of CSR (Carroll, 2008, p. 27). The concept kept spreading throughout the 1960s, 1970s, and 1980s, especially in the United States, where businesses were targets for issue debates, leading to a more regulative environment (Heath, 2011, p. 725-731).

In the 1980s, new and refined definitions of CSR emerged, and alternative theories and models were introduced. Most definitions of CSR have been published since the 1980s, and are primarily of European and American origin. (Dahlsrud, 2006, p. 3.) Theories such as corporate social performance (CPS), business ethics, and stakeholder theory are examples of theories introduced and connected to CSR as more research was done in the field. These theories are often mentioned in the academic literature regarding CSR. (Carroll 1999, p. 268.) In addition, the 1980s was a decade when corporate wrongdoings drew public attention and pushed forward the interest to CSR. For example, the Bhopal

Disaster in 1984 in India killed at least 3800 people. It caused several other issues such as premature death (Broughton, 2005; Carroll, 2008, p. 36), corporate actions in Africa supporting apartheid caught the public attention (Carroll, 2008, p. 36), and especially the Exxon Valdez oil spill in 1989, which caused a great damage to the environment (Quarantelli, 1992, p. 167).

CSR approach to business evolved into an internationally accepted alternative framework to business by the 1990s, and in 2000 it was part of the corporate strategy and corporate management (Gibson and Smith, 2019, p. 1-27). A phenomenon that continues today is the rise of businesses that have created a good reputation for CSR practices and grown larger by adopting CSR practices. Especially in the decade 2000, CSR has grown into a global trend, and since that, it has been a significant interest both in business and academy. (Carroll, 2008, p. 38-39, 41.)

Even though CSR has become a part of corporate management and strategy, literature review shows mixed results on CSR's effect on enterprises. CSR has received critics, but some studies (See Huang and Watson, 2015; Godfrey, 2005) show a positive link between CSR and enterprise success factors like better reputation, employee satisfaction, and competitive advantage. Many consumers also value CSR attributes (McWilliams and Siegel, 2001). In addition, implementing CSR can bring other advantages such as access to capital and markets and improved brand image and reputation (Unido, 2021).

2.3 Corporate Social Responsibility in the context of Finland

CSR in the Finnish context is briefly discussed in this chapter. According to Juholin (2004), the origins of CSR in Finland can be tracked down to the 18th and 19th centuries to the industrialization. Social responsibility has been a part of the industrialization process, and the Finnish enterprises have a long history of considering other objectives than profits. (Juholin, 2004, p. 20-22.)

During the industrialization era, factory owners arranged health care services, schooling, and religious services for people to attract a workforce. In addition, the strong position of labor unions put forward different demands, such as the improvement of working conditions. Since industrialization, different movements have forced enterprises to consider their operations' environmental and social aspects. The growth of the environmental movement obliged enterprises to pay attention to their environmental policies, and economic recession in the 1990s and unpredictability of business required a new kind of approach to management, where values, joint responsibility, and empowerment of employees were highlighted. Another driver for CSR has been globalization and multinational enterprises, that are dependent on stakeholder opinions. (Juholin, 2004, p. 20-22; Panapanaan et al., 2003.)

Furthermore, when the Finnish society developed, the role of industries shifted to the government, which is responsible for providing social services. Social and environmental regulations set a strict framework for enterprises, and according to their research, Panapanaan et al. (2003) showed that the interviewed Finnish companies determined CSR as compliance with the regulations. Also, Juholin (2004) showed that charity and philanthropy do not play a role in the Finnish approach to CSR, and those aspects are not required, or even appropriate for enterprises.

Panapanaan et al. (2003) also point out that CSR relates to the Finnish way of thinking, and it goes hand in hand with the northern European high regard for morality. Business people are presumed to be responsible and behave ethically. In their research, Panapanaan et al. (2003) state that most Finnish enterprises are taking CSR aspects into

account, to varying extent. As the Finnish enterprises have a long tradition in the CSR field, enterprises have the potential to be among the world top in CSR. Today, Finnish governments' CSR policy in practice includes producing CSR information, building conversation between enterprises and society, providing CSR training, and implementing legislation. (TEMc, 2022.)

2.4 Corporate Social Responsibility in the context of State-owned Enterprises

The state-owned enterprises (SOEs) are an integral part of the present world and economy, but are often a debated and complex topic in different countries (Maisuradze et al., 2020, p. 29-30). In this type of organization, government can achieve political or social aims (Cordoba-Pachon et al., 2014). The focus of this study is on SOEs, and the recent history of SOEs and their relation to CSR will be shortly covered in this section.

SOE refers to enterprises where the state has minor or major ownership, and the objective is to carry out public policy objectives (Cordoba-Panchon, et al., 2014). SOEs usually appear in the sectors where traditional markets appear to fail, such as railways, natural resources, airports, or public services. SOEs usually have social or political aims, which can conflict with other corporate purposes such as wealth maximization. (Maisuradze et al., 2020, p. 29-30.)

Many European countries brought industries and businesses under state ownership already in the '20s and '30s. For example, Italy, France, and Germany renewed their economies and brought sectors like electricity and transportation under state ownership. (Rajavuori, 2018, p. 4-5.) The decades between 1945 and 1980 have been described as the "golden age" of state-owned enterprises. This era ended in the early 1980s, as SOEs received plenty of criticism due to the oil crisis and high inflation. During this time, the

US and Reagan administrations and the archetype “Government is not a solution, it’s the problem” and privatization started to gain popularity amongst scholars, economists, and policymakers, which led to a transfer of ownership from public to private. (Rajavuori, 2018, p. 4-5; Heath, 2011, p. 725-732.)

Even though the CSR literature assesses the vital relationship between business and society, SOEs easily fall off the responsibility radar, and the academic literature on the relation between CSR and SOEs is smaller, yet growing (Maisuradze et al., 2020, p. 33; Cordoba-Panchon et al., 2014). Also, previous studies show that SOEs are more behind in CSR practices than private companies (Rajavuori, 2018, p. 31. See also Zheng and Zhang, 2016, Cordoba-Panchon et al., 2014).

SOEs are often seen operating outside of the business sector, and outside of the public sector. The business is conducted by an organization outside of the private sector but overseen by the public sector. (Heath, 2011, p. 725-731.) If the state ownership is passive, the state does not take part in the management, but for example, if state plays a role only as an investor, management might not understand the social goals. If state ownership is not passive, it can be disturbed by too much political intrusion. SOEs relationships with various stakeholders is complex. (Maisuradze et al., 2020, p. 27.)

3 Corporate Social Responsibility Reporting

The last chapter introduced the concept of CSR and its development, and this chapter focuses on the reporting aspect. The development of CSR reporting is explained, as well as the tools of reporting, such as GRI Standards. Also, challenges regarding reporting will be shortly discussed.

3.1 What is Corporate Social Responsibility reporting?

Many enterprises provide social and environmental information by producing CSR reports or similar in both western and developing countries (Hopkins, 2006, p. 300). CSR reporting can be a disclosure, measurement, or communication about CSR and sustainability topics (Christensen et al., 2021). CSR reporting has similar phrases such as social and environmental reporting, sustainability reporting, or nonfinancial reporting (Sengur, 2020). Reporting is considered as a fundamental part of societal accountability (Reynolds and Yuthas, 2008, p. 49).

Reports typically cover enterprises' CSR activities, policies, and risks, and reports are usually a part of the annual reports, or they can be provided as stand-alone reports (Christensen et al., 2021). There are plenty of international standards and guidelines for disclosing CSR information. Across the European Union member states, all organizations are encouraged to take initiatives to provide disclosures of their own social and environmental performance (European Commission, 2011).

