Sustainability reporting as a matter of social contract: management and geographical perspective

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Abstract

Sustainability reports provide a demonstration of a company's performance and impacts on environmental and social issues. In the past decade, sustainability reports have become a requirement for a company to maintain its social contract with society and gain legitimacy for its economic interests. This requirement has stemmed from an increased demand for environmental and social responsibility in company activities. While companies are required to disclose social and environmental impact information according to national laws, company performance is frequently evaluated based on the subjective boarder concepts of sustainability. Thus, there exists a requirement to standardize company performance evaluation in order to enhance green transition in industries. This thesis aims to gain understanding into company practices, internal interpretations surrounding sustainability reporting, and the dynamic between socially constructed legitimacy and business interests. Four large companies from Norway and Finland are investigated and their motivation for sustainability reporting is explored based on document studies and interviews. This study finds that sustainability reporting is a practice that aims to meet the expectations that companies consider their activities in the light of sustainability. Moreover, this study addresses that while sustainability information is disclosed based on the environmental and social regulations of company's location, the concept of sustainability is covered based on cultural understanding of it.

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1. Introduction

1.1 Background and research aim

In recent decades, the discussion on the impacts of economic activities on environmental and social sustainability has increased in volume (Lovell & McKenzie, 2011). Economic activities impact the ability of the planet and its inhabitants to remain socially and environmentally resilient because of the interconnectedness of social and ecological systems (ISSC/UNESCO, 2013). Due to the significance of economic activities, stakeholders such as the natural environment and future generations (Rentorff, 2015), expect companies to take more accountability for their actions (Gal et al., 2018).

As a large component of society and larger ecosystems, companies are expected to operate responsibly. Responsibility is understood as not only as considerate behavior but as a necessary contribution to for social, environment, and economic sustainability. Responsibility may entail reducing negative environmental impacts through production and products. or delivering technical solutions, expertise and raw materials that allow other industries to become more environmentally friendly. Furthermore, the responsibility of companies is increasingly viewed as a factor in their legitimacy and ability to operate (Hughes & Wray, 2009). Therefore, companies are more willing to disclose information on their performance and impacts on sustainability, in a practice known as *sustainability reporting* (Gal et al., 2018).

Sustainability reporting can be derived from the concept of sustainable development. which gained an increasing amount of awareness after the publishing of the milestone Brundtland Report, "Our Common Future" (1987). Within the Brundtland Report, the widely referenced definition of sustainable development, "development that meets the needs of the present without compromising the ability of future generations to meet their own needs". Although the report is considered a milestone in awareness for sustainable development, the concept is claimed to have far deeper roots (Torgerson, 1995).

Moreover, sustainable development is an ever-evolving concept; it is not a settled idea but a subject of negotiations between different worldviews (Clifford et al., 2009). Sustainability has become a discourse and the word itself has achieved buzzword status. Thus, a key concern surrounding sustainability reporting is the question of what 'sustainability' actually is in terms of economic activities. Differing perceptions of sustainability have created suspicions about sustainability reporting (Gray, 2010), leading sustainability reporting to have been viewed critically by stakeholders in terms of credibility and evaluation. Internally, companies deal with the challenge of meeting the different needs and interests of stakeholders within the concept of sustainability. Sustainability reporting requires more comprehension and standardization to fulfil stakeholder expectations and to give sustainability reporting credibility.

Company reporting history reveals that companies have practiced and reported their social responsibilities for decades (Larrinaga & Bebbington, 2021). To respond to the request for sustainability reporting, more comprehension and standardization is required to address social, environmental, and economic impacts to ensure stakeholder expectations are fulfilled. The environmental impacts are studied by looking for company specific targets and benchmarking practices in environmental improvements. Whereas social impacts focus less on performance indicators (e.g., gender, labor rights, corporate social responsibility) and more on matters that are related to company performance in communication and the way they are meeting stakeholders' expectations. Lastly, economic impacts are limited to more qualitative aspects which address the questions regarding the commercial motivation for sustainability actions, e.g., license to operate, branding, and market positioning.

Therefore, this study aims to explore how different companies practice sustainability reporting, to understand their motivation for sustainability reporting, and to examine how interpretations become operations and corporate culture. The study investigates these aims by examining a sample of companies and their structures and strategies regarding sustainability reporting, including how this is organized and the way it is received within the company. The study will address these aims by answering the following two research questions:

1. How does the company report on sustainability and how is this form of information received within the company?

2. What is the role of geographical context of the company in its motivation to conduct sustainability reporting?

The first research question aims to give understanding of the practice in real-life context, while the second research question aims to address the importance of geography in a company's motivation to produce sustainability reports. This study is based on investigating sustainability reporting as embedded in socio-cultural processes of place and economic interests. This study uses literature within management and organization theory, political science, and economic geography to construct the following theoretical framework which consists of three dimensions: geographical context; social contract theory; and "green" as a business strategy. Geographical context refers to both the legislative structures and cultural conditions, which are based on the values and attitudes of the given society, that create the basis for a company's practices around sustainability reporting. Social contract theory is applied to gain an understanding of how a company's legitimacy derives from following the tacit rules of society, which in the case of this study, is the practice of publishing sustainability reports. Lastly, "green" as a business strategy address how the company may take a proactive approach and view disclosing sustainability information as beneficial for business. It should be noted that the dimensions of the theoretical framework are overlapping.

The empirical part of the study consists of investigating four large companies from Norway and Finland, which denote as the headquarter countries of these companies. Two companies are researched from each country with the aim of gathering a sample that represents some of the largest sectors in the two contexts: agriculture; forestry; metal and manufacturing; and oil and energy. Geographical dimension is addressed by studying how cultural differences are reflected in the process of adopting corporate sustainability reporting practices.

Data is collected from the companies' sustainability reports from year 2020 and by conducting company interviews. Reports are analyzed by the meaning of the content while interviews focus on collecting insights on how sustainability reports are valued within the company, and how cultural context impacts this interpretation. The companies are treated as general cases using standard references to broad sector categories and acronyms. The two methods, document analysis and interviews, provide data that are analyzed by using qualitative methods. For the analysis, a coding scheme is created, derived from the theoretical approach. In this way, the research is mainly conducted with a deductive approach while an inductive approach is not excluded as the interviews take place in empirical reality. Therefore, ideas that support or enrich the theoretical framework are considered in data collection. The purpose of the analysis is to demonstrate how different companies from two different countries disclose sustainability information and how this information is perceived internally.

The thesis is structured in the following way. Firstly, an introduction to the institutional framework that concerns large companies' environmental and social disclosures, a review of the sustainability reporting practices, and a discussion of the state of the art concerning the research field of sustainability reporting. This includes an overview of the conducted research and the positioning of this study in the academic field. Secondly, the theoretical framework for the study is presented. This part is divided into three dimensions that together form the framework and give basis for the research design. Third, in the methodology, the research design is described in detail and the methods and data used in the study are explained. Fourth, the empirical part of the study is built on researching the sustainability reports of the four case companies from year 2020 and analyzing four interviews held with representatives of those companies. The data is analyzed by using a synthetic case study method, i.e., a one coding scheme is used to analyze the reports and interviews. The aim of the analysis is to create a synthetic case that represents the common findings across the four case companies. In other words, the analysis is conducted with an aim of gathering components from the case companies together, rather than direct comparison. Finally, the findings are discussed and concluded with reflections on this study and suggestions for future research.

2. Institutional framework, development and practice of sustainability reporting

Different forms of institutions are considered to structure society by creating societal conditions and processes that impact behaviors and practices (Hodgson, 2006). Companies are seen to operate as embedded in the conditions created by institutions. In the light of environmental and social disclosures of companies, institutional framework is seen to include legislations, guidelines by international organizations and informal institutions that require companies to disclose their environmental and social performance and impacts. Furthermore, company is not only seen a key element of economic systems but as socially integrated to society, for example through its employees and managers. Therefore, a company's behavior should be analyzed in the context of the society it is part of (Fellman, 2008).

Institutional context can be divided into formal and informal, in which formal generically refers to legislative structures with laws and regulations. Whereas attitudes, routines, values and motivations are examples of informal institutions that are tacit by their nature (Hermelin & Rusten, 2018). When it comes to informal institutions, sustainability reports have been stated to be published in accordance with the norms and standards of the country of origin (Ehnert et al., 2016). Informal institutes are tacit and therefore often more difficult to identify. They can be understood when one thinks about how others in the same context would likely behave. This is based on collective interpretations of the place in which legitimacy is gained by acting according to the norms (Hermelin & Rusten, 2018). In sustainability reports, social and environmental issues are largely based on requirements of formal institutions which yet derive from collective interpretations on social and environmental issues. In this way formal and informal forces are interconnected. In terms of communication, used language in regulations and reports conducted according to them, may indicate shared meanings and values of the place. In other words, the regulations of place can be seen to reflect the attitudes towards social and environmental issues.

This chapter aims to give an overview of the institutional framework and explain the development and practice of sustainability reporting in the context of the research. The chapter is structured in the way that first the formal institutional framework of sustainability reporting in the contexts of Norway and Finland is introduced, following a review of some of the international frameworks that apply to these contexts. The general framework includes a discussion of both formal and informal institutions, while the two countries are reviewed in the light of their formal institutions that concern sustainability reporting. The purpose of investigating the institutional framework is to give basis for understanding how companies are motivated to conduct sustainability reports based on the legal requirements and softer guidance on environmental and social disclosures. In the light of the geographical context of this study and recent developments in frameworks of sustainability reporting, the EU Taxonomy on sustainable economic activities is discussed as its own subchapter. After articulating the institutional conditions, the development and practices around sustainability reporting are explored.

2.1 Formal institutional framework of sustainability reporting in the research context

Despite many large companies have operations around the world, each company origin from a place that has its own institutional setting. Economic systems that companies are part of, are typically considered as bounded to national systems through the relationships to the different institutions of the national level (Fellman, 2008: 8). Such institutions are for example state, large national organizations and political bodies. Economic activity is seen as institutionally, socially and culturally embedded (Hess, 2009: 423). This means that companies operate as embedded in the framework and create practices according to what the framework requires. Institutions are seen important for companies because they legitimize companies' operations (Rodrıguez-Pose, 2013). To exist, companies require acceptance that is achieved by following the legal obligations and social norms and values of place. To cope with the requirements, companies may create practices that ensure its acceptability. Institutional framework is not stagnated but dynamic arena in which different interests and needs take place and are shaped by the interaction of different actors (Hodgson, 2006).

In terms of formal institutions, there are several institutional levels that directly regulate or influence companies' environmental and social disclosure practices. Generally speaking, companies around the world are expected to operate in socially responsible way according to the UN Guiding Principles on Business and Human Rights. According to the UNGP mandates, “states have a duty to protect human rights, while businesses have the responsibility to respect them” (NRFD, 2014:18). In other words, companies are expected to address if there are “adverse impacts on human rights” (NRFD, 2014:18). These “soft-law” guidelines apply to all companies, no matter of size, sector or country (Sjåfjell & Bruner, 2020). In terms of large companies with over 500 employees, a company is stated to be legally obligated to publish information on environmental and social performance (NRFD, 2014). This is due to their significance with regards to the general public interest. This information is nowadays widely published in form of a sustainability report. As sustainability reporting in this study refers to the concern level report, large companies’ reporting is based on legislative structures of the country of headquarter (Fellman, 2008). The four reports analyzed for this study are concern level reports that present the company’s sustainability information based on legislations of the country of origin. As case companies have international operations, the study is conducted with awareness that companies may also produce local reports from operation sites that consider the specific local legislations. As the context of this study is Norway and Finland, the legal requirements that obligate companies to disclose environmental and social information in the two countries are next reviewed.

2.1.1 Formal institutional framework of Finland

In Finland, the accounting legislation was updated in 2016 that regulate company reporting. It is based on EU Directive on non-financial reporting (2014/95/EU), and hereby an example of how national regulations can be implementations of international framework. As it covers a variety of topics of responsibility, it is considered as the basis for sustainability reporting as well. Responsibility is covered from environmental, social and economic perspective. Environmental perspective includes regulations of protection of air, water and soil, reduction of CO2 emissions and waste, sustainable and efficient usage of resources in addition to management of harmful chemicals (Finnish Accounting Act 1336/1997). This refers to environmental impact assessment law, that require companies to measure and report according to a list of topics. Social responsibility is based on human right law and ensures mandatory labor standards. Economic responsibility consists of complying with accounting regulations and conducting income statements and balance sheets (Finnish Accounting Act 1336/1997). However, the legislation takes a flexible approach in implementation and practice of responsibilities, meaning that although companies are obligated to disclose information on different responsibility topics, they may choose the way and form to proceed this. The purpose of flexibility is to give different kind of companies opportunity to address their specific issues as the responsibility challenges vary between companies (MEAE of Finland). Therefore, companies report on issues that are identified to concern their operations. As sustainability reporting deals with a company's responsibility in environmental and social issues, it is conducted from the basis of legal obligations.

2.1.2 Formal institutional framework of Norway

In Norway, all registered companies in the country are obligated by the Norwegian Accounting Act (Regnskapsloven). The Act includes three main provisions that were introduced in 2013 and are generally applied to companies' non-financial reporting. The first provision states that "information on current activities, including production and products that could cause a not insignificant impact on the external environment, shall be provided". Secondly, it is stated that "information on the working environment and a summary of executed measures that are significant to the working environment shall be provided." and thirdly "an account of the veritable state of gender equality in the company shall be provided" (Norwegian Accounting Act Section 3-3a, Subsections 9-11). The statements in the Act are considered as the apparent basis for a company's social and environmental accountability. The Act is consented to EU non-financial reporting Directive (NFRD) that obligates large companies with over 500 employees to report on environmental, social and economic issues. Furthermore, CSR is based on government legislation and is stated to consist of four key areas. These are "respecting human rights (OECD Guidelines), providing decent work and upholding high labor standards, taking environmental responsibility and combatting corruption" (MFA of Norway, 2009). However, most of the regulatory instruments in these areas are implemented and disclosed in a case-specific way. This means that legislative conditions for accounting and CSR are similar as in the case of Finland and obligate companies to disclose performance in responsibility in the sense of economic, social, and environmental aspects. In terms of reporting social information, gender and non-discrimination were added to disclosure requirements in 2021 by modification made to the Norwegian Accounting Act (Berntsen & Tønseth, 21.7.2021). When it comes to the sector level, within the sectors companies typically have shared practices as the operations are similar. In other words, CSR practices between companies from the same sector may be more comparable than across sectors.

2.1.3 International frameworks used in sustainability reporting

In addition to complying with legal obligations on responsibility, sustainability declarations are often conducted by using accredited guidelines, frameworks and standards as they give reports external verification and thus assist in building legitimacy (Larrinaga & Beddington, 2021). Externally, the usage of standards assists in comparing and evaluating companies. In practice, guidelines are used to outline the form and content of report. However, guidelines do not obligate companies, and rather it is depended on a company's ability and readiness to implement them (Castelo 2013). So far, some guidelines have been established to standardize sustainability reporting.

One of the international bodies that has contributed to standardizing sustainability reporting is Global Reporting Initiative (GRI). GRI Standards have been used by companies to report their environmental sustainability and social impact (Salminen, 2019). GRI was formed by the United Nations Environment Program (UNEP) in 1997 and is an independent organization (GRI Academy). The standards that GRI provides are recommendations that a company may apply in organizing reporting process and preparing a report. According to GRI, there are two ways to use the Standards. Either a company can prepare a sustainability report according to the Standards or it can report specific information by using selected standards. In the light of selected standards, the matter is about a claim in which standards are used as a reference point. Whereas, if a company chooses to report according to the standards, they may be applied by using either "core" or 'comprehensive' approach. "Core" option means that the Standards are applied in a way that "report contains minimum amount of information on the organization, its material topics and impacts and how these are managed" (GRI Academy). While "comprehensive" option is an extension to "core" and requires information on the company's strategy, ethics, integrity and governance (GRI Academy). Therefore, it is considered as a more advanced option. While there is a difference in the scope of information, both options aim for reporting in which environmental, social and economic performance are integrated. These are named as material topics in standards. In addition, each material topic is required to be disclosed with a management approach, meaning the way a topic is managed. As contextual information, standards require general disclosures of the company's operations and how it reports. Frameworks like GRI Standards can be seen as steps toward conditions in which environmental and social information is part of the accounting norm.

In addition to GRI, UN Sustainable Development Goals (SDGs) are considered to be increasingly used as a means of sustainability disclosures (The British Academy, 2020). SDGs were first introduced as part of The Paris Agreement in 2015 and are supported by UNGP's Business and Human Rights that set the basis for corporates' social performance (Agenda 2030). Out of the 17 SDGs, Climate Action (SDG 13) is observed as widely referenced by companies (The British Academy, 2020). Commitment to Responsible Consumption and Production (SDG 12) and Decent Work and Economic Growth (SDG 8) have also been typically part of a company's communication in terms of SDGs. Giving regard to SDGs has been seen as a way to communicate a company's commitment to sustainability in a global sense. While SDGs are used as a reference point, it is seen that realization of SDGs in practice is less measured.

