MODELING A FIRST-STAGE SUSTAINABILITY REPORTING FRAMEWORK FOR FINNISH SME SECTOR KNOWLEDGE ORGANISATIONS

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ABSTRACT

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Abstract

Sustainability and related reporting obligations for companies are being tightened due to both legislation and the expectations of value chains. Differences in resources and expertise are reflected in the adoption of sustainable business models between SMEs and large companies. Most of the tools designed for corporate sustainability reporting have been developed from the perspective of large companies and the application of these tools in SMEs is challenging due to resources and lack of expertise. In addition, external pressures on reporting and sustainable business are less in the SME sector.

The theoretical framework of this study consists of previous studies related to corporate sustainability reporting, SMEs and the GRI framework. This study is qualitative and uses a constructive research approach. The research was conducted by interviewing executive team of the knowledge organization that operates in Finnish SME sector.

Aim of the study is to find out the company's view of the globally used GRI standard's disclosures from the point of view of their relevance for sustainability reporting in the Finnish SME sector knowledge organization. On a practical level the research aims to create a simplified framework and tool for Finnish SME knowledge organizations' initial sustainability reporting and responsibility thinking.

Based on the results of this study and previous studies, disclosures that were considered irrelevant were excluded from the final reporting framework. These were disclosures where the collection or compilation of the requested information is challenging for the company, the increase in the cost of obtaining the information is too high in relation to the benefits, the information is disclosed in other reporting, the information is assumed to be properly managed and controlled under national law. Of the 148 disclosures and 631 reporting requirements examined in the GRI framework, 56 disclosures and 77 reporting requirements remained in the final reporting framework.

Key words
sustainability, sustainability reporting, Global Reporting Initiative, GRI, SME

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Vastuullisuutta ja siihen liittyvää raportointia koskevia velvoitteita yrityksiä kohtaan kiristetään sekä lainsäädännön että arvoketjujen odotusten vuoksi. Resurssien ja osaamisen erot näkyvät kestävien liiketoimintamallien omaksumisessa pk-yritysten ja suuryritysten välillä. Suurin osa yritysvastuuraportointiin suunnitelluista työkaluista on kehitetty suuryritysten näkökulmasta ja näiden työkalujen soveltaminen pk-yrityksissä on haastavaa resurssien ja puuttuvan asiantuntemuksen vuoksi. Lisäksi ulkoinen paine raportointiin ja kestävään liiketoimintaan on pienempi pk-sektorilla.

Tämän tutkimuksen teoreettinen viitekehys koostuu aikaisemmista tutkimuksista, jotka liittyvät yritysten vastuullisuusraportointiin, pk-yrityksiin ja GRI-viitekehykseen. Tämä tutkimus on laadullinen ja siinä käytetään rakentavaa tutkimusotetta. Tutkimus toteutettiin haastattelemalla suomalaisen pk-sektorin asiantuntijaorganisaation johtoryhmän jäseniä.

Tutkimuksen tavoitteena on saada selville yrityksen näkemys maailmanlaajuisesti vastuullisuusraportointiin käytetyn GRI-standardiston tietopyynnöistä sekä niiden relevanssista Suomen pk-sektorin asiantuntijaorganisaatiossa vastuullisuusraportointiin liittyen. Käytännön tasolla tutkimuksen tavoitteena on luoda yksinkertaistettu viitekehys ja työkalu suomalaisten pk-sektorin asiantuntijaorganisaatioiden ensivaiheen vastuullisuusajattelulle sekä vastuullisuusraportoinnille.

Tutkimustulosten ja aikaisempien tutkimusten perusteella lopullisesta viitekehyksestä poissuljettiin tietopyyntöjä, joiden katsottiin olevan epäolennaisia suomalaisen pk-sektorin asiantuntijaorganisaatiolle. Näitä olivat tietopyynnöt, joissa pyydettyjen tietojen kerääminen tai koostaminen on yhtiölle haasteellista, tiedonhankkimisen aiheuttamien kustannusten kasvu on liian suuri suhteessa saataviin hyötyihin, tiedot tuodaan julki yhtiön muussa raportoinnissa, tiedon oletetaan olevan kansallisen lainsäädännön mukaan asianmukaisesti hoidettu ja valvottu tai tiedon katsotaan olevan konsernin sisäinen asia. Lopulliseen raportointi viitekehykseen jäi tutkituista 148 tietopyynnöstä ja 631 raportointivaatimuksesta 56 tietopyyntöä ja 77 raportointivaatimusta.</td></tr>
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1 INTRODUCTION

1.1 Background

During 20th century sustainability has been gaining more attention and the legislations could be seen developing forcing organisations to change their strategies. (Harmaala & Jallinoja, 2012). According to United Nations sustainable development "meets the needs of the present without compromising the ability of future generations to meet their own needs" (UN, 2021). Meaning that our need should not endanger the living conditions of the future generations. Business is considered to be in key role in sustainable development. (Tregidga & Milne 2006.; UN, 2016). Dow Jones Sustainability index described 2015 that "Corporate sustainability is a business approach that creates long-term shareholder value by embracing opportunities and managing risks derived from economic, environmental and social developments". (White, 2016) In order to fulfil their corporate sustainability, businesses should have a process to incorporate social, environmental, ethical, human rights, and consumer concerns in to the their company operations and strategy in collaborative efforts with one's stakeholders. (European Commission A, 2021).

Corporates are forced to implement sustainability into business strategies, and it is seen that there are three main factors that should be noticed in the future: social fairness, environmental responsibility, and financial viability (Loucks et al., 2010). By acting sustainably and reporting on it, an organization can influence business cost structures, risk management, employee motivation and commitment, and a company's reputation and networking opportunities (Hahn & Hahn, 2014). This all increase the resilience of companies (Palomäki, 2021). Corporate success and value are no longer measured only by financial figures but also more wider attributes like sustainability matters (European Commission, 2019). Companies must pay attention to their stakeholders, including investors as they have expanded their influence throughout the world. Business leaders are realizing that in order for their organization to thrive in the future, this way of doing business must become a part of their overall strategy. (White, 2016). Sustainability reporting also provides the company with tools for developing and managing its own business, giving reporting a deeper meaning in the company's strategy (Vigneau et al., 2014; Dissanayake et al., 2019)

Sustainability reporting provides to stakeholders a transparent and open image of the company, which can have an impact on, among other things, the availability of financing, employee engagement and the development of customer and supplier relationships. (White, 2016). Sustainability reporting should provide information on how the organization operates, its' goals and achievements (Kurittu, 2018). It must take into account the specific and most important features of the company and the industry (Sampio, 2021). Global Reporting Initiative (GRI 101, 2016) and International Accounting Standards Board (IASB B, 2021) describes materiality as follows:

> "In sustainability reporting, materiality is the principle that determines which relevant topics are sufficiently important that it is essential to report on them. Not all material topics are of equal importance, and the emphasis within a report is expected to reflect their relative priority." (GRI 101, 2016)

> "Information is material if omitting, misstating or obscuring it could reasonably be expected to influence the decisions that the primary users of general-purpose financial statements make on the basis of those financial statements, which provide financial information about a specific reporting entity." (IASB B, 2021)

Various corporate sustainability reporting frameworks, such as the GRI, strive to guide the reporting of information that is relevant to stakeholders and to guarantee that the reports generated are standard and comparable (Brown et al., 2009; Kurittu, 2018). To assist corporate sustainability reporting, organizations might employ a number of reporting standards or frameworks. The GRI standards, AccountAbility's AA1000 standard, the UN Global Compact's CoP report, the International Organization for Standardization's ISO 26000 standard, industry specific SASB (Sustainability Accounting Standards Board) and the CDP, or Carbon Disclosure Project, are all common reporting frameworks. The GRI standards are the most well-known and widely utilized reporting structure. GRI describes its activities as follows:

> "GRI (Global Reporting Initiative) is the independent, international organization that helps businesses and other organizations take responsibility for their impacts, by providing them with the global common language to communicate those impacts. We provide the world's most widely used standards for sustainability reporting – the GRI Standards." (GRI A, 2021)

Criticism has also been levelled at corporate sustainability reporting. When reporting is voluntary or when companies can determine what or how things are presented, negative issues such as staff reductions are easily excluded from reporting. As a result, sustainability reporting should be assessed to see if it has been produced for marketing purposes or whether it is genuine responsibility thinking (Vigneau et al., 2015.). Sustainability reporting has been developed for the needs of large-scale corporations but also SMEs want and have need for sustainability reporting (Permatasari & Kosasih, 2021). Due to the comprehensiveness of the GRI report, the report may become too long and difficult to understand (Kurittu, 2018; Brown & Dilliard, 2014). Most of the users of the GRI standard are large and multinational companies, due to the investments it requires, both financially and in terms of expertise and personnel (Loucks et al., 2010). A tailored sustainability report typically costs between 10,000 and 15,000 euros (Azets, 2022). Expertise, according to Hörisch et al. (2014), is also a critical aspect in the use of tools and the execution of sustainability plans. The key differences appear to be that SMEs are often ignorant of current tools or do not have (or allocate) the resources to learn about them.

The companies' solvency, geographical location, industry, size class and thus the impact of the business, as well as the available resources, affect how comprehensively the business is reported and how much the information requirements of the stakeholders are emphasized in the reporting (Niskala et al., 2019). Mainly large companies are producing sustainability reporting and SMEs are less engaged thus their contribution to the economy is significant (Loucks et al. 2010). Approximately 99 percent of the world's economy (Krawzcyk, 2021; European Commission, 2020) is based on economical contribution of SMEs but sustainability reporting models and tools are planned based on the needs of larger corporations. (Permatasari & Kosasih, 2021; Krawczyk, 2021; Työ- ja elinkeinoministeriö, 2021). Most of the tools and frameworks used for corporate sustainability reporting are aimed at large corporations, and for SMEs it is more challenging to make use of those due to a lack of know-how and resources. As a result, there should be a different approach to corporate sustainability reporting for the SME sector (Mileva, 2013).

SMEs form the backbone of the European economy. They are responsible for employment creation, economic growth, and social stability. Over 21 million SMEs in the EU provided 88.8 million jobs in 2013. SME's account for nine out of ten businesses, and they account for two out of every three employments. (European Commission, 2015). There were 2019 292,377 enterprises in Finland, of which 93%, or 271,851, employed less than 10 people. The figure does not include agricultural, forestry or fishing enterprises, which numbered about 77,000. There were 16,630 small enterprises or 5.7%, 3,214 or 1.1% medium-sized enterprises and 682 large enterprises or 0.2%. The share of sole proprietors was 68%. SMEs accounted for 57.5% of the turnover of all companies in Finland. (Suomen Yrittäjät Ry, 2021)

Sustainability is perceived as a very essential part of doing business in Finnish SMEs and the resources directed to it are expected to increase (Tani, 2020). The ownership structure of SMEs also affects the way companies approach sustainability more than, for example, listed companies, where external requirements are emphasized in relation to SMEs through legislation and stakeholders. Owner-entrepreneurs may experience uncertainty in investing in non-core business matters. On the other hand, smaller companies where management is active in accordance with sustainable development are more agile in their decisions and operations and changes can be measured faster (Loucks et al., 2010), but SME's have been proven to have little skill and desire to engage in voluntary sustainable concerns on several occasions. (Arena & Azzone, 2012. Williams & Schaefer, 2012). Many SMEs lack the ability to adopt sustainability methods. Time and financial constraints create barriers and slow down the achievement of the necessary capability to take accountability measures and lack of capability restricts the ability to handle needed resources. (Hörisch et al., 2014). Sustainability reporting requires not only financial resources but also restructuring of organizational structure and responsibilities (Loucks et al., 2010). SMEs might also have more difficult to access needed information such carbon footprint calculation (Suomen Yrittäjät Ry, 2021).

Solari et al. (2017) points out, that applying all of the indicators proposed by the GRI or other similar concepts in the context of SMEs can be troublesome and difficult at times. Solari et al. believes that a simple model should be developed, covering the main axes of sustainable development, based on the Global Compact, UN Sustainable Development Goals (SDG) and the GRI's objectives, but defining a smaller number of indicators and allowing for easier adopt for SMEs. Solari et al. (2017) also proposes future studies focus on developing a minimum model that allows SME entrepreneurs to commit to the issue, and in this way, start developing habits, customs, and a cultural shift that leads to sustainable development, so that SMEs can also fully engage in the achievement of the SDGs, thereby positively influencing of humanity's quality of life.

The corporate sustainability reporting system is basically designed to meet the needs of global and multinational actors. The different schemes are said to be suitable for the needs of smaller companies as well, but their scope and the lack of sustainability reports for smaller companies indicate that these schemes are at least not applied or know how to apply in practice. This may be due to a lack of resources such as time, staff, assets, and expertise, even if there is a will in the organization to do so. Preparing a sustainability report is one way of conducting an analysis of the current state of the company's sustainability and is also a step towards more sustainable business and implementing sustainability in the company's business and strategy.

The GRI standard is the most widely used corporate sustainability reporting standard and the GRI is involved in drafting EU legislation related to corporate sustainability reporting. Therefore, the preparation of a corporate sustainability report based on the GRI standard is also likely to meet any future reporting obligations for companies. The coverage of GRI in reporting is too broad and complex for the (Finnish) SME sector and the possibility of a simpler, clearer, easier and more cost-effective reporting model should be explored. Small and medium-sized businesses (SMEs) are being criticised for being behind the times when it comes to sustainability reporting since they confront several challenges and have been researched less than major corporations. (Williams & Schaefer, 2012). Based on the past, there is a need in the Finnish SME sector to create a simple reporting model based on the GRI standard.

1.2 Research question and aim of the research

GRI standards has been found to be comprehensive way to report but it does not serve smaller organisations although GRI declares that it is suitable for companies of all sizes. This study aims to find out the company's view of the globally used GRI standard’s disclosures from the point of view of their relevance for corporate sustainability reporting in the Finnish SME sector knowledge organization. In the study, the management team of the Finnish SME sector knowledge organization assessed the relevance and irrelevance of the GRI standard's disclosures and the availability of the requested information regarding the disclosures of the GRI framework valid until 2021. On a practical level the aim of the study is to build a sustainability reporting tool for the Finnish SME sector knowledge organisations to utilize for their own communication and strategy work, and which will make it simple and easy for SMEs to start and report on their own sustainability operations.

For the purposes of this thesis, materiality refers to the definition of materiality in accordance with the GRI guidelines, according to which an issue relevant to reporting reflects the economic, social, and environmental impacts of the company or has a significant impact on stakeholder assessments and decision-making. (GRI 101, 2016).

1.3 Structure of the research

The introduction part of this study briefly introduces structure of the thesis and go through in a concise manner briefly sustainability, sustainability reporting, the GRI framework and the SME sector and justifies the research topic and research questions. In the next step, previous studies and sustainability reporting will be discussed in more detail following the analysis of GRI framework and analyses of its suitability for the SME sector. The Data and Methodology section opens the methods used in the research and Results will introduce the findings of this study and the model constructed based on the study. Conclusions section reviews the results of the study in relation to previous similar studies and discusses research limitations and opportunities for further research.

2 THEORETICAL BACKGROUND

This section deals with the current state and future of sustainability legislation and reporting and the nature and content of the sustainability report. It also briefly covers the possible motivators for sustainable business and sustainability reporting. As materiality is at the heart of reporting, as are stakeholders, these themes have been briefly addressed.

2.1 Sustainability reporting

2.1.1 Development of sustainability legislation and reporting

Awareness of sustainability is increasing and sustainability challenges such as growing prices of natural resources, waste reduction, employee welfare and emissions, all have an impact on firms globally. As scientists, governments, corporate leaders, and the public become more concerned about sustainability, the global sustainability issues need a coordinated response from many players, with reporting as a critical component. Bartels et al., 2016.; Revell et al., 2009).