CSR reporting is multidimensional, and enterprises can choose what information they want to provide to a certain extent. The reports can conclude both quantitative and qualitative information. Enterprises can choose a narrow approach to reporting, which means that they only report the relevant information to the investors. Alternatively, they

can choose a broader approach, where they expand the target audience to diverse stakeholders and provide a wide range of information. Stakeholders could be employees or consumers. Reporting is often seen as a strategic task of an enterprise. (Christensen et al., 2021.)

As the reports can consist of a wide range of different topics and policies, and there can be a wide diversity in measures that companies use, comparison can be difficult (Christensen et al., 2021). Reporting practices vary widely within and across the countries, and other factors explain the differences in reporting as well, such as industry, size of an enterprise, civil system, or culture (Kotonen, 2009).

3.2 Development of Corporate Social Responsibility reporting

Marlin and Marlin (2003) have described the development of reporting in three phases. The first phase started over 40 years ago with the rise of greenwash reports in eco-marketing campaigns. The second reporting phase began in the 2000s when an increasing amount of reports were provided with some more valuable data. The third phase of CSR reporting involves a multi-stakeholder approach and specific reporting standards. (Marlin and Marlin, 2003.) The increase of socially responsible investors have demanded more information from the enterprises, which has increased the number of reports to the present day (Tschopp and Huefner, 2015, p. 565-577).

Early CSR reports in the 1970s and 1980s were marketing campaigns pursuing to improve the customer perception of a company. In those decades, reports provided very little value, and the information was not reliable or valuable. Reporting came increasingly on the frontline again in the 1990s, more as a damage control after some earlier mentioned events, such as the Exxon Valdez oil spill (1989). Over the years, reporting has become more transparent, detailed, and developed to a normal procedure for large companies. (Sengur, 2020.)

Enterprises have come a long way since the first reports were published. Socially responsible investing and the growth of institutional investors have had a remarkable influence on modern reporting. It has affected reporting regulation, the development of global standards, and the verification of reports by external providers. (Tschopp and Huefner, 2015, p. 565-577).

3.3 Why do companies provide reports?

There are different reasons for enterprises to provide CSR reports. In recent years, CSR has become an essential part of company strategy, even though the benefits of CSR activities or reporting are not always immediate. (Christensen et al., 2021; Hopkins, 2006, p. 305.) What enterprises report varies greatly, but there is a demand for transparency (Elkington, 2008, p. 53). Different stakeholders require more information about what enterprises are doing and planning to do, even though enterprises' accountability to stakeholders, not just shareholders, is controversial. Some enterprises can conclude reporting as a cost with a few advantages, and stakeholder input is more to legitimize the operations. (Abernathy et al., 2017, p. 27.)

Reporting could be motivated by communicating to different stakeholders, for example customers or citizens. CSR-related issues have received more attention from consumers in recent years (European Commission, 2011), who are increasingly interested in CSR activities. Customers are an important stakeholder group; in a competitive market, customers have the choice to choose among similar firms, whereas CSR engaging companies are seen as having a positive correlation with customer loyalty. (Hickman, 2020.) The reports can be used to build relationships with stakeholders (Tschopp and Huefner, 2015).

Another stakeholder group is investors. Reporting can improve enterprises' capital access as reporting increases investors' valuations of an enterprise. In addition, companies might attract socially responsible funds and investors. Providing a report lower information asymmetry, which can positively affect to equity markets, increase the corporate value, and optimize financing costs. (Hickman, 2020; Perez, 2015, p. 11-29)

In addition, reporting can be used externally to build a reputation or a brand image (Tschopp and Huefner, 2015, p. 565-577). CSR literature widely covers the reputation impact of reporting, promoting that it is a significant reason behind reporting (Kotonen, 2009). For example, different environmental accidents have increased CSR reporting. After the 1989 Exxon Valdez oil spill, there was a notable increase in CSR disclosures. (Christensen et al., 2021.)

Some other factors behind the motivation to report have been identified. Enterprises' motivation could be to attract employees, as CSR related information could affect the career decisions (see Simpson and Aprim, 2018), or CSR reports could be used internally, to assess cost savings, motivate employees, or just as the "will to do the right thing" (Tschopp and Huefner, 2015, p. 565-577).

3.4 Mandatory and voluntary reporting

CSR reporting can be voluntary or required by the law. Historically, CSR reports have usually been issued voluntarily. However, a growing number of governments are implementing mandatory reporting legislation. (Sengur, 2020.)

National legislation to mandate CSR disclosures has appeared in countries inside and outside Europe. For example, Sweden, Great Britain, and Germany passed legislation demanding pension organizations disclose how social, environmental, and ethical aspects are considered in their investment portfolios. Denmark has passed legislation

requiring certain types of companies to report on the influence of company activities and environmental damage (Act on Environmental Protection § 35a). (Buhmann, 2006, p. 188-202.) Other countries such as China, Malaysia, India, and South Africa have also passed mandatory reporting legislation (Wen and Deltas, 2021, p. 98-123).

CSR has evolved into a global trend, and the increasing interest and growth have been outstanding, especially in Europe (Carroll, 2008, p. 41). The European Union (EU) has introduced mandatory and voluntary actions to encourage enterprises to implement CSR policies (Andersson, 2019). Authorities at the EU level have an essential role in encouraging and directing businesses to be responsible and implement CSR policies (European Commission, 2022). CSR is supported by the EU as well as individual countries in Europe. As Finland is one of the member states of the EU, it is essential to address the EU CSR agendas.

The European Commission encourages enterprises to follow international guidelines and principles, and has implemented the UN guiding principles on business and human rights (UNGPs, set by the UN Human Rights Council 2011) and the UN 2030 agenda for sustainable development (Andersson, 2019) in the agenda. Another international guideline that the EU is promoting is the use of ISO 26000 Guidance on Social Responsibility standards (European Commission, 2019, p. 45-63), the ILO Tripartite Declaration of Principles Concerning Multinational Enterprises and Social Policy (ILO MNE Declaration) and the Organization for Economic Cooperation (OECD) Guidelines for Multinational Enterprises (OECD Guidelines). (European Parliament, 2020, p. 15.)

Mandatory actions include, for example, Directive 2014/95/EU – also called the Non-Financial Reporting Directive, which requires large corporations with specific requirements to provide reports about their social and environmental impacts, such as social matters and treatments of employees, respect for human rights, environmental issues, diversity on company boards like age and gender. In addition, other directives apply to the field of CSR and business, which oblige the member countries, such

directives as the Race Equality Directive 43 or Directive 2006/54/EC on the implementation of the principle of equal opportunities and equal treatment of men and women in matters of employment and occupation.

The Commission also adopted a proposal in 2021 for a corporate sustainability reporting directive (CSRD), which would define more precisely what sort of information should be reported and in what terms to be comparable and reliable information. Furthermore, the aim is to extend the reporting scope and provide more detailed reporting. The EU has also declared a set of values, that apply to responsible business practices. For example, The EU Charter of Fundamental Values includes, which includes the values of Human Rights, Freedom, Democracy, and Equality that apply to corporate activities. This would mean making sure that the entire supply chain will cover these values. (Anderson, 2019.)

The CSR field in the EU is broad, and the EU has introduced different instruments to promote CSR. Despite plenty of CSR guidelines, the enterprises yet have the freedom what comes to CSR and reporting, and choose what fits best for them and the circumstances they are operating in. The EU's role has been more supportive, and the enterprises value the existence of guidelines to benchmark their performance and policies. (European Commission, 2011.)