All in all, while there are legal requirements on environmental and social issues that companies report on and softer guidelines to standardize the performance, the content of sustainability reports is not yet dictated by one regulation or practiced harmoniously between geographies and sectors (Gacser & Szoka, 2021). Rather there has been seen a lack of cohesion and comparability of sustainability reports (Sjåfjell & Bruner, 2019). Furthermore, it has been seen as an issue that different institutional levels contain different regulative instruments. In other words, there is a mismatch between global markets and the national varieties in regulation (Sjåfjell & Bruner, 2019: 2). The reason has been seen in markets that have stabilized to be global, but regulations are yet to be bound to territorial areas. Therefore, there has been seen lack of international mechanisms, that would clarify and unify corporate sustainability regulation. However, the implementation of extraterritorial practices domestically has also been seen as controversial and resulted in discussion over the ways how regulation is executed on the international level and the efforts that coordinate cross-border regulations. To increase the comparability of sustainability performance, a more harmonized use of guidelines has been addressed (Sjåfjell & Bruner, 2019).

2.1.4 EU Taxonomy on sustainable economic activities

In terms of most recent developments in regulative frameworks concerning sustainability reporting, EU Taxonomy on sustainable economic activities is considered as one. As this concerns the geographical focus of this study and is perceived as one of the most advanced standardization initiatives in sustainability reporting field, the matter is discussed as a detail of the institutional framework.

As Finland is a member state of EU and Norway is integrated in the European market through the agreement on the European Economic Area (EEA) and the European Free Trade Association (EFTA), both operate as part of EU's internal market and are concerned by its initiatives and regulations (NMFA, 2015). EU Commission has stated that non-financial reporting is part of maintaining companies' social license to operate. It is encouraged by the Commission, who states that companies benefit from reporting in terms of risk management, access to capital, dialogue with stakeholders and reputation (European Commission, 2021). Non-financial reporting for large companies with over 500 employees, was outlined first in The Non-Financial Reporting Directive 2014 (NFRD). According to the Directive, companies that fall under the scope are legally bound to report information regarding "the environment, social and employee matters, respect for human rights, and bribery and corruption, to the extent that its development, performance, position and impact" (NRFD, 2014). Disclosures are required on annual base. The Directive was considered as a call for all sectors to improve their transparency on non-financial matters. Non-financial reporting became a part of the vision of the European Green Deal on sustainable global economy, in which managing reporting practices is seen as important (European Parliament and the Council, June 2020). Measuring companies performance is seen vital for seeing the impacts of business on society.

EU Taxonomy is considered as an action towards a common European framework in non-financial reporting, that ensures comparable information within its market (EU TEG, 2020). EU Taxonomy on sustainable economic activities was introduced in 2020, after the agreement upon the Taxonomy Regulation that was reached in December 2019 between The Commission and the European Parliament. The purpose of the Taxonomy is to bring sustainability upon criteria and guide policy sector, industries and investors in evaluation of economic activities in terms of their sustainability. The Taxonomy has been described as "a classification system", "framework" and "tool", but all of them indicate that it aims to provide a common language for economic activities in terms of their sustainability (EU TEG, 2020). The Taxonomy consists of six environmental objects that are: “Climate change mitigation, Climate change adaptation, Sustainable and protection of water and marine resources, Transition to a circular economy, Pollution prevention and control, and Protection and restoration of biodiversity and ecosystems” (EU TEG, 2020: 2). Economic activity that contributes to one of the six objectives and do no significant harm to the other five can be considered sustainable. In addition, this needs to be done in accordance with the minimum safeguards of OECD Guidelines on Multinational Enterprises and the UN Guiding principles on Business and Human rights (EU TEG, 2020: 2).

Within the requested comparability in economic activities sustainability, EU Taxonomy has been received as a concrete step forward in improving classification of economic activities. The Taxonomy is based on the establishment of “brown” criteria that is the bottom performance level out of the three levels. “Brown or perhaps red” category includes performance that has significant harm on environment, while substantial contribution to Taxonomy’s environment objectives is described as “green”. The middle category between these two describes performance that neither harms nor contributes to the objectives (EU TEG, 2020: 51). The aim here is to transform the market in favor for the sustainably “good” businesses over the “bad” ones (Bruner & Sjåfjell, 2019: 6). From the company perspective, Taxonomy can assist a company to become aware of its harmful activities, but classification system may also give credit to some of its current practices as classifying them sustainable.

Given the relatedness of Norway and Finland to EU, Taxonomy is planned to be implemented directly to the Accounting Acts of the countries which would legally strengthen reporting requirements (Berntsen & Tønseth, 21.7.2021). On the global level, EU Taxonomy is the first cross-market legal obligation between as large number of states as EU has, but it ambiguously aims to be seen as a movement towards global standardization that ultimately brings widespread of taxonomies in the public and private sectors together (NRFD, 2014: 53). The intention is to have a unifying design for international taxonomies that will improve the understanding in the market of the impacts of companies (NRFD, 2014: 53). Harmonization of sustainability information has been stressed to be a global demand (Bruner & Sjåfjell 2019). EU Taxonomy is seen as promoting reliable, consistent and comparable sustainability disclosures that is to be obtained through collaboration across institutions (European

Commission, 2021). Therefore, Taxonomy is considered as in-progress framework that aims to involve stakeholders from different levels to contribute to its development.

Although Taxonomy is a welcomed initiative in harmonization of sustainability reporting, its shortcomings have also been acknowledged. One of the clear issues has been the fact that it does not yet cover all economic activities. Industries such as agriculture, mining and oil and gas are currently not part of the Taxonomy criteria. This is mainly due to two of Taxonomy's environmental objectives "climate mitigation" and "climate adaptation" (Norsk Industri, 18.12.2020). These industries are seen unable to fulfill the obligation of the two objectives. Indeed, Taxonomy has been critically viewed in terms of classification of sectors. The concern has dealt with the fact that as Taxonomy classifies whole sectors in terms of their "greenness", it does not take into account the variation of performance within the sector (Berntsen & Tønseth, 21.7.2021). For example, a company may be classified as non-sustainable by Taxonomy but still perform more sustainably compared to other companies within the sector. There is also a political aspect in the whole classification practice, as national perspectives to sustainability of an economic activity may be conflicted with the Taxonomy introduced by EU (European Commission, 2.2.2022). This can be seen in form of lobbying campaigns for example, which argue for preferential status of national dominant sector. In terms of the geographical contexts of this study, Norwegian government has been seen to argue for greener status for hydro power that is given by EU classification. While, in Finland, similar controversial status has been given to nuclear power, which may be lobbied by the Finnish government to be a clean form of energy in contrast to classification of EU. Another shortcoming is the question if a stand-alone and detailed taxonomy is possible in the first place to form. The reason for this suspicion is that sustainability issues are generally considered to be context based in physical and psychological sense, and therefore some of them can be argued to be based on cultural values and meanings.

2.2 Development and practice of sustainability reporting

Generally speaking, accounting systems and disclosures on financial data are considered as vital for company to operate (Gal et al., 2018). Financial disclosing has largely been a matter directed to a company's financial stakeholders for reasons of accountability and assessing profits. As mentioned earlier, there has been seen a shift in which disclosures of pure financial data are seen to provide inadequate amount of information, due to the increased interest in company impact on environmental and social issues (Manes-Rossi et al., 2018). Transparency regarding a company's performance in environmental and social sense is required for remaining accountable to company owners and increasing numbers of stakeholders. To remain accountable to the financial and non-financial audience, companies are required to disclose information in a more holistic and comprehensive way. In other words, they must demonstrate that there is an understanding of the company's operations and their consequences. In practice this means that annual reports are expected to be an integration of information concerning company's operations and sustainability (Solomon & Maroun, 2012). As a response, increasing number of reports named as "sustainability reports" have been published by companies.

Sustainability reports cannot be considered as a completely new phenomenon. Looking at the history of reporting on social and environmental issues, large companies have had corporate social responsibility (CSR) practices for decades (Mercer-Mapstone et al., 2017). The ground for corporate social responsibility is seen in companies resource use that can be considered from environmental and social perspective. For example, information has been published in forms of 'Environmental and social report', 'CSR report' and 'Corporate governance report'. 'Social and environmental reports' are typically connected to disclosure practices within heavy industry since they are legally obligated to give out information on their operations due to their energy intensiveness and its consequences (Naimoli et al., 2020). CSR reports are considered to demonstrate company's performance as a positive contributor to society's wellbeing, while at the same reducing risk in the market and investments (Manes-Rossi et al., 2018).

In a similar way, a 'corporate governance report' has focused on disclosing topics concerning the management of performance and impacts (Aras & Crowther, 2010). However, the urgency around global climate change has re-energized the reporting and evaluation of companies and their impacts (Sjåfjell, 2020). The discussion has emphasized a company's role as part of society, more specifically as actors with direct and indirect impacts. When it comes to sustainability reports, they are often seen as a progression from the practice of environmental social and CSR reports (Bini & Belluci, 2020). The difference between sustainability reports and earlier practices in non-financial reporting is in the way sustainability reports are considered as reports with a broad perspective. Social, environmental, and governance issues are seen as discussed with an extended perspective (Manes-Rossi et al., 2018). The aim here has been to cover the interests of a variety of stakeholders.

While companies have acknowledged the need to report on sustainability with a broad view, there has been different ways to conduct reporting. Generally speaking, companies may produce a separate sustainability report or incorporate the information to their annual report. The case of annual report with incorporated information has been discussed as an integrated report (IR). In this way, separate reports refer to ones that are additional to company's annual report. A separate report is often a document on its own, while IR results in one extensive report. The form of reporting is seen to depend on fundamentals of company, for instance resources and business strategies (Searcy & Buslovich, 2014). With respect to the aim of having a comprehensive and connective approach to sustainability in economic activities, integrated reporting has gained increasing interest (Larrinaga & Bebbington, 2021). This has led to discussion between "traditional sustainability reporting", referring to the separate one, and integrated one (Jensen & Berg, 2011). It is believed that IR is a result of a more incorporated idea of sustainability in company and its operations. Therefore, it is considered as enhancing the image of business which business strategies are connected to sustainability. Holistic understanding of sustainability and following reporting style have commonly been considered as a way forward in which integrated reporting is considered as promoting this (Andelin et al., 2013). Holistic understanding of sustainability refers to the way company aims to deliver solutions to sustainability issues through its business. Since sustainability reporting is an evolving practice, there are also forms of reports that fall into a grey area between "traditional" and IR.

The usage of sustainability as the name for the reports can be considered as part of the trend of the time. Depending on the company, reports may be also titled differently, for example by "sustainability review". When it comes to the content of reports, ideally reports give a balanced presentation of the company, disclosing both information on positive and negative impacts with respect to sustainability (Andelin et al., 2013). Often information is both quantitative and qualitative. In addition to obligated environmental and social information, companies typically present frameworks and reference points used in sustainability reports. As mentioned earlier, a framework can be a format guideline such as GRI Standards or a more general reference point like SDGs. Company may use GRI Standards to organize reporting sustainability information and to train the staff to conduct this practice. Furthermore, companies may also be motivated to use GRI Standards as a legitimizing tool given that it is a widely used framework in sustainability reporting. The usage may give a company's sustainability report more validity and assist in evaluation of performance internally over time and across companies. In terms of SDGs, company may include in their report SDGs that have identified as the most relevant in terms of the company's operations. A company's efforts in sustainability may be tied to SDGs, which play as a global reference point. The reason for using reference points has been seen in the way they may increase reports' reliability (Manes-Rossi et al., 2018). The usage of reference points may also assist in avoiding claims of green washing. Although, as a form of communication, sustainability reports have been connected to image building and a tool for enhancing reputation (Rendtorff, 2015). In this sense such reports can be viewed as part of company's branding strategies.

In practice, the reporting process depends on company's fundamentals such as size, resources and adopted format of report. However, framework providers may also offer a guideline for how reporting process could be organized. A case in point is GRI who have developed a reporting process plan including 6 steps. From start to end the steps are "preparation, stakeholder engagement, materiality analysis, data collection, content development and communication" (GRI Academy). The process involves different departments of the company as the required information is throughout the operations. The purpose of steps is to give structure to the process and lower the bar for a company to adopt sustainability reporting. It may also be attractive for companies to adopt one framework with "whole package" reporting guidelines from content to process, viewing reporting more of an obligation than business opportunity.

Currently, the issue with content of reports has been observed to be information's perspective on the past (Rendtorff, 2015). To a large extent, reports disclose numbers and descriptions of how company has performed in the given topics. For instance, emissions are often presented matters but prevention plans, and more rarely taken actions, are less of attention. In contrast, it is requested that disclosures shift to be more future oriented, demonstration how the protection of environment and social matters is achieved (Rendtorff, 2015). However, it is acknowledged that measuring environmental and social ends is more challenging than economic profits because of their complexity (Rusten, 2022). So far it has been unclear how or if issues related to social and environmental dimensions are quantifiable, which is believed to make them more manageable. Related to this, it has been questioned whether these dimensions can be implemented within company in the first place because of their broadness (Gray, 2010).

Since legal requirements and legitimized frameworks play a significant role in how reporting takes place, companies are concerned for their future and therefore interested in development process of regulations and standards. This is based on the understanding that government is able to impact the institutional framework in which companies operate by setting regulations and standards for economic operations (Nerth, 1998). Regulations can impact the framework in the way that competition between companies results to widely adopted practices. In this case the framework deals with structures of environmental regulations. Companies who see benefit in tougher environmental regulations are seen to use lobbying activities to impact the regulative regime (Nerth, 1998). The roots for benefit are in technologies and practices of sustainability that a company may have and its willingness to make these a standard in the business environment. This is because such technologies and practices require companies to use more resources, there is a desire to ease these negative impacts of these investments through lobbying for regulations that obligate such technologies to be a common practice. In other words, the level of sustainable technologies and practices may increase if the regulative regime responds by introducing higher standards. The forerunner companies having these technologies and practices may in this way gain competitive advantage over the ones who have to adjust to the standards. In case of sustainability reporting, this may be translated to standards that require companies to disclose information according to the standard. In this light, companies who can respond to the standards can be more competitive in the market.

3. Theoretical approach to sustainability reporting

To approach sustainability reporting theoretically, the latest understanding of the practice of sustainability reporting based on earlier research is first reviewed. The aim of the review is to position this study in the research field. After discussing the state of the art concerning the research field of sustainability reporting, the theoretical framework of this study that plays as a tool for the data analysis is presented.

3.1 State of the art concerning the research field of sustainability reporting

As a topic of research, sustainability reporting has been studied with different emphasizes varying for example from practical research on accounting systems to critical research on how sustainability reporting facilities perceptions of a company (Larrinaga & Bebbington, 2021). Given the variety of perspectives, the research field has been described as constantly evolving due to regulations and conditions of given context (Gacser & Szoka, 2021).

Negative consequences of economic activities to environment have been discussed as a concern for a long period of time, but in the light of sustainable development, these concerns are nowadays widely referred to as sustainability issues (Gacser & Szoka, 2021). Due to this, the concept of sustainability has gained more significance in companies' agendas in the last decades (Horrigan, 2010). At the same time, communication over companies' performance and impacts in the area of sustainability has been seen increasing (Joensuu et al., 2015). In general, accountancy on environmental and social issues is considered as a well-established practice in companies, while the matter of sustainability accounting is yet not a clearly defined practice (Gacser & Szoka, 2021). Rather accounts and classification of sustainability of economic activities are seen as matters that are in progress. The importance of accounting has been seen in its way to define a company's image and vocabulary rationality (Gray et al., 1995). In other words, the used performance indicators reveal the way issues concerning sustainability are addressed in a company. Therefore, it is addressed that criterion of sustainable economic activity is crucial for evaluating sustainability performance of companies (Sjåfjell & Bruner, 2019).

While there is yet unclearness in sustainability accounts, company reporting that covers topics of environmental and social issues with financial performance has been named as sustainability reporting (Gal et al., 2018). These three dimensions are also referred to as a company's triple bottom line (Elkington, 1998). Given that reports aim to demonstrate a company's performance in sustainability, they include some form of sustainability accounting. Reports are seen to not only include accusations of sustainability based on certain indicators but communication that explains a company's approach to sustainability in general.

Sustainability information has also been referred to as a company's "non-financial" information. This term emphasizes that there is a difference between sustainability information and financial information. Financial information discloses a company's performance in economic metrics while non-financial information typically covers environmental and social topics. Sustainability reporting can be seen to stem from the observation that non-financial information has become as relevant as financial for a company to disclose. This idea is later supported by the empirical section of this study. The reason has been mainly seen in external conditions. From stakeholder perspective, sustainability reporting assists in evaluating company's sustainability performance. Disclosed information is seen to be a factor that can give a company credibility and improve its reputation in terms of sustainability (Jørgensen & Pedersen, 2015). In contrast, activities that are not in line with the idea of sustainability are considered as reputation risk (Sjåfjell, 2020). Typically, a company has reported its financial information for gaining accountability within financial stakeholders. However, a change has been seen in financial stakeholders information needs. Information about sustainability is increasingly considered as part of investment decisions and evaluation of companies in general (Gal et al., 2018). On the one hand, companies may choose their suppliers that meet a set of environmental requirements in order to keep their image intact. On the other hand, making environmental improvements may become a financial instrument through taxonomy schemes. Lately, biodiversity aspect of companies performance has also been addressed as a matter of interest for capital allocation (Norges Bank, 2021). Hereby the financial side is showing clear expectations for companies that management of environmental and social issues is a factor for receiving trust from financial stakeholders. Based on these statements, sustainability reporting is considered as a company's coping strategy with external conditions.