Sustainability reporting is the latest trend in external corporate reporting that tries to generate social, environmental, economic, and administrative performance metrics that promote transparency and sustainability (Leszczynska, 2012). Similar to the Great Depression, which spurred and improved financial reporting, multiple environmental disasters in the 1980s have resulted in more rigorous regulation and motivated sustainability reporting. The spread of corporate sustainability reporting has been driven in particular by rising public awareness, pressure from stakeholders and concerns about the business environment. (Tschopp & Nastanski, 2014). So has individual events or long-term trends such as climate change fuelled the tightness according to Herremans (2019) and White (2016). This all require businesses to consider more than just economic factors when evaluating their performance. (Arvidsson, 2019)

Sustainability or even reporting on it is not a new thing. Sustainability disclosures may be found in company annual reports dating back to the early 1900s, but the concept gained traction among academics in the 1960s and 1970s. (Helkala, 2015). Companies first reported primarily on environmental responsibility, but reporting has grown to include other aspects of corporate responsibility (English & Schooley, 2014). At the turn of the millennium, organizations began to show specific sustainability reports in their annual reporting. (Buhr et al., 2014)

During the years there has been organisations that has pushed for more sustainable acts. Starting the International Labour Organisation (ILO) that was established 1919 and focuses on human rights in working life. Security, humanitarian, political, and economic reasons all played a role in the ILO's formation. The founders of the ILO recognized the need of social justice in preserving peace in the context of labor exploitation throughout the industrialization period. The globalisation and global economic interconnectivity created a need for coordination to guarantee that working conditions in different nations were comparable. (ILO, 2021). Besides ILO, the Universal Declaration of Human Rights (UDHR) 1948 high light the importance of equality between all humans and it ensures same rights for everyone globally (UDHR, 2021). UDHR could considered to have major influence on today's sustainability reporting frameworks like GRI (Harju, 2018). The "Our Common Future" ("Brundtland report"), goal was to raise awareness for sustainability and to encourage nations and businesses to accelerate their transformation into more sustainable. (UNWECD, 1987)

The United Nations contribution to the sustainable development has been significant. Environment and development conferences in Rio de Janeiro 1992 and 2012 and in Johannesburg 2002 are milestones toward more sustainable world. These conferences noted the importance of companies and their involvement in sustainable development here. (Harju, 2018). Voluntary principles such as the United Nations Sustainable Development Goals (UNSDG) and the United Nations Global Compact (UNGC) encourage corporate sustainability action. In corporate sustainability reporting, international norms are extensively employed. In 2020, for example, over 70% of reporting corporations will have included the UN Sustainability Principles into their corporate sustainability reporting (KPMG, 2020). Using the ten principles of the UN Global Compact and the UN Sustainable Development Goals, it attempts to create and support enterprises' and communities' ecological, social, and economic sustainability. (UNGC A, 2021). The UN Global Compact is a corporate responsibility initiative launched by the UN in 2000. The program is based on 10 fundamental concepts. The Global Compact's principles are based on the UN Universal Declarations: the UN Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the UN Rio Declaration on Environment and Development, and the UN Convention Against Corruption. (Rorden, 2016). In 2015, UN member states agreed to the 2030 Agenda for Sustainable Development, which seeks to eliminate extreme poverty and promote sustainable development while taking into consideration the environment, the economy, and the human person. The UN Sustainable Development Goals (SDGs) are at the center of the strategy, with the goal of eradicating poverty and improving well-being while minimizing environmental impact. There are 17 sustainable development objectives in all, encompassing topics like as water, energy, climate, the oceans, urbanization, transportation, and research and technology, among others. Under the Sustainable Development Goals, 169 sub-objectives have been developed. The objectives went into effect at the start of 2016. (UNGC B, 2021)

The regulations and legislation on corporate responsibility reporting are constantly being tightened. Sustainability reporting became mandatory for large companies in the EU in 2017 (Taloushallintoliitto, 2020). The directive 2014/95/EU on non-financial and diversity disclosure by some big enterprises and groupings set the formerly voluntary practice of corporate sustainability reporting into European Union legislation in 2017. The directive was intended for companies which employs more than 500 persons. These companies were obligated to cover sustainability issues in their reporting 2017. (European Commission A, 2022) Finland added obligations into Finnish Accounting act after the directive was announced. Even reporting is compulsory, but the assurance of the information published in reports is not. Organisations can choose how the environmental, social and employee–related issues and topics like human rights, anticorruption and bribery are reported. Companies also have the right to determine how the above matters are described in the reporting and have the right not to report matters that could have an adverse effect on the business. (Työ- ja Elinkeinoministeriö, 2021). Although corporate sustainability reporting is mostly optional, it has grown more popular in Finland during the course. Firms in the EU that employ more than 500 people and are of general interest, such as banks and insurance companies, have been required to report on environmental and social concerns, human rights, and the fight against corruption and bribery on an annual basis since 2017. (European Commissio, 2021) Aside from legal changes, the rising emphasis of responsible investment is a key driver of the rise of corporate reporting. Responsible investing investigates a company's operations in terms of social, environmental, and administrative issues. According to Pfeffer (2010), economic and environmental issues are more commonly reported because they have had the most obvious consequences and so are the most appealing.

The European Union (EU) is working on a new corporate sustainability reporting requirement. According to the draft, the mandate would apply to around 50,000 significant and publicly traded enterprises in the EU (Hakola, 2021)**.** The present regulation affects around 12,000 businesses (European Commission A, 2022). The EU endorsed a proposal for a new Corporate Responsibility Reporting Directive (CSRD) in April 2021, which will expand existing reporting responsibilities for businesses. Furthermore, the Commission proposes that the responsibilities apply to all publicly traded corporations, with the exception of publicly traded micro-enterprises. (European Commission B, 2022). In addition to EU directive there are also new national and international regulations on the way, such as the incorporation of sustainable views on investment values, emissions, disclosure standards, tax transparency, compliance, and anti-corruption. All this puts corporations under pressure to give organized and meaningful information on these topics in their sustainability reporting. (Arvidsson, 2019.; Bartels et al., 2016.) Europe needs more uniform guidelines regarding sustainability and its reporting. EU also emphasizes that the obligation does not only apply to large companies but will have a further impact on reporting in the supply chains of companies related to subcontracting, customer relationships and financing. (Koskenranta, 2021; Työ- ja Elinkeinoministeriö, 2021; European Commission B, 2022). European Union and Finnish legislation are getting stricter for the organizations and at some point, sustainability reporting will probably be compulsory for nearly all kind of corporations. SMEs will be allowed to report in a simpler manner than large companies. SMEs face pressure from stakeholders like banks and suppliers, to produce information about their sustainability. The transition to a sustainable economy is likely to mean that collecting and sharing sustainability information becomes common business practice for companies of all sizes. (European Commission B, 2021). According to the EU plan, listed SMEs could report on sustainability more easily than larger companies. The EU is also proposing separate, lighter reporting guidelines for SMEs. This guidance is provided by The European Financial Reporting Advisory Group (EFRAG), an independent non-profit organization set up in 2001 with the encouragement of the European Commission. (European Commission B, 2022; EFRAG, 2022).

2.1.2 Content of a sustainability report

Sustainability reports (should) provide information on organizations' good and negative impacts on the environment, society, and economy. (Solari et al., 2017; Steinhöfel et al., 2019). Sustainability reporting is a method that firms can use to disclose information about company operations and businesses that influence stakeholders and also the environmental effect of their acts and offerings. (Anderson & Frankle, 1980). Ramanathan (1976) defines sustainability reporting (often known as "social accounting") as "the process of selecting firm-level social performance variables, measures, and measurement procedures; systematically developing information useful for evaluating the firm's social performance; and communicating such information to concerned social groups, both within and outside the firm." The concept acknowledge that the same metrics are not appropriate for all organizations and industries. Finally, it emphasizes the significance of constant internal and external communication of social performance throughout enterprises. Reporting and related data compilation are critical areas for reliable comparisons of companies and industries globally.

Sustainability reporting is mostly based on voluntariness and thus different reporting frameworks and guidelines are created to ease organizations to adapt reporting. At the early stage of sustainability reporting covered mainly environmental issues but reporting should give information about economic, social, and environmental issues and based on that stakeholder should be able to estimate organisations' economic impacts on society. (Kurittu, 2018). Sustainability reporting should aim to provide transparency and reports used to be very comprehensive and complex to read. Reporting should concentrate on relevant issues and those topics that matter. Materiality analysis is there for an essential tool to identify relevant stakeholders and impacts. (Sardianou et al., 2021). Reporting should be a natural extension of performance not only to inform internal and external stakeholders about an entity's sustainability journey but also to learn to improve performance. (Herremans, 2019).

Materiality is in the core of sustainability reporting. When reporting, it is not recommended to write about everything that has been done or not done, but to focus on the things that have the most significant impact (Kurittu, 2018). A sustainability report usually includes basic information about the reporting organization. It should describe, among other things, the company's corporate form, ownership, and personnel. In addition, the report describes governance and the company's approach to the corporate sustainability theme. Economic part of the report should give overall picture about the organization's financial issues like profits or losses and revenues. It also should cover topics like number of new jobs, R&D investments, taxes, and wages. Social reporting collects the information about employee's health and safety, education, human rights, and consumers. In the environmental part organization should cover topics like emissions, consumption of the materials and natural resources and amount and type of waste. The GRI principles for establishing the report's content, i.e. the topics to be reported and the main figures, are as follows: sustainability framework, stakeholder participation, coverage, and materiality. (Kurittu, 2018)

In this study, the content of the sustainability report and reporting will be discussed in more detail later through the GRI Framework.

2.1.3 Motives for sustainability reporting

There are many reasons for sustainability reporting, but the primary reason for sustainability reporting is still legal. A developing regulatory trend drives corporations to publish information related to sustainability (King & Bartels, 2015). According to GRI, ethical principles, reputation, and risk management will increasingly govern decision-making in the future. (GRI, 2015). Recognition is growing, especially among business leaders and investors involved in time. It is not enough for companies to focus just on short-term profits due that natural disasters, social and economic inequity can jeopardize long-term goals and gains. By understanding and internalizing this, you gain a competitive edge. Today's business environment is unprecedented, rapid, and complicated combination of threats and possibilities like new technology or a sudden shortage of natural resources. Megatrends like population expansion, resource depletion, or global health threats, new markets are shaping the future. Consumers and investors are more and more aware, and corporations are expected to take responsibility on their actions. (UNGC B, 2021)

Tightening legislation around sustainability and reporting demands have role to gain more organizations to report but besides those other drivers are also increasing the number of organizations to inform their stakeholders voluntary bases. Reporting is one way to communicate with stakeholders. By reporting regularly organizations can communicate with various stakeholders simultaneously and there is no need to replay to single inquiries. Dialogue with stakeholders also might provide additional information such as changes in customer behaviourism that could be turned to profit. Tightening legislation might cause additional cost that endanger the organization's profitability. It could have impact on used materials that might stop production. Violation of the law and regulations can result in financial penalties and significant reputational damage. (Melzatia, 2018)

Reputation and brand management are drivers in sustainability reporting. According to Laine's dissertation (2009), corporate sustainability reporting is essentially a response to external demands on the firm, with the goal of strengthening the corporation's own status in society. As a result, reporting can help to improve the social order at a time when environmental issues and sustainable development are becoming increasingly relevant. Because a corporate sustainability report can influence stakeholders' perceptions of the company, companies may choose not to disclose, for example, their negative effects in their reports or seek to mitigate the perception of negative effects, even if the negative effects could lend credibility to the report (Hahn & Hahn, 2014). The primary aims of firms in corporate sustainability reporting are reputation management and brand preservation. It is advantageous for a firm to be regarded as socially responsible and committed to long-term growth. There is a risk that firms may modify these phrases only for the goal of creating an image. (Madu & Kuei, 2012; Mileva, 2013)

In studies attempting to explain corporate motivations for voluntary social disclosures, the legitimacy hypothesis has been a popular term. Legitimacy theory is concerned with corporations that want to improve reputation, justify company operations, and appear to be a good corporate citizen. Hahn and Kühnen (2013) stated that a company's legitimacy may be jeopardized if society feels that the company's operations have not been handled in an appropriately. The theory is frequently back up the idea that sustainability reporting may help a corporation obtain, retain, or restore legitimacy. (De Villiers & Staden, 2006; O'Donovan 2002; Arvidsson, 2019). According to some research that supports the legitimacy hypothesis, voluntary disclosures could be utilized as instruments in corporate reputation management rather than voluntary disclosure of the real impacts of the business. Greenwashing is a problem in the sphere of sustainability reporting that extends beyond the reputational exploitation of voluntary disclosures. Greenwashing is defined as the false portrayal of a company's aims, commitments, and achievements. (Vigneau et al. 2015); Laufer, 2003). According to the concept, positive corporate sustainability disclosures might be used to communicate the company's activity in the social and environmental areas, aiming to gain social approval and legitimate company activities and to justify the company's continuing presence in society. (Hummel & Schlick, 2016; Bebbington et al., 2008.)

Reporting could act as a managerial tool besides informing stakeholders. Although it is commonly assumed that the development of a sustainability report comes after sustainable operations, the preparation of a report may initially serve as a way of articulating a company's strategy and goals, as well as a tool for assessing the existing situation. (Kurittu, 2018). In a changing operational environment, sustainability reporting may also be considered as a managerial tool. Corporate sustainability is becoming an element of many firms' strategies and publishing a sustainability report is a strategic decision for the company. Reporting enables a corporation to track the success of its defined sustainability goals and convey its sustainability strategy to both internal and external stakeholders (Leszczynska, 2012). The reporting process identifies the company's major stakeholders and stakeholder expectations, allowing strategic goals to be defined. Achieving these objectives benefits the company's bottom line. (Niskala et al., 2019). Reporting may be viewed as a first step through which organizations declare comprehension of their idea of sustainable development and their organization-environment link (Tregidga & Milne, 2006). For example, the GRI is supposed to be used in conjunction with other accountability tools (such as ISO standards) as a reporting tool, but the study discovered that it was also utilized as a constructor of corporate sustainability policy and as a foundation for sustainability management. The study by Dissanayake et al. (2019) verified the notion of GRI as a modulator of management practices. Reporting connects the data gathered and the objectives and shows how the goals have been achieved (Bartels et al., 2016). Reporting is guided by objectives and an intended purpose to communicate that demonstrates company's transparency, sustainability, and accountability. (Buhr et al., 2014).

Motivators for sustainability and responsibility varies between companies. In 2019, Finnish Business & Society (FIBS) conducted a corporate sustainability study about the reasons why firms wish to engage in responsibility and sustainability. The top reasons were establishing a business reputation and enhancing brand value (62%), safeguarding future operational circumstances (39%), increasing customer happiness (34%), risk management (32%), increasing competitiveness or interest (28%), and strengthening stakeholder confidence (28%). According to the study, the size of the organization has no bearing on what the sustainability activities seek to achieve. (FIBS, 2019.) A big motivator for preparing a report is that improved reporting improves organisation's performance. Sustainability reports are more than just simply communicate about the history with stakeholders. it would be desirable, that reporting would inform where the company is headed in the future, and it should also serve as a guide for improving the company's operations. (Herremans, 2019). Companies with good sustainability policies have been able to reduce the cost of raw resources by reusing and recycling instead of relying on more expensive non-renewable virgin items. (Madu & Kuei, 2012). Organizations has many motivations and beginning positions for reporting on corporate sustainability and the pressure from outside the company is considered as the primary reason for the growth in the number of corporate sustainability reports. External pressures are impacted by factors such as rising societal awareness, stakeholder pressure, and worries about a company's operational environment, such as environmental disasters and labour's working conditions. (Tschopp &

Nastanski, 2014). Large businesses voluntarily report on their environmental and social performance for a number of reasons, including concerns about reputation, brand, ethics, risk management, cost reduction, new product and service opportunities, and relationships with governmental authorities. (Bonini & Bove, 2014; KPMG, 2011; Bonini, et al., 2010; Shields & Snellman, 2015). The benefits can also be read better competitiveness, resources effectiveness, staff dedication, favourable relationship to society, lower premiums in insurances, lower interests in loans, and better public image and scope as well as cost reductions, benefits for environment and society, and better quality of products and services. (Revell et al, 2009)

Comprehensive sustainability reporting might increase the corporate value. The information generated by sustainability reporting is utilized in assessing the performance of the reporting company and according to Kalev and Wallace (2012), firms with sustainability policies have a greater market value, and elements of sustainability have a concrete association with organizational capability in social and environmental issues and public image. Companies that are stable and predictable are favourited by investors. The more information is distributed, the lower the illiquidity premiums established while trading the stock. The motive for firms to reduce information asymmetries may be to reduce market speculation, boost stock liquidity, and so entice investors eager to keep the stock (Kraus & Stoll 1972; Leuz & Verrecchia, 2000; Welker, 1995)

Sustainability reports may supplement financial information by providing information on topics such as human capital, corporate governance, potential environmental concerns, and environmental management. (Schadewitz & Niskala, 2010). Sustainability has an impact on a company's competitiveness, particularly in terms of risk management and new business prospects. (Niskala, et al., 2019). Sustainable behaviour has been discovered to be inextricably tied to an organization's financial performance. The increase in financial results is appealing to investors but taking accountability problems into consideration may also help to better analyse and impact long-term dangers (UNPRI, 2022.) Reduced operational costs by more efficient production or better material usage and lower amount of waste can contribute more profitable business. Acting forehand and voluntary company can gain resilience and limit operational impact of future legislations and thus achieve competitional advantage.