Different forces drive the trend of mandatory reporting. Significant forces are climate change and pollution, as there has been a realization of human impacts on the climate. In addition, different international organizations such as OECD and GRI have partnered with governments to help achieve a more sustainable economy, boosting the CSR reporting legislation. Other forces shaping the reporting legislation are economic variables such as the country's level of economic development, financial development, and legal systems. (Wen and Deltas, 2021, p. 98-123.)

As CSR reporting is still voluntary for the most part, considerable variation in the content of reports exists (Buhmann, 2006, p. 188-202). Companies can choose what to report, and reports might not be credible if the companies choose to report on topics only when the information is favorable. Thus, the standardization of reporting by mandatory standards or guidelines could possibly have advantages. (Christensen et al., 2021.)

3.5 Reporting tools

There are multiple standards and guidelines for reporting that instruct how to report and disclose CSR-related information (Christensen et al., 2021). Companies can provide CSR information in their annual reports, separately in CSR reports, or provide other CSR closures (Buhmann, 2006, p. 188-202). The idea of standards and guidelines is to identify different indicators to measure CSR aspects and methodologies for creating indicators and guidelines to gather the information together and share it externally (Norman and McDonald, 2004, p. 247). Standards can also help how to present the information in a way that a broad range of users can interpret it, as well as provide guidance what information is appropriate to disclose (Reynolds and Yuthas, 2008, p. 54).

Non-governmental organizations have been active in creating various tools for reporting (Buhmann, 2006, p. 188-202). The three most widely recognized reporting standards are Global Reporting Initiative (GRI) standards, UN Global Compacts Communication on Progress and AccountAbility AA100 series. There are a vast amount of other domestic CSR reporting principles, standards, and guidelines. Some other well-known international standards include Organization for Economic Cooperation and Development (OECD) Guidelines, International Labour Organization (ILO) Conventions, and International Organization for Standardization (ISO) Standards. (Tschopp and Huefner, 2015, p. 565-577.) The GRI and other similar initiatives have been established through long and comprehensive processes for determining the needs and interests of

stakeholders (Reynold and Yuthas, 2008, p. 54). The GRI standards will be discussed in more detail.

3.5.1 Global Reporting Initiative

The GRI standards have become one of the main, if not main, reporting standards. The Standards are based on the Triple Bottom Line approach (Elkington, 2004), and they are probably the most recognized and credited standards. For example, the UN Global Compact in 2006 recommended using GRI standards, as well as the World Bank has published CSR reports following the GRI standards since 2004. Plenty of other companies are following the GRI Standards. (Tschopp and Huefner, 2015, p. 565-577.)

GRI was founded in Boston in 1997 by CERES, The Tellus Institute, and United Nations Environment Program after the Exxon Valdez oil spill catastrophe (GRIa, 2022). In June 2000, GRI launched the first global framework for reporting, and since that, the framework has been shaped to its current form several times (Tschopp and Huefner, 2015, p. 565-577). The standards are universal and made for serving different organizations and responding to emerging reporting needs (GRIa, 2022).

The GRI Standards are divided into three main groups: Universal Standards, Topic Standards, and Sector Standards. The GRI Standards are interrelated standards consisting of reporting principles, reporting guidance, and standard disclosures. (Tschopp and Huefner, 2015, p. 565-577.) GRI Universal Standards can be used by all organizations regardless of size and industry. Topic Standards consist of a wide variety of indicators from which companies should choose the ones that apply to them instead of using all the indicators. Topic Standards include different indicators from economic, environmental, and social aspects. GRI also provides the Sector Standards that organizations use in specific industries, such as oil or gas. (GRIb, 2022.)

The purpose of the Standards is to enable organizations to report the most significant impacts on the environment, economy, and people. In addition, reporting principles aim to ensure high-quality reporting. Reporting principles are *accuracy, balance, clarity, comparability, completeness, sustainability context, timeliness, and verifiability*. (GRIb, 2022.) The Standards have had a significant impact on reporting and provided valuable indicators for measuring the three bottom lines (Hopkins, 2006, p. 300). GRI has received a stable support from businesses to investors and trade unions (Kotonen, 2009).

3.5.2 External assurance

Credibility is one of the important features of CSR reporting. The quality of reporting has led to a concern that has increased the demand for external assurance of reporting. Reported CSR information should be trustworthy, comparable, and aligned with reality. One of the ways to enhance the credibility of a CSR report is an external assurance by an independent third-party provider. (Abernathy et al., 2017, p. 24-41.)

The managers usually prepare reports, and to enhance the relevance of reports, those can be verified by an expert who then can highlight errors, omissions, and control deficiencies. (Maroun, 2022, p. 1-24.) The assurance provider should be experienced, qualified, and independent from the organization in order to reach objectiveness (GRI, 2021). External assurance can be provided by accounting firms, consulting firms, or similar organizations (Tschopp and Huefner, 2015, p. 565-577). If a report is externally assured, it is required to describe what was assured and on what basis (GRI 2021).

The demand for reporting is growing, and so is the importance of credibility (Abernathy et al., 2017, p. 24-41). Enterprises can use assurance services to show commitment to managing sustainability issues, enhancing their reputation, or indicating reporting quality. Also, external assurance can be a monitoring and controlling tool. (Maroun, 2022, p. 1-24.)

External assurance for CSR reports is usually not required by the law, unlike financial reports. Additional monitoring and control can enhance the accuracy and reliability of a report, and it can increase trust in the provided information (GRI, 2021). In addition, nonexperts can place confidence that a professional has evaluated the report. (Maroun, 2022, p. 1-24.)

3.6 Challenges of reporting

The challenges regarding reporting mainly concern the credibility and accuracy of the provided information. The scope of CSR is broad, many different guidelines and frameworks exist, and there is no standardization in the reporting guidelines. Reporting is still its infancy, and it is difficult for enterprises to determine what they can and should report. Also, it can be a challenge for enterprises to disclose the information in a format that allows users to interpret it correctly. (Tschopp and Huefner, 2015, p. 565-577; Reynold and Yuthas, 2008, p. 54.)

There is a variety in reported information (Kotonen, 2009), and a worry that many of these reports are whitewashed or made for business-as-usual purposes (Hopkins, 2006, p. 300). The companies can be selective in what they report or what not to report if they can develop their own standards and indicators. This can lead to incentives to misrepresent the actual CSR performance, and even if the reported information would be factually correct, it can provide an inaccurate picture of the performance. (Tschopp and Huefner, 2015, p. 565-577; Reynold and Yuthas, 2008, p. 55.) In addition, companies can choose what portions of a report they want to externally assure (Hickman and Cote, 2019, p. 372-393).

The lack of standardization and regulation also concerns external assurance, as the external assurers lack the guidance that universal standards would provide. As a result,

the criteria and procedures used by the external assurors vary greatly. As a result, this can affect the credibility of reporting. (Hickman and Cote, 2019, p. 372-393.)

4 Research methodology and data

This chapter explains how the study is conducted, the chosen research method and why the method was chosen. Also, this chapter introduces the data collection and analysis.

4.1 Research method

This study is mainly based on qualitative research methodology. Qualitative methods include multiple different approaches to gather, analyze and interpret data. Qualitative methods have increased in different scientific fields as the methods are adaptable and flexible. In qualitative studies, the aim is usually to seek a holistic understanding of a phenomenon, and the studies are usually built on the previous research and theories, empirical data, and the researcher's interpretations. (Saaranen-Kauppinen and Puusniekka, 2009, p. 4-6; Köhler et al., 2018, 3-5.)