Looking closer to the reasons for increased practices in sustainability reporting, it is seen to derive from an increased demand for accountability for companies' operations (Manes-Rossi et al., 2018). This means that expectations of financial stakeholders origin from deeper societal conditions that translate to markets. As a form of communication, the emergence of sustainability reporting can be seen as one of the stakeholder management practices that aim to meet the expectations of the time (Joensuu et al., 2015). In line with the concept of sustainability, reports are expected to provide information on how a company operates in a sustainable way with respect to not only local stakeholders, but the natural environment in the global sense and future generations (Vormedal & Ruud, 2009).

Given the expectations that companies disclose sustainability information, there have been seen different sustainability reporting practices (Gacser & Szoka, 2021). Reporting has been viewed as a practice that is currently evolving. One of the observations made has been that sustainability reports typically include content that concentrates on historical performance. In practice this can include for example reporting the company's emissions. In the light of improvements, reports have been requested to include more information about how the company aims to deliver actions for improved sustainability performance and more comprehensive demonstration on prevention of sustainability issues (Rendtorff, 2015). Although, reporting practices have developed in forms of taxonomy and obligatory components, there has been discussion over the quality and meaningfulness of reporting (Gacser & Szoka, 2021). The roots of impreciseness around sustainability reporting can be traced back to the concept of sustainability. While the concept refers to triple bottom line thinking, the implications are case-based and deeply based on understanding of the concept of sustainability that is connected to culture of a place. This discussion deals with questions such as what kind of sustainability information is reported in relation to economic activities and for whom it is aimed. One addressed concern has been an uncritical repetition of the concept of sustainability in company communication (Gray, 2010). This has to do with narratives of sustainability and how businesses have adopted them. Questioning these narratives and viewing critically the understanding of sustainability has been addressed as ways to disclose the motives of sustainability reporting (Gray, 2010).

Most of the criticism of sustainability reporting deals with the situation that it is an evolving practice and is yet to be improved. The suspicions have often come from the audience of reports. From their perspective, the issue has been seen in the reported information, which has been questioned in the light of reliability. In other words, it has been a concern of the audience of how these reports should be perceived and how their reliability could be ensured. Generally speaking, the lack of comparability has created suspicions, which has highlighted the reported information (Gray, 2006). While the situation has been seen improving, it has been stated that the data the reports provide is partial and inconsistent (Glazerman & Cohen, 2020). Therefore, the major issue has been seen in lack of unifying regulations (Bruner & Sjåfjell, 2019). The proponents of regulations believe that by bringing reporting more firmly under governance would increase the comparability of reports, which would at the same time increase the reliability. Therefore, the current discourse around sustainability reporting deals mainly with how economic activities could be measured with respect to sustainability and how this should be disclosed in an informative and usable way. This discourse has revolved around the concept of sustainability and whether the current sustainability reporting actually has to do with sustainability (Gray, 2010: 48). On a deeper level, the information has been observed critically in terms of the approach from which it is gathered. Especially the reported social and environmental issues have been claimed to be gathered with the perspective that any such issue can be solved with existing mechanisms and presumptions (Gray, 2006). This criticism is based on the understanding that sustainability reporting should assist in utilizing transformations outside the conventional practices. The efficiency as a tool for solving actual problems has therefore been questioned (Joensuu et al., 2015).

In addition, the content of report has been emphasized in terms of its transparency. It is seen that reporting that discloses both positive and negative impacts is more transparent, and therefore corresponds to the purpose of disclosures as a form of communication (Glazerman & Cohen, 2020). Since transparency is valued in reporting, it is perceived as part of report's reliability that disclosures also include information about a company's ways to make improvements in sustainability performance. To put it other way, reports that come across as promoting glossy image of a company pose higher risk for suspicions over reliability.

On the other hand, the audience of reports has been seen as a challenge from the company perspective. The concept of sustainability reporting incorporates the idea that information should be disclosed in a way that it addresses interests of variety of stakeholders. Therefore, companies must balance in reacting to different interests. Sustainability reporting is from this perspective also in need to be improved to be more consistent so that it responds better to the different interests. While at the same time, the discussion has pointed out that in order the communication to be effective, reporting should focus on relevant stakeholders (Joensuu & Onkila, 2015). Ultimately, this has to do with the purpose of reporting. As a form of communication, "optimal" sustainability reporting aims to meet the needs of stakeholders while also assists a company internally in its sustainability performance (Horrigan, 2010). This points to the need for improvements in stakeholder engagement.

All in all, the core issue has been identified to be the concept of sustainability in companies and their operations and how it can be addressed more profoundly (Bruner & Sjåfjell, 2019). Corporate governance has been named as one of the keys that can directly and vigorously address the global challenges and lead the path to environmentally sustainable economic practices (The British Academy, 2020). One of the areas of corporate governance is the way a company organizes and reports its performance and impact in the light of sustainability. In general, reformed guidance and standardization in sustainability reporting have been seen as part of the solution, but also the way these are delivered in practice, pointing to the corporate culture.

On that note, there is seen room for improvements in sustainability reporting so that reporting would become a more impactful tool for understanding the impacts of economic activities and making changes towards sustainability in companies operations (Sjåfjell, 2020). This research contributes to the mentioned room by studying motivation of sustainability reporting. The purpose is to gain deeper understanding of the practice by considering it to be embedded in regulatory, societal and market-based conditions. In this way, I aim to contribute to earlier studies in the research field, that have addressed the need for further research in internal perceptions of the practice and the role of sector and country (Joensuu et al., 2015). The conducted case studies of this research aim to give understanding on how companies from different sectors and geographical contexts report on sustainability and how this form of information is received within the company. By addressing that sustainability reporting as a company practice is conditioned by its geographical context, this study aims to contribute to the discussion on what creates the grounds for conducting sustainability reports. The deeper aim of the study is to address that corporate communication should be observed by the motivations it incorporates. Furthermore, the study aims to contribute to the research field by observing critically the way the concept of sustainability is discussed in relation to economic activities and make a point that this discussion is culturally conditioned. This study investigates the role of geographical context in company's motivation to conduct sustainability reporting by addressing a company to be a social entity that operates according to legal and social requirements of the given context. As reporting practices are organized by people who not only are part of the company but society, there are values and beliefs that are transmitted to the company practices. The study addresses the interconnection between geographical context, social acceptance and business interest in companies' environmental and social disclosures. The following four subchapters are focused on the theoretical framework of the study that later assists in conducting the empirical part of the study.

3.2 Overview of the theoretical framework of the study

Within the research field of sustainability reporting, the practice is considered a phenomenon that incorporates multiple dimensions (Hahn & Kühnen, 2013). Depending on the emphasis and research interest, practices around sustainability reporting have been studied by using different theories. A common way has been to apply multiple theories to address different dimensions of the topic. This has aimed to widen the understanding of the practice and its underlying conditions. As a contribution to the usage of multiple perspectives, the theoretical approach of this study is built on three dimensions. These dimensions are geographical context, social contract, and "green" as a business strategy (Figure 1). Together they form a theoretical framework, which is utilized to investigate case companies' motivation to conduct sustainability reporting. I will next give an overview of these dimensions before discussing them in detail.

The first dimension of the theoretical framework discusses the role of geographical context. Geographical context addresses the role of place in sustainability reporting practices. In other words, I discuss this matter as place-based approach to organizational behavior. Firstly, a company is seen to be operating according to the regulative regime which is defined by the nation state as well as other geographical framework that the company's market coverage or operations are conditioned by. The regulations of the context determine company's accounting systems in the first place. The legally required disclosures on environmental and social issues are therefore the grounds for sustainability reporting as well. As seen in the chapter of institutional framework, the regime may exceed the national borders, for instance in form of EU Directives that impact the European market, which in case of member states is stronger than other alliances. Geographical context is also discussed in terms of culture. Culture includes both the external culture of the place and internally formed corporate culture. Hereby a company is understood as an embedded social entity in which practices are formed and executed according to the external conditions and their internal adaptations.

Following the geographical context, social contract theory is utilized to investigate how companies' legitimacy to operate is built on tacit agreements in society. This is considered as the second dimension of the theoretical framework. Social contract refers to the acceptance of given actor in society that is vital for it. In this study, it is used to understand how companies are required to practice social commitment to receive societal and increasingly financial acceptance. The third dimension of theoretical approach is concentrated on discussing "green" as a business strategy, which aims to theoretically explain the way a company may see sustainability and its communication from business interest perspective. The dimension aims to elaborate the reasons why a company may take a proactive approach to "green" performance and create "green" strategies that give it a competitive advantage.

To summarize, the aim of the theoretical approach is to give basis for understanding the internal and external structures and dynamics that form sustainability reporting practices and also the way this is conditioned by the geographical context referring to the place of origin (headquarter) of case companies. The theoretical framework is depicted in Figure 1.

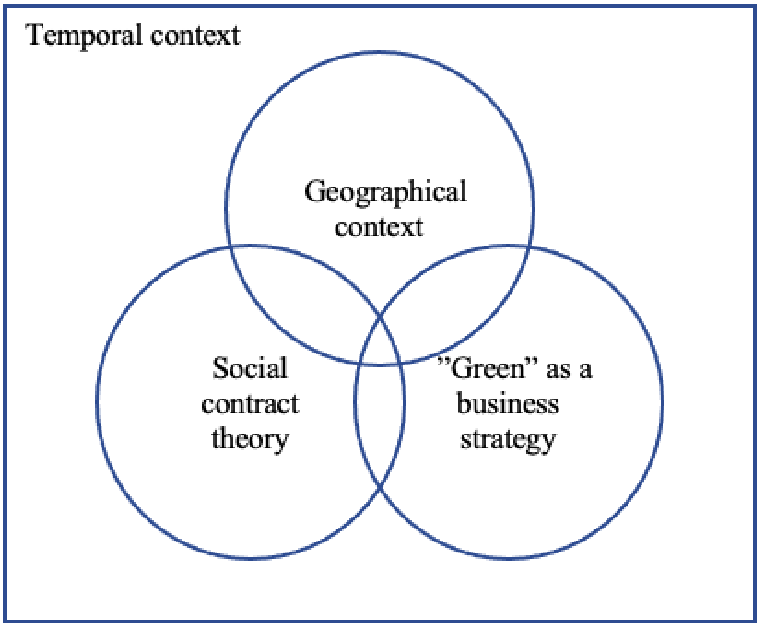

FIGURE 1. VISUALIZATION OF THE THEORETICAL FRAMEWORK.

3.3 Place-based approach to organizational behavior

The first dimension of the theoretical framework deals with the role of geographical context in companies' behavior. It stresses that companies are both the creators of and created by the societies they operate in (Taylor, 2009). In terms of this study, geographical context refers to the legal requirements in environmental and social disclosures that apply to a company and also the way a company is socially embedded. Fundamentally, a company operates according to the legal requirements but as a social entity, its operations are tied to the social demands of the given time and place. Yet demands are seen to derive from the culture of the place and the values and beliefs it holds. Building on this, a company's actions origin from the actions of people who hold knowledge based on their cultural conditioning. Furthermore, internally a company holds its own culture, which is formed by the people of the company who pursue the set business aim. To cope with the external and internal conditions, the company creates practices that meet the knowledge and values that the conditions incorporate. When it comes to sustainability reporting, the requirement is improved transparency and responsibility to which the practice is a reaction. The aim of this chapter is to give understanding on how a company's approach and conducted sustainability reporting is based in place.

A company is seen as an organized entity that consists of individuals who pursue for profit-activities (Aoyama et al., 2011). In this way, it is a social entity in which individuals are conditioned by their own background, culture and worldviews and who together are organized as a company and therefore create as a collective culture within it (Massey, 1991). From rationalist perspective, companies take actions to gain profits and be competitive among other companies (Barnes & Sheppard, 1992). Companies behavior is seen to be combination of this rationality and irrational actors and processes that derive from socio-cultural conditions. Hereby, implementation of sustainability reporting practices can be seen as a company's way to adapt to the values and culture of the context (Pyka & Cantner, 2017). It is said that while behavior can be reasoned by rationality, the role of social actors and relations are neglected if companies are defined only by their economic interests. Therefore, it is said that to better understand companies behavior, the circumstances of the context they operate in that holds values, beliefs and attitudes, should be investigated (Fellman, 2008). It is believed that these circumstances are transmitted to the company in several ways, for example through the people who are part of it. As the people of the company are not only part of the company but have different roles in their life as part of society, they have a personal set of values. Therefore, a company is seen to be embedded in the socio-spatial constructions including institutional structures (Yeung, 2005). To put it other way, companies are not to be understood as separate entities of society but operating according to the conditions of the given context.

Values, beliefs, and attitudes are by the time seen as translated to the regulations of place (Clifford et al., 2009). Regulations are set by government of a given place and are considered as significant signs of the way a specific society is structured. For example, in this study the researched context is the company's headquarter. The company operates within the legislative structures of this context. In terms of sustainability reporting, the basis for the practice is formed by the regulations of this structure that concern the company generally and specifically reporting. On legal basis, regulations set companies certain obligations that they have to follow to be able to operate. As this study looks into companies with global operations, they need to take into consideration the legislation and culture of the given place. However, fundamentally a company is impacted by the place it comes from. Given that large companies typically have operations worldwide, international regulations are part of the regulative regime of a large company. In this sense, the regulations of place can be implementations of a larger framework the place is part of, for example, EU regulations that are translated to a state that is concerned by it. In terms of the EU, this refers to member states or other states that are integrated into its market through agreements like EEA or EFTA. It is also worth stressing that a regulative regime is not stagnated structure but changes over time (Hermelin & Rusten, 2018). This instability impacts company behavior directly in the way that it operates according to the given legislation but also it copes by strategizing its future actions.

Looking closer to the circumstances in which a company operates, the culture of the place impacts it in the legal sense but is transmitted to a company also in other ways. Hereby, the culture of the location of headquarter can be seen as intertwined to the company through its people and other societal influences, political attitudes, for example (Håkansson & Snehota, 1989). In general, culture can be said to be a system of knowledge that occurs both visibly and tacitly (Aoyama et al., 2011). Its essence is therefore invisible on the surface (Trompenaars & Hampden-Turner, 1997: 3). Culture is projected to actions and experiences through the meanings people have for things (Aoyama, 2009). A group of people who share these similar ways can be said to be part of the same culture (García-Sánchez et al., 2013). It can be described as "a collective programming of mind" in which people relate to their social setting by shared meanings that originate from the shared ways of understanding and interpreting the world (Dubey et al., 2017).

In this sense, the people of the company share the same culture, which can be called corporate culture. As every company is formed by a particular group of individuals with particular company strategies, every company is seen to have its own culture. Corporate culture realizes itself through expressed attitudes that are particular to the corporate (Trompenaars & Hampden-Turner, 1997). These attitudes are based on values, ideologies, and beliefs (Linnenluecke & Griffiths, 2010). One popular way to picture corporate culture has been to see it as an iceberg (Matkó & Takács, 2017). On the surface level, it is possible to see the products and behaviors of a company. While below the surface are the values and assumptions that guide behavior. Assumptions refer to the basis of the culture, meaning that they can be so integrated that for an insider they are self-evident matters. The iceberg model has been used to demonstrate the way corporate culture consists of visible and tacit elements. As a company is hierarchically organized, the values, beliefs, and attitudes hold by the managerial level are seen as impacting the whole corporate culture (Bhāle & Bhāle, 2018). Corporate cultures have been argued to emerge out of managerial identities and undertakings that are transmitted into attitudes and interests and that eventually produce corporate strategies (Schoenberger, 1997). In practice, the interaction of people in company maintains the culture as they follow the norms of culture (Trompenaars & Hampden-Turner, 1997). In order to change the corporate culture, it is argued that this happens by a combination of internal competencies and external pressures of the company's context (Taylor, 2009). Based on this argument, a company acts according to the given culture and implements practices that assist it to remain legitimate.

The matter of sustainability has also been seen as a deeply culturally dependent because of people's individual worldviews and meanings for things (Gray, 2010). Because interpretation is based on knowledge and personal value judgments, sustainability narratives have been a matter of conflict. The debatable issue has been for example "what is to be sustained, for how long and in what condition" (Gray, 2010: 56). As a result, it has been argued that there are only interpretations of sustainability and therefore the way it is viewed and expressed is bound to the cultural conditions.