Value chains and stakeholders are key drivers in sustainability. The pressure of banks and investors, as well as large corporate customers, on corporate sustainability reporting and sustainable business is growing. (European Commission A, 2022). The United Nations Principles for Responsible Investment (UNPRI) are incorporated into Responsible Investment, and signatories to the principles commit to incorporating ESG issues into their investment decisions, as well as reporting on their activities and promoting responsible investment in collaboration with other investors. (Juutinen, 2016). Socially responsible investment (SRI) is a mechanism for investors to promote firms' ethical ideals. Corporations are tested for environmental, social, and governance aspects in order to determine their suitability for SRI portfolios (Monks & Minow, 2011). For example, tobacco, alcohol, and gambling are frequently excluded from the portfolios of socially responsible investors. (Helkala, 2015).

Aside from investors, the demand from workers, or the number of employees a firm has, has an impact on reporting. (Fernandez-Feijoo, 2014). By focusing and investing in the well-being of its personnel, such as education and maintaining occupational health, the company can engage its personnel, which can lead to lower personnel absence and turnover that have impact on lower operational costs. The operation of personnel for the benefit of the company's marketing can also be one of the benefits. (Revell et al., 2009)

Reporting organisations can utilize sustainability reporting to manage change toward sustainable development by receiving information on economic, social, and environmental implications. Any form of organization is able to analyse and report its impacts. (White, 2016). Kocmanova & Docekalova (2011) high light in their study that by neglecting ESG (Environmental, Social, Governance) factors in sustainability reporting might cause problems for corporations in the future as sustainability reporting is gaining importance among stakeholders. All reporting companies, both internally and externally, should benefit from a systematic reporting. Reporting customs should include a systematic information collection system, dialogue, and reaction. Internal advantages might include assessing pros and cons, comparison of data throughout organizations and industries, and shaping and clarifying corporate goals and strategies. Potential external advantages of reporting may include greater customer engagement, improved public image, helping stakeholders to understand company's true value, or mitigating harmful long-term implications. (Cote, 2021; GRI, 2021; Chojnacka & Wiśniewska, 2017)

External pressure increases commitment to responsibility. The publicity of multinational companies is bigger, which makes them more sensitive to monitored and controlled by external stakeholders. (Hörisch et al. (2014). As a result, bigger corporations are more committed to responsibility than smaller companies. Petersen and Plenborg (2006) shows that if ownership highly is concentrated like in family-owned companies, it may lower the willingness to disclose since inside knowledge is more easily obtained. In their study, Revell et al. (2009) found that the 'pull' of possible savings, additional consumers, greater staff retention, and favourable publicity motivates owner-managers more than the 'push' of law. Nonetheless, it is possible to argue that the 'push' of law has a higher impact on the production of sustainability reports than the 'pull' potentials.

The advantages of corporate sustainability reporting are mainly concerned with the validity of the company's operations, services, and goods, which may have social or environmental consequences. The goal of reporting is also to improve or preserve the company's reputation and value, as well as its competitiveness. Reporting improves openness and employee dedication while also promoting the growth of the company's internal operating and control structures. Accountability reporting seeks permission from stakeholders such as the government, the media, and workers, as well as other parties (NGOs, etc.). Reporting should be trustworthy and one method to do so is to adhere to certain commonly established and agreed reporting rules as well as external verification.

2.1.4 Materiality in sustainability reporting

Materiality is in the core of sustainability reporting. Materiality in financial reporting is often judged from the standpoint of the parties that require the financial statements, such as owners and investors. Materiality reports, on the other hand, investigate materiality in terms of social repercussions (Niskala et al., 2019) and from the point of view of a variety of different stakeholders. (Edgley et al., 2015). The material features are those that represent the organization's major economic, environmental, and social repercussions, or those that have a considerable weight in the stakeholders' judgments and choices. (Solari et al., 2017).

The International Accounting Standards Board (IASB) adopted an amended definition of the materiality of International Financial Reporting Standards in early 2020, which became effective. Information is significant if its absence, misrepresentation, or ambiguity may be anticipated to impact the choices that important users of the reporting organisation’s general purpose financial statements make on the basis of the financial statements in some manner. (IASB A, 2021.) Materiality, according to GRI standards, refers to a problem that has major economic, social, or environmental consequences, or has a considerable effect on stakeholder evaluations and decision-making. The materiality idea seeks to improve the openness and understandability of corporate sustainability reporting by focusing on core corporate sustainability topics and minimizing the quantity of extraneous corporate sustainability information. The consequences that need active leadership from the company are likely to be significant. (GRI 101, 2016). The Non-Financial Information Directive (NFID), according to the European Commission, assesses materiality from two partially overlapping approaches. First, materiality, which relates to a company's development, performance, and position, refers to economic materiality in the sense that it provides value for the enterprise. If it is necessary to comprehend the company's development, performance, and position, climate-related information should be reported. Stakeholder investors are usually interested in this viewpoint. Second, the materiality of a company's operations to the environment and society is defined by its impact. If required, climate-related data should be published to comprehend the company's externalities. Citizens, customers, employees, business partners, communities, and civil society groups, in general, are most interested in this viewpoint, but investors are becoming more interested as well. (European Commission, 2019.)

The materiality definition seeks to provide a truthful and fair picture of corporate sustainability information, such as financial reporting, despite the fact that this is virtually unachievable owing to the vagueness and opposing perspectives on corporate sustainability phenomenon. Materiality may be perceived and applied in a variety of ways, depending on the starting point of the business, the industry, and the company's working culture (Puroila & Mäkelä, 2019). Because materiality is subjective, it is influenced by variances in business ideas and practices, as well as knowledge advice and stakeholder demand (Edgley et al., 2015). Identifying and engaging stakeholders is a vital aspect of the materiality determination process, even though reporting corporations have a significant role in shaping the substance of the report. Issues that are relevant to a significant stakeholder group may receive less attention if they are not involved in determining materiality. (Puroila & Mäkelä, 2019). Edgley et al. (2015) studied the difference how materiality is acknowledged between financial assurors and sustainability experts and findings show that materiality analysis is a subject matter because of the different logic used to analyse the materiality.

2.1.5 Stakeholders in sustainability reporting

Sustainability reporting is mainly targeted to inform stakeholders. The company's most significant effects on stakeholders and stakeholders' expectations of the company play a key role in reporting (Kurittu, 2018). Companies cannot operate in a vacuum from their social surroundings (Schaltegger & al., 2006) and therefore the ultimate purpose of corporate sustainability reporting is to give stakeholders the knowledge they need to make informed decisions. (Tschopp & Nastanski, 2014). Freeman & Mcvea (2001) defines a stakeholder as any group or individual who may impact or is affected by the firm's aims. Company's capacity to meet stakeholder expectations have a substantial impact on its success and financial profitability.

A multi-stakeholder approach is used in the GRI framework (GRI, 2022) and as stakeholders are in the centrum of sustainability reporting, organizations should assess their impact on different stakeholders and stakeholders' impact on organization. Stakeholder is either primary or secondary individual or group interacting with the organization. Primary stakeholders are for example shareholders, employees, customers, suppliers and local society when secondary stakeholders are like non-governmental organisations (NGO), rival organizations, media and government. The difference is in the impact they have on the organisations. Primary stakeholders have direct impacts and secondary indirect. (Benn et al., 2016)

According to the stakeholder theory stakeholder needs must be considered while developing company strategy. (Ullmann, 1985; Roberts, 1992). Companies are accountable for various groups and persons, in addition to shareholders, who can impact or are affected by the successes of organizational purpose (Freeman & Mcvea, 2001). Organisations must value their relationships with stakeholders to ensure functioning operations across all interest groups. (Carroll, 1999). A corporation must consider not just the current viewpoints and expectations of its many stakeholders, but also alterations of those. (Freeman & Mcvea, 2001). The moral perspective of the theory could be defined as that people who could be influenced by or influence on organisation's activities are entitled to get information and to await particular standards of performance (Freeman & Mcvea, 2001; Arvidsson, 2019)

What is common for all stakeholder is that they all have some expectations on the organization. These expectations should be acknowledged by the organization. Expectations of the different stakeholders varies, and organization should try to meet, if not all but most relevant stakeholder expectations. Dialogue and communication with the stakeholders are essential to understand and fulfil these expectations and one way is to prepare a sustainability report that serves the need at least partially. Deeper dialogue is suitable with the stakeholders that have interest or possibilities to influence the organization strategy and operation. (Harmaala & Jallinoja, 2012) Meeting the expectations of all stakeholders is frequently unachievable, which is why the organization must pick which stakeholder needs to be prioritized (Niskala et al. 2019). When considering trade-offs, a corporation must consider the commercial importance of its stakeholders as well as the appropriateness of the expectations they set, i.e. legitimacy. (Carroll, 1991). Before soliciting stakeholder feedback on the issues to be addressed in corporate sustainability reporting, it is recommended that the corporation do a thorough pre-qualification. If a careless and expansive mound of goods is rolled in front of the defendants, the defendants may rapidly lose interest. An unorganized list or asking irrelevant questions might indicate that the questioner is unable to differentiate between what is vital and what is not. (Kurittu, 2018)

2.2 GRI framework

This section discusses the history, structure, and preparation of the GRI report.

2.2.1 GRI Framework

GRI was established 1997 by United Nations Environmental Program (UNEP) and the Coalition for Environmentally Responsible Economies (CERES). GRI consists of board of directors, stakeholder council, technical specialist committee and secretariat. The Global Reporting Initiative's guidelines are intended to provide businesses with a comprehensive framework for disclosing their corporate responsibility and sustainability activities (GRI A, 2021; GRI B, 2021). The GRI has been developed with key reporting stakeholders and it is a voluntary standard and framework whose core idea is to increase communication between companies and stakeholders and provide a consistent reporting model to ensure comparability. (GRI B, 2021) The GRI report should cover the key performance indicators of the organization to describe the most significant economic, environmental, and social impacts on its stakeholders. (GRI D, 2021). Under the guidelines of the GRI, the GSSB (Global Sustainability Standards Board) was founded as an autonomous functioning company. GSSB oversees establishing globally agreed sustainability reporting standards. The GSSB is governed by a Terms of Reference that ensures that the GRI Standards are developed in accordance with a properly established due procedure. The GSSB's 15 members reflect the best combination of technical knowledge, variety of experience, and multi-stakeholder viewpoint, and they operate in the public interest only. (GRI A & B, 2021)

GRI emphasizes the need of enterprises demonstrating dedication and transparency, being competitive, positioning themselves in a new (sustainable) light, and complying with rules. (Mileva, 2013). A goal was to enable not just cross-company but also cross-industry comparisons, which is why GRI is proposed as the global baseline for uniform sustainability reporting. (GRI C, 2021; Arvidsson, 2019). This approach improves accountability and transparency in terms of their contribution to long-term development. The GRI standard has been the global norm for sustainable reporting since its establishment in 2000. A large multinational company may stand out from its competitors and gather attention and pressure from stakeholders, if it does not produce a sustainability report. (Vigneau et al., 2014). GRI approach is used by over 70% of reporting organizations (KPMG, 2020). Although the GRI guidelines can be applied on a company- and industry-specific basis or followed exactly and GRI, according to its own statement, strives to take into account different sizes and companies operating in different countries, the GRI standard has been criticized. (Kurittu, 2018; Brown & Dilliard, 2014). Furthermore, cultural, and institutional variations among nations have an impact on the comparability of sustainability reports (Lee, 2008).

The corporate sustainability report is not subject to stringent criteria, such as financial statement information (Finlex, 1997), which increases the likelihood of substantial falsification. A single frame of reference enables for comparison of sustainability reports from various organizations. The GRI principles define the essential material that each report should contain, as well as methods that assist businesses in producing an adequate and comparable report (Leszczynska, 2012). A consistent framework, set mostly by the largest worldwide corporations, has also been questioned, and it has been recommended that there should be a variety of reporting criteria, based on factors such as the size of the organisation, industry, and nature of operation. (Brown & Dillard, 2014).

In its' early days GRI published guidelines to sustainability reporting. Last edition of guidelines was 4th edition. The fourth reporting guideline, also known as G4, included reporting principles, standard disclosures, and an implementation manual that may be used by companies of any size or industry. 2016 GRI standards were announced, and those standards have been time to time revised with minor changes and adding. The standards were modified in 2019 and 2020, with the addition of 26 criteria on taxation and waste to the framework. (GRI B, 2021) During second half of 2021 GRI introduced revised set of standards that should be used in reporting after 1.1.2023. The biggest change in standards is the addition of sector-specific standards like oil and gas and agriculture. (GRI A, 2021). These sector specific standards are likely to be increased in future.

The GRI principles for reporting are not a performance criterion. It is thought to be like a tool for analysing corporate social and environmental performance. (Willis, 2003). GRI is mostly used to manage corporate sustainability activities, defend, or promote business reputation, and enhance sustainable brand values (Toppinen & Korhonen-Kurki, 2013). Creating the GRI report shaped corporate sustainability practices to better align with framework's the Key Performance Indicators (KPIs), influencing the selection of sustainable activities initiated in firms. (Vingeau and Humphreys (2014) Due to the above, its suitability for the first stage on the company's sustainability path is justified. Also, GRI states that the creation of sustainability reports assists companies in setting objectives, measuring performance, and managing change to make their operations more sustainable. (GRI, 2021).

The goal of all company actions should be to improve shareholder value. Researchers has been fascinated on the motivations and potential related consequences that optional disclosures might elicit. (Friedman, 1970). According to Buhr et al. (2014) the flexibility of the sustainability and GRI framework has contributed to the increase in the volume of reporting. On the other hand, flexibility also lowers organisational comparability. (Toppinen & Korhonen-Kurki, 2013). According to Roca and Searcy (2012), over half of the business reports analysed say that they follow the GRI criteria; yet less than one-third specifically report on GRI indicators and the indicators used varied a lot between companies. Variance in used indicators and findings of Roca and Searcy (2012) makes it challenging to generate a standard set of indicators that are widely accepted by different businesses. (Arvidsson, 2019). Walt's (2018) research reviles, that 2018 only 20% of the firms reported 46 percent (42 out of 91) of all disclosures in GRI G4. As a result, it can be shown that 80 percent of all firms did not report on nearly half of the total indicated indicators provided by the GRI framework. Walt (2018) assumes that low level of reporting for these indicators, shows the irrelevancy of those disclosures to the specific organizations' sustainable reports. According to Walt (2018) some indicators might be too complex, and availability of information was not achievable for SME.