The data in qualitative studies do not necessarily need to be a vast amount, but it should be vast enough to cover informational needs for the chosen topic. In a qualitative study, the collected data is based on the research questions, and theory will help to interpret the gathered data. (Saaranen-Kauppinen and Puusniekka, 2009, p. 15, p. 47-50.) The data in this study consists of published CSR reports. As the reports are in a textual form, and the aim is to study a real-life phenomenon, approaching the topic with a qualitative methodology was seen as the most suitable. In addition, the study includes some quantitative elements.

4.1.1 Content analysis

Qualitative content analysis is a research technique which aims to describe and interpret textual or visual data, which can be nearly anything from interviews to diaries. (Saaranen-Kauppinen and Puusniekka, 2009, p. 97). Krippendorff (2004) has described content analysis as *“a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use”*. As a research approach, content analysis increases understanding of the studied issue, provides new insights or practical measures.

Content analysis is divorceable from the researcher, and it involves special procedures to conduct the research (Krippendorff, 2004, p. 18). The qualitative content analysis usually utilizes techniques such as coding and categorization to draw conclusions from the data (Flick, 2002, p. 62). The analysis of the data is based on the frame created by theory, and in this study, the coding frame for analysing the reports are drawn from the theory of CSR and CSR reporting, more specifically GRI Standards has been exploited.

There are no systematic guidelines for conducting a content analysis, which can cause challenges to the researcher (Elo and Kyngäs, 2008, p. 113). Using the deductive approach mainly avoids this challenge and helps to concentrate on issues which are already known from the theory. The process can still maintain certain flexibility in coding phase if interesting issues are found out from the data, and they are not possible to include to the existing codes. (Linneberg and Korsgaard, 2019, p. 264.) Content analysis can include different phases, Krippendorff (2004) has recognized four main phases of the process: designing an analysis, writing a research proposal, applying the research design, and narrating the results. Commonly content analysis process consists of planning, collecting the data, making sense of the data, analysing, and describing the results. (Krippendorff, 2004, p. 339-364.) In the figure 3 is illustrated the main phases of content analysing process which was followed in this study.

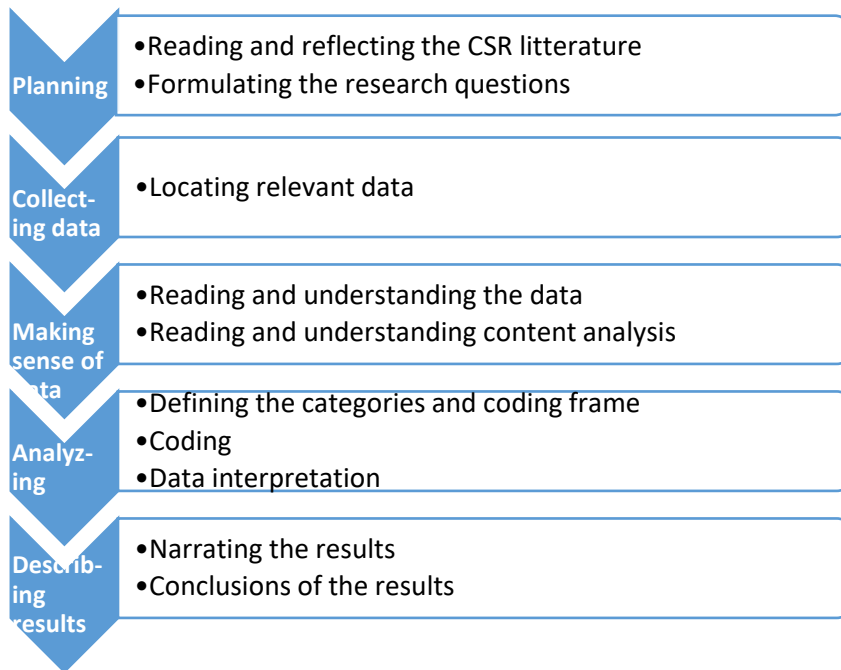


Figure 3: Content analysis (Adapted Krippendorff, 2014)

This study started by reading literature and previous research in CSR field, to gain a broad view of the topic and the main theories and concepts behind CSR. Also, getting introduced to the data. Chapters two and three introduced the CSR theories which build the framework for this study. When collecting data, internal and external factors needed to be considered, such as time and resources.

After literature review and formulating the research questions and choosing the relevant data, the data analysis started. Firstly, the aim was to find out whether the chosen enterprises provided CSR reports, and then read the reports in depth and organize the provided information by using the coding frame which is introduced below. By using the coding frame, it allowed to gather important information from the reports, and compare the information between the companies.

After analysing the reports by using the coding frame, results were gathered. In content analysis, it is important that the readers can follow the analysis and the resulting conclusions. It is essential to describe how the results were created, in order to be a reliable study. (Elo et al., 2014.) In this study, the collected data is gathered by author herself, and the collected data is presented by the author. Achieving objectiveness in all the stages is challenging, but the stages of analysis will be reported in detail. Ethical considerations are an essential part of the study, which will be considered more deeply in the chapter six.

4.1.2 The coding frame

In this study, the content analysis is carried out using the systematic coding process. The theory of CSR and GRI Standards have guided the coding process. The coding frame consists of three main categories: social, environmental, and economic aspects. The frame is based on these three main categories and divided into smaller sub-categories. Even though GRI standards guided the coding process, the coding frame was modified during the analysis to fit the data so that reports that do not imply GRI standards can also be analyzed. The frame aims to explain the topics that companies are reporting, but it does not follow the specific GRI requirements for the topics. (Appendix 1,2 and 3).

Using the systematic coding process, the essential points are marked in the gathered data, and the attention is paid to the crucial concepts, aiming to present the data logically. By coding, the relevant information can be found related to the research question and achieve a diverse understanding of the collected data. After coding, the researcher can continue to analyze and interpret the data. (Saaranen-Kauppinen and Puusniekka, 2009, p. 80-81.)

Firstly, the reports were read through while taking notes of the most reported categories. Then the reports were read through with a specific focus on the main social, economic, and environmental categories and sub-categories. In addition, some quantitative

elements have been applied to give a better perspective of reporting. The study aims to show the most reported topics. The analysis is based on the following main categories and sub-categories, presented in tables 1, 2 and 3.

Social aspects:	
Sub-category 1	Health, safety & employee wellbeing
Sub-category 2	Employment
Sub-category 3	Employee training & education
Sub-category 4	Diversity, discrimination & equality
Sub-category 5	Client & stakeholders
Sub-category 6	Customer privacy
Sub-category 7	Human rights
Sub-category 8	Supplier assessment

Table 1: Social aspects (modified from GRI)

Economic aspects	
Sub-category 1	Economic performance
Sub-category 2	Anti-corruption policies & procedures
Sub-category 3	Indirect economic performance
Sub-category 4	Tax
Sub-category 5	Anti-competitive behavior
Sub-category 6	Responsible funding & financing

Table 2: Economic aspects (modified from GRI)

Environmental aspects	
Sub-category 1	Direct environmental impacts
Sub-category 2	Environmental compliance

Table 3: Environmental aspects (modified from GRI)

4.2 Data collection

The collected data is based on the research questions. In this study, the gathered data includes CSR reports that the chosen enterprises have provided between 2020 and 2021. The data was collected from 14.1.2022-to 6.4.2022. Firstly, the aim was to determine whether the companies are providing reports and then determine what CSR-related information the reports enclose. The data consists of only formal CSR information, and any information outside of the reports are left out of analysis, such as press releases or newsletters.