3.4 Social contract theory

The second dimension of the theoretical framework deals with the social contract theory that is discussed in relation to company behavior. To start with, I explain the meaning of social contract in this study.

While a company acts according to the given legal requirements, it is also seen to cope with the values and attitudes of the context to attain social acceptance (Allen, 2007). Based on this, the interaction between business and society can be seen to occur under a social contract. The idea of a social contract was already discussed centuries ago and has since then been used in different contexts that concern the rights and responsibilities of actors in society (Allen, 2007). It has been applied broadly within research on social disciplines in which it refers to the legitimacy of the given actor or institute in society (Shocker & Sethi, 1974). As a theory it is most of all a way of thinking, in which the interaction between actors in society is seen to be based on a set of rules. Social contract can be "actual, implicit or hypothetical agreement" and is vital for gaining social acceptance for actions (Lacey & Lamont, 2014: 833). The way social contracts in society can be observed is through actions and practices that generate levels of acceptance in society.

For this study, I focus on literature that sees companies as operating via social contract. In this sense, social acceptance is seen to be essential for a company's legitimacy (Erden & Bodur, 2010). While companies are held accountable through legal requirements, social contract theory addresses that there exist other elements of authority additional to laws in society. Hereby, social contract theory may assist in understanding the indirect obligations that companies face while acting in society (Donaldson & Dunfee, 1994).

Society can be defined as a distinct social group that consists of actors and their relations that are shaped in relation to time and place (Clifford et al., 2009). Society incorporates and produces its own "normative patterns of behavior, practices and relations" that are ongoing (Clifford et al., 2009: 237). It is relational in the way that its well-being is influenced by the actions of the individuals and groups and their relations that are part of the society. Society is seen to incorporate both public and private interests. As private interests take place under public interests, they are more likely to be constrained in a democratic society. In other words, the common good is seen as prioritized in democratic societies and social contract occurs as a set of rules that responds to the societal demands of given time. According to social contract theory, the shift in expectations for business can be seen as deriving from a renegotiation of rules of social contract (Allen, 2007). The shift means that businesses are expected to be more transparent of their actions in terms of social and environmental performance, which indicates that transparency on this matter has increased its importance as a rule in society. To act according to the renegotiated social contract, it can be argued that businesses respond by creating practices that show transparency. Furthermore, transparency has to do with expectations that a company reflects its role as part of society and wider ecological systems. In practice, transparency may be played out by disclosing information on company's performance and impacts to these social and ecological systems. On that note, social contract in this study is understood to take place between a company and an increased number of stakeholders including the natural environment and future generations. The wide range of stakeholders correlates with the concept of sustainability.

According to social contract theory, society is conditioned by social responsibilities and acting according to them to receive acceptance. In this light, especially actors who have significant influence are seen to carry social responsibility and therefore can be held accountable for the common good of the given society (Hickey & King, 2016). From this perspective, companies responsibility is argued by their environmental and social resource usage. Based on the idea that a company's actions have wide societal impacts, they can be expected to give out information that has societal value. In other words, social responsibility is needed to be demonstrated in order to be recognized as a socially responsible actor. Furthermore, the disclosed information that demonstrates responsibility can be evaluated according to society's needs (Hickey & King, 2016). This means that what is considered responsible economic activity, is based on given temporal and cultural context. Another argument for a company's responsibility is that it derives resources from the society and should therefore utilize the resources for the common good of society (Shocker & Sethi, 1974). Resources are in the first place needed for a company to operate. Utilizing resources in the way that contributes to the well-being of society is part of a company's social commitment. This is based on understanding that the well-being of a community is superior to one's own ends. In practice, social commitment has meant creating value not only for a company's financial stakeholders but to a variety of them. In other words, a company's responsibility is seen to be to serve the needs and interests of stakeholders instead of acting for wealth maximation to shareholders. Increasingly, the point of view has been that companies should not only act responsibly for the sake of societal wellbeing, but also for natural entities (Rendtorff, 2015). Hereby responsibility is seen to be attributed to the whole living world.

Stakeholders can be defined as the ones that affect or are affected by a company's operations (Erden & Bodur, 2010). In this sense, stakeholder may be individual or a group. Some of the stakeholders of a company are government, communities and employees. In addition to different stakeholders in society, the environment has been increasingly mentioned as one as well. Furthermore, it has been seen that the number of identified stakeholders has increased as the understanding on complexity of environmental and social problems has increased (Huntjens, 2021). Stakeholder aspect has been addressed in stakeholder theory, which sees a company's duty to serve the interests of different stakeholders (Mansell, 2013). Stakeholders are seen as the ones who give a company its legitimacy to operate and are therefore able to expect accountable action. Therefore, the relationship a company has with its stakeholder have been seen as vital for its survival (García-Sánchez et al., 2013). The relation is based on an acceptance that is geographically embedded (Hadjimichalis, 2006). This means that the values, beliefs and attitudes of a particular society determine what kind of activity is accepted. Stakeholder theory is based on a moral perspective that states that because of being affected, stakeholders hold the right to be informed of a company's operations and impacts. Engagement with stakeholders is considered the way to manage these relations. Therefore, a company is seen to be prone to create practices that assist them in understanding stakeholder needs and interests in order to respond to them.

One example of the realization of social contract has been the practice of "social license to operate" that reflects the relationship between a company and its identified stakeholders (Moffat et al., 2016). SLO has usually been used in connection with heavy industries, such as in mining or oil and gas projects, that have significant environmental impact (Mercer-Mapstone et al., 2017). SLO has been seen to be a product of dialogue that gives social accountability for such projects. Typically, SLO has been discussed in relation to conflicts between environment and commercial interests, in which dialogue has been seen crucial for solving the situations (Mercer-Mapstone et al., 2017). In these situations, stakeholders are typically identified as the local people and the environment of the location of the certain project. Due to this, SLO has typically been discussed in relation to rather small scale. For instance, mono-industrial towns have been considered as examples of situations in which social contract is negotiated between the extractive industry and local stakeholders (Storm & Kasperski, 2017). In practice, public engagement is considered a significant part of gaining SLO. However, the discussion of public engagement has raised questions about what a meaningful dialogue between different interests is and who are the ones that should have this dialogue (Huntjens, 2021).

The reason for making a reference to SLO, is to position sustainability reporting in terms of social contract. On the one hand, sustainability reporting incorporates topics that are similar to information in SLO, for example information about impacts and assessment of these, but it can be argued that sustainability reporting is conducted from different grounds. While SLO is often utilized in situations where communication is needed to prevent conflicts, intentions of sustainability reporting can be argued to be vaguer because of its broad perspective. Indeed, SLO and sustainability reporting differ in several ways, for instance in the scope and audience of the disclosed information. However, the point of bringing these two concept into same discussion is to argue for how the idea of social contract can take different forms and volumes.

As an example of SLO shows, social contract is realized through creating practices that ensure a company's legitimacy (Hess, 2009). This can be seen as acting in relation to the given conditions that is part of companies rationality (Taylor & Oinas, 2007). Hereby, companies are prone to respond to the values of its context by creating practices that show its commitment to the values. In this way, the values can be seen to transmit to the company. Continuous stakeholder dialogue is therefore vital for companies to be aware of the cultural conditions in their context. Social contract is also realized in form of markets, in which companies' strength is measured in profits which is ultimately based on the amount of legitimacy they are given.

Sustainability reporting can be seen as a form of communication that intents to show social commitment in the matters it communicates. In the light of global environmental and social issues, social acceptance is seen to be gained by taking actions that demonstrate that these issues are taken seriously (Rendtorff, 2015: 43). Appearance as a good corporate citizen is tied to the practices that disclose companies role in these issues and how they take responsibility as being part of them. The observation that sustainability reporting is conducted indicates that there is a need for such practice that enhances the legitimacy of a company. Social contract theory is seen to provide some understanding because it has to do with one's accountability for its actions to a broad audience. In other words, to a variety of stakeholders including the natural environment. Sustainability reporting in this way can be seen as a form of communication that assists a company to be accountable for its stakeholders.

3.5 "Green" as a business strategy

Based on the dimensions of geographical context and social contract, a company operates according to the regulations of the context and by what is needed for gaining social acceptance based on the cultural values of context. Meeting the legal and social requirements is considered essential for a company's existence (Taylor & Asheim, 2001). However, when there is a strategic action towards environmental performance, that exceeds these basis requirements, a company can be seen to behave in a proactive way. In general, environmental performance has been increasingly viewed from a strategic and competitive point of view by companies (Elkington, 1998). In this third dimension of theoretical framework, I discuss the idea of "green" as a business strategy that has to do with company behavior that sees business opportunity in environmental and social performance and disclosures of this.

Sustainability by the Brundtland report includes environmental, social and economic aspects, which in relation to economic activities may also be called as the triple bottom line (Erden & Bodur, 2010). As discussed earlier, to receive acceptance from stakeholders, company's strategy is increasingly expected to be based on these aspects (Rendtorff, 2015). However, out of environmental and social aspect, environmental aspect has received more focus in companies efforts in sustainability. This due to the observation that environmental issues are considered more manageable for companies. They can concern for example emissions, energy efficiency and resource and waste management (Maler et al., 2005). In relation to economic activities, environmental sustainability has been referred to as "green" (Rusten, in print). This has created the concept of green business that can be understood as the company's ability to be simultaneously profitable and reductive of its environmental impact (Keenan et al., 2011). In contrast to this, social aspect of sustainability is seen as more complex and therefore been a matter of challenge to comprehensively measure. The concept of green has been supported by international organizations like OECD whose statement on green growth in report "Towards Green Growth" addressed the way forward for economic systems (OECD, 2011). According to OECD, green growth refers to the way economic growth should take place with respect to both environmental and social values.

As companies are key agents of economic systems (Taylor & Asheim, 2001), they are also keys in realizing green growth agenda. Companies can be seen as motivated to pursuit environmental improvements by both regulations and competitive advantages related to "green" performance. These notes can be argued through rationality of a company. From rationalist point of view, a company not only adopts practices according to the expectations of the context of its operations but aims to exceed them by creating strategies that improve its competitive edge (Taylor, 2009). Competition is seen as part of company rationality whereas it is prone to search new market opportunities (Aoyama et al., 2011). Strategies are yet based on the context and the values it incorporates due to the way a company's strength and survival is based on legitimacy it is given. The way green business strategies are nowadays widely adopted indicates that this is seen crucial for remaining competitive. Although not all companies engage in the green competition but implies the legal requirements.

Environmental regulations are considered as governing tool to constrain companies environmental footprint and ensure that common natural resources are used in socially acceptable way. However, environmental regulations have been discussed in relation to companies competitiveness. The concern here has been how regulations that are ever stringer affect competition in the markets. From this perspective, regulations are seen as increased costs for a company, which yet impacts its competitiveness negatively. Hereby, it was seen as a tradeoff in which either economy benefits at the expense of environment or vice versa (Porter & Kramer, 2011). The progression of this perspective introduced an idea in which higher environmental performance driven by the regulations and competitiveness are seen to be achieved simultaneously. The key in this was seen to be company strategies. It was argued that competition is an inherent way of companies to operate and therefore in the real-world competition occurs through change in legal requirements. In fact, regulations were seen as one factor that pressures companies to innovate and this way engage in competition. Given that regulations demand higher environmental quality from companies, the implication of regulations simultaneously create strategies that improve a company's resource efficiency, which is may assist it to be more competitive (Porter & Kramer, 2011).

However, Porter & Kramer (2011) also see that it is an expectation for regulations to be set in the way they promote resource-efficient performance. The way regulations are formed is seen to affect competitiveness. The issue is not how strict the regulations are but how they capture what is needed for environmental improvements and the way regulations are administered (Porter & Kramer, 2011). For instance, regulations that promote prevention instead of managing caused harms, guide the way companies see environmental issues, which is the foundation for creating strategies. Hereby, proactive behavior depends on mindset of the company to environmental issues in general and environmental regulations. Mindset here refers to the inherent values and beliefs of a company. Also, the way company reacts to environmental regulations may be a sign of its competitiveness in general.

When it comes to the management, regulations are administrated by disclosing practices. Companies disclose information according to the regulations, in which benchmarks are commonly used for assessment. A benchmark refers to fixed evaluation point that assist in comparing different performances. Hereby, sustainability benchmark means that there is a certain criteria for sustainability, and performance can be evaluated according to it (Iseal Alliance, April 2019). Tools that assist in benchmarking sustainability performance are for example standards, certifications or other companies that use green business strategies to compete in the markets (Iseal Alliance, April 2019). It has been argued that already the existence of benchmarks create competition between companies. When there is a fixed reference, a company is prone to create strategies that improve its position against the reference. From the company perspective, benchmarks are used both external and internal evaluation. For example, a company may benchmark performance of other companies in the same sector as these have comparable operations. A company may also use internal benchmarks to manage improvement. Externally, benchmarks are for example used to evaluate performance between companies and sectors. The aim of benchmarks is to make certain performance preferred while diminishing performance that is not aligned with it. Usage of benchmark tools in disclosures can hereby enhance a company's legitimacy, which may be part of its reputational strategies. This is based on the idea that a company that is perceived as a positive contributor to sustainability is preferred by stakeholders that hold capital such as investors and customers (Rusten, in print). Companies may also attract employees that enhance a company's competitiveness. Furthermore, performance that is not aligned with benchmark is a reputation risk for a company and hence risk of loss in revenues.

Having a reference point also means that there must be demonstration of performance. Performance must be managed and measured to be able to evaluate it. Therefore, benchmarks can give pressure to create practices that make performance measurable. Usage of benchmarks is seen important in the way they give legitimacy to a company, which yet allows it to be preferred by stakeholders who hold capital and want to invest in benchmarked companies. From rationalist perspective, the motivation for engaging in usage of benchmarks is opportunistic in the way it pursues the interest of a company's shareholders (Mansell, 2013). While benchmarks may also benefit a company indirectly by received social acceptance. The risk with benchmarks is that they may create perceptions of a company that give it credit in one aspect but do not disclose the full impact of its operations. Benchmarks are therefore not greenwash-proof, as a company is the agent who pursues them, and it may prefer benchmarks that give it reputational gains.

To summarize, a level of ambition that sees business opportunity in sustainability practice and reporting can be seen as proactive behavior. It indicates a company's way of seeking competitive advantage with "green" business strategies. The role of sustainability reporting is hereby to communicate a company's efforts in the way that expresses the proactiveness. Benchmark tools may be used for communication as they allow performance to be compared. Reporting in itself may also be part of the "green" strategy as it may give a company competitive advantage through improved reputation (Joensuu et al., 2015). Hereby, disclosing environmental and social information may not only be about complying with law but connected to a company's ability to pursuit competitive advantage in the markets that prefer performing in a sustainable manner.

4. Methodology

This chapter consists of an introduction of research design, case study methodology, and sample of cases. In addition, I discuss ethical issues which are divided into chapters on positionality and validity of the research.

4.1 Research design

This study is built upon a qualitative research design including qualitative data collection and analysis methods. This means that the study is contextual, and data is gathered from real-life conditions (Gray, 2018). Qualitative methods are typically used when the aim is to gain an understanding of the underlying conditions of the researched phenomenon. Based on this, sustainability reporting is studied in-depth in specific settings to gain an understanding of its motivation. The research design is based on the two research questions.

The case companies are researched by conducting document analysis for their sustainability reports from the year 2020 and interviewing sustainability experts from companies. The interviews are held with 1-2 experts per company. The small size of the sample is discussed in section 4.2. The data is analyzed with the aim of giving understanding to the two research questions. The research questions are covered in the way that company reports are studied to answer *how* the company reports, while interviews provide insights into *how* this information is received internally. The coding scheme is derived from the theoretical framework and set to address both questions. The analysis follows synthetic case study method which involves the same coding scheme for analyzing each case and discussing the findings in form of a synthetic case. In the discussion chapter, the study is concluded by focusing on discussing the second research question of the role of geographical context of the company in its motivation to conduct sustainability reporting. This discussion is based on the analyzed data and the used literature. The research design is visualized in Figure 2.

To support the data collection of company reports and interviews, an online course on "Sustainability reporting process" by GRI Academy was completed. The course gave an understanding of GRI's framework on sustainability reporting and how this process is organized. The course was completed before document analysis and interviews to provide insight into framework before entering the fieldwork. To comprise the current status of sustainability reporting, a conference on “Sustainable finance and reporting summit 2022” was attended. The conference gave insights on the role of environmental and social disclosures in companies' practices currently and the outlook for such reporting, allowing data analysis to be completed with a real-life perspective.

For the empirical part of the study, sustainability reporting is studied by using case studies. In this way, the practice is studied as part of social reality (Crotty, 1998). A case study method is typically used in research that aims to examine complex topics in a real-world context (Yin, 2014). It can also assist in understanding why and how a certain phenomenon occurs (Eisenhardt & Graebner, 2007). Furthermore, case study research can be designed to investigate a single case or explore multiple cases with the aim of identifying shared patterns and characteristics (Eriksson and Kovalainen, 2008). This study utilizes a multiple case study method by researching a sample of four companies and their sustainability reporting practices and how this is received within the companies. Multiple cases were chosen to study how the practices and perceptions are different and similar between the companies. Due to the focus on the dynamics of a single setting, case studies provide data that is contextual (Eisenhardt, 1989). The analysis of the gathered data is based on constructionist thinking. This means that people are assumed to construct their social world through the use of language (Berger & Luckmann, 1966). In other words, interaction is understood to take place based on the constructed understanding. This also means that trust is based on collectively formed meanings. In relation to this study, sustainability reporting is observed as a form of communication that includes perceptions and beliefs that are constructed realities of people of a certain setting.