Firms who apply the GRI standard report their responsibilities more thoroughly than organizations that do not use the GRI criteria. (Dissanayake et al. (2019.) Milne and Gray (2013) provide a critical viewpoint on GRI, arguing that reporting rules are causing organizations to become increasingly focused on reporting rather than sustainable performance. The advantage of using GRI guidelines is its international recognition. According to the GRI there is more than 10,000 GRI reporters in over 100 countries. (GRI B, 2022) and by 2020, as many as 80 percent of large multinational companies worldwide will report on sustainability (KPMG, 2020). The GRI framework is the most commonly used and most widely used guideline for corporate sustainability reporting and for this reason, too, this study focuses on finding relevant topics and themes for corporate sustainability reporting from GRI standards.

2.2.2 GRI framework's structure

GRI advises businesses on how to assess and report on corporate sustainability. It follows Elkington's (1997) triple financial statement model (Trible Bottom), which addresses the economic, social, and environmental dimensions of corporate sustainability. Each area of corporate sustainability has its own set of thematic standards: the GRI-200 series for financial responsibility, the GRI-300 series for environmental responsibility, and the GRI-400 series for social responsibility. An organization may include all or any of the theme standards in its corporate sustainability report (GRI 101, 2016), but only those standards that have been determined as relevant should be reported. (Niskala et al., 2019). Indicators are being widely acknowledged as a strategic and managerial tool, to assist the company to see their current state and to set objectives. Indicators also help to establish plans and communicate ideas, beliefs, and accomplishments to decision makers. (UN, 2007).

The GRI Standards nowadays are a modular system comprising two series of Standards: "the GRI Universal Standards" including basic information about the reporting organisation and management approach on sustainability issues. The second set of standards is called "the GRI Topic Standards" which includes economic, environmental, and social aspect. GRI-standards has been revised 2021 and 2022 "the sector-specific standards" will be included with the revised universal and topic specific standards. The standards created starting 2016 contain 148 structured disclosures. The disclosures contain 631 reporting requirements in total and on top of that multiple reporting recommendations. Reporting requirements include qualitative and quantitative requirements and metrics, and each section contains reporting recommendations and detailed calculation guidelines for metrics and how to report. The GRI Standards list topics that has been thought to be relevant for most organizations. Upcoming Sector Standards are built suitable for certain business sector like oil. (GRI Standards, 2021). Reporting should begin in 2023 in accordance with the revised standards, which consist of three series of Standards that support the reporting process: the GRI Universal Standards, which apply to all organizations; the GRI Sector Standards, which apply to specific sectors; and the GRI Topic Standards, which each list disclosures relevant to a specific topic. The use of these Standards to decide whether issues are material aids organizations in achieving long-term growth. Consolidated Set of the GRI Standards 2021 is 691 pages and contains the complete set of GRI Sustainability Reporting Standards (GRI Standards, 2021). To aid in the reporting of the standards, a separate 27-page long GRI Standards Glossary has been created. Kurittu (2018) describes the GRI standard set as a "complex and stick-style style where code numbers and internal references have not been spared" and the GRI guidelines work better for a large industrial operator than for a Finnish SME knowledge company.

Valid and addressed GRI guidelines in this study were made up of three general standards (GRI-100 series) and three topic specific standards (GRI-200, GRI-300 and GRI-400 series). The GRI-100 series, also called as Universal Standards, are aimed at all organizations that provide sustainability reports. The GRI 101 standard includes reporting criteria for the use of GRI standards, the GRI 102 standard (General Disclosures) combines general reporting indicators, and the GRI 103 standard (Management Approach) outlines the general requirements for describing an organization's management practices. The Universal Standard Disclosures (table 1.) are intended for use by all firms, regardless of size or sector of operation. It includes the company's strategy and analysis, relevant performance metrics with their calculus elements and explanations of the organization, management, stakeholder inclusion, the report itself, and the business's ethicalness. The goal of the Universal Standard Disclosures is to provide the reader with a full picture of the elements that shaped the report's contents, such as defining key problems and stakeholder expectations. (GRI 101, 2016)

The GRI 101 standard explains how standards should be used and referred to, as well as reporting principles for determining the content and quality of corporate sustainability reporting (GRI 101, 2016). The substance of the sustainability report is influenced by factors such as the organization's business, the effect of operations, and stakeholder expectations and demands. The principles necessitate that the stakeholders of the organization be involved in the execution of reporting. As a result, the business must identify its own stakeholders and state what steps it intends to take to satisfy their expectations. Furthermore, the standard's principles demand the business to outline how sustainable practices will be maintained. (GRI 101, 2016) The GRI-102 mandates organizations to provide general indicators in their corporate sustainability reports that identify their history, strategy, business ethics, governance, stakeholder engagement, and reporting procedures in the context of corporate sustainability. (GRI Standards, 2021.) A corporation must detail its management practices in all material areas of corporate sustainability, according to the GRI-103 standard. This collection of standards also contains materiality definition and management concepts. (GRI Standards, 2021). Reporting on management practices should contain a description of the efficacy of management practices, which may be measured through external verification, other external performance evaluations, metrics, stakeholder feedback, benchmarking, or a feedback system, among other methods. The organization must report on evaluation findings such as performance versus objectives, difficulties and lessons gained from management practices, and progress in adopting management practices. If the firm modifies its management methods or takes initiatives to enhance performance, it must also disclose. (GRI Standards, 2021).

The Topic Specific Standard Disclosures (Table 1.) aim to provide comparable information on the outcomes and evolution of sustainability reporting concerns, as well as to illustrate management processes. It includes explanations of management techniques as well as metrics of social, economic, and environmental performance. The accuracy and extent of the Topic Specific Standard Disclosures are guided by pre-determined reporting criteria. (GRI Standards, 2021)

UNIVERSAL STANDARDS	TOPIC SPECIFIC STANDARDS	
101 Foundation	ECONOMIC	SOCIAL
102 General disclosures	201 Economic performance	401 Employment
103 Management approach	202 Market presence	402 Labour management relations
GRI standards have sub-themes like GRI General Disclosures (GRI 102) have subthemes GRI 102-1 to GRI 102-56 including the more detailed topics to be reported. (GRI Standards, 2021)	203 Indirect economic impacts	403 Occupational health and safety
	204 Procurement practices	404 Training and education
	205 Anti-corruption	405 Diversity and equal opportunity
	206 Anti-competitive behaviour	406 Non-discrimination
	207 Tax	407 Freedom of association and collective bargaining
		408 Child labour
	ENVIRONMENT	409 Forced or compulsory labour
	301 Materials	410 Security practices
	302 Energy	411 Rights of indigenous peoples
	303 Water and effluents	412 Human rights assessment
	304 Biodiversity	413 Local communities
	305 Emission	414 Supplier social assessment
	306 Waste	415 Public policy
	307 Environmental compliance	416 Customer health and safety
	308 Supplier environmental assessment	417 Marketing and labelling
		418 Customer privacy
		419 Socioeconomic compliance

Table 1. Structure of the GRI standards (GRI Standards, 2021)

2.2.3 Preparation of the sustainability report

A sustainability report, according to the GRI definition, should address those issues and indicators that characterize the organization's main economic, social, and environmental consequences or that may have a meaningful impact on the assessments and choices taken by the organization's stakeholders. The report must be accurate and exact, as well as balanced, understandable, comparable, dependable, and timely. (GRI 101, 2016; Kurittu, 2018). The major sections of the report, as well as their calculation boundaries, should be set in such a way that they address the organization's important economic, social, and environmental consequences so that stakeholders are able to evaluate the reporting organization's performance over the reporting period. (Kurittu, 2018)

Materiality analysis is one of the first thing when starting reporting. GRI high light that only the relevant topics should report. With the materiality analysis organization determines which actions and impacts are relevant to business and/or stakeholders. Through materiality analysis organisations can find out most relevant stakeholders and impacts. **A**ll the significant actions of organization should be identified. Next should be analysed which of identified actions are most significant to the company and stakeholders. In this phase suitable indicators should be chosen to back up the decisions. When the most relevant and significant topics are identified it is possible to choose topics and principles to report to give balanced picture about the organization. (GRI Standards, 2021)

The balance principle requires that the report represent both good and negative elements of organizational performance in order to allow for a meaningful assessment of overall performance. The Accuracy principle requires that reported information be accurate and thorough. (GRI Standards, 2021). Stakeholders' trust in the usefulness of presented data underpins sustainability reporting (Niskala et al., 2019). Data openness and comparability are hampered by a lack of content and format restrictions, as well as voluntary reporting.

If a corporation wants to name their report as a GRI report, it must do it in compliance with or utilizing the GRI standard. Using GRI enables for requirement adjustments, as well as making the report more compact and business-like. The solution chosen is heavily influenced by the demands of the readers as well as the reporting company's own objectives. There are three types of GRI reporting requirements: "shall report", "reporting recommendations, should report" and "may report". (GRI Standards, 2021; Kurittu, 2018). The Core option contains the essential aspects of a sustainability report, where the firm shall disclose the generic designated market area and at least one indicator for each recognized material aspect in the Topic Specific Standard disclosure. The Comprehensive option expands on the Core option by mandating additional standard disclosures, as well as the disclosure of all indicators for each significant aspect identified. Both strategies center on the process of finding tangible aspects that reflect an organization's major economic, environmental, and social consequences, or that substantively affect the evaluation and decision-making of stakeholders. Use of selected standards, or parts of their content, to report specific information, without preparing a report in accordance with the standards is referred to as a 'GRI-referenced' claim. (GRI Standards, 2021)

Comparison based on sustainability reports is challenging, as for the most part companies' reporting is voluntary and the format in which information should be published and expressed is not uniform. Exception to this in Finland and most of the develop countries is financial information that is required and controlled by law (Finlex, 2016), and organizations are expected to disclose their financial performance to stakeholders on a regular basis. The reporting of important data in sustainability reporting is optional, which means that the organization can choose the figures to disclose that are significant to the industry and its operations. The primary data included in sustainability reports can be difficult to transform into a quantitative form (Tshopp & Nastanski, 2014), and they can generally be computed in a variety of methods. As a result, the indications could not be regarded comparable. Sustainability reports feature a variety of qualitative information rather than precisely quantitative data, which improves the interpretability but impairs comparability of corporate sustainability data. Organisations are able to disclose the information in a favourable way for them. (Boiral & Henri, 2017). External verification (or assurance) involves an external party verifying the information in the sustainability report, including the assessment of materiality, the functionality and reliability of the data collection and reporting systems, and the completeness, accuracy, and comparability of the reported information. (Jones et al., 2015). GRI advises, but does not require, external assurance for the report. Using external assurance increases the reader's trust in the report. (GRI 101, 2016).

2.3 SME sector and sustainability (reporting)

This chapter discusses the similar reporting framework studies such as this, that has been done previously. The chapter also discusses the contribution of the SME sector to the global economy, the challenges faced by SMEs in terms of corporate sustainability reporting, and the effectiveness of the GRI framework for SMEs.

2.3.1 Previous studies on reporting indicators

As Permatasari & Kosasih (2021) acknowledged in their study, there are not many studies conducted on sustainability reporting in SME sector, despite a rising number of enterprises are monitoring their sustainability performance. Some businesses analyse their performance using pre-existing sustainability indicator systems. Other businesses are moving beyond impact measurement to develop their own system of indicators to monitor sustainability. Developing appropriate measures of sustainable performance is a challenging issue for any business, but especially for small and medium-sized firms (SMEs). (Gershenson & Sutherland, 2011).

One of the few previous studies (Calabrese & al., 2019) on corporate sustainability reporting in the SME sector addressed corporate sustainability from the perspective of both the company and stakeholders. In their study, they formed a matrix of materiality that could be used to examine which requests for information would become material or irrelevant from the perspective of both stakeholders and the company. Based on their results, it can be estimated that economic and environmental themes should be emphasized in the reporting. The majority of disclosures deemed irrelevant were on social issues. The insignificance can be explained by the fact that the company under investigation operates in Europe and these matters can be expected to be under control and condition with regard to national control.

Previous studies often address the issue of responsibility through big concepts, without going into overly detailed requests for information. Based on a study and interviews with the Indonesian SME sector conducted by Musliach et al. (2020), only economic performance on economic issues emerged clearly from a materiality perspective. Disclosures related to the environment highlighted the materials used, energy consumption and issues related to water and products and services. Among the social topics, issues related to labour force and issues related to customer safety and health were highlighted.

Permatasari & Kosasih (2021) created a guideline for SMEs in Indonesia. Their aim was to create a simple guideline to SMEs in order to inspire SMEs to start paying attention on sustainability. Their guideline contains 25 indicators: 12 general information indicators, one economic indicator, six environmental indicators, and six social indicators. These indicators were chosen based their frequency in 55 Asian SMEs' sustainability report. It is notable that environmental disclosures frequency in SMEs' reporting was lower than other indicators or disclosures chosen to the guideline.

The role of the manufacturing industry is emphasized in previous studies, probably due to its more environmentally burdensome nature than knowledge organizations. Steinhöfel et al. (2019) examine the sustainability reporting of the German manufacturing SME industry. According to their research, the main focus of sustainability reporting is on revealing economic, environmental and social issues related to the company's business. Similarly, Arena & Azzone (2012) examined the corporate sustainability reporting of SMEs in the Italian metal industry. In their study, they identified differences in resources and expertise between SMEs and large companies and sought to reduce the GRI's requests for information to only the most relevant, in order to facilitate SME reporting. In their own study, Arena and Azzone (2012) justified the limitations of information requests and indicators with, among other things, differentiation from competitors, national legislation, and possible other reporting. Dias et al. (2019) founded that companies emphasize sustainability efforts that are precisely connected to business continuity and generating economic outcomes.

There are remarkably few comparable and previous studies on the subject. This study focuses on the sustainability reporting of Finnish knowledge organizations in the SME sector based on the GRI framework. Little research has been done from an SME perspective, and similar reporting frameworks have not been developed. The use of previous studies in this context is hampered by the fact that the GRI framework has changed over the years and most of the studies conducted have been conducted in relation to previous versions of the GRI. The GRI framework and other reporting frameworks have, of course, been studied, but as they have been designed to meet the needs of larger companies, the studies have also focused mainly on the reporting of large companies. Most of the previous research, looks at how large, multinational companies have reported and what topics have been highlighted in the reports. However, their use in this study is questionable because this study focuses on SMEs. If SME sustainability reporting has been studied, it has focused more on the manufacturing industry, which has an impact on the environment, as well as on the factors that influence SME decision-making in relation to sustainable development and on the constraints on SMEs in using the GRI framework, for example.

2.3.2 SMEs, a big part of the economic contributions

SMEs are categorized into micro, small, and medium companies. (Muller et al., 2016). In Finland, the definition of a micro-enterprise includes enterprises with less than 10 employees. Small businesses employ less than 50 people and medium-sized businesses employ 50-249 people. An SME is defined as an enterprise which employs fewer than 250 persons. (Suomen Yrittäjät Ry, 2021). In Europe, an SME employs less than 250 people and has a turnover of less than EUR 50 million or a balance sheet of less than EUR 43 million (European Commission B, 2021).

SMEs' role in economy does not get the attention it deserves. Previous studies shows that sustainable challenges have mostly concentrated on multi-national companies (Hörisch et al., 2014). Despite their enormous number, SMEs have been largely ignored in terms of the sustainable development goal (Steinhöfel et al., 2019). One of the reasons for this is that SMEs are considered as smaller version of a large corporation and capable of quickly adapting methods and technologies that have proved successful in bigger corporations. The neglect of SMEs also extends to studies on sustainability reporting. Because the primary focus has been on large organizations, little is known about the sustainability reporting procedures of SMEs. (Steinhöfel et al., 2019). One justification for focusing on bigger enterprises is their significant influence on the economy, environment, and society (Hörisch et al., 2014).