As the Finnish state is the primary owner of many enterprises, some limitations need to be established. This study focuses on the financial sector industry, which is the third-largest sector in the state-owned enterprises (Figure 4). The sector was chosen due to its size (9% in 2021 and 2022), also, choosing one sector allows for comparing the information in the reports, as there can be some differences depending on the industry. The SOEs in the financial sector have a significant societal impact and providing information on how they operate and how they consider responsibility issues, could improve the public's trust. Also, reporting in SOEs should be exemplary to the other enterprises working in the financial field.

The state either fully owns the chosen enterprises or has major ownership. Enterprises with minor state ownership were left out of this study, there was particularly only one enterprise, Kuntarahoitus Oyj, where the state ownership was 16%, and therefore the enterprise was left out of the scope. The enterprises operate under a chosen ministry, which supervises and monitors them.

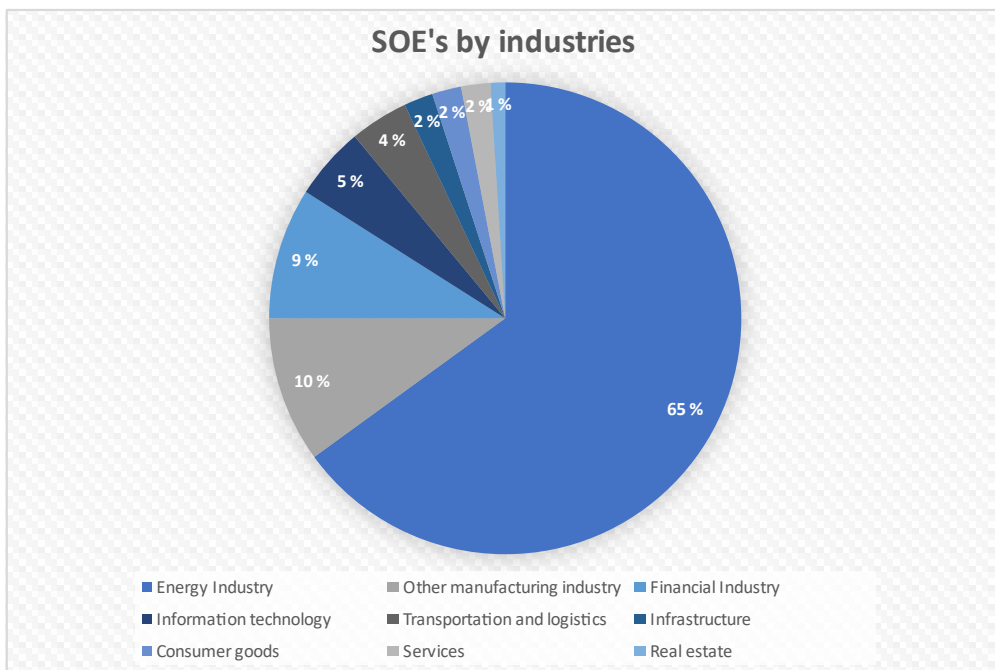


Figure 4: SOEs by industries (Valtionkanslia, 2022)

Finland has either a strategic interest or a particular task to perform to be the owner of the enterprises. Strategic interest means that the state has some other interest besides financial interests to have ownership of the enterprise. A special assignment means that the state has a political task or other unique social roles in the enterprise. (Valtionkanslia, 2022.) The financial sector's state-owned enterprises are Business Finland Oy, Finnvera

Oyj, Ilmastorahasto Oy, Oppivainvest Oy, Suomen Teollisuussijoitus Oy, and Finnfund Oy. The enterprises are presented shortly.

Business Finland Oy

Business Finland Oy (Ltd) started in 2018, and it is operating as an investment enterprise under the Finnish Ministry of Employment and the Economy. Business Finland provides funding and expert services to enterprises, and Business Finland aims to boost trade and foreign investment in Finland and attract foreign investors to Finland. Business Finland helps Finnish companies to grow and succeed globally by supporting and funding innovations. Business Finland works for the best interests of Finnish society, which is the core of all the business operations. (Business Finland, 2022.)

According to Business Finland, sustainability is the heart of its strategy, including economic, ecological, and social dimensions. The company primarily invests in economic growth, sustainability, and strengthening competitiveness. The key themes and main principles of Business Finland's social responsibility are being a responsible service provider and funder, being customer-oriented, aiming for a positive employee experience, and collaborating with stakeholders. (Business Finland, 2022.)

Finnvera Oyj

Finnvera Oyj is a financing enterprise operating under the Finnish Ministry of Employment and the Economy. Finnvera provides loans, credits, and guarantees to enterprises and is Finland's official export credit agency. Finnvera focuses on especially funding SMEs and increasing the number of starting companies. (Finnveraa, 2022.)

The heart of Finnvera's strategy is corporate responsibility. Responsibility and its aspects, such as climate change, environmental, social, and financial responsibility, are the cornerstones of business operations. (Finnverab, 2022.)

Ilmastorahasto Oy

Ilmastorahasto Oy (The Climate Fund) is a special-assignment enterprise operating under the Ministry of Economic Affairs and Employment. Ilmastorahasto is a financing enterprise, mainly focusing on large-scale projects such as demonstrating climate technology or a pilot plant. The company also finances other digitalization projects if they generate significant benefits for society. The objective is to reduce emissions, enhance biodiversity, and promote the efficient use of natural resources. (TEMa, 2022.)

Corporate responsibility and sustainability are an essential part of Ilmastorahasto's daily work. It aims for societal influence, and primarily environmental and climate issues lead the decision-making in funding projects. (Ilmastorahasto, 2022.)

Oppivainvest Oy

Oppiva Invest Oy is a special-assignment enterprise operating under the Ministry of Education. The company offers capital-based loans to finance companies, especially businesses related to developing learning environments and teaching aids and exporting education. Investing is meant for innovative, growing Finnish companies. (Oppiva Invest, 2022.)

Oppiva Invest's strategy is positive societal influence, and the profit is measured by how the financed companies renew professional learning and bring extra value for both students and working life. The aim is to develop new growth businesses and improve educational exporting. (Oppiva Invest, 2022.)

Suomen Teollisuussijoitus Oy

Suomen Teollisuussijoitus Oy (Finnish Industry Investment Ltd, Tesi) operates as an investment enterprise under the Ministry of Economic Affairs and Employment. The company invests in private equity funds from their balance sheet and through their growth funds in order to help companies to grow and internationalize, as well as promote competitiveness. The enterprise also invests directly in growing companies. (TEMb, 2022.)

The enterprise aims to strengthen economic growth and entrepreneurship and that the funded companies resolve global challenges. Tesi operates with the same terms and profit expectations as any other investor. Tesi has announced that their corporate responsibility consists of personal responsibility, responsible investing, and societal influence, which are part of their responsibility strategy. (Suomen Teollisuussijoitus, 2022.)

Finnfund Oy

Finnfund Oy (Finnish Fund for Industrial Cooperation Ltd) is a financing enterprise operating under the Ministry of Foreign Affairs. The enterprise provides long-term investment loans and venture capital to responsible and profitable businesses in developing countries, Africa, Asia, and Latin America. The company emphasizes critical sectors to sustainable development, such as forestry, agriculture, and clean energy. (Finnfund, 2022.)

At the heart of Finnfund's responsibility are impact, sustainability, profitability, and professionalism. Finnfund receives its financing from the State of Finland, private capital markets, and return on its investments. (Finnfund, 2022.)

5 Results

This chapter aims to answer the research questions, what information SOEs are providing in their CSR reports and how they are reporting. After this, what kind of CSR information the SOEs are reporting is presented. The most-reported social, economic, and environmental aspects are described.