The two sources of data are analyzed by using a synthetic case study method. In this study, a synthetic case study is understood as an “explanatory type of case study”, which refers to a methodological aim of “understanding how or why something came to be” (Yin, 2014: 238). The synthetic case study method is a procedure in which the cases are analyzed by gathering analysis of each case together (Abadie et al., 2010). In practice, this means that the same coding scheme derived from the theoretical framework for both document analysis and interview analysis is utilized.

Due to the use of one coding scheme, company sustainability reporting practices are researched with the aim of finding cohesion rather than comparison across the cases. Cohesion is used because of the setting of the research questions. The two research questions are built around the practice in itself. Collecting data from different cases and analyzing them by the same coding scheme aims to reveal common factors that explain sustainability reporting practice. Due to the use of a coding scheme derived from a theoretical framework, data analysis is processed mainly with a deductive research approach. However, as the research is conducted in empirical reality, inductive approach cannot be excluded since empirical reality provides a setting in which discoveries may be found (Gray, 2018). This means that repeated and emphasized themes in the data that can build on and enrich the theoretical framework are included in the analysis. The analysis is conducted with an interpretivist approach, which means that the coding scheme is utilized by interpreting document content and personal perceptions. Interpretation refers to the interaction between researcher and research object in which meanings are produced (Clifford et al., 2016). The study is conducted with a perspective-seeking rather than a truth-seeking methodology (Gray, 2018), meaning that it is conducted with an awareness that there are a number of motivations in sustainability reporting and this study discusses some of them based on gathered data and theoretical framework.

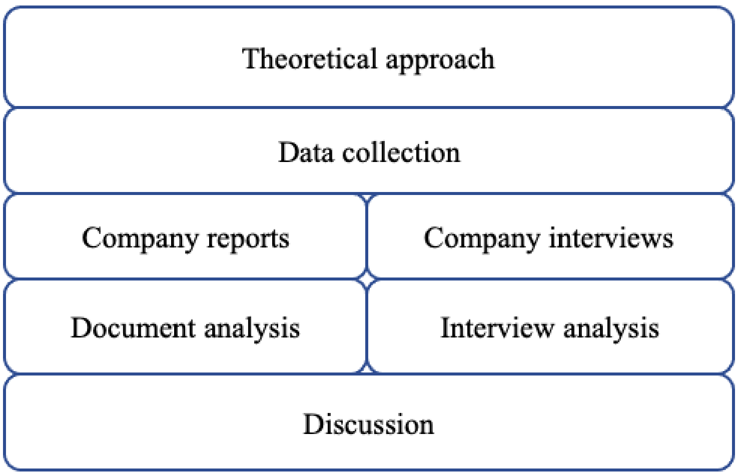

FIGURE 2. VISUALIZATION OF RESEARCH DESIGN.

4.2 Sample of cases

The empirical part of the study consisted of investigating a sample of companies from Norway and Finland. The sample was chosen from two countries to explore the geographical dimension of sustainability reporting, referring to both the legal and social requirements that enforce it. In addition, the sample represents a variety of sectors. The sectoral perspective aims to disclose the extent of how harmonized the practice is between different sectors. The researched large companies come from sectors of agriculture, forestry, metal and manufacturing, and oil and energy (Table 1). A large company in this study refers to one with more than 500 employees (Communication by the EU, 2014/95). In Table 1, the size of the case company is expressed in the number of employees. The cases from forestry and metal and manufacturing sectors represent the Finnish sample, while the cases from agriculture and oil and energy are part of the Norwegian sample. The case companies are perceived as windows to the sectors and discussion will take place on a sectoral level. The sector-based observations will indicate some fashions that sustainability reporting takes on the specific sector, but it is still acknowledged that the cases are individual.

TABLE 1. SAMPLE OF CASES.

The sector of the company	Country of origin	Size as number of employees (2021)
Agriculture	Norway	12 800
Forestry	Finland	17 000
Metal and manufacturing	Finland	9 900
Oil and energy	Norway	2 400

Looking at the geographical conditions of the cases, the two countries pose both similarities and differences, which also translate to company practices. Despite being located in the Nordic area, the countries are distinct because of their histories and cultures that shape their unique national business systems (Fellman, 2008). Similarities and differences can be seen to arise from two main factors: heritage and economic structure. While the economic structures and institutional settings differ, green as a business strategy has increased significantly in companies in both economies, which makes sustainability reporting a timely topic in these contexts (Andelin et al., 2013).

As Nordic welfare states, both countries are characterized by a large public sector, which promotes equality and welfare society wide (Ojala et al., 2008). Partly because of the model, social responsibility has been considered an important influencer for the way business systems function as well. When it comes to natural resources, the role of the state is to regulate the usage through legislation. Social responsibility is in this way tied to legislative structures and commits resource users to be accountable for the people of the society. Usage of natural resources refers to environmental regulations. In this sense, nature (natural environment) is understood as quantitative materials, while regulations that preserve the inherent value of it, are considered more complex to bring under law (Huntjens et al. 2021).

The sample was chosen as representing large sectors in both countries. The oil and energy case represents a typical large sector in Norway (Karlsen, 2013), while the case of forestry is an example of a large sector in Finland (Ojala et al., 2008). Looking closer at the cases and their significance in the domestic economies, Norway’s economy is largely resource-based and characterized by the extraction of domestic natural resources (Karlsen, 2013: 157). In addition to oil and gas, maritime and hydropower make up a big part of the whole economy (Hansen 2013). The Finnish economy is generally characterized by export-oriented manufacturing with tradition of forestry and mineral production (Lilja et al., 2011). There are a variety of other large sectors in both countries, but these are mentioned as related to the sample.

Not only are large industries significant contributors to the economy, but they also represent part of the national image. For instance, the case of oil and energy company plays as an example of the contradiction of energy sector’s significance in the Norwegian economy and the country’s vision on its environmentally friendly future. The government’s vision of an environmentally friendly energy nation sets clear expectations for companies that operate in the energy sector to demonstrate commitment to development of more sustainable practices, for example in the form of energy technologies (Hansen, 2013). As a response, emission reduction and energy efficiency have been highlighted in production to comply with stringed environmental regulations and demands. The case of oil and energy can be considered an example that demonstrates this kind of societal expectation.

In addition, all cases are global players with operations worldwide, creating their influence both local and global. For instance, the case of agriculture can be considered an example of a contributor to global food security. Because of their influence, the companies' practices in sustainability reporting indicate the current national environmental policies, and underlying institutional conditions. Reporting may also be viewed as part of acting in line with long-term national environmental visions. This may enforce the creation of best practices within sectors as reporting becomes more of a norm to remain competitive. While different sectors may encounter different amount of pressure to disclose information. In this study, all of the cases represent heavy industries and therefore have already a history of environmental and social reporting practices. However, due to the classification of sustainability of economic activities, the case of oil and energy may be facing the most pressure to respond to the disclosure demands in the sample. It is also worth noting that the sample represent cases that have legal obligations to report on environmental and social impact, but there is an increasing awareness that these dimensions include topics that are yet to be regulated. Therefore, companies may include in their sustainability disclosures information based on their interpretation of the concept of sustainability and the information needs of their stakeholders.

As all the case companies are large with worldwide operations, the cases conduct so-called concern level reports, that is a company's general communication of itself. In addition, companies have a practice of reporting from the different operation sites. These subsidiary reports concern the sustainability performance and impacts of the operations specifically in the given site. Subsidiary reporting was across the cases seen as an important part of the concern level reporting practice. For example, in the case of the forestry, mill reporting was mentioned as a practice that had been going for a long time. However, concern level reports may use local sites as demonstration material. For example, companies may present case stories from the local sites to demonstrate stakeholder engagement or new technology projects as part of their concern level sustainability report. This study focuses on the sustainability reports that communicate the case company's concern level performance and impacts in sustainability.

4.3 Company interviews as fieldwork

The main part of the fieldwork consisted of interviews with the case companies. Interviewing, as a data collection method is said to be useful for understanding attitudes, values, and meanings that people have for a phenomenon (Gray, 2018: 379). In this study, the purpose of conducting interviews was to gain deeper insight into the topic of sustainability reporting.

The interviews were held individually with each company in October-November 2021 and took between 30-40 minutes. In total, four interviews were conducted. The oil and energy and metal and manufacturing companies provided two participants for the interviews, while interviews with agriculture and forestry companies were conducted with a single representative. Interviews took place digitally due to the restricted opportunities to travel and visit companies during the COVID-19 pandemic. In the literature, the pandemic highlighted the matter of "remote science" which refers to mitigation strategies such as online meetings to conduct research remotely (Scerri et al., 2020). At the time, online meetings and video calls were a common way to be in touch, especially with unfamiliar people, and therefore, having remote interviews felt normal at the time. The digital format generated a well-working communication, however, an in-person interview would have naturally been a more intimate format to communicate and likely would have provided more observations.

Interviews were held in a semi-structured manner with each company using the question pattern that is found in Appendix 1. Semi-structured interviews are described as interviews with an outline of questions but are flexible in the way they are used (Gray 2018). In practice, this means that the question pattern provides an outline for the interviews, but its usage may be flexible for example in the order of questions. In the case of the conducted interviews, this meant that questions were covered in a conversational manner and asked in order that followed the interviewee's responses. As the questions aim to gain deeper insight into the topic of sustainability reporting, it was noted that a flexible interview allowed topics to arise naturally and provided insightful input. However, the question pattern gave structure to the interviews and informed the interviewees of the topics they would be interviewed on. The question pattern consisted of five topics each of which had 3-5 questions. The list of topics was sent to the participants beforehand. The question pattern was formed with the aim of understanding the company's perspective on sustainability reporting in their case. In the interview situation, the interviewees were informed again of the discussion topics before beginning the interview. The five topics were: introductory, regulations and standards, reporting practices, stakeholders, and evaluation of sustainability reports.

Because this study focuses on a specific company practice, sustainability reporting, the interviewees were chosen by using a selective method. This kind of sampling strategy is called a purposive sample, which is often used in qualitative research (Gray, 2018: 215). The aim of a purposive sample is to gather a sample that has the requested knowledge in terms of the research topic. Along the lines of purposive sampling, it is also common that the sample can be small as the aim is to gather data from information-rich cases that would not be provided by other sources (Gray, 2018). Therefore, the sample was gathered by approaching executives and managers within sustainability departments and persons explicitly working within sustainability reporting of the company. Interviewees can also be named as experts, as they hold a particular position in the company with knowledge of sustainability reporting. In total, the sample consisted of 6 persons. Table 2. presents the sample with the number of participants in each case and their positions in the company. It is worth noting that the positions are connected to the way environmental and social issues are understood in the company. For example, some of the positions include the word ‘sustainability’, some ‘environment’ and some ‘responsibility’.

TABLE 2. INTERVIEWED PERSONS FROM CASE COMPANIES.

The sector of the company	Number of participants	Position
Agriculture	1	Senior Sustainability Manager
Forestry	1	Reporting Manager in Responsibility
Metal and manufacturing	2	Senior Manager Environment, and Communication Manager
Oil and energy	2	Manager external environment & working environment, and Sustainability specialist

4.4 Coding method

The data analysis is built on a coding method, in which the gathered data is given meaning through interpretation (Gray, 2018). The data consists of case companies’ sustainability reports from 2020 and interviews held with representatives of companies. The two sources of data are analyzed by using a coding scheme derived from the theoretical framework (Table 3.). This means that the analysis is conducted with a deductive approach. The coding scheme is set to provide an understanding to the two research questions. In practice, the analysis is conducted with an interpretivist approach by coding both sources of data according to the scheme. The scheme consists of four codes: geography; measures and benchmarks in use; articulated social commitment; and communication of purpose of sustainability reporting. The codes derive from the combination of the three dimensions of the theoretical framework of geographical context, social contract, and “green” as a business strategy.

The coding scheme derives from the framework in which geographical context refers to the regulative regime including national and international levels that concern sustainability reporting while also the informal institutions. Social contract theory addresses the way a company gains legitimacy by following tacit rules of society. While “green” as a business strategy refers to a company’s proactive behavior to seek competitive advantage within societal demands. As the theoretical framework is overlapping, the codes are derived from the combination of it. Although, each code is created as inspired by one theoretical dimension. This means that the code “geography” and “communication of purpose” are generated from the dimension of geographical context, while the code “articulated social commitment” from the dimension of social contract theory, and lastly the code “measures and benchmarks in use” is inspired by the dimension of “green” as a business strategy. The set of codes together aim to provide indications of the role of geographical context in the company’s sustainability reporting practices. In practice, the results of coding are presented in form of tables of each case, which present coded evidence from the data. To summarize, the coding scheme consists of the codes and their explanations derived from the theoretical framework (Table 3).

The coding scheme is utilized by interpretating content of sustainability reports and perceptions of interviewees’. The purpose of coding is to give meanings to the content of reports and the perceptions of interviewees’. As a preparation for the coding process, the interviews are transcribed by using edited method (Gray, 2018). This means that the accurate scripts that had grammatical mistakes and slang are edited for readability and clarity. In other words, spoken words are edited to more formal language. Because of the small size of the sample, the interviews are transcribed by hand and printed out for coding. The advantage of small sample is to have the opportunity to develop a familiarization with the data from early on (Gray, 2018). After this, each transcribed interview is read multiple times before starting the coding process.

Coding of interviews is understood as process in which interviewees' perceptions are given meaning according to the used coding scheme. Hereby, the derived quotes are interpretated as ones that most sufficiently express the meaning of a code. Interview analysis focuses on understanding the company's internal perceptions of reported sustainability information.

In practice, both document and interview analyze consist of presenting each case as analyzed according to the coding scheme. Each case is presented in a form of table that consists of codes and evidence derived from the data to support the code. In other words, the same coding procedure is conducted for both the document and interview data and the two sections of the empirical chapter are structured in the same way. Each section includes four tables and a descriptive explanation of the table. The cases are analyzed in an alphabetical order meaning that both analysis start with the case of agriculture, following the case of forestry, the case of metal and manufacturing and lastly the case of oil and energy.

However, since the data sources are different, reports as documents and interviews as people's perceptions, source-based additions are included to each part of the analysis. Document analysis includes an introductory section that discusses common findings of studied reports including used frameworks and some of the general reporting practices that were found commonly across the cases. The coding of the documents starts after this section. While the interview analysis includes an additional code which is named as "reporting arrangements". This code aims to elaborate how sustainability reporting practice is organized in the cases based on interviewees' viewpoints. "Reporting arrangements" is added to the analysis because it is seen as part of the indication of how internalized sustainability reporting is in the company. The common findings of studied reports and the code "reporting arrangements" are added to the analysis because they are seen to contribute to the research aim. The common findings of studied reports contribute to the synthetic case study method by discussing the findings of cases as a cohesion, while the latter aims to articulate how interviewees explain the company to organize their sustainability reporting. To summarize, the chapter on common findings and code "reporting arrangements" are considered as additions to the main part of the analysis which is the usage of the coding scheme. As a result of coding both sources of data, a synthetic case study method was utilized to discuss a general case derived from the analysis. Thus, the analysis of the four cases generates a synthetic case that presents the common findings across the cases. This synthetic case is considered as the result of the analysis.

TABLE 3. CODING SCHEME DERIVED FROM THE THEORETICAL FRAMEWORK.

Code:	Explanation of code:
Geography	Company's communication that indicates geographical context and scale for example related to benchmarking in reporting and presentation of local projects.
Measures and benchmarks in use	Company's description of used reference points for evaluating sustainability performance.
Articulated social commitment	Company's argument of its social and environmental contribution.
Communication of purpose of sustainability reporting	Company's description of how reporting facilitates improvements in sustainability.

4.5 Ethical considerations of methodology

4.5.1 Positionality and access to companies

Reflexive positionality refers to the researcher's way to reflect oneself in terms of, for example, age, gender, race, social class, and education in relation to the people who are researched (Gray, 2018). The aspects of identity are seen to indicate the social and spatial position of the person, which impact the meanings things are given. As part of the validity of this study, I reflect on some of the issues that explain my positionality.

Firstly, I elaborate on my study background as it led me to choose this master thesis topic. Having bachelor's studies in geography with a focus on economic geography and minor studies in environmental conservation and communications, I wanted to combine these in my master thesis. As a native Finn and student at the University of Bergen, I decided to geographically focus on countries that I had knowledge and experience about. Therefore, this study is based on exploring sustainability reporting practices in Norway and Finland, where the case studies are derived from. These background notes aim to explain my agency in the decision of the research topic and context.