SMEs' impact on nature and environment is bigger than large corporations. SMEs are responsible for over three-quarters of all pollution. (Danish Technological Institute et al., 2010; Williamson et al., 2006; Hillary, 2004). In the United Kingdom, according to the Marshall Report in 1998, SMEs were responsible for up to 60% of industrial carbon dioxide emissions, and in 2003 it was approximated that SMEs produce 60% of commercial waste and 80% of pollution accidents. (Revell et al., 2009). Arena and Azzone (2012) stated that SMEs in France account up to 45 percent of all industrial air emissions, water and energy consumption, and up to 70 percent of industrial waste output.

The impact of the SME sector on the world economy is even greater than its environmental impact. The SME category encompasses the vast majority of organizations, accounting for around 99 percent of all firms (Hörisch et al., 2014) and roughly 80 percent of vacancies in the European Union (EU) (Džupina & Mišún, 2014). SMEs contribution to the EU economy is remarkable. SMEs were employing 90 million people in 2015. Out of all enterprises (93 percent) are micro enterprises. (Muller, P., Devnani, S., Julius, J., Gagliardi, D., & Marzocchi, C., 2016). Researchers and political actors are starting to recognize and understand that SMEs actions do matter for achieving long-term sustainability goals. (Revell et al., 2009). SMEs account over 90% of all businesses worldwide and over half of all employment (IFC, 2016). In the management of social and natural resources, SMEs play a critical role. (Moore & Manring, 2009). Inter-linked SMEs might act in the marketplace similarly to bigger companies (Moore & Manring, 2009), enhancing their potential effect. To be able to reach the goals and demands of reporting, SMEs are forced to establish sustainability strategies. (Shields & Snellman, 2015). SMEs are unaware of their collective environmental effect, the advantages of addressing sustainability, and the instruments that may be utilized to build policies and practices related to sustainability. (Lawrence et al., 2006; Shields & Snellman, 2015).

SMEs also play a significant part in global value chains, manufacturing the majority of raw materials, commodities, and services used in a final product branded by a big firm (Bartels et al., 2016; Plugge & Wiemer, 2008). Difficulties occur for SME if it is a subcontractor to a major firm, for example, it should specify where the procurement is ordered, how the operation is carried out, and how sustainable operations are represented in the SME's day-to-day operations. Such criteria might be difficult to monitor and report to a small business, which frequently results in negative comments on the board of a SME. SMEs may not have enough time to monitor and report on their actions in order to fulfil their partners' tighter quality demands. (Taipalinen & Toivio, 2004). SMEs are a crucial and vastly underappreciated contributor to the global economy, with significant consequences on the global welfare. (Muller et al., 2016; Džupina & Mišún, 2014; Hörisch et al., 2014; Plugge & Wiemer, 2008; Revell et al., 2009).

2.3.3 SMEs confront obstacles in sustainability reporting

Despite the fact that SMEs and big businesses work in the same environment, SMEs have distinct challenges than larger firms when it comes to adapting sustainable technologies or providing sustainability reporting. (Arena & Azzone, 2012). The sustainability reporting procedures of major firms have ramifications for SMEs. Large corporations that utilize GRI reports are broadening their reporting obligations beyond a narrow range of indicators to include their supplier chains. SMEs participation in major corporations' supply networks, should anticipate environmental reporting to become a component of their operations. (Shields & Snellman, 2015). The focus of the sustainability reporting field is also increasingly focused on SMEs and the understanding that the entire business field must be part of creating a more sustainable future. (Plugge & Wiemer, 2008).

There are many reasons why SMEs do not commit to corporate sustainability thinking or reporting. Sustainability in smaller companies may not always be documented in an official report. The information is more likely published in unformal way like webpages or newsletters or social media. (Walt, 2018). The pace of SMEs to adopt Sustainability practices has been found to be rather modest. One of the reasons could be the modest amount of external/stakeholder pressure. (Masurel, 2006). The time available is also a limited resource for owner-entrepreneurs in the SME sector. (Schaper, 2002; Bos-Brouwers, 2009). SMEs usually have challenges with the financial resources, time, employees, technical skills, and organizational structures needed to pursue sustainability (Nicholas et al., 2011; Klingenberg et al., 2013; Madu & Kuei, 2012; Bos-Brouwers, 2009; Hörisch et al., 2014). The uncertain and perhaps delayed return set boundaries to the expenses that SMEs can use on sustainability. (European Commission, 2002). According to Hörisch et al. (2014) and Arena and Azzone (2012) lack of expertise and experienced employees and thus knowledge is a critical differentiator and differentiator between SMEs and big enterprises since expertise and skills are essential features for the implementation of sustainability tools and plans. Multinational corporations have vast resources to devote managers and other human resources to sustainability operations, versus SMEs that might have devoted already multiple roles and responsibilities for many staff members. (Hörisch et al., 2014)

The requirements for sustainability reporting put pressure on SMEs to define and implement a sustainable development strategy (Shields & Snellman, 2015). Sustainable performance and accompanying reporting are inescapable strategic challenges in the twenty-first century. Besides immediately monetary benefits, the advantages of sustainability initiatives in SMEs includes elements like innovation, market share, brand reputation, and regulatory compliance. (Conway, 2014; Brammer et al., 2012; Heras & Arana, 2010) but most of the smaller companies are ignorant about the advantages. (Lawrence et al., 2006; Shields & Snellman, 2015). SMEs are concerned with short-term disputes, whereas sustainability innovations are concerned with the long term. Because of more moderate public attention, size of functions, financial limitations, unformal organisational structure, and reporting requirements are lower, SMEs often engage in less voluntary sustainability projects. (Hörisch et al., 2014; Bos-Brouwers, 2009). SMEs might also be unaware of their non-financial impacts as they don´t see substantial influence of their actions and operations. SMEs also might be against voluntary acts because of increase in costs. They also tend to be suspicious of the advantages of new and sustainable operating models. (Jansson et al., 2015; Williams & Schaefer, 2012; Revell et al., 2009).

SMEs tend to focus on short-term thinking rather than longer-term work as it is easier to absorb, and this approach is closer to their daily operations. Plugge and Wiemer (2008) noted that those indicators that are connected to company day-to-day operations, such as injury records and financial data, are often straightforward to get. This indicates that data for which the company does not have previous tracking or data that requires additional measures to obtain complicates, slows down, and even prevents the reporting of material information. According to Williams and Schaefer (2012), personal values and beliefs were the most important motivators for SMEs to engage in sustainable problems. Personal experience may either enhance or erode personal convictions. Owner-managers often have more decision-making latitude than large corporations, and the SMEs' owners' attitude is critical in formulating the company's strategy towards more sustainable business. (Williams & Schaefer, 2012).

2.3.4 SMEs and GRI framework

Although at the moment sustainability reporting is mostly based on volunteering, sustainable way of doing business and sustainability reporting could be easier for SMEs to adapt if reporting would be simpler. GRI standards has been found to be comprehensive way to report but it does not serve smaller organisations. The GRI framework has also been criticized for having a broad range of sustainability indicators, which makes gathering and analysing needed information too costly, and therefore, not being suited for SMEs. (Arena & Azzone 2012). Krawczyk (2021) states that "the growing level of non-financial reporting among SMEs and, at the same time, the growing trend of enterprises not using any of the GRI indicates the need to create a standard dedicated to this particular group of entities."

According to the GRI, the process of creating GRI reports has been specifically developed to be appropriate for all sorts of businesses, not only major corporations. The academy has differing views on the viability of using the GRI's recommended indicators in the sector of SMEs. (Solari et al., 2017). The GRI standards include extensive rules and computation instructions for reporting corporate sustainability information, which aids in reporting comparability. Nonetheless, the employment of diverse frameworks and interpretations continues to generate difficulties, as accountability reporting can be handled in a variety of ways. As a result, organizations may find it difficult to report on accountability. (Boirali & Henri, 2017)

The GRI framework is criticized for its suitability for the SME sector. GRI aims to be with a comprehensive reporting framework and suitable for all types of firms. GRI have been condemned to be too challenging, time consuming, diverse and pricey for SMEs. (Arena & Azzone, 2012). GRI's major principles are accuracy, precision, balance, comprehensibility, comparability, reliability, and timeliness, and a proactive organization is required to follow these guidelines. In practice, however, adhering to the principles is neither simple, risk-free, or economical for the organization. (Toppinen & Korhonen-Kurki, 2013).

Arena and Azzone (2012) identified the unique characteristics that make GRI unsuitable for SMEs. According to them the vast number of essential sustainability indicators make it an expensive reporting procedure for SMEs. "Material features are those that indicate the organization's major economic, environmental, and social repercussions or have a substantive influence on stakeholders' judgments and actions." (GRI 101, 2016) Multinational corporations may easily apply and customize the reporting frameworks such GRI if needed due the capability to address their resources, while due to their smaller resources, SMEs might confront obstacles when trying to apply country or industry-specific reporting requirements. (Arena & Azzone, 2012)

The present tools designed for sustainability are too formal and complex for SMEs and therefore unsuitable for them. (Arena and Azzone, 2012) If the primary goal of corporate sustainability reporting is to provide societal benefits, sustainability reporting may incur disproportionate expenditures in comparison to the benefits. (Moser & Martin, 2012). The financial investment of small companies in reporting can be a thousand times higher compared to larger companies. (Hakola, 2021). Calculated on the basis of statistics published by Statistics Finland (Suomen Tilastokeskus) in 2021, the turnover of the average Finnish SME is more than 1,500 times lower than the turnover of the average large enterprise. The smaller the company, the stronger the ratio. The turnover of an average company employing 0-4 people is almost 6,300 times lower than that of an average company employing more than 1,000 people (Statistics Finland, 2021). According to Azets (2021), a provider of financial services, the cost of a customized sustainability report is 10,000 to 15,000 euros. The majority (330,000) of companies belong to the category of 0-4 people. The average turnover of this sector was EUR 154,000. (Suomen Tilastokeskus, 2021). One GRI report would account for about 10 percent of the average company's net sales. In Finland, corporate sustainability reporting was suggested but voluntary until the end of 2016, when a legislation based on an EU regulation went into effect, requiring big firms and public interest organisations to provide non-financial information as part of their annual report or as a separate report. (Finlex, 2016.) According to a survey (Blasco & King, 2017), 82 percent of Finland's 100 largest corporations completed and released a corporate sustainability report. The majority of firms reporting against the GRI are huge multinational enterprises involved in harmful sectors. (Brown et al., 2009). Between 2017 and 2020, 81 certified GRI reports were generated in Finland, according to the GRI Database. In terms of both turnover and staff count, the firms that created the report are mostly characterized as big. A total of 699 GRI-compliant reports were submitted by 126 entities. (GRI Database, 2020.)

The GRI framework's vast list of important sustainability indicators make it unsuitable for SMEs. Existing tools are unsuitable for smaller companies because of their complex and formal format and low flexibility. Therefore, the specificities of sustainability reporting standards make it difficult for SMEs to replicate big organization methods. Arena and Azzone (2012) state that "one essential requirement in this regard is for a common collection of universally acknowledged, intelligible, and reliable key sustainability indicators (KSIs), that may assist identify a proactive SME from its rivals".

The business climate and increasing reporting requirements towards companies linked to sustainability ability does not match with the reality of SMEs, due the limited number of resources. Therefore, there is a need for an common and structured view in order to develop sustainability strategies that are applicable for companies big or small. (Shields & Snellman, 2015). In Walt's (2018) study the drop in SME sustainability reports adopting a framework might be attributed to a variety of factors and she estimates that SMEs might have willingness to report, but not ability to adopt GRI framework. The GRI structure is criticized beeing excessively complicated and too costly for SMEs. Therefore, it is recommended to be designed a simpler framework for SMEs with a smaller number of reporting requirements. As Arena and Azzone (2012) mentioned, the majority of the instruments designed to sustainability reporting to assist corporations are for large enterprises, while Hörisch et al. (2014) perception is that there are suitable tools designed for SMEs, but use of these tools is at a low level because SMEs are not familiar with them and therefore not used to using them. A less structured approach might provide a model comprehensive enough to highlight the most important points of sustainability, without overly strict limits that are not appropriate for SMEs. (Shields & Snellman, 2015)

3 DATA AND METHODOLOGY

3.1 Qualitative research and Constructive approach

This study is qualitative by its nature applying constructive research approach. A semi-structured interview is used as the data collection method, and coding and comparison are used in the analysis of the research data.

The thesis was written utilizing a constructive approach including both theoretical and empirical components. The theoretical section looks at corporate sustainability reporting, the GRI framework, linking SMEs to sustainability, and reporting based on existing literature and research. A structured and semi-structured interview with the management team of a knowledge organization in the Finnish SME sector was used to perform the case study which was the base for construction of a sustainability reporting framework for Finnish SMEs. Because the research seeks the subjective perspectives of the respondent, a qualitative technique was used for the study. A quantitative approach would not be acceptable in this circumstance, although when analysing the data quantitative approach has been used to complement the analysis.

The analysis in qualitative research is not completed solely at a certain point of the research process, but the data is examined and gathered partially concurrently. (Eskola & Suoranta, 1998). Thus, qualitative research and its findings might offer fresh insights on thinking and growth. Hirsjärvi et al. (2009) state that qualitative research tries to depict the phenomena under inquiry as thoroughly as possible by explaining and analysing the material under examination. The idea is to discover meanings and perhaps surprising facts. It is customary in the qualitative research approach to correctly identify the research target group (Eskola & Suoranta, 1998).

In qualitative research, the material may be based on, for example, interviews and observations, as well as other written and pictorial material or audio materials. In qualitative research, the quality of the data, ie the coverage of the conceptualization of the phenomenon, replaces the amount of data. With the help of high-quality material, it is possible for the researcher to find new perspectives on the phenomenon under study. (Eskola & Suoranta, 1998)

The topic of qualitative research is frequently a socially relevant problem, such as sustainability and sustainability reporting in this study. Because qualitative data is preferred, the data are not largely transformed to numerical form, yet a basic computation of items from the data may enhance qualitative analysis. A semi-structured interview is another strategy that is not so common to qualitative research, in which all respondents are offered similar phrased questions and the involvement of the interviewer is minimal.

Qualitative research has been connected with an appreciation for subjectivity, agency, and views. The subjects are portrayed as subjective actors. Subjects have personal experiences, objectives, and the potential to generate meaning. In addition, there is the concept of collective or social subjectivity. Collective agency is produced by various work cultures and subcultures. Accepting and acknowledging the researcher's own subjectivity is another component of valuing subjectivity in qualitative research. The researcher must explain how his or her personal actions are linked to the study process. As a result, the researcher is not required to take on the position of an external observer and analyst. His views are influenced by the aims and meanings he assigns to his study. (Juhila, 2022)

The constructive research approach has been widely applied in fields such as technological sciences, mathematics, medicine, and business economics (Lukka, 2001). Constructive research is akin to the creation of innovations and service design, and it is appropriate for specific outputs such as the development of indicators, a model, or a plan. Constructive research is an approach in which the intended aim is known but its realization is unknown. The outcomes of the constructive study are both the implemented systems and their plans. (Lukka, 2001; Ojasalo et al., 2014) The presentation of the uniqueness and functionality of the answer, as well as its relationship to earlier theory, literature, and study on the issue, is an important aspect of constructive research. The researcher's goal is to provide a solution for the firm based on theory, the usefulness of which must be shown in practice. A successful structure may be generalized and extended to other firms, which distinguishes the constructive research method. The goal is to provide generalizable knowledge, which is accomplished by an in-depth analysis of one situation. Kasanen et al. (1993) classified the creative research process as follows: 1. A problem, 2. Developing a grasp of the research topic, 3. Development of a solution model through innovation, 4. Testing the solution's functioning, 5. Establishing the validity of the construction by exhibiting theoretical links and demonstrating the solution's scientific novelty value, 6. Examining the solution's scope. This study has mostly concentrated on the first three stages of the constructive research process.

The study necessitated a thorough comprehension and knowledge of the GRI standard system. Furthermore, knowing the (Finnish) SME sector and company operational patterns was critical while preparing the research and the research question. To assess the study material, a semi-structured interview was employed, with closed and open-ended questions used to collect answers to the research questions. The interviews were conducted to get the perspectives of the Finnish SME sector knowledge organization on the materiality of GRI disclosures and to ascertain the availability of the information requested in GRI disclosures.