5.1 Availability of CSR reports in state-owned enterprises

The analysis showed that most of the SOEs in the financial industry are providing CSR reports. Nevertheless, there are some differences in how the reports are provided. Two of the SOEs provided stand-alone reports, and three provided integrated reports, CSR information presented as a part of their annual reports. Table 4 summarizes the reporting and if the SOEs have externally assured their reports.

Enterprise	Reporting	How is report published?	External assurance
Business Finland	X	Stand-alone report	No
Finnvera	X	Part of annual report	No
Ilmastorahasto	X	Stand-alone report	Partly
Oppiva Invest	-	-	-
Suomen Teollisuussijoitus	X	Part of annual report	No
Finnfund	X	Part of annual report	No

Table 4: provided CSR reports

Business Finland, Finnvera, Ilmastorahasto, Tesi and Finnfund are providing CSR reports. Only one of the selected SOEs, Oppiva Invest, does not provide a CSR report. Two of the

SOEs, Business Finland and Ilmastorahasto, provide CSR reports as stand-alone reports, and the rest are providing reports as a part of their annual reports. Some of the key findings regarding the reporting were that Tesi had provided CSR reports separately during previous years and then moved to integrated reporting. For Ilmastorahasto, the year 2021 was the first year to provide the CSR report. Apart from Oppiva Invest and Ilmastorahasto, the enterprises have provided CSR reports during previous years.

It is notable that, for the most part, SOEs have not externally assured their reports. An exception to this is Ilmastorahasto, which has partly assured its carbon footprint by a consulting company Gaya Consulting Oy. Even though many of the SOEs were using the GRI standards, not many are assuring their reports externally, regardless of the GRI recommendation. The next chapter presents what kind of CSR information the SOEs are providing. As Oppiva Invest does not provide reporting, it was left out.

5.2 Information related to CSR policy in state-owned enterprises

The information of the reports is presented in this chapter, according to the three main categories, social, economic, and environmental, and their sub-categories.

5.2.1 Social aspects

The analysis revealed that SOEs were reporting comprehensively about social aspects. This study divided the social aspects into eight sub-categories that present the most reported social aspects. During the analysis, it was clear that the SOEs are addressing social aspects more than environmental aspects in their own operations. Table 5 illustrates the reported social aspects.

Social aspects	Business Finland	Finnvera	Ilmastorahasto	Tesi	Finnfund
Sub-category 1: health, safety & employee well-being	X	X	X	X	X
Sub-category 2: employment	X	X	X	X	X
Sub-category 3: employee training & education	X	X	X	X	X
Sub-category 4: diversity, discrimination & equality	X	X	X	X	X
Sub-category 5: client & stakeholders	X	X	X	X	X
Sub-category 6: customer privacy	X		X		X
Sub-category 7: human rights	X	X	X		X
Sub-category 8: supplier assessment	X	X			

Table 5: Enterprises addressing the social aspects

There is a variety in how comprehensively some of the sub-categories are reported. Some aspects were reported in detail, when some of the aspects were only mentioned. Employment, employee training, education, and safety and health were widely addressed in all the reports. Reported information was related to the structure of employment, for example, the number of employees and what type of employment contract they have. SOEs were also reporting changes in the employment structure, such as how many new employee recruitments were made during the reported year. The employment structure was described numerically and written, and all the reports include diagrams to illustrate the personnel structure.

“In 2020, there were no reductions in the number of personnel, nor were any other rationalisation taken measures taken. During the year, the number of employees continued to develop steadily. Six permanent employees left the company, and seven new ones began working.”

All the reports addressed health and safety; both numeric and written data were provided. All the SOEs reported regarding occupational health care for the employees. The topics which are reported regarding health care are accidents, health care planning, and what type of services are provided for the employees. In addition, enterprises reported regarding the surveys and the survey results in order to improve their employee health. Many reported that employee satisfaction is measured regularly.

“ We look after our employees’ health with comprehensive occupational health care services, which include regular age-based health check-ups, laboratory tests, and the opportunity to access physical therapy, among other things.”

Moreover, all the SOEs provided information regarding employee education and training. Developing their employee’s competence is comprehensively described in the reports. Many of them described what type of training they are providing to their employees and how they are encouraging their employees’ professional development. Many of them provide different types of training, for example, online courses for their employees. Also, majority addressed yearly discussions they have with their employees to plan their career development. Some numeric data was provided in many reports. As an example, Finnvera states the average training hours during the reported year was 12.2 hours, Tesi, in turn, reported an average of five training days.

“Competence development is based on the “70-20-10” framework for continuous learning (learning as part work duties – learning from others – formal training). The strengthening, self-steering, and systematic nature of the individual development needs in competence development are supported by, for example, a “career dreams” model and regular coaching discussion.”

Furthermore, all the reports pointed out discrimination, equality, and diversity. Under this category, mostly employee gender and age structure were highlighted. It is crucial to acknowledge that equality and diversity cover more than these aspects. In Finnvera's and Ilmastorahasto's reports, these topics were less emphasized compared to the rest. Instead, these topics were more extensively covered in Tesi's, Finnfund's, and Business Finland's reports. Nevertheless, many of the SOEs did not go into this topic in-depth. However, some of them mentioned discrimination plans, nationalities, and actions taken to improve and enhance non-discrimination and equality.

Another emphasized topic in all of the reports was client and stakeholder relations. Many reports covered this topic in detail, addressed memberships in different organizations, how stakeholders are considered in their operations, and released stakeholder surveys. For example, Ilmastorahasto reported its stakeholder collaboration comprehensively and described different events they have had throughout the reported year for stakeholders. Many described what kind of surveys they have released to gather information from their stakeholders. The topics included satisfaction, reputation and trust. All in all, this topic was well covered in Business Finland's, Ilmastorahasto's and Tesi's reports.

Other social aspects covered in the reports were Human Rights, customer privacy, and social assessment. These aspects were less covered than the other social aspects. Four of the SOEs reported being committed to the UN Principles on Business and Human Rights. Finnfund's report addresses the Human Rights aspect widely, and it reports, for example, their Human Rights screening tool and the impacts of the covid-19 virus.

“ The human rights screening tool helps identifying contexts which could increase the probability of potential human rights impacts.”

Less reported social aspects were customer privacy and supplier assessment. These topics arose in some of the reports. For example, Ilmastorahasto makes sure that customer privacy is emphasized in their operations, and Business Finland reported the privacy issues they have had during the reported year. Additionally, both Business Finland and Finnvera pointed out their actions to assess their supplier's sustainability. Most of the purchases are related to maintenance of buildings and offices, ICT, or expert services.

"In purchasing, aim is to consider environmental impacts and promote the use of environmentally friendly products and services. In service procurement, attention must be paid, on a case-by-case basis, to how environmental friendliness can be taken into account in competitive tendering."

5.2.2 Economic aspects

In this study, economic aspects were divided into six sub-categories. The focus was on the most reported aspects, which are presented in Table 5. Economic aspects were addressed by all the SOEs, and the aspects were reported comprehensively.

Economic aspects	Business Finland	Finnvera	Ilmatorahasto	Tesi	Finnfund
Sub-category 1: economic performance	X	X	X	X	X
Sub-category 2: anti-corruption policies & procedures	X	X	X		X
Sub-category 3: indirect economic performance	X	X		X	X
Sub-category 4: tax	X	X		X	X
Sub-category 5: anti-competitive behaviour		X	X		
Sub-category 6: responsible funding & financing	X	X		X	X

Table 6: Enterprises addressing the economic aspects

The most addressed categories were economic performance, indirect economic performance, and responsible funding. All the SOEs reported these aspects in detail, and even though there were more categories in social aspects, the economic aspects were described more comprehensively.