In terms of nationality, I consider myself an insider when researching the Finnish context. However, as a young female with almost no existing contact information of people working in large companies, the corporate world came across as distant to me. Both in the process of gaining access to case companies and in the interview situations, I experienced my position to be an outsider of a company world. This was the case both with companies from Norway and Finland. In the case of Norwegian companies, I experienced my position to be even more of an outsider as in this setting I was a foreigner aiming to gain access to a company. During the time of gaining access to case companies, the biggest issue, however, came to be the lack of existing contacts or experience with communicating with companies, instead of my inherited traits. While contacting potential case companies, I experienced the matter of "gatekeepers" that refer to the people who eventually are the key persons to get access to the research setting (Gray, 2018: 767). As I had almost no contacts in mind, I went through a process of finding contact information from the company websites and contacted people who hold a position related to the research topic. In the process, as it was expected, I encountered some negative responses to participate in my study that was reasoned by lack of time. In the cases when I received a positive reply, the agreement to participate was either made with the first contact person or I was forwarded to another person to set up a time for an interview.

When it comes to the interview situations, I see that my student status and interest in the topic that the interviewees were working with, made me be perceived positively. I also see that as the interviewees worked with stakeholder issues, I could be seen as a stakeholder requesting information. The interviewees represented a variety of ages and were all females except one. I see that gender had less impact than age on the interview situations. Age was seen in the work experience of the interviewee. It came across that those people who had been working with the topic of environmental and social reporting for a long time, had a different approach to disclosures of sustainability information compared to the ones that had started during the times when the concept of sustainability reporting had gained significance. In this sense, as earlier environmental and social reporting is a less familiar field to me, I experienced that the grounds for my research topic were more similar to the younger participants. I also acknowledge that the more interviews I conducted, the more conversation fashion they turned. This was because both my knowledge of the topic and expectations of the responses increased in the process. In other words, with the experience of the first interviews, the next ones were built on the gained experience.

In terms of practicalities, it was agreed with the participants that the interviews would be voice recorded to increase the flow of the conversation and afterward to analyze the input thoroughly. Furthermore, the interviews were held in English. Another option would have been to have the interviews with Finnish companies in Finnish and with Norwegian companies in English, due to my lack of Norwegian. The aim of having all interviews in one language was to approach the cases in a more equal manner and gather data that can be processed at the same time without an additional translation process. The interviews were conducted with a same introductory procedure in each case. To gain informed consent, I started each interview by introducing myself and the aim of my master thesis. I also informed the participants that they could withdraw from answering questions at any point. By this, I aimed to make an acknowledgment that my topic touches upon company strategies that might be sensitive information. After this introduction procedure, I felt there was a common ground to start the interview. Overall, I see that the generated data was a product of interaction between me as the interviewer and the interviewees (Gray, 2018).

4.5.2 Validity

Validity of research is stated to be reflected with the respect to the evaluation of research findings (Gray 2018). In addition to my earlier reflection on my positionality, I next reflect on other issues that impact the validity of this study.

Firstly, motivation for sustainability reporting is in this study connected to the geographical context of the company. This means that the practice is investigated from geographical perspective including the overview of the regulations that concern the practice and how the case companies perceive social demands. The motivation is investigated through analyzing and discussing the collected data, which results into some ideas of what drives companies to disclose sustainability information. Since the sample of this study is rather small and the aim of finding out motivation rather broad, this study aims to provide some suggestions for companies' motivation but is aware that there are multiple other reasons that impact companies behavior.

Secondly, there are some issues that concern qualitative research methodology. In general, qualitative research can be described as "contextual as being collected in a natural real-life setting" (Gray 2018: 163). As both the document analysis and interviews are qualitative data, the meanings given to the data are based on interpretation (Eriksson & Kovalainen, 2008). Especially, as interviews are interactive situations, they typically consist of different forms of human expression (Clifford et al., 2016). Hereby, both the interviewer and interviewee engage by interpreting and expressing their take on based on their unique interpretation (Clifford, 2016). In other words, communication takes place by people explaining their own interpretations of reality. In this light, it can be argued that the interviews generated subjective perspectives that project the participants' own beliefs. In other words, when the interviews are analyzed, they are conducted with an awareness that discussed things are given meanings by interpreting the meanings of participants. Hereby, I will refer to the perspective that corporations are collectives that consist of social actors (Barnes & Sheppard, 1992). Therefore, in the reality, there are multiple beliefs and attitudes held by individuals and smaller teams inside the corporation (Onkila et al., 2017). As embedded in the corporate culture, this research is based on the belief that individual views can offer insights into a shared corporate culture. Insights are therefore considered to be a combination of individual conditioning and shared values held within the company.

In addition, the validity of the data consists of reflecting the representativeness of the sample of cases. Ideally, the selection of cases would represent a typical representative of the population (Gray, 2018), in this case meaning that the sample of cases give sufficient insight into sustainability reporting and its motives. This study consists of a sample of four large companies, that size was one of the reasons they were chosen. Large companies are considered as having sustainability reporting practices that are advanced and experienced and therefore can indicate current best practices in the field (Andelin et al., 2013). This is because the operations of large companies utilize significant influence in society and therefore, they have a responsibility to participate in meeting social goals (Roberts, 1992). Due to this they are obligated by legal requirements and often concerned with international frameworks. This study is conducted with an awareness that nowadays many companies conduct sustainability reporting and that the case companies used in this study give only one perspective to the practices. Therefore, this study concentrates on sustainability reporting in the context of the sectors and geographies. The reviewed regulations are considered as attributes of the given society, while cultural conditions are less addressed in this study. Rather the cultural conditions are understood to play a role in creating the demand for sustainability information.

In the selection of the sample, I targeted major sectors of case countries' economies. The case studied represented sectors that were considered to have societal significance. Out of the sample, the case of oil and energy from Norway and the case of forestry from Finland have significant impact on the whole economy of the country (Fellman, 2008). As the criterion was to be a large company from the major sector of the economy that conducts sustainability reporting, it was not necessary to study the chosen sectors. In other words, also other sectors could have been relevant to study according to this criteria. On that note, there was convenience in the selection of sample in the way that companies that agreed to my research request constructed the sample. Nevertheless, I see the sample of this study gives a specific perspective to sustainability reporting through the combination of the selected sectors. Thus, I believe that if a different sample of cases would have been chosen, that would have resulted in a different set of data and results.

When it comes to the saturation number of cases, the collection of four cases was seen as providing sufficient data to the research questions within the scope of the master thesis. It was seen as more important that there would be balanced country profiles, meaning that both countries would be investigated with the same amount of cases. However, this study is conducted with an awareness that a sample of four cases is small and therefore can only offer a glimpse of the reality. This study provides some evidence for the variety of motives in sustainability reporting, but a larger sample would have expressed this variety more extensively. In addition, the number of interviewed people is small, due to the expertized knowledge that was looked for in this study. It was seen as relevant to interview people from companies that were in a position related to sustainability reporting and therefore, interviewing only one person per case who held this kind of knowledge was seen as sufficient. However, this gave only one perspective to a case company and in the case of more extensive research, interviewing multiple people in the same position would have provided more perspective to the company. Furthermore, the study is limited by observations and insights as the companies were not visited in person. I believe having opportunity to visit companies and conduct interviews on the research site, could have resulted into more insightful data. However, this study aims to still give multiple perspectives to sustainability reporting by using two sources of data instead of one.

In terms of the companies' sustainability reports, there are a few things to address for sake of validity. Firstly, reports were published as online open-source material and this way were accessed easily. Especially large companies tend to provide sustainability reports online to increase the dissemination of information. This can be argued by obligations to provide information but also by increased needs for accountability and showing social commitment (Branco & Rodrigues, 2007). When it comes to the researched report, the latest published sustainability report was chosen as data. This was the report of the year 2020. It is worth acknowledging that reporting is an ongoing practice of companies, and therefore new reports have been published while this study is conducted. New reports may pose progressions from the researched ones.

In addition, interviewing as a method has both strengths and weaknesses. The strength has been noted to be the insightfulness that they provide as the information is original and directly targeted to the research topic. While the weakness has been seen in the way interviewing creates a bias in the formation of questions (Gray, 2018: 273). Therefore, it is worth noting that the way interview questions are formed impacts the received answers. When it comes to the analysis of both sources of data, the used coding method is based on interpretation. The analysis is conducted with awareness that the set coding scheme narrows down the perspective on sustainability reporting and creates a setting that concentrates on certain dimensions of the topic. Furthermore, the scheme is utilized by interpretating both content of companies' reports and discussions with company representatives. Therefore, the result of analysis is a product of interpretation, meaning that there are many other ways that the collected data could have been understood.

Lastly, this study discusses the motivation of certain a company practices. Generally speaking, a motive can refer to external and internal formalities, influences, and aspirations that drive actors to pursue a status (Heckhausen & Heckhausen, 2018). In terms of this research, sustainability reporting is observed as a status that is given importance and therefore pursued (García-Sánchez et al., 2013). Sometimes when company behavior is researched, it is paralleled to human behavior. The challenge in studying motivation has been seen in the way motivation consists of both self-interested and altruistic behaviors (Jørgensen & Pedersen, 2015). In that sense, motivation of a practice can only be partly understood.

5. Corporate sustainability reports – empirical study

5.1 Overview of data collection and analysis

To empirically study the practice of sustainability reporting, I look into four case companies and their way of conducting such reporting. Sustainability reporting practices of the case companies are studied by collecting data from two sources. The data consists of the case companies' sustainability reports and interviews with representatives of the companies. In total four reports and four interviews are analyzed as data. As I mentioned in the methods chapter, the cases are anonymized and referred to as sectors. This chapter of empirical study of corporate sustainability reports is divided into two parts. First part is the document analysis of case companies' sustainability reports from the year 2020. The studied sustainability reports aim to provide understanding of how the company discloses sustainability information. The second part is interview analysis, which aim to provide insights to how this form of information is received within the company.

Together, both sources of data are analyzed based on the two research questions. Research questions are aimed to be covered by analyzing the data with one coding scheme that is derived from the theoretical framework (Table 3). In practice, this means that documents and interviews are analyzed by using a coding method. Coding is conducted by interpretating and giving meanings to the content of reports and discussions with interviewees according to the coding scheme. Usage of the same coding scheme means that the data is unified. This is based on the synthetic case study method that approaches cases with cohesion instead of comparison. Hereby, the purpose of the data collection and analysis is to provide an understanding of sustainability reporting in the case companies and the internal perceptions of the practice. The first part of the analysis is the document analysis and the second interview analysis. In the end, I discuss the findings across the cases in a form of a synthetic case.

5.2 Document analysis – an empirical approach to the analysis of sustainability reports

This first part of the data analysis concerns the sustainability reports of case companies. Analysis is conducted with the aim of answering *how* company reports on sustainability. Case companies sustainability reports are studied by using a document analysis method. In addition to the company interviews, they are used as a source of data to research the practice of sustainability reporting. When it comes to research on environmental and social reporting, document analysis is a commonly used method for analyzing reliability of such reports (Vourvachis &Woodward, 2015). In this study, analysis is conducted to understand meanings of content, which indicates reliability as well. Sustainability report in this study refers to the company's concern level sustainability report that is considered as the company's major disclosure of performance and impacts in sustainability.

Document analysis was conducted in two rounds. First one took place before the company interviews in September-October 2021. During this time, I read and familiarized myself with case companies' sustainability reports of 2020. This was part of the preparation of interviews in terms of forming the question pattern and in general being knowledgeable in the interviews. The second part of the document analysis consisted of the detailed document analysis. Document analysis is conducted by using a coding scheme derived from the theoretical framework (Table 3.). During this part, I analyzed the reports in terms of how issues related to sustainability were descripted by reading reports in relation to the theoretical framework. I paid particular attention to used rhetoric expressions, for example how the company describes its position in the light of global sustainability agenda.

As an introductory, the variation in form of report within the sample is depicted in Table 4. In addition, the length of the report is roughly estimated to give a sense of the variation. The company from the sector of agriculture produced an integrated report in 2020 that presented the company's performance and impacts widely with regards to sustainability. Whereas the case of forestry also produced an integrated report in 2020 but this was more of a combination of the company's performance and impacts in sustainability *and* financial information. Financial information refers to for example to the economic profit accounts that are conventionally directed to financial stakeholders such as investors. As this study concentrates on environmental and social information, I excluded the financial information from the analysis. In contrast to integrated reports, companies from the sectors of metal and manufacturing and oil and energy published a separate reports.

The document analysis begins with a chapter of common findings identified across the reports. Following this, is the main part of the analysis which consists of utilizing the coding scheme and presenting each report analyzed according to it.

TABLE 4. CASE COMPANIES' SUSTAINABILITY REPORTS FROM YEAR 2020.

The sector of the company	Format of the report	Length of the report
Agriculture	Integrated sustainability report	Over 100 pages
Forestry	Integrated sustainability report	Over 100 pages
Metal and manufacturing	Separate sustainability report	Less than 50 pages
Oil and energy	Separate sustainability report	Less than 100 pages

5.2.1 Common findings from case companies' sustainability reports

To begin the analysis of sustainability reports and finding out indications for the research question of *how* a company reports, I discuss identified common findings between the case reports. These are the used common language of reports, the usage of GRI Standards and SDGs as reference points, case stories as demonstration of social contribution and visual content as part of the communication of reports.

The first common finding of case companies' sustainability reports was the used language. As a common language, I refer to the way companies discussed the concept of sustainability and integrated it to the communication of themselves. Despite the sector or country of origin, case companies communicated in their reports that sustainability is part of the company's operations. This is identified as the apparent message of the analyzed sustainability reports. Sustainability was presented as something that is significant to the company and therefore the company reasoned that it has an ambition to operate in a more sustainable way. Furthermore, it was a common way in reports to present the company's operations as solutions to issues in global sustainability. Based on my interpretations, reports were used as a communication tool that disclosed information of the company's performance and impacts in sustainability in the way that allowed the company to be perceived as a positive contributor to global sustainability. This interpretation was created due to the tone of reports that emphasized the ambition of the company to make improvements in the light of sustainability, while there were less critical remarks of challenges to be more sustainable. The coding part of the analysis presents evidence that companies' put emphasize on explaining their role as a positive contributor.

Moving to the second finding of sustainability reports, it was common to use reference points for the sake of legitimacy of disclosed information. As mentioned in the institutional framework chapter, GRI Standards are one widely used framework in companies' sustainability declarations. In the line with this popularity, all case companies applied GRI Standards in their sustainability reports. More specifically, all companies used GRI Standards to prepare a sustainability report with "core" approach (GRI Academy). This meant that Standards were applied to provide understanding of the company's reporting in general, its material topics, impacts of these topics and how they are managed. Material topics refers to the three pillars of sustainability and the indicators. Economic topics include for instance disclosures of economic performance, anti-corruption and tax governance. Environmental topics that are measured are for instance biodiversity, emissions and waste. Social topics are for instance stakeholder engagement, occupational health and safety and diversity. In practice, GRI Standards including the identified material topics, were declared in the end part of the report in GRI Content Index. This index contained list of reported topics according to the Standards and the page number where the information is found in the report.

Another common reference point between the reports were Sustainable Development Goals (SDGs). SDGs were used in the way that each company had chosen a set of SDGs that were seen as the most relevant for company. Across the cases, the commonly referenced SDGs were Goal 8: Decent work and economic growth, Goal 12: Responsible consumption and production and Goal 13: Climate action. Depending on the company, SDGs were presented either as gathered together on one page or implemented in the story line of the report and therefore appeared throughout it. Despite the place in report, it was clear that SDGs were emphasized because they appeared directly in the beginning of each report and were presented both as logos and descriptively. To give an example, the case of forestry introduced a goal in relation to every

SDG and presented a percentage of how much the company had achieved of this goal. This can be interpretated as a way to show both past performance and the ambition to work towards a goal.

The third common finding of the case reports deals with the way companies presented their social impact. All companies included in their reports case stories from their operation locations. Case stories demonstrated what kind of stakeholder engagement projects companies have had in the context of the operation sites. These were part of the company's external social impact disclosures and expressed as acts of social responsibility. The number of case stories varied between reports, but I will give an example of one case story per report. In the case of agriculture, a case was an electrification project at one of the sites. Case of forestry presented a project of biofuels that was launched in the country of origin. Case of metal and manufacturing discussed a cooperation project with local rescue services. And case of oil and energy introduced a charity project in which it donates equipment to local community. To summarize, case stories were typically about projects or new technologies that contributed to operation site's safety. Some of the stories were located in Finland or Norway, while in the most cases, stories were located to one of the international locations of company.

In addition, social engagement was also demonstrated as alliances and memberships companies had with organizations related to their sector. For instance, companies disclosed their memberships in local and global networks that promote environmental improvements within the sector of company. They also tied their operations to financially oriented organizations that were mentioned in relation to green business programs and the collaboration was used as a reference to the company's contribution to global green growth. Collaborations can be seen as other reference points companies used in their reports to demonstrate their engagement. Moreover, all companies used third party verification for reports by large accounting companies. This observation supports the literature that sees external assurance by a liable third party to increase the liability of reports (O'Dwyer et al., 2011).