3.2 Structured and semi-structured interview

One of the most used qualitative research methods is the interview. During the interview, the researcher and the interviewee discuss research-related subjects together. Because there are several structural forms of an interview that might impact the style of the discussion and the results produced, not all interviews are necessarily conversational. The goal of the interview is to get high-quality, analysable data that cannot be gathered by quantitative research. In general, there are two types of interviews: structured interviews and open interviews. The structured interview's goal is to obtain responses to questions that have previously been prepared and defined. The questions in these interviews are frequently provided in a guided format and in the same form and sequence for each interviewee, from whom the interviewees select the most appropriate alternatives (Eskola & Suoranta, 1998).

The semi-structured interview is designed so that all interviewees are asked the same or almost identical questions in the same sequence. Even in a semi-structured interview, such as a theme interview, the sequence of the questions may change, according to certain definitions. There is no entirely standard definition of semi-structured interview implementation. It is a somewhat structured and partially open interview. A structured interview (form interview) is the most formal type of interview, and it is equivalent to filling out a questionnaire in a supervised way (Eskola & Suoranta, 1998). The interview is conducted using a form with pre-written questions and answer alternatives. All interviewers are asked the identical questions in the same sequence, and they must select the response that best suits them. Form interviews may also include open-ended questions, which can be handled qualitatively or statistically by categorizing the answers retroactively. The number of open-ended questions and the scope of the replies decide whether the structured material's open-ended answers may be utilized to the demands of qualitative analysis. A structured interview can be used to collect data to assess the generalization of qualitative research findings or to create ideas prior to doing qualitative research (Hirsjärvi & Hurme, 2001)

This study's interviews are a mix of structured and semi-structured interviews. The interview requested responses to 142 GRI framework disclosures. In total there are 148 disclosures in GRI-framework, but 6 of those were chosen to drop out from the study as they could be considered as self-evident and basic information of the organisation that could be found from registration information or most likely organisation reports elsewhere. These disclosures were: Name of the organisation, Activities, brands, products and services, Location of headquarters, Location of operations, Claims for reporting in accordance with GRI standards and GRI content index. Each GRI disclosure was accompanied by two structured questions that could only be responded with Yes or No. (Table 2.) These structures questions were "Is this disclosure material for a Finnish SME sector knowledge organization in sustainability reporting" and “Is the requested information inherently available to the organisation”. Interviewee was also able to answer on semi-structured questions. Both structured questions included a semi-structured question where the interviewee was able to justify answers on structured questions. As a result, there were 284 closed questions (structured) and 284 open questions (semi-structured). The disclosures were delivered to the interviewers, and each subject answered an average of 32 questions. As a result, the closed question for each disclosure received separate answers from two respondent groups, and the open questions related to these were given the opportunity to answer in more detail and justify their answers.

Relevant?	Argument	Is the requested information inherently available?	Argument	TOPIC	Reporting Requirements
Y/N	Open	Y/N	Open	Identifying and selecting stakeholders	The basis for identifying and selecting stakeholders with whom to engage

Table 2. An example of the structure of the interview questions

3.3 Content analysis of the interviews

The goal of qualitative data analysis is to bring clarity to the data and to generate new knowledge about the issue under investigation. Aim of the analysis is to compress the data without losing any of its information. In qualitative analysis relevant information is separated from raw data and relevant information or processed information can be interpreted. Eskola and Suoranta (1998). Content analysis is currently classified as a mainly qualitative method of analysing material to describe the form and content of written and spoken language. Content analysis describes the content, structure, or both of the material being analysed. (Seitamaa-Hakkarainen, 2022).

Coding is a method used in content analysis. Coding is the process of arranging the information using numbers, symbols, highlighting, and so on, such that the researcher stresses the key problems connected to the research objective and question in the material. Coding units can range from a single word to paragraphs and even whole text chunks. The codes act as a road map for analysing the content, allowing you to identify portions on the relevant themes later in the enormous material. (Juhila, 2022; Vuori, 2022). The categorization or coding technique to be utilized in the content analysis is established uniquely for each specific research. Coding classes are always material and research-specific, and there are no generally acceptable coding classes that can be applied to other materials. As data analysis continues, a categorization or coding system may alter numerous times. The content can be separated into sections depending on the exterior elements of the language or on the meanings. Structural dividing is based on the exterior elements of a linguistic report, but semantic partitioning is based on meaningful partitioning, in which case the unit of analysis is an ideological entity, an idea, or anything of such. The goal of content analysis is to find conceptual parallels. (Seitamaa-Hakkarainen, 2022).

Qualitative data can also be expressed as statistical data. The analysis of quantitative content is to look at the frequency of certain expressions or words contained in the text. If the content analysis is based on a quantitative method, the classification units are given numerical values according to how they appear in the data. (Seitamaa-Hakkarainen, 2022)

In this study I have used content analysis and the research material from the semi-structured questions were coded for further in-depth examination. All interview responses provided were broken down into smaller sections and the responses and arguments considered independent were further subdivided into separate responses. Then the material was reviewed, and key keywords and themes were recorded. Based on the keywords, a preliminary table was compiled, which allowed a systematic examination of the prevalence of each theme in the response material. In addition to the above, the responses were examined in relation to the information requested and certain themes could be identified that could be considered to have influenced the responses. Structured and semi-structured interview questions in this study were recorded and compared the results by the respondent groups and by themes and topics as well as earlier studies.

3.4 Background of the interviewed company

The Finnish SME sector knowledge organization that executive team was interviewed is established in the early 1990s. The company consists of three different companies and several business lines. The company employed about 150 people and had a turnover of about EUR 10 million. The company has operated in accordance with the principles of sustainability for a long time, but it has not explicitly incorporated sustainability into its strategy and has not communicated its sustainability. There have also been no sustainability-related products or services in the company's service offering, which are generally growing in the offerings of larger companies in the industry.

3.5 Arranging and planning the interviews

In order to compile the research material, the target company's 9-person management team was interviewed. The executive team consists of the CFO (Chief Financial Officer), CEO (Chief Executive Officer), COO (Chief Operating Officer), CMO (Chief Communications and Marketing Officer), HRD (HR Director) and the Sales Director and three Business Directors. The aim of the interviews was to find out which of the disclosures in the GRI standard are relevant from the point of view of a Finnish knowledge organization operating in the SME sector and how information on them is available. The group of 9 people to be studied and interviewed was divided into two parts. Five people in the comprehensive group were the so-called Business Area Ececutives (HRD, CEO, CFO, CMO, COO) and in another four-person group were the Sales Director and three Business Directors. Hereinafter they are referred to as Group A and Business Area Executives are referred as Group B. Disclosures were distributed by area of sustainability by the company's CMO, who was estimated to be best informed about the responsibility theme in the company. This reasoning was strongly supported by the person's long work history in the company and the fact that the theme of sustainability at this stage of the company's development was strongly within his area of responsibility. For Group A, disclosures were distributed evenly and randomly. The view of the Group B can be assessed based on the knowledge of the topic area, and the view of the sales and Group B brings an external perspective to the company's personnel and the subject area.

The interviews were conducted as Teams meetings in December 2021 and January 2022. Each interview was given 30 to 60 minutes, depending on the number of information requests addressed to the interviewee. The interviewees had been told about the ongoing research in the company's executive team, in which case the researcher had clear support from the company's top management to conduct the interviews. This can be said to have had a clear impact on the success of agreeing on interview times. The commitment and interest of the company's top management to raise the issue of responsibility more strongly in the company's strategy contributed to the success of the research and data collection. The interviews were effortless to arrange and could be completed within the schedule planned by the researcher. In the interviews, the researcher gave a short background presentation on the interview, which covered: why the interview was organized, what the interview is about and what the research aims to achieve. In the Teams application, the researcher distributed a list of GRI disclosures prepared in an Excel spreadsheet, to which were added the questions to be asked to the interviewees and the answer areas. The researcher read through each question, recorded the answer and, if necessary, clarified what is meant by the GRI standard information request.

4 RESULTS

This section presents the research findings made on the basis of the interviews and previous studies. It also shows the justifications used to exclude irrelevant disclosures and finally demonstrates the constructed reporting framework that would be suitable for a Finnish SME sector knowledge organization to start reporting and working on sustainability.

4.1 Interview findings

4.1.1 Overview of interview findings

The study revealed some disclosures of the GRI framework that are perceived as irrelevant from the perspective of corporate sustainability reporting by a knowledge organization operating in the Finnish SME sector. In addition, there was some difference in some of the themes between the Group B and the Group A about what information the company can naturally produce without significant additional costs, external assistance or bought services, although the same issues emerged in both groups regarding access to information. Only in a small part of the questions were the answers of the respondents regarding irrelevance completely identical and all of those focused on one theme. In total respondents assumed that 68 different disclosures could be irrelevant to Finnish SME knowledge organisation and 59 disclosures were thought to be challenging to obtain information. Disclosures analysed in this study were divided in to 10 different topics (Table 3).

TOPIC	Amount of Disclosures analysed
ORGANISATIONAL PROFILE	9
STRATEGY	2
ETHICS and INTEGRITY	2
GOVERNANCE	22
STAKHOLDER ENGAGEMENT	5
REPORTING	10
MANAGEMENT APPROACH	3
ECONOMIC	17
ENVIRONMENT	32
SOCIAL	40
TOTAL	**142**

Table 3. Topics and disclosures of the GRI framework (GRI Standards, 2021)

Group A considered the 53 questions to be irrelevant to the Finnish SME sector knowledge organization. Correspondingly, the Group B consider 47 questions to be irrelevant. Of these, 32 questions were the same disclosures. In terms of access to information, Group B found access to information challenging in 28 questions and Group A in 48 questions. Access to information was challenging for both respondents in 17 of the same disclosures. (Table 4.) Only 10 of the 142 questions had identical answers regarding the irrelevance of information and the challenge of accessing information. The number of responses were distributed more or less according to the number of questions in each topic area. As a result, most responses were received on governance, environmental and social issues.

TOPIC	SUMMARY OF ANSWERS					
	NOT MATERIAL			HARD TO OBTAIN INFORMATION		
	GROUP A	GROUP B	SAME ANSWERS	GROUP A	GROUP B	SAME ANSWERS
ORGANISATIONAL PROFILE	0	0	0	0	0	0
STRATEGY	0	0	0	0	0	0
ETHICS and INTEGRITY	0	0	0	0	0	0
GOVERNANCE	7	12	5	3	2	0
STAKHOLDER ENGAGEMENT	0	2	0	0	0	0
REPORTING	0	1	0	0	0	0
MANAGEMENT APPROACH	0	1	0	0	0	0
ECONOMIC	3	5	1	0	2	0
ENVIRONMENT	23	21	21	17	15	11
SOCIAL	20	5	5	28	9	6
TOTAL	53	47	32	48	28	17

Table 4. Summary of disclosures deemed not material and challenging to obtain information in closed-ended questions

All respondents felt that disclosures related to the Profile of the organization, Strategy and Ethics and integrity were essential and that access to information was possible. Governance disclosures were considered to be the third most irrelevant disclosures. On Governance issues, the Group B found the more issues to be irrelevant. In the disclosures related to Governance, it was found that the Group A and the Group B have fairly similar views on the irrelevance. Irrelevant disclosures related to Stakeholder engagement, Reporting and Management's approach to environmental, economic and social issues were assessed only by the Group B, although not to a significant extent and only four topics in total. In Economic section the insignificant disclosures were focusing on the responses of the Group B.

By far the most irrelevant disclosures were thought to be by respondents in disclosures related to the environment and social issues. In terms of the Environment, both respondent groups considered approximately as many disclosures to be irrelevant as it was challenging to obtain information. Disclosures related to the Environment also contained all the fully consistent responses of the study regarding the irrelevance and the challenge of obtaining information. These topics were: Energy consumption outside of the organization (GRI 302-2), Energy intensity (GRI 302-3), Habitats protected or restored (GRI 304-3), IUCN Red List species and national conservation list species with habitats in areas affected by operations (GRI 304-4), GHG emissions intensity (GRI 305-4), Emissions of ozone-depleting substances (ODS) (GRI 305-6), Nitrogen oxides (NOX), Sulfur oxides (SOX), and Other significant air emissions

(GRI 305-7), Waste generated (306-3), Waste diverted from disposal (GRI 306-4) and Waste directed to disposal (GRI 306-5). In the opinion of the Group A, four times more irrelevant disclosures were made on social issues than Group B. Obtaining the information was estimated three times more challenging by Group A compared to Group B.

4.1.2 Breakdown of irrelevant disclosures by subject area

The GRI disclosures distributed in the same proportion according to the number of questions in the thematic areas. This section opens the distribution of responses to disclosures in more detail.

In Governance section, seven of the 22 questions were considered irrelevant by Group A, and three disclosures were found to be difficult to obtain information. In the opinion of the Group B, 12 of the disclosures were considered irrelevant, and two of the questions were thought to be challenging for obtaining the information. The same disclosures were considered irrelevant in five questions, but access to information was not considered challenging in any of the same questions. An analysis of the topics classified as non-essential reveals that Group B considers requests related to the highest administrative body to be less relevant, and similarly, Group A's responses focused on staffing issues. Both groups saw that there is no need to reveal information about topics related to salaries.

One of the disclosures related to Reporting, two of the disclosures related to Stakeholder engagement and one of the disclosures related to the Management Approach (to economic, environment and social issues) were assessed as irrelevant by the Group B. Although stakeholders play a key role in sustainability and in sustainability reporting, stakeholder identification (GRI 102-42) and hearing (GRI 102-44) were considered irrelevant disclosures. In the above-mentioned themes, the Group A consider all points to be relevant. The information received was not considered challenging by either group of respondents in any of the disclosures.

In Economic topics, Group A estimate three of the disclosures to be insignificant and five disclosures by Group B. Obtaining information was perceived as challenging by the Group B in two of the questions, but in the opinion of the Group A, information was thought to be available on all points. Consistent answers regarding irrelevance were given only to GRI disclosure 202-2 (Proportion of senior management hired from the local community). In general, it can be seen that those issues were perceived as irrelevant, which can be assumed to be properly managed and supervised in Finland. There were no same answers in terms of access to information.

There were 23 Irrelevant disclosures for Group A out of 32 environmental disclosures. Access to information was perceived as challenging in 17 environmental issues. There were only three topics that were seen as material and possible to collect the needed information by both groups: Reduction of energy consumption (GRI 302-4), Non-compliance with environmental laws and regulations (GRI 307-1) and New suppliers that were screened using environmental criteria (GRI 308-1). The Group B thought that 21 of the disclosures related to the environment were insignificant and obtaining information was seen as challenging in 15 of the questions. The same disclosures were seen as irrelevant by both groups of respondents in 21 of disclosures and access to information as challenging in 11 questions. It is noteworthy that only two disclosures were those which were not considered irrelevant or for which the company could easily provide the necessary information. These disclosures were Non-compliance with environmental laws and regulations (GRI 307-1) and New suppliers that were screened using environmental criteria (GRI 308-1).

Of the disclosures on social issues, 20 of the questions were considered irrelevant by Group B and five of the questions were irrelevant according to Group A. Obtaining the information in social issues were seen challenging in 28 disclosures by Group B and in nine by Group A. five out of 40 social disclosures were seen irrelevant by both respondent groups and six disclosures were seen challenging to obtain information. From the replies of Group B, it can be concluded that the disclosures considered irrelevant are mainly those that can be considered to have been properly handled by law and supervision in a state such as Finland. These topics are mainly related to human rights. In addition, topics related to the supply or value chain were perceived as either irrelevant or challenging to obtain information.