The reported information included how the enterprises have performed economically, their revenues, have they received funding, and how much they have funded projects or invested in companies. Numeric data and diagrams were utilized to describe these aspects in detail. Especially responsible funding and investing were highlighted in all the reports and covered in detail. The enterprises described what kind of projects or enterprises they have funded and what type of social and environmental impacts the funded projects have. Most of the SOEs mentioned that their social responsibility is accomplished through investments and funded projects instead of their own operations,

and all the SOEs reported to be committed to some type of responsibility guidelines to ensure the responsibility of their investments. Such as Principles of Responsible Investing (PRI) or using Environmental, Social, Governance (ESG) -rating in their investment decisions.

“Sustainability policy guides the assessment and management of sustainability within investments. It covers environmental, social and governance issues as well as impact created through sustainable business practices.”

For example, Ilmastorahasto has particularly described what companies they have invested in and in what field the companies operate. Reported information also explains how the companies positively affect the climate goals set by the EU and which ones of the UN Sustainable development goals the companies are related to. Business Finland has described their investment decisions more at a general level and described their sustainability principles in their decision-making regarding investing. Both Finnvera and Finnfund report detailed information regarding their investment decision and invested projects or companies. Finnfund has provided a comprehensive list of their investments and what sector and continent the invested companies operate in. Both companies emphasize that the investment decisions are made carefully, and responsibility and sustainability are assessed. The assessment process is illustrated with a figure in both reports. In addition, Tesi also provides a chapter separately regarding the responsibility of their investing and states that they highlight responsibility in their investing decisions and follow the principles of responsible investing.

Indirect economic performance along with tax were broadly covered topics. All the SOEs addressed how indirect economic value is created, mostly through their investments. Apart from Ilmastorahasto, reports included tax reporting, and some even provided a tax footprint. SOEs were reporting regarding to their tax planning, tax strategy, and what is their approach to aggressive tax planning. Two of the enterprises, Business Finland and Tesi, were covering the topic in detail.

“Enterprise X does not practice any transfer pricing, or any tax planning related to the transfer of income. Taxes are paid locally where they are generated.”

Less reported topics were anti-competitive behaviour and anti-corruption policies and procedures. Two of the SOEs mentioned that there have not been anti-competitive cases during the reported year, and four of the SOEs described their anti-corruption policies. Information included to work against anti-corruption, such as whistle blower channels, where stakeholders can report any illegal activities, or company Code of Conducts to improve the ethical awareness. Additionally, Finnvera reported more comprehensively about its anti-bribery policy to screen the anti-bribery risks in the financed projects.

“In 2019, enterprise X revised its environmental and social management policy and anti-bribery policy, and created a new tax haven policy”

5.2.3 Environmental aspects

The most-reported environmental aspects included direct environmental impacts and environmental compliance. The environmental aspects in SOEs' own operations were the least covered aspects, but most of the SOEs addressed the topics shortly. All the SOEs covered the environmental aspects of their investments and funded projects, which is considered in the responsible funding aspect.

Environmental aspects	Business Finland	Finnvera	Ilmastorahasto	Tesi	Finnfund
Sub-category 1: direct environmental impacts	X	X	X	X	X
Sub-category 2: environmental compliance		X	X		

Table 7: Enterprises addressing the environmental aspects

Provided information included direct environmental impacts in their own operations, primarily related to commuting, business travel, and energy and paper consumption. All the SOEs reported on the environmental impacts of commuting and business traveling. Finnfund and Finnvera reported that business travel covers most of their emissions, as the funded projects require visits to the target countries. All the SOEs mentioned commuting as one of the impacts, and actions regarding the impacts have been taken by encouraging employees to use public transport or bicycles. Finnfund also mentioned that parking plots are provided to the employees using electronic vehicles. Additionally, all the SOEs mentioned that work-related travel has reduced since the covid-19 pandemic, affecting their environmental impacts.

“We strive to minimize the environmental impact of our own direct actions. In normal years, it arises from air travel related to financing projects. We have not measured the carbon footprint of our own operations.”

In addition, all the SOEs addressed the environmental impacts being related to the properties’ energy consumption, but very little was reported regarding to the actions taken to reduce the emissions. Tesi and Finnvera mentioned the topic, whereas Business Finland, Ilmastorahasto and Finnfund addressed the topic more in detail. Both Business Finland and Ilmastorahasto reported that part of their electricity comes from their properties’ solar panels, and that they have LEED certificates that guide with the

environmental impacts of properties. Other mentioned topics of direct environmental impacts were the recycling of waste, lightning solutions, and paper consumption.

“The property has the largest building-specific solar power plant in Helsinki which produces part of the property’s electricity. The property also has LEED certification that guides the environmental impact of property and its tenants, in terms of energy efficiency, waste management and recycling, for example”

Furthermore, both Ilmastorahasto and Finnvera reported that the non-compliance of environmental laws and regulations would have been reported if there would have been any issues regarding to non-compliance.

“Enterprise X aims to prevent and reduce the harmful environmental impact from its operations and promote the sustainable use of natural resources.”

All in all, environmental aspects of the enterprises own operations were covered briefly compared to the other aspects, and how detailed information was provided varied between the enterprises. Ilmastorahasto reported comprehensively on the topic and provided their carbon footprint, as Tesi mentioned the direct environmental impacts shortly.

6 Conclusions

This chapter summarizes the results from the analysis and discusses ethical considerations and limitations of this study. In addition, suggestions for further research are discussed.

6.1 Discussion of the results

The aim of this study was to understand CSR reporting in Finnish state-owned enterprises with the focus on the financial industry. The purpose was to determine whether the enterprises were providing reports, how the reports were disclosed, and what type of CSR information was provided. The study was conducted as deductive content analysis, and the analyzed topics were divided into three main categories, social, economic, and environmental aspects, and their sub-categories.

The findings demonstrated that the majority of the SOEs in the financial industry were providing CSR reports. There were differences in how the reports were provided, as it was slightly more common to provide the report as a part of the annual report, however, almost as many provided stand-alone reports. Only one enterprise did not provide a CSR report. The majority of the SOEs discussed the same social, economic, and environmental aspects. What type of information was provided and how detailed, varied between the enterprises.

The same reported topics under the social aspects were employment, health and safety, employee training and education, and client and stakeholders. Each report covered these topics, and the enterprises reported similar information, such as employment structure, occupational health care, training for employees, and stakeholder relations. Diversity, equality, and discrimination were also pointed out, but there were differences

in the type of provided information. Age and gender structures of employees were a popular topic, but also nationalities and actions to improve equality were addressed. The rest of the topics under social aspects, such as Human Rights, supplier assessment, and customer privacy, were less reported.

All the reports provided comprehensive information about economic aspects, especially economic performance, indirect economic impacts, and responsible funding had a significant emphasis on the reports. As described in the theory part, economic responsibilities create the bottom of Carroll's (1991) pyramid and are one of the P's in Elkington's (1997) Triple Bottom Line (*People, Planet, Profit*). Enterprises are expected to be profitable. Thus, it could explain the inclusive reporting regarding the economic aspects, together with the financial field, and what stakeholders consider to be important topics to report.

Lastly, the environmental aspects gained less attention, as the enterprises have minimal direct environmental impacts in their operations. Nevertheless, all the reports mentioned direct environmental impacts to some extent, but the environmental impacts of their investments gained greater attention than impacts of their own operations. Literature review shows that the environmental aspect gained less attention in the early years of CSR, but in the present day, it is considered as important as the social aspect of CSR (Dahlsrud, 2006, p. 6-7).