As the fourth common finding of reports, I shortly discuss the role of visual content. In general, visual content is interpreted to be part of the communication of reports. In other words, visual content is seen as a branding tool that can impact the perceptions of company's performance in the light of sustainability. Case companies' sustainability reports included for example images of company's operation sites, supply chain and employees. It was also common to include more generic images of nature. For instance, the case of oil and energy included in their reports pictures of open sea and the case of forestry pictures of dense boreal forest, that can be interpreted as part of image building. As numerical illustrations, figures, tables and charts were used for presenting sustainability information. As environmental information, emissions were commonly presented in figures and numbers. While also gender, age and nationality diversity in governance bodies and employees was presented in figures and numbers.

These common findings aimed to introduce the content of the studied documents. The next chapter is focused on presenting each report as analyzed according to the coding scheme.

5.2.2 Coding of case companies' sustainability reports

To analyze the content of reports more specifically, I next utilize the coding scheme derived from the theoretical framework (Table 3.). To rehearse, the coding scheme consists of the codes: geography, articulated social commitment, measures and benchmarks in use and communication of purpose of sustainability reporting. The analysis consists of coding each report according to the coding scheme. The coding scheme is utilized in the way that each case is presented in form of a table and supported with an explanation of the table. The next four tables and explanations present the evidence found from the cases' sustainability reports from year 2020 that support the codes.

Findings from the report of case of agriculture

The analysed report of the company from sector of agriculture was integrated by its format (Table 4.). In the report, the company's approach to reporting was described as holistic. This meant that environmental, social, and economic information was disclosed in one extensive report. In the report, it was expressed that the company sees importance in open dialogue throughout their operations which was considered as part of sustainable business (Table 5.). The expression is interpretated and coded as 'communication of purpose of sustainability reporting'. The way company expressed social commitment in report was connected to their business strategy. The statement was that company provides food in responsible manner, which includes preserving the Earth. This can be interpretated as the company's expression of the triple bottom line. Furthermore, company's operations were positioned as solution to global food challenges. In relation to global food challenges, report referred to global megatrends including climate change, water stress and soil degradation, for example.

TABLE 5. SUSTAINABILITY REPORT 2020 OF CASE OF AGRICULTURE.

Code:	Evidence from report:
Geography	The company referring to global scale and discussing its role in relation to global megatrends. The company positioning itself as contributor to transformation within food industry. In addition, the company communicating its earlier engagements in community projects and expressing that it will continue to partner with the stakeholders of different locations.
Articulated social commitment	The company communicating that their business provides food in a responsible manner, which it sees as part of action that preserves the Earth.
Measures and benchmarks in use	The company expressing that performance is evaluated both by internal units and third parties, for instance by GRI verification. In addition, the company presenting a set of SDGs as its strategic goals and stating its ambition to be climate neutral by 2050.
Communication of purpose of sustainability reporting	The company expressing that it discloses and manages performance in a holistic way. In addition, it emphasizes that disclosures and open dialogue throughout the supply chain ensure sustainable business.

Findings from the report of case of forestry

The case of forestry published an integrated report in 2020 with environmental, social, and financial information (Table 4.). The report referred to environmental and social information as responsibility information. The company expressed social commitment by addressing climate change and stating that forestry that is sustainable is a positive contributor to it (Table 6.). The argumentation was based on envisioning a future with technologies and products that use less fossil fuels. Report was focused on the company's innovation production in form of biofuel products. In this way, company positioned itself as a provider of technical solutions to issues of climate change. Production that focused on innovations was connected to value creation in both economic and societal sense. The company communicated that it creates value for both financial stakeholders and other stakeholders by focusing on new technologies and products. The company presented a set of SDGs in a way that each SDG was connected to a inhouse goal (Table 6.).

TABLE 6. SUSTAINABILITY REPORT 2020 OF CASE OF FORESTRY.

Code:	Evidence from report:
Geography	The company referring to a global scale and discussing its role in relation to global megatrends. The company positions itself as a contributor to the megatrend of renewable products. In addition, the company presents multiple projects from different parts of the world.
Measures and benchmarks in use	The company presenting its SDG targets and inhouse 2030 goals. The achievement made towards these goals is presented in precents. For example, SDG: life on land is related to goal "certified material".
Articulated social commitment	The company stating that their goal is to be a sustainable forestry company that responds to global resource scarcity and climate change.
Communication of purpose of sustainability reporting	The company expressing that they are committed to operate in a climate-positive manner and improve biodiversity through their business. The company also states that credible reporting practices are part of a responsible business.

Findings from the report of case of metal and manufacturing

The case of metal and manufacturing published a separate sustainability report in 2020 (Table 4.). Report focused on communicating how the company's main product contributes to sustainability agenda and more specifically to circular economy. This argument of product's durability is interpreted as expression of social commitment because the company positions itself to contribute to sustainable solutions for society (Table 7.). In addition, energy efficiency was highlighted throughout the report. This can be interpretated as expression of commitment to improve environmental sustainability. As “measures and benchmarks in use” the company presented inhouse targets and percentual achievement made during the reported year. Lastly, the company expressed that it aims for sustainability culture within its operations, which is interpretated as “communication of purpose of sustainability reporting”.

TABLE 7. SUSTAINABILITY REPORT 2020 OF CASE OF METAL AND MANUFACTURING.

Code:	Evidence from report:
Geography	The company communicating that its operations take place in different parts of the world and disclosing to have yearly audits with stakeholders in the local sites. Furthermore, the company expresses that it engages with local communities through social projects.
Measures and benchmarks in use	The company stating its commitment to SDGs and presenting 6 most relevant SDGs for its operations. In addition, the company presents 6 key inhouse targets in the areas of social and environmental issues and their percentual achievement rates. The company also states its commitment to be carbon neutrality by 2050 and a leader within the sector.
Articulated social commitment	The company expressing their product contributes to transforming society ecologically, socially, and economically sustainable. The product is presented as a sustainable solution as recyclable and long-lasting.
Communication of purpose of sustainability reporting	The company communicating that it aims to improve sustainability culture within its business through strengthened communications.

Findings from the report of case of oil and energy

The case of oil and energy produced a separate sustainability report in 2020 (Table 4.). It was acknowledged in the report that the sector of oil and gas is facing pressure as there is a need to lower fossil fuel dependency (Table 8.). The need for improvement in terms of especially environmental sustainability was addressed to concern the whole sector. It was common throughout the report to refer to the sector of the company as a whole. It was addressed that the sector would provide energy that is affordable and secure, and this way assist energy transition.

The way the company communicated its role to be important in energy transition can be interpretated as part of legitimizing argumentation. In the light of the production, the aim was communicated to be low-carbon and cost-efficient operator. Company reported that it is committed to emission targets in line with Paris Agreement. In relation to this, UN SDGs were referred to in several parts of report. For example, SDG 9: Industry, innovation, and infrastructure was connected to company's discussion on need for adaptive solutions. This can be interpretated as the company's way to express that it prioritizes technical solutions as coping strategy with external pressure. The connection to Paris Agreement is coded as "measures and benchmarks in use". Lastly, it was communicated that company sees transparency and dialogue as part of sustainable business, which indicate the code "communication of purpose of sustainability reporting".

TABLE 8. SUSTAINABILITY REPORT 2020 OF CASE OF OIL AND ENERGY.

Code:	Evidence from report:
Geography	The company expressing that it acknowledges its operations to have a global impact. As an action plan, the company states that it aims to implement SDGs more comprehensively to its strategies. SDGs are discussed as a mean to tie the company to a global context. In addition, report includes a case story of local stakeholder engagement project in Norway.
Measures and benchmarks in use	The company presenting emission targets according to the Paris Agreement and expressing its aim to be the most energy-efficient company within the sector. In addition, it presents emission scopes in relation to the targets of energy-efficiency.
Articulated social commitment	The company addressing climate change and declaring that they are part of the challenge, while seeing that oil and gas sector have an essential role in the energy transition.
Communication of purpose of sustainability reporting	The company expressing that a sustainable economic growth is supported by transparency and proactive dialogue with stakeholders.

5.3 Fieldwork analysis of companies reporting motives and practices based on case interviews

5.3.1 Coding of company interviews

This chapter is focused on analyzing the collected interview data. The analyze will follow the same procedure as with the documents and be coded with the same coding scheme (Table 3.), with the exception that the code “reporting arrangements” is added to the scheme. Each interview is coded and presented in a form of table. The code aims to provide evidence to how reporting is organized in the company. Analysis generates four tables and four descriptive presentations of findings, which aim to support the tables. The viewpoints of the interviewees aim to give indications to the research question of how the reported information is received within the company.

Findings from interview with case of agriculture

The interviewee explained that the report 2020 was their first integrated report. This was a progression that derived from the company’s willingness to enhance its sustainability aspect (Table 9.). Stakeholder engagement was emphasized as part of reporting practices and the company’s materiality analysis was conducted through stakeholder audits. Materiality analysis refers to the identified environmental and social topics that are raised as stakeholder concerns. The company’s way of referring to global scale is codes as “articulated social commitment” (Table 9.). Interviewee mentioned that the company aims to have multiparnerships to create impact globally. Reference was made to the sector by addressing that their key stakeholder group is the food industry as a whole. However, interviewee also addressed that the disclosed information is assessed by investors (Table 9.). The code “communication of purpose of sustainability reporting” generated an understanding that the company sees the role of employees as important in pursuing more sustainable company practices.

TABLE 9. QUOTES FROM INTERVIEW WITH CASE OF AGRICULTURE.

Code:	Evidence from interview:

Geography	"We consider our reporting to be aimed at a variety of stakeholders from investors to different parts of supply chain, so in that sense we have a global perspective on our impacts. We also identify local stakeholder concerns that give input to our reporting."
Measures and benchmarks in use	"We are assessed based on what is publicly available information and therefore we see a value in disclosing a lot of information on sustainability. I see that nowadays investors make their decisions based on this information."
Articulated social commitment	"We focus on partnerships because in our mission to provide food for the world and preserve the Earth, we realized we are not able to solve the climate crisis alone, so we are really focusing on partnerships. Our key stakeholder is the whole food industry including farmers and suppliers. So, we are focusing on multiparnerships to create impact together."
Communication of purpose of sustainability reporting	"You can't be a sustainable company if the mindset of the employees of the company hasn't changed. It's about all the layers like the employees themselves and their attitude and then I see it's possible to have a sustainable company."
Reporting arrangements	"We changed to produce integrated reports because we see the need to address sustainability more as part of the company. What we say is it's no either or, it is a vision for a long-term value creation to include the people and planet aspect to our business. Therefore, we nowadays put financial and nonfinancial information on the same line."

Findings from interview with case of forestry

In the case of forestry, environmental and social information was referred to as responsibility information. The interviewee explained that the company had first time published a responsibility report in 1996, but from 2007 on, the company had integrated responsibility information to their annual report (Table 10.). Interviewee expressed that reporting that started in 1996 was a respond to an increased demand for environmental information. This expression is coded as "reporting arrangements", in addition to the mention that the company uses assisting companies in producing reports. The content of the reports was explained to be based on GRI

Standards, but it was addressed that disclosing more than what is expected can be a way to show ambition in improving sustainability performance. Furthermore, the interviewee addressed that investors look for information about a company’s responsibility. In this way, reports were connected to gaining financial acceptance. When it comes to the internal purpose of reporting, reporting was viewed as a communication tool for demonstrating ambition in environmental and social performance.

TABLE 10. QUOTES FROM INTERVIEW WITH CASE OF FORESTRY.

Code:	Evidence from interview:
Geography	“Our mills conduct reporting to local authorities according to the specification defined in the local permits. For example, energy information is typically reported on annual level. Then we produce concern level responsibility reports which are based on the Finnish accounting regulations on environmental and social disclosures.”
Measures and benchmarks in use	“We report according to indicators of GRI standards, and then we have 2030 targets. Nowadays there are a lot of sustainability minded investors. We know that if we are able to fulfill certain climate and biodiversity targets, we are more invested.”
Articulated social commitment	“Sustainability communication is a very integral part of the business. It’s not a separate thing but the key for the whole existence of this company. The idea is that business leaders feel comfortable talking about sustainability issues when they meet their stakeholders.”
Communication of purpose of sustainability reporting	“Authorities and regulations set the framework, but businesses can do more than what is required. I see that we have for example more far-reaching targets. So, the best companies can make a difference by showing a way to an even better future than what is regulated.”
Reporting arrangements	“I believe our first separate responsibility report was published in 1996 and then 2007 was the first annual report with integrated responsibility information. We use assisting companies in producing and organizing reporting, but the content comes from us.”

Findings from interview with case of metal and manufacturing

The interviewee of the case of metal and manufacturing explained that the company's environmental reporting practices started in the 1970s (Table 11.). Reporting history was described as long and with emphasize on environmental measures. Risk management and corporate communication were mentioned as necessities to have license to operate. In the light of sustainability, the interviewee explained that it is expected to give out information about sustainability. Stakeholders were expressed to include the whole external world. Moreover, it was stated that the company aims to exceed the expectations of the legal reporting framework. This is depicted in quote in "measures and benchmarks in use" (Table 11.). Lastly, it was expressed that internal understanding of the company's position and approach in sustainability is important. This comment indicates that reporting is seen to play a role in internal awareness of the company's impacts in the area of sustainability.

TABLE 11. QUOTES FROM INTERVIEW WITH CASE OF METAL AND MANUFACTURING.

Code:	Evidence from interview:
Geography	"As a large company, we operate under national laws and environmental permits that come from EU. In addition, we need to relate to the local social demands that take place in our different operation sites. For example, by conducting audits with local stakeholders."
Measures and benchmarks in use	"We are reporting according to GRI standards. And then we are also taking on some voluntary initiatives for example, we are committed to the science-based target initiative which is an initiative to keep the emissions on a level in line with the Paris Agreement. It's important to meet the expectations but also to show that you are doing much more than what is expected within the legal framework. We see that sustainability information is a requirement from investors as some are already excluding non-sustainable companies from their portfolios."
Articulated social commitment	"Sustainability is what is very much asked for, so we have to respond to the outside world, to all our stakeholders. Also, because we are energy intensive, it is a big topic for us. Sustainability is nowadays one of the corner stones in our overall external storyline."

Communication of purpose of sustainability reporting	"Because the topic of sustainability is complex, it's important that everyone within the organization understands our position in the global context and buy into the concept so that they know how to deal with sustainability related topics within their work."
Reporting arrangements	"There has always been risk management in the sense that we need to be proactive in reporting. We started with environmental reports in the 80s and the topic of sustainability came later. We've had reports with different names and focuses during the years. I think nowadays reporting moves towards a more holistic approach with various environmental and social issues."

Findings from interview with case of oil and energy

In the interview with case of oil and energy, one of the interviewees explained that the company has for a long time reported on environmental and social issues, but since 2017 the company has published separate reports named as sustainability reports (Table 12.). It was expressed that reporting is a practice that involves units across the company. Furthermore, one of the interviewees expressed that reporting is expected from the company due to its operations. Together these comments indicate the importance given to reporting. The quote is depicted in "reporting arrangements" (Table 12.). It was expressed that sustainability information needs to be disclosed for the sake of financial reasons as well. When it comes to social commitment, company addressed the local communities to be part of its engagement procedures. As with "measures and benchmarks", the company gave a mention to rating agencies, which feedback impacts the disclosed information. Furthermore, the company expressed it sees an importance in being proactive in sustainability improvements. Internally, the issue was tied to reputation. One of the interviewees explained that communicating company's positive efforts is important as it may impact perceptions of company in general. Local projects were mentioned as examples of demonstration of the company's positive efforts.

TABLE 12. QUOTES FROM INTERVIEW WITH CASE OF OIL AND ENERGY.

Code:	Evidence from interview:

Geography	“We are obligated by national regulations to disclose information related to sustainability, but also internationally this is information that is expected by investors globally. When it comes to new operations, we make sure we engage early on with local communities.”
Measures and benchmarks in use	“Even though we are a profitable company, we are not going to be invested if we do not have a good sustainability performance. It’s all the expectations and feedback we get from rating agencies which again are the expectations of the market. So that impacts what we disclose. With the investors, we see a change in focus so we need to be proactive and make sure we can answer questions about sustainability because as a sector we are defined as non-sustainable in EU taxonomy, for example.”
Articulated social commitment	“There is an expectation and there is a need for making information easily accessible for investors and other stakeholders, and maybe in the near future, the how sustainable you can prove yourself to be will affect your access to investments.”
Communication of purpose of sustainability reporting	“We see especially with young people in our company that they care a lot more about the environment and some are worried about if the work they do is sustainable. Therefore, communication on these matters is important for that the people of the company also know that we are doing a lot of good work for example by investing and contributing socially to communities.”
Reporting arrangements	“It’s a well anchored practice and an effort made across the company. Almost all departments are involved in the process. We are a target business as oil and gas company, so we need to show our performance in these issues. We’ve done this for some years and it’s a routine for us now.”

5.4 Creation of a synthetic case

So far, the data analysis has focused on presenting case-based insights. The analysis has consisted of processing case companies' sustainability reports and interview data according to the set coding scheme. The aim of this chapter is to create a synthetic case based on the analysis of documents and interviews by discussing some of the common findings across the cases. The creation of a synthetic case is hereby based on the findings of the two sources of data. The purpose of the synthetic case is to present the common viewpoints of sustainability reporting and how the disclosed sustainability information is perceived internally based on the studied companies. In other words, the findings are discussed as a cohesion in this chapter.

The synthetic case is created according to the four codes including data of the reporting arrangements. In other words, I discuss the common findings generated by codes “geography”, “measures and benchmark in use”, “articulated social commitment”, “communication of purpose of sustainability reporting” and “reporting arrangements”. The discussion aims to give an understanding of sustainability reporting based on the cohesion interpretated from the four case studies.

To begin with, the code “geography” indicate that sustainability reporting is based on the legal requirements of environmental and social disclosures of the location of the company. It was addressed in the interviews that a company first and foremost reports based on the legislation of the place of its operations. These matters were seen as bottom line for reporting sustainability information that was seen to include information about the company’s environmental and social performance and impacts. In addition, case companies highlighted the need to provide more information that was legally required. In relation to this, interviewees expressed that there is an expectation to disclose information on variety of issues that relate to sustainability. This can be interpretated as an awareness within the companies of the pressure to respond to a market request of sustainability information.

As case companies had operations worldwide, it was typical that reports had a global perspective on a company’s performance and impacts in sustainability. Based on the data analysis, case companies positioned their operations in relation to global scale. Furthermore, it was common that companies addressed their role to be part of sustainability solutions. In this way sustainability reports of case companies came across as communication tools for positioning the company as a positive contributor to global sustainability agenda and emphasizing importance of the company as a global player. In practice, reports included arguments for how the company contributes to sustainability on the global level as providing solutions to sustainability issues through products. On the other hand, reports included declarations of the company’s awareness of its impact on sustainability issues and stressed its aim to improve performance in sustainability. For example, the data from case of oil and energy suggests that companies may also use sustainability reports to address that its operations are part of the sustainability challenges and this way express responsibility. Across the cases, reports included references to SDGs, and based on the interviews, companies saw a connection between including SDGs to sustainability declarations and being perceived as part of global context.

In relation to the qualitative content of reports and reference to local scale, it was common to include case stories to reports. These could be for example from operation sites or story of the company's local charity project that was communicated as the company's local social impact. Local stakeholders were seen as part of receiving a license to operate. The amount of case stories varied across the cases, and they were either from country of a company's headquarter or a location abroad. It can be interpretated that including a case story from location outside company's origins, was a way of emphasizing company's global activity. The case stories can be perceived as qualitative content of sustainability reports that aim to demonstrate the company's consideration of local communities.

Moving to the findings generated by the code "measures and benchmarks in use", a synthetic case would likely use GRI standards for organizing and producing a sustainability report. Based on the case studies, it was common to use GRI standards in reports and also give a mention to these in the interviews. The framework of GRI was understood as giving a basis for sustainability reports. However, it came across that companies see importance in disclosing more information than what legal framework and GRI require. Companies communicated that they have a proactive approach to disclosures as sustainability information is especially looked for by financial stakeholders. This level of ambition indicates that sustainability reporting is considered to have business opportunities as the aim is to exceed 'license to operate' requirements. It was suggested that disclosed sustainability information has a role in companies access to capital and therefore companies who seek competitive advantage are interested to disclose information that exceeds the requirements.

Furthermore, it was common to position the company within the sector. In practice, sustainability reports included communication that company aims to be a leader in terms of sustainability performance within its sector. This level of ambition was translated to created inhouse targets. In addition to indicators of GRI, case companies used internal indicators for sustainability performance to assess the impacts of their operations. SDGs were also used as a reference point that in some cases generated inhouse goals for a company. The achievement towards the goals were often presented as percentages. Based on the indications made by the code “measures and benchmarks in use”, the validity of disclosed sustainability information was tied to use of framework of GRI, given reference to SDGs and declarations of used consultancy companies that give verification to the sustainability report.

Based on the findings generated by the code “articulated social commitment”, disclosing information of sustainability is seen connected to the legitimacy that the company receives. Across the cases, companies argued that operating in a sustainable way is important and that they aim for improved sustainability performance. Communication of social commitment was on the one hand tied to environmentally friendly production and products, and on the other hand to a company’s engagement with its stakeholders. While the importance of engagement was emphasized in reports verbally and demonstrated for example by local case stories, the real impact of these actions remained more unclear. That is to say, social commitment came across as less measurable information. In general, reports communicated the willingness of companies to take action for sustainability improvements. In other words, it was less clear how a company see its role as creator of sustainability issues and how it aims to prevent causing social and environmental harms. In contrast, the emphasize was on finding connections between values of sustainability and economic growth. However, companies addressed that they aim to create value for variety of stakeholders. The aspect of future generations was mainly covered as having a reference to SDGs. In relation to green business strategies, financial stakeholders were mentioned throughout the reports. Conventionally, social impact was demonstrated based on indicators of the GRI framework.

When it comes to the indications generated by the code “communication of purpose of sustainability reporting”, disclosures of sustainability were seen as a communication tool for both internal and external stakeholders according to the cases. Internally, companies mentioned that reporting has a role in assessing operations’ environmental and social performance, while also in increasing employees’ knowledge about the company’s sustainability performance. In this way, reporting was connected to the company’s internal awareness of its sustainability performance. The benefit of internal awareness was considered to play a role in company’s ability to achieve improved sustainability performance, which yet can be connected to company’s rationality to respond to the preferences of markets. Reporting was seen as act of transparency which yet was connected to be part of "sustainable business". "Sustainable business" was understood as one that contributes positively to social and environmental issues while assists in receiving economic gains. Furthermore, while companies explained their ambition for improved sustainability performance, it was also seen important that this is communicated. The reports communicated that the companies see importance in having open dialogue and reporting was mentioned as one act of it. Based on these indications, sustainability information was considered as a key part of a company's communication.

Lastly, the code "reporting arrangements" support the suggestion that GRI standards may assist a company to organize the reporting process. In general, the code also gave indications that disclosures on environmental and social issues are seen to progress to reporting that takes a broader perspective on the topics. While reporting the mentioned issues was expressed by the interviewees to be a routine that has been part of a company for a long time, it was common to state that company aims to improve its disclosure practices. To put it another way, companies explained that they aim for integrated reporting that takes more holistic approach to company's performance and impacts in sustainability.

This chapter has aimed to discuss some of the common findings of the cases in the form of a synthetic case. The synthetic case indicates that sustainability reporting may derive from company's necessity to comply with legal requirements and social demands, and also from business interests related to sustainability performance. The next chapter of discussion focuses on exploring these ideas in more detail.

6. Discussion

The purpose of this thesis has been to study motivation for sustainability reporting according to the two research questions: 1. How does the company report on sustainability and how is this form of information received within the company? 2. What is the role of geographical context of the company in its motivation to conduct sustainability reporting? To answer the two questions, the study consisted of theoretical and empirical parts. The empirical part of the study consisted of analyzing four sustainability reports of the case companies according to the coding scheme derived from the theoretical framework that was built on three dimensions: geographical context, social contract, and “green” as a business strategy. In this chapter, I aim to discuss the findings for the research questions.

Based on the document analysis, companies’ reported sustainability information is rooted in the geographical location of the company. Case companies indicate that reporting includes environmental and social information that is disclosed according to the regulations of the country of origin. Hereby, the geographical context of the company is seen as the fundamental factor for how a company discloses environmental and social information. The influence of informal institutions in regulations can be observed in the way environmental and social issues are approached and given meaning in regulations. The understanding of these issues translates to companies as they report on issues on the basis of the legal framework. Based on the review of formal institutional framework of Norway and Finland, both countries have accounting and CSR regulations that obligate companies of these countries. In that sense, companies’ sustainability reporting is conducted to comply with the present laws. The matter was also emphasized by the interviewees, who stated that they report first and foremost due to legal obligations. In fact, it was expressed as a self-evident matter that a company that is large and has significance in society, is obligated to report on environmental and social issues. In that sense, sustainability information was received within the case companies as a matter that is demanded to be reported by the regulations.

However, based on the literature and collected data, reporting on environmental and social issues was considered as being part of company practices for a long time, but had evolved to be more holistic in terms of information and form of report. This was stated as a change in approach towards the topics and their importance. Environmental and social information was considered by the interviewees as information that is required to be approached in a broader way. This indicates that companies see importance in using the concept of sustainability to express consideration towards variety of environmental and social issues. Furthermore, there was seen a need to provide information under the concept of sustainability and demonstrate that the company has integrated the concept to its economic purpose. In other words, companies expressed they sought after "an integral approach to sustainability". Based on this, sustainability information was received within the companies as information that is demanded from an increased number of stakeholders of companies. Interviewees explained that sustainability information is disclosed to meet the information needs of stakeholders. However, companies did not explain further what they think might be deeper reasons for this. Rather, companies emphasized that they feel a need to improve their performance in sustainability and ability to demonstrate this. This insight supports the chapter of the state of art of research on sustainability reporting, which argues that environmental and social topics are evolving from voluntarily disclosed content to more of a norm in companies' accounting practices (Horrigan, 2010).

The change in importance of reporting sustainability information can be argued to stem from external pressure that require companies to provide more comprehensive information on their operations and their impacts. Due to the external pressures, participants expressed in the interviews, that sustainability is "an integral part" or "corner stone" of their current communication (Table 10., Table 11.). This was communicated also in the reports. For instance, the case of agriculture company stated that their report is produced in "a holistic way" (Table 5.), suggesting that a company's activities should be considered more from environmental and social aspects. The collected data also suggests that sustainability reporting stems from external pressure, and companies consider that reporting on sustainability issues is important as it affects their business. To argue for why this is important or how it affects their business, I turn to discuss social contract as motivation for sustainability reporting.

As explained in the theory chapter, social contract has to do with a company's social acceptability and legitimacy that it requires to be able to operate. Furthermore, society is considered to be organized not only by legislative structures but tacit social contracts that are based in values, beliefs and attitudes of a specific cultural context. Due to the importance given to environmental and social dimensions of economic activities globally, social contract has been argued to be reformed. To receive social acceptance, companies are seen to be demanded to give out information more comprehensively on their performance in terms of environmental and social issues. In other words, a company's legitimacy depends on how it is perceived in terms of these issues. As discussed in the chapter of theoretical framework, a company may be motivated to maintain its legitimacy as it ultimately impacts its existence. Legitimacy hereby is gained by acting according to the norms of the social contract. In this study, I have used the theory of social contract to address a company's accountability to be towards a wide range of stakeholders. On the one hand, this can be seen to be due to the increased awareness of complexity of sustainability issues and how different social and environmental entities are impacted by economic activities. From this perspective, a company may disclose information for the sake of maintaining social contract with its local stakeholders, such as government of the country of origin and customers. In that sense, a company complies with the legal requirements but may also be motivated to disclose information that exceed the legal requirements to gain competitive edge within the markets. On the other hand, the notion of increased number of stakeholders can be connected to a competitive edge that companies may seek by disclosing sustainability information. In other words, information may also be disclosed with a business interest, for example by seeking increased access to resources. These resources may be for example materials or future recruitments.

As empirical evidence from the interviews, companies addressed their stakeholders in the interviews. This addressment can be connected to the interconnection of social commitment and business interest. Disclosed information was seen as a request from stakeholders that were understood by the interviewees' as being mostly financial but an increasing number of non-financial. Indeed, while the literature states that non-financial stakeholders are considered an increasingly more important group of stakeholders, the interviews suggest that investors and other financial stakeholders are yet companies primary target group. This can be supported by literature, that sees companies to operate with the interest of capital (Aoyama et al., 2011). All of the cases gave a mention to investors or investments in relation to sustainability disclosures. In general, companies described that sustainability information is "expected" or "asked for" from them (Table 11., Table 12.). These observations can be interpreted as signs of external pressure that partly derives from local stakeholders but also increased global awareness of sustainability. In this sense, a company may disclose sustainability information to remain accountable to the stakeholders of its location such as government and customers, but also seek reputation as a responsible actor on a wider scale. This refers to the business interest that may be seen in disclosed green performance. According to the data, in practice the process of reporting includes stakeholder engagement practices such as audits with identified stakeholders, that aim to inform companies of the interest of these stakeholders. Also, the engagement processes in itself may be interpreted as acts of social commitment that demonstrate a company's consideration towards its stakeholders.

The interviews provided also an understanding that companies see importance in having a dialogue with stakeholders to be able to give out relevant information. This insight can be interpretated as companies' way of responding to the cultural context of its operations including the meanings that are connected to sustainability. In other words, communication on sustainability can be seen to be matched with the understanding of the concept of sustainability of the culture. Rather than articulating language of case companies' reports in detail, this study has aimed to raise the awareness of the impact of culture in reported sustainability information. This study suggests that sustainability information is often argued based on the formal and informal institutional setting of place and therefore rooted in one understanding of sustainability. As the research concentrated on economic actors, the communication can also be argued to incorporate economic interests that may even become conflicted with some dimensions of sustainability. This refers to for example social dimension of sustainability and equal distribution of wealth. Therefore, this study suggests that narratives of sustainability that are used in relation to economic activities should be observed from a motivational perspective.

In relation to the articulated social commitment of reports, the data suggests that companies not only see a need to communicate their social commitment but that this is exercised by positioning business as a positive contributor. Based on the theory of social contract, companies are demanded to not only avoid non-harmful environmental and social performance but also contribution that improves the livelihoods of the company's stakeholders. In line with the concept of sustainability, this also includes livelihoods of natural environment and future generations. Based on the reports, companies positioned themselves in relation to environmental and social issues. In all cases, there was argumentation that the company's role is to provide solutions to the issues. Between the cases there was variation in how this argumentation was formed. For instance, case of agriculture, forestry and metal and manufacturing acknowledged that there is a global resource scarcity and that their business contributes positively to this issue. While the report of oil and energy acknowledged that the company has a role as part of the issues but is committed to environmental and social improvements. In addition, the latter company addressed global energy resource scarcity in which it was positioned as a positive contributor (Table 8.). The arguments of social commitment are considered as connected to social contract theory, that to obtain social acceptance, a company must communicate how it contributes to social and environmental wellbeing of its stakeholders. In this study, the number of stakeholders was expressed as increased based on the literature and perceptions of interviewees'. More specifically, stakeholders were considered to be both local and global as case companies discussed sustainability issues on different scales. Companies for example presented their supply chain in sustainability reports and expressed to be committed to take actions for improvements in sustainability performance in different parts of the chain. By referring to the whole supply chain, companies may be seen to consider their accountability to be stakeholders on different geographical scales.

Given these interpretations, sustainability reporting can be considered as a practice that responds to the demands of social responsibility on a wide scale. As evidence from the reports, cases referred to "The Earth", "society" and "climate change" as stakeholders (Table 5,6,7,8). This can be interpreted as a way of communicating that a company has considered its impacts with a broader perspective. In practice, case companies used SDGs as a reference to global scale. Based on the data, some companies created targets to reach an SDG. These targets were presented numerically, which can give more creditability for measuring action towards a target. In general, companies expressed their commitment to improve performance in sustainability. In the reports, commitments were typically made for environmental sustainability, for example by presenting emission targets. In terms of social sustainability, case companies expressed to be committed to gender and nationality diversity. While reports included statements of commitment for improvements in social and environmental issues, the discussion took place on a rather general level and clear steps towards the improvements were less expressed. This gave the impression that sustainability was approached as a matter that needs to be addressed but actions towards real changes in operations were less internalized. This is due to the interpretation made of the data, that companies tend to emphasize the ambition for improved performance in sustainability but give less attention to how they aim to prevent harmful impacts of the operations. Articulated actions towards the improvements would likely enhance creditability of the communication and help the company be perceived as being more serious of its aims for improvements in sustainability.

Next, I turn to discuss how sustainability reporting may be motivated by economic interest. This discussion refers to the theoretical dimension of "green" as a business strategy and data analysis in which I coded "measures and benchmarks in use" from the data. To start with, it was addressed in the interviews, that due to an increased social expectation for environmental and social disclosures, environmental and social information is seen to be connected to the company's ability to attract capital. In other words, interviewees expressed that company's financial stakeholders look for information on company's performance in environmental and social topics. This point of view suggests that a company is motivated to disclose information for financial reasons. Capital may be needed for survival but also for economic growth aims. Building on this, all companies expressed in the reports their ambition for growth. It was stated that companies would create economic value by operating in a responsible manner. Depending on the operations, companies explained how their business is responsible and how this leads to increased revenues. In other words, companies expressed that they operate in line with the green growth agenda. To demonstrate their ambition, companies used different reference points for their performance.

This leads to a discussion of standards used for environmental and social performance as their usage allows performance to be evaluated and compared. The data suggests that standards can impact how sustainable a