As a whole, it can be seen that Group A perceive more disclosures to be irrelevant to a Finnish SME knowledge organization than Group B. Similarly, Group A found it challenging to obtain information in clearly more disclosures compared to Group B. This may be due to a deeper understanding of the areas of responsibility by the Group B, and a subjective perspective may increase the assessment of materiality. Group A's perceptions of the challenge of obtaining information may be related to a weaker understanding of the company's ability to produce and acquire relevant information. Group A rated 53 and Group B rated 47 as non-essential out of all disclosures and 32 disclosures of all 142 questions were considered irrelevant for both groups of respondents. These disclosures were divided as follows: five social disclosures, 21 Environmental disclosures, one Economic disclosure and five disclosures in Governance. A greater difference arose in the assessment of access to information. 48 of the questions were considered challenging for Group A and 28 for Group B. Groups of respondents assessed the same for 17 disclosures and 11 of these were in Environmental topics and 6 in social issues.

4.1.3 Breakdown of open-ended answers by subject area

A total of 262 open arguments were given in the interview. (Table 5.) There was a total of 172 arguments related to materiality and 90 related to obtaining information. A total of 69 responses were assessed as relevant, but limitedly. Of the questions, 59 were justified as irrelevant to the knowledge organization. “Internal matter” and “Not for the SME sector” were both the justifications in 22 questions. Clearly more open arguments were received from Group A. With regard to obtaining information, 53 open arguments were found that obtaining information in the company caused manual calculation or required automatic monitoring. The need for external assistance was seen as related to 29 different disclosures. Based on the open answers, clear themes emerged, both in terms of relevance and access to information. The open-ended responses were intended to justify and refine the closed-ended responses provided. The majority of responses were to those disclosures that were considered either irrelevant or challenging to obtain information.

Open questions/answers	Materiality		Information		TOTAL
TOPICS	**GROUP A**	**GROUP B**	**GROUP A**	**GROUP B**	
Organisational profile	1	1		1	**3**
Strategy	1	1			**2**
Ethics and integrity					
Governance	9	14		3	**26**
Stakeholder engagement		3		1	**4**
Reporting					
Management approach		1			**1**
Economic	5	10	1	2	**18**
Environment	33	18	20	10	**81**
Social	69	6	42	10	**127**
Total	**118**	**54**	**63**	**27**	**262**
	172		**90**		

Table 5. Distribution of answers in open - ended questions

From the obtained research data, each individual response was analysed. Several responses were justified for more than one reason. Therefore, each individual argument was broken down into its own response. The key words / themes that emerged in the materiality assessment were “Intra-corporate matter”, “partially / limitedly”, “Not for the SME sector” and “Not for the knowledge organization”. In addition, for some disclosure, materiality was justified by the positive image it brought. Regarding access to information, the key themes / words found were: “Requires manual work”, “Requires external assistance”, “Not for the SME sector” and “Not for a knowledge organization”. (Figure 1.)

The responses were found to be related to specific sub-themes. Several disclosures were considered relevant, but only in certain respects. Several disclosures were considered relevant insofar as they related to Finnish operations. In addition, several disclosures are considered essential, but it would be desirable to report on this only at a general level. The desire to keep certain issues only within the company can be counted in the same category. In addition, comments on the disclosure of statutory obligations were emphasized, but there are reservations about the issue. Some disclosures were considered to be discretionary. Supply chains and disclosures on activities outside the organisation's own control were considered challenging to report. In the case of environmental questions, the answers in the reporting requirements focused on questions requiring calculation. For these, it was estimated that external services were almost invariably needed.

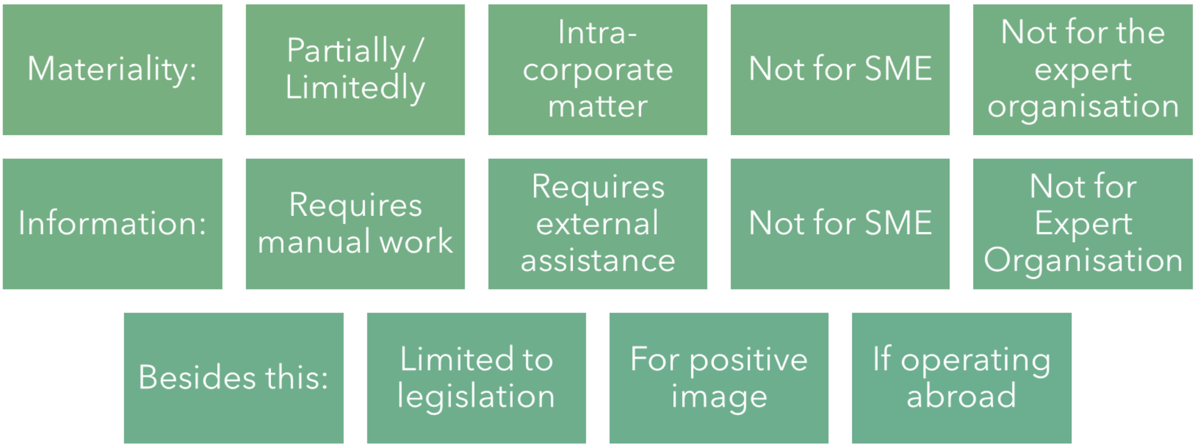

Figure 1. Interview findings from the open-ended questions

Based on the study, it can be estimated that environmental responsibility requests are less important in the sustainability reporting of a Finnish SME sector knowledge organization, as the knowledge organisation's impact on the environment is limited and access to information causes either an increase in workload or costs due to external assistance. Social issues should be reported, but disclosures should consider their suitability and the possibility of having the topics monitored automatically or the information should be easily accessible through the HR system. In terms of governance, there was a strong desire to protect business-related sensitivity, and issues should be reported at a more general level than the GRI framework recommends. In Economic matters, the emphasis is on the fulfilment of statutory obligations and discretion beyond it. Disclosures should be limited to the organization itself, due to the challenge of obtaining information from outside the organization. Several disclosures may be reduced to a general level of subject matter.

4.2 Constructing the reporting framework for SMEs

4.2.1 Rationale for reducing the number of disclosures raised in previous studies

As Mileva (2013) states, companies must implement sustainable development as part of their business in the future, and a different approach to sustainability reporting should be created for SMEs. GRI (2021), Kurittu (2018), Leszczynska (2012) and Vigneau et al. (2015) estimate that sustainability reporting provides a tool for companies to develop and manage their own business, but GRI framework has been criticized as inappropriate for SMEs due to its complexity (Arena & Azzone, 2012; Solari et al., 2017; Mileva 2013) and it is easy to agree with Solari et al. (2017) and Tregidga and Milne (2006) that the GRI and other similar frameworks may be too complex for SMEs and recommend the development of the simplest possible reporting model with fewer indicators. This would help companies to adopt new approaches and create a sustainable culture, thereby contributing to the success of the UN's Sustainable Development Goals. Due to the above, the aim of this study is to provide the simplest possible tool based on the GRI standard for reporting on the sustainability of knowledge organizations in the Finnish SME sector and for embracing early-stage sustainable development in companies.

Based on several studies, a lack of resources like time, money and human resources may prevent the sustainability reporting in the SME sector. (Plugge & Wiemer, 2008; Hörisch et al., 2014; Loucks et al., 2010; Hakola, 2021). Large enterprises might also have capability to nominate people for additional tasks and reorganise duties, that are not in the core of business, but SME’s lack this capability. (Hörisch et al., 2014; Mileva, 2013) Also access to the information might come as an obstacle for SME’s. (Koskenranta, 2021). Arena and Azzone (2012) highlighted in their own research not to report on topics in the SME sector that can be assumed to be covered by national legislation or on topics reported by organizations elsewhere can be followed. for example, in Finland financial information disclosure is required and controlled by law, and organizations are expected to disclose their financial performance to stakeholders on a regular basis. (Finlex, 1997)

According to Arena and Azzone (2012), possibilities to influence is very limited for SMEs in many of the GRI disclosures related to the environmental topics. Plugge and Wiemer (2008) stated that for disclosures, the delimitation should be more clearly related to the organisation's own activities, as SMEs have limited access to information, for example on supply chains. Although SMEs play a major role in supply chains (Bartels et al., 2016; Plugge & Wiemer, 2008) and larger companies may require information from their supply chain related to sustainability (Taipalinen & Toivio, 2004). According to Azets (2022), the cost of a customized sustainability report can be between 10,000 and 15,000 euros, and the costs required by a standard sustainability report can become a barrier for companies in the SME sector. (Plugge & Wiemer, 2008; Hörisch et al., 2014; Loucks et al., 2010; Hakola, 2021)

In their study, Arena and Azzone (2012) justified the omission of topics related to product and service information by the simplicity of the final product in steel industry. They also excluded disclosures relating to human rights, freedom of association, corruption, security practices and anti-competitive practices have; except possible operations abroad or if the company relies heavily on foreign suppliers. These topics were presumed to be within the scope of national law.

Some studies and research cater global trends and themes that could also be used in this research. The Sustainability Accounting Standard Board (SASB) is an organization established in 2011 that maintains industry-specific reporting guidelines. The information reported in accordance with SASB's reference framework is targeted at the investor segment. SASB covers 77 different industries, and its standards cover those environmental, social and governance issues that have an impact on economic development in each industry. Several companies that report in accordance with the GRI link SASB standards to their reports. (SASB, 2022) SASB provides a partially comparable reporting framework for comparison, and therefore this study has compared the content of SASB's industry standards applicable to the knowledge organization to the research material. Of the industries listed by SASB, 13 industries can be considered suitable for a knowledge organization. These industries cover 11 topics that SASB uses in its reporting framework. Of these, the most reported topics were information security, employee information (diversity, skills, recruitment and performance), systemic risk preparedness, ethics and transparency in business, and environmental issues in one's own business. According to SASB's classification, energy consumption and the effects of climate change on business remain the least important in knowledge organizations. (SASB, 2022).

KPMG's 2020 study looked at how the world's 100 largest companies have taken into account the UN's Sustainable Development Goals. Of the 17 UN Sustainable Development Goals, Decent Work and Economic Growth (SDG 8), Climate Change (SDG 13), Responsible Consumption (SDG 12), Clean Energy (SDG 7) and Industry, Innovation and Infrastructure (SDG 9) received the most attention. SDG 1 (No Poverty), SDG 2 (No Hunger), SDG 16 (Peace, Justice and Strong Institutions), SDG 14 (Life on the Water) and SDG 15 (Life on Land) received the least attention.

Carrot & Sticks (C&S) collects data globally and provides analysis of, among other things, regulatory practices and trends. The analysis of the material has been prepared from more than 600 reporting regulations. According to C&S, Responsible Consumption (SDG 12), Peace, Justice and Justice (SDG 16) and Decent Work and Economic Growth (SDG 8) were the most common UN Sustainable Development Goals. Less common goals were Health and Welfare (SDG 3) and Good Education (SDG 4). According to the study, the most attention was paid to anti-corruption and anti-competitive activities, organizational structure, leadership themes, ethics and consistency, stakeholder themes, financial key figures, investments, business models, supply chains, and human rights and labor issues. Indirect effects were paid less attention. (der Lugt et al., 2020)

According to Revell et al., (2009) by focusing and investing in the well-being of its personnel, such as education and maintaining occupational health, the company can engage its personnel, which can lead to lower personnel absence and turnover that have impact on lower operational costs.

SME sector have been assessed as relatively moderate in adopting sustainable development practices. This is thought to be partly due to a lack or weaker external pressure on large companies. (Masurel, 2006). It is likely that changes in the law or regulation related to corporate sustainability reporting will not affect most companies in the SME sector for many years to come. SMEs' sustainability practices are likely to be driven by their reporting obligations to their stakeholders and external pressures from stakeholders, such as the demands of financiers or customers. SMEs have limited resources compared to larger companies (Jansson et al., 2015; Williams & Schaefer, 2012; Revell et al., 2009) and in order for SMEs to internalize sustainability practices, their adoption needs to be made easier than it currently is. Therefore, their limited resources in terms of time, money and staff should be taken into account when developing concepts. Challenges in obtaining the information can be perceived as an obstacle or a slowdown even if it does not have an impact on costs and as a result, disclosures in reports should mainly concern the day-to-day operations of the company. (Plugge & Wiemer, 2008. Williams & Schaefer, 2012). Personal values and beliefs are the biggest motivators embracing sustainable development. They can either improve or weaken the process. In SMEs, the influence and attitude of owner-entrepreneurs is emphasized. (Williams & Schaefer (2012).

4.2.2 Exclusion of the irrelevant disclosures from the reporting framework

The interviews highlighted themes that could be used to remove disclosures and the reporting requirements they contain from the original GRI framework. Construction on the reporting model was started in the study by removing disclosures from the GRI framework that were considered irrelevant. The greatest emphasis in the interviews was given to those disclosures that were considered irrelevant by both groups of respondents. There was a total of 21 such disclosures. Subsequently, disclosures for which both groups of respondents considered it difficult to obtain information were excluded, there were 6 separate disclosures. Based on the open arguments provided in the interview study, disclosures were excluded on the basis of the themes and arguments that emerged.

Based on the interviews, requests for administrative information should be limited to dealing with the topic at a general level in order to protect business secrets.

Disclosures that may be deemed to be controlled by national law or reported elsewhere by the company, such as financial figures, have been excluded from the final framework.

The exclusion of disclosures about products and services is justified based on their simplicity in knowledge organizations. Disclosures relating to respect for human rights, freedom of association, corruption, security practices and anti-competitive practices have been excluded from the guidelines. The above matters can be presumed to be within the scope of national (Finnish) law and therefore this could be used as justification to exclude mentioned disclosures. In Finland, customer data is protected through the GDPR Regulation, so for the purposes of this study, it is assumed to be implemented by law and to be removed from the constructive framework.

GRI framework is criticized to be too complex for SMEs and therefore it is justified to further refine the list of disclosures in this study and the majority of disclosures have been modified to relate to the reporting company's own operations or excluded. In addition, disclosures from some GRI standards were considered to overlap, based on the arguments presented in the interview material. Such disclosures were for example Management approach (GRI 103-1) and GRI 102-14 (Statement from the senior decision-maker). Several disclosures were perceived as essential but at a general level. Some of the disclosures were perceived more as an internal matter of the company or were reported to include disclosures on business secrets. As a result, the reporting requirements for disclosures have been reduced and developed to cover more of the topic at a more general level. For example, disclosures or reporting requirements concerning stakeholders were thought to be more as internal issue by the interviews but identifying and engaging stakeholders are in the core of sustainability (Puroila & Mäkelä, 2019; Niskala et al., 2019; Ullmann, 1985; Roberts, 1992) and therefore, disclosures related to stakeholders were not excluded, but were merged and modified to cover the topic at a more general level.

Some disclosures were limited to cutting down on reporting costs, such as external verification. The cost of reporting and its verification can be a significant expense for the SME which discourages the willingness to prepare and certify reports. Therefore, if information has to be obtained from outside the organization or new internal systems need to be set up to obtain the information, this will most likely incur additional costs for the organization. As a result, disclosures have been removed or generalized to facilitate the collection of information for the organization and to prevent an increase in reporting costs. Such disclosures were mostly related to environmental topics like disclosures on emissions.

As the number of similar previous surveys has not been quantified and many of the previous surveys concern the manufacturing industry, the relevance of GRI disclosures to the SME sector will be addressed through themes emerging from previous surveys and standards. In this study, disclosures that were initially considered irrelevant were excluded based on the interview material, but due to global trends, some disclosures classified as irrelevant should be left on the final list. Correspondingly, the materiality of issues outside the trends should be treated with caution. Based on the above review of the C&S, KPMG and SASB standards, changes were made to the GRI-based SME framework. The UN Sustainable Development Goal on responsible consumption has been taken into account by including the disclosure on waste at a general level in the final framework and although the SME sector generates a significant share of global emissions (Revell et al., 2009; Arena & Azzone, 2012) disclosures related to greenhouse gas emissions are removed. Calculating greenhouse gas emissions most often requires external service and increases costs, and SMEs may have challenges collecting the data needed to calculate their carbon footprint. (Koskenranta, 2021). As disclosures for greenhouse gases are in the interest of public and stakeholders and it is recommended including information into sustainability reports, for these disclosures, it was most difficult to decide whether they were part of the final tool. Disclosures related to the environment were found to be difficult to obtain information and, as a result, several disclosures have been deleted. On the other hand, for some disclosures, it could be stated that the information is likely to be available through the real estate management company and therefore, for example, energy consumption (GRI 302-1) and its reduction (GRI 302-4) have been left to the final tool.