Stakeholder relations were highlighted in all the reports, including different surveys and events to engage the stakeholders and gain information on what they consider essential topics to report. Stakeholders are recognized as a significant motive for publishing reports and determining what type of information is provided. The findings indicate that the opinions of stakeholders are taken into account, and it could explain why some topics are addressed in more detail than other, and what the enterprises have chosen to report. The focus on SOEs is often to achieve political or societal objectives, and the public is usually a significant stakeholder. Including stakeholders in the reporting process could

improve the transparency and legitimacy of the business operations and enhance the public trust. (Cordoba-Panchon et al., 2014.)

During the literature review, it became clear that external assurance by a third-party provider is an important procedure to enhance a report's credibility. It aims to assure that the provided information is trustworthy, aligns with reality, and is comparable (Abernathy et al., 2017, p. 24-41). One of the key findings was that one enterprise had partly assured its report, regardless that four of the SOEs were utilizing GRI Standards in their reporting, and the Standards recommend external assurance. This could be something to pay attention to enhance the stakeholder's trust, as the significant challenges regarding reporting are related to the information's credibility and accuracy. In the future, it can be expected that the reporting becomes more common, as well as the reporting procedures develop.

The majority of the SOEs provided actual data in their reports, such as numeric information on employment structures and economic performance. Reported information also included initiatives and implemented actions to improve many aspects. Some negative issues were also reported, such as customer privacy cases. In addition, factual data was often illustrated with figures, making it easier for the user to interpret provided data. CSR has increasingly become part of the corporate strategy and management (Christensen et al., 2021), and during the analysis it became clear that CSR is part of the enterprises' strategy and operations.

6.2 Reliability and ethical considerations

The study is following the good practices of research ethics in administrative sciences, and Finnish National Board on Research Integrity (TENK 2021). The author has done careful preparations when planning the study and used the relevant literature and other

sources when building the theoretical part of the study. The principles of scientific writing have been followed when citing the references correctly. The used methodology has been justified and explained as carefully as possible to guarantee the transparency of the study process and especially the analysis of the data. The data used in this study has been publicly available in Internet and is not violating the organizations. Also, the author is not having any connections to the chosen organizations which could have led to the conflict of interest or bias in data analysis.

It has not been necessary to apply the research permission or review of ethical committee as the data is publicly available and is not including confidential information or is not related to any special human target group or individual. The results are reported carefully, following the established qualitative reporting practices. However, the author does not have a strong experience in methodological issues which might have limited especially the reflection of the study results with the existing research from the field and making the wider conclusions of the results.

There are specific values that the study should fulfil, and therefore assessing reliability of the study process with four criteria with four criteria, which are commonly used in qualitative research, credibility, transferability, dependability and confirmability, is essential (Stahl and King, 2020). Interpretation of the results should be credible and truthful, which includes the subjectivity of the author. Critical self-reflection is essential, and it should be considered during the entire process (Saaranen-Kauppinen and Puusniekka, 2009, p. 27). It is important to be aware of the personal views and their possible effect to the data analysis. In this study, the deductive approach has been used. The defined categories, sub-categories and coding frame which were based on the literature has helped to be as objective as possible in data analysis. Also, the memos done during the data analysis helped to confirm the neutrality and consistency of the results.

The results in findings should be replicable when applying the same research technique to the data, and deductive approach makes it possible that the study design could be repeated. (Krippendorff, 2004, p. 18.) Transferability in qualitative research means the possibility to apply the results to the other context in some level, although the aim is not to generalize the research results (Stahl and King 2020). As the data of this study was small, it is quite limited how the findings of this study could be applied to the other context, for example to the other state-owned enterprises or private financial sector.

6.3 Limitations of the study and suggestions for further studies

Finally, some limitations are essential to be noted. The analysis is based on the data provided by the SOEs in the financial industry during the year 2020-2021. The study does not fully understand CSR reporting in state-owned enterprises, as there are many more state-owned enterprises in different industries. Therefore, this study gives an overview of CSR reporting in state-owned enterprises in this specific industry. As time and resources were limiting factors for this study, a specific industry needed to be chosen.

It is crucial to point out that CSR is a constantly changing field, as the CSR practices and reporting standards change over time. For that reason, the ways of reporting and what kind of CSR information is provided can vary from year to year. The standards change, as well as the regulation regarding reporting practices. The results for a similar study in a different year could be different. However, regardless of the limiting factors of time and resources, the study succeeded to answer the research questions set in the beginning.

As CSR is an expanding field of research and interest, and further studies could improve the understanding of the phenomenon. In order to gain a better view of CSR reporting in state-owned enterprises, it could be worthy of focusing on different industries, such

as energy or manufacturing. CSR reporting can enhance the transparency of enterprises and provide stakeholders, such as citizens, a possibility to evaluate how the enterprises operate in the CSR field when the reports provide verified and factual data. Additionally, a comparative study between countries could be a possible research object, in order to understand reporting broader. Research could provide knowledge to develop the operations of state-owned enterprises.

Moreover, another research approach and data collection could provide useful information regarding to CSR reporting practices. Interviewing the responsible people in organizations or interviewing the clients to whom the reports are targeted, getting their opinions and how, for example, the reported actions effect their opinions of the organization. During the study process it also came clear that there is room for more research in the CSR field in Finnish context, and how it is perceived today. All in all, CSR is a complex field not only because the definition remains unclear, but also the amount of different reporting guidelines brings challenges. Thus, it provides opportunities for further research.

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Attachments

Appendix 1. Social aspects coding frame

Social aspects:		codes
Sub-category 1	Health, safety & employee wellbeing	Health care services, accidents, employee satisfaction, safety procedures
Sub-category 2	Employment	Number of employees, employment structure, type of employment contracts
Sub-category 3	Employee training & education	Training for employees, training hours, actions to promote workers' professional development
Sub-category 4	Diversity, discrimination & equality	Gender and age structures, discrimination plans, nationalities, actions taken to improve and enhance non-discrimination and equality
Sub-category 5	Client & stakeholders	Partnerships, identified stakeholders, collaboration with stakeholders or clients, actions to engage stakeholders (e.g. surveys)
Sub-category 6	Customer privacy	Actions to protect customer data, reported customer data issues
Sub-category 7	Human rights	Actions to promote Human Rights, UN Principles of Human Rights
Sub-category 8	Supplier assessment	Assessing the sustainability of the supplier

Appendix 2. Economic aspects coding frame

Economic aspects		codes
Sub-category 1	Economic performance	Revenues, economic performance, employee wages and costs, economic value generated by countries and markets
Sub-category 2	Anti-corruption policies & procedures	Procedures to prevent anti-corruption, company policies to promote ethical awareness (code of conducts, whistle blower channels), screening corruption issues
Sub-category 3	Indirect economic performance	Investments on infrastructure, local communities, impact on economies and supported services
Sub-category 4	Tax	Tax footprint, tax planning, tax strategies, approach to tax regulation
Sub-category 5	Anti-competitive behavior	Anti-trust, monopoly practices, legal actions for anti-competitive behavior
Sub-category 6	Responsible funding & financing	Commitment to Principles of Responsible Investing, ESG-ratings or other principles, assessment of the sustainability and responsibility in funded projects

Appendix 3. Environmental aspects coding frame

Environmental aspects		codes
Sub-category 1	Direct environmental impacts	Created emissions, waste and used energy
Sub-category 2	Environmental compliance	Compliance or non-compliance with environmental laws and regulation