Most of the disclosures related to the environment were reduced, as the opportunities for influencing knowledge organizations are very limited in these respects. Most of the disclosures that were thought to be material are related to social issues and the information was considered to be available but requiring a lot of manual work or automatic monitoring, which is not possible for many actors in the SME sector, depending on the possible HR system. For a knowledge organization, staff is usually the largest single expense item, but it is also the most important element from a profitability perspective.

Topic	Amount of disclosures
Organisational profile	4
Management approach / Strategy	2
Ethics and Integrity	1
Governance	6
Stakeholder engagement	3
Reporting	5
Economic	8
Environment	5
Social	22
Total	**56**

Table 6. Amount of the disclosures in the constructed framework

The final reporting framework (Appendix 1.) for sustainable development, based on the GRI standard, which can be considered applicable to a Finnish SME knowledge company, left 56 disclosures (Table 6.) out of the original 148 and 76 reporting requirements out of 631 original reporting requirements. The thematic areas of the framework include disclosures as follows: Organizational profile four, Management approach Combined with Strategy two, Ethics and Integrity one, Governance six, Stakeholder engagement three, Reporting five, Economic eight, Environmental five and Social 22 pieces. Some of the disclosures in finalized framework are combined from two different GRI disclosures so that 61 original GRI disclosures are covered in total. GRI disclosure 102-54 (Claims of reporting in accordance with the GRI Standards) and disclosure 105-55 (GRI Content Index) has been left in final version. GRI reporting framework is globally acknowledge framework and the report prepared according to the GRI standard increases the credibility of the sustainability report. Use of selected standards, or parts of their content, to report specific information, without preparing a report in accordance with the Standards is referred to as a 'GRI-referenced' claim.

5 DISCUSSION

This section reviews the results of the study in relation to previous studies and discusses research limitations and opportunities for further research.

5.1 Findings from previous studies compared to the constructed framework

Previous studies have criticized the inadequacy of the GRI and other frameworks for sustainability reporting for SMEs and highlighted areas that may pose challenges to the adoption of corporate sustainability practices or sustainability reporting. Due to the relatively small number of previous similar studies on the subject, it is challenging to compare the framework constructed in this study with them.

The results of the research interviews showed clear similarities to the studies of Arena & Azzone (2012) and Steinhöfel et al. (2019). Commonalities included the impact of national legislation on essential disclosures, the impact of industry and size of the company, and the nature of SMEs to focus on issues close to themselves and their activities, and shorter-term thinking.

This study lacked a stakeholder perspective in determining materiality, whereas Calabrese et al. (2019) had implemented. In order to continue the research and increase the quality, it would be advisable to carry out a comparative analysis with the stakeholders of the knowledge organization. In this study, environmental themes were considered irrelevant, whereas in Calabrese et al. (2019) social issues were given less weight. As the perception of materiality is subjective, the number of research interviews should be increased in order to provide a stronger basis for findings on relevant and non-essential information requests. It is also an interesting observation that in previous studies, the main topics (Economic, Environment, Social) are emphasized differently in each study. In the study of Musliach et al. (2020), economic issues emerged clearly from a materiality perspective. It should be noted, their study was targeted at the manufacturing industry, which is why disclosures on energy and water consumption were considered relevant in environmental issues.

Sustainability reporting frameworks in the SME sector have hardly been studied. In particular, the consideration of knowledge organizations in research has been given less weight. This study provides a knowledge organization perspective on corporate sustainability reporting, combined with a theoretical background, and summarizes the key challenges for the SME sector in terms of sustainability reporting. It also provides a model and tool for initial strategic work and sustainability reporting for the SME sector.

5.2 Research limitations and future research plan

This study was conducted to the Finnish SME sector and specially to knowledge organisations that have limited impact on environment. As many of the disclosures has been excluded because of the nature of knowledge organisations, reporting tool cannot be applied in other industrial areas. Although it may be appropriate to use it if environmental issues are taken into account in the reporting in some other way in addition to this framework. Finnish legislation can be seen as comprehensive and effectively monitored. As this was one of the grounds for excluding disclosures, the built-in reporting tool cannot be used in countries whose legislation is not considered equivalent to Finnish national law.

A more qualitatively comprehensive study could have been obtained by interviewing either more people from the case company or by extending the study to more comparable Finnish SME sector knowledge organizations. In this way, more comparable answers would have been obtained and more variance in the research data. In addition, the effect of the subjectivity of the interviewees would have been smaller. As only two responses per question were received in the interviews, the personal views of the interviewees may be too affected by the survey results. This would also provide a more comprehensive justification for open questions.

Stakeholders are at the forefront of sustainability and sustainability reporting. This study lacked a stakeholder perspective on materiality and further research from this perspective would likely increase the quality of the constructed framework. External assurance of sustainability reporting is likely to be prepared in a manner similar to the financial statements. As a result, it would be useful to examine the materiality views of external certifiers, such as authorized public accountants.

The constructive research approach can be divided into six areas, of which this research dealt with the first three: the problem to be studied, an in-depth knowledge of the topic and the preparation of a solution. A natural continuation of the research would be to test the constructed model in practically suitable case companies and to utilize the feedback obtained in the further development and application of the model. In accordance with the constructive research approach, I have discussed the applicability of the solution and the related limitations. The main constraints on the scope of the study are national legislation and the inherent characteristics of the industry (knowledge). In addition, the study targeted a company in the SME sector and the application of the scheme to larger companies may not be possible without modification.

Further research could be carried out in the on how to make it easier for companies in the SME sector to adopt environmental issues. In most cases, these topics require calculation and outside help or coordination, in which case calculating the company's carbon footprint, for example, may be unprofitable in terms of input-output ratio. Stronger reporting on environmental aspects will be supported, inter alia, by the ongoing fight against climate change.

The GRI standard set was updated in the autumn of 2021, when the study was already underway. The most significant change in the standard system is the addition of industry-specific reporting requirements and the modification of some previously created information requests. A natural direction for further research would be to look at possible changes to the reporting requirements that could lead to an update of the GRI standard. Above all, if in the future GRI creates its own industry-specific information request list for knowledge organizations. In addition, it is recommended that the impact of the reporting requirements on the revised design on the established design be clarified.

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APPENDIX 1: FIRST-STAGE SUSTAINABILITY REPORTING FRAMEWORK FOR FINNISH SME SECTOR KNOWLEDGE ORGANISATIONS

TOPICS AND REPORTING REQUIREMENTS	GRI Disclosures	
ORGANISATIONAL PROFILE		
Ownership and legal form	**102-5**	
Ownership and legal form		
Supply chain	**102-9**	
A brief description of the company's supply chain, including the main points insofar as they relate to the company's activities, products or services.		
Significant changes to the organization and its supply chain	**102-10**	
Significant changes in the size, structure, ownership, or supply chain of the organization		
External initiatives	**102-12**	
List of externally developed economic, environmental, and social charters, principles, or other initiatives to which the organization joins or approves		
MANAGEMENT APPROACH ON ECONOMIC, ENVIRONMENTAL AND SOCIAL ISSUES AND STRATEGY		
Statement from senior decision-maker	**102-14**	**103-1**
Statement from the organization's chief decision maker (such as the CEO, chairman, or equivalent) about the importance of sustainable development to the organization and its strategy to promote sustainable development		
An explanation of why the issues being addressed (environmental, economic, social) are relevant and how the organization relates to it		
Key impacts, risks, and opportunities	**102-15**	
A description of the company's greatest impacts, risks, and opportunities		
ETHICS AND INTEGRITY		
Values, principles, standards, and norms of behavior	**102-16**	
Values, principles, standards, and norms of behavior		
GOVERNANCE		
Delegating authority and Executive-level responsibility for economic, environmental, and social topics	**102-19**	**102-20**
a. Whether the organization has appointed management-level roles or roles that are responsible for economic, environmental, and social issues.		
b. The process of transferring authority over economic, environmental and social issues from the highest governing body to senior management and other employees.		
Consulting stakeholders on economic, environmental, and social topics	**102-21**	
Stakeholder and supreme governance consultation processes on economic, environmental and social issues.		
Composition of the highest governance body and its committees	**102-22**	
a. Composition of the highest governing body and its committees		
b. The number of other significant positions and commitments of each person and the nature of the commitments;		

c. Gender		
Conflicts of interest	**102-25**	
Cross - ownership with suppliers and other stakeholders		
Role of highest governance body in setting purpose, values, and strategy	**102-26**	
The roles of the highest governing body and senior management in developing, adopting and updating the organisation's purpose, values or mission statements, strategies, policies and objectives related to economic, environmental and social issues.		
Highest governance body's role in sustainability reporting	**102-32**	
The highest governing body or function that formally reviews and approves the company's sustainability reporting and confirms that all material matters have been addressed.		
STAKEHOLDER ENGAGEMENT		
List of stakeholder groups and identifying and selecting stakeholders	**102-40**	**102-42**
Listing and description of the company's key stakeholders and selection criteria		
Approach to stakeholder engagement	**102-43**	
Organizational approach to stakeholder engagement		
Key topics and concerns raised through stakeholder engagement	**102-44**	
a. how the organization has responded to these key issues and concerns, including through reporting;		
b. Stakeholders who raised all key issues and concerns.		
REPORTING		
Reporting period	**102-50**	
Reporting period (year, month, etc.)		
Date of most recent report	**102-51**	
Date of last report		
Contact point for questions regarding the report	**102-53**	
Contact information regarding the report and any inquiries		
Claims of reporting in accordance with the GRI Standards	**102-54**	
Mentioned in the report; '"This report has been prepared in accordance with the GRI standards: GRI referenced"		
GRI Content Index	**102-55**	
a. lists all disclosures included in the report (including the page number (s) or URL (s) where the information can be found, either within the report or in other published mate-rials		
ECONOMIC		
Financial implications and other risks and opportunities due to climate change	**201-2**	
Risks and opportunities posed by climate change that may have an impact on modifying the company's business, revenue or costs; (what, why, how to manage)		
Financial assistance received from government	**201-4**	
Monetary value and total value of financial assistance		
Ratios of standard entry level wage by gender compared to local minimum wage	**202-1**	
The ratio of the basic wage by gender to the local minimum wage		
Infrastructure investments and services supported	**203-1**	
Has the company been involved in supporting local projects? Description of support		
Significant indirect economic impacts	**203-2**	

Examples of significant indirect economic effects identified (positive and negative)		
Proportion of spending on local suppliers	**204-1**	
Percentage of locally spent procurement budget		
Confirmed incidents of corruption and actions taken	**205-3**	
Number of cases and sanctions at a general level		
Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	**206-1**	
The number of pending or completed legal proceedings concerning anti-competitive conduct and infringements of competition and monopoly law in which the organization has been identified as a participant, as well as the main results of the terminated legal proceedings, including any decisions or judgments.		
ENVIRONMENT		
Energy consumption within the organization	**302-1**	
a. Total energy consumption and breakdown into non - renewable and renewable energy sources.		
b. Consumption broken down (electricity, heating, cooling)		
Reduction of energy consumption	**302-4**	
Achieved reduction in energy consumption and how achieved		
Waste management, waste generation and significant waste-related impacts	**306-1**	**306-2**
A description of the significant actual and potential waste-related impacts and measures of the organization		
Non-compliance with environmental laws and regulations	**307-1**	
Description of significant fines and non-monetary fines for non-compliance with environmental laws and / or regulations		
New suppliers that were screened using environmental criteria	**308-1**	
Percentage of new suppliers screened by environmental criteria.		
SOCIAL		
New employee hires and employee turnover	**401-1**	
a. Total number and share of new employees during the reporting period, by age group, gender		
b. Total employee turnover during the reporting period, by age group, gender		
Benefits provided to full-time employees that are not provided to temporary or part-time employees	**401-2**	
Benefits that are standard for full-time employees in the organization but are not offered to temporary or part-time employees (including at least: life insurance, health care, invalidity and invalidity insurance, parental leave, pension security, shareholding, others		
Parental leave	**401-3**	
Total number of employees entitled to parental leave and left and returning by gender		
Occupational health and safety management system	**403-1**	
Opinion on whether an occupational health and safety management system has been put in place		
Occupational health services	**403-3**	
A description of the functions of occupational health services that help to identify and eliminate hazards and minimize risks, and an explanation of how the organization ensures the quality of these services and facilitates access to them.		
Worker participation, consultation, and communication on occupational health and safety	**403-4**	
A description of the processes by which employees participate and are consulted in the development, implementation and evaluation of the occupational health and safety management system and enable their access to well-being and safety at work.		
Worker training on occupational health and safety	**403-5**	

A description of all occupational health and safety training provided to workers, including general training and training on specific occupational hazards, hazardous activities or incidents		
Promotion of worker health	**403-6**	
An explanation of how the organization facilitates employees 'access to and use of non-occupational health and safety services. A description of all voluntary health promotion services and programs		
Work-related injuries	**403-9**	
a. Number of recorded accidents at work, main types		
b. Work-related hazards that pose a risk of serious injury and measures to prevent them.		
Work-related ill health	**403-10**	
a. Number of recorded occupational diseases, main types		
b. Occupational hazards that pose a health risk and measures to prevent them.		
Average hours of training per year per employee	**404-1**	
Average training hours of the organisation's employees during the reporting period (gender, category of employees ((senior) management, adminstration, workers))		
Programs for upgrading employee skills and transition	**404-2**	
The type and extent of assistance provided to improve the programs implemented and the skills of the employees.		
Percentage of employees receiving regular performance and assistance programs and career development reviews	**404-3**	
Percentage of all employees by gender and employee group who received a regular performance and career review during the reporting period.		
Information on employees and other workers and Diversity of governance bodies and employees	**405-1**	**102-8**
Percentage of employees by employee category ((senior) management, adminstration, workers) for each of the following diversity categories:		
a. Gender		
b. Age group: under 30, 30-50, over 50		
c. Other diversity indicators as appropriate (such as minority or vulnerable groups)		
d. Total number of employees by employment (permanent and fixed - term), by gender		
e. Total number of employees by employment (Full-time and part-time) by gender		
Ratio of basic salary and remuneration of women to men	**405-2**	
The ratio of women 's basic salary to wages in men in each employee group		
Incidents of discrimination and corrective actions taken	**406-1**	
Total number of cases of discrimination during the reporting period, followed by measures at a general level		
New suppliers that were screened using social criteria	**414-1**	
Percentage of new suppliers screened by social criteria		
Political contributions	**415-1**	
Total monetary value of political and in-kind political donations made directly and indirectly by the organization, according to the recipient / beneficiary		
Incidents of non-compliance concerning product and service information and labeling	**417-2**	
Total number of non - compliances with regulations and / or voluntary rules for information and labeling of products and services		
If the organization has not identified any non-compliance with the rules and / or voluntary rules, a brief explanation will suffice		
Incidents of non-compliance concerning marketing communications vaatimustenvastaisuudet	**417-3**	

Total number of cases of non-compliance with regulations and / or voluntary rules on marketing communications, including advertising, promotion and sponsorship		
If the organization has not identified any non-compliance with the rules and / or voluntary rules, a brief explanation will suffice		
Substantiated complaints concerning breaches of customer privacy and losses of customer data	**418-1**	
a. Total number of substantiated complaints received about breaches of customer privacy		
b. Complaints received from third parties		
c. Total number of identified leaks, thefts or loss of customer data.		
If the organization has not identified any substantiated complaints, a brief statement of this fact will suffice		
Non-compliance with laws and regulations in the social and economic area	**419-1**	
Significant fines and non-monetary sanctions for non-compliance with the laws and / or regulations of social legislation and sanctions (monetary and other). Context at the general level of the sanctions		
If the organization has not identified any non-compliance with laws and / or regulations, provide a brief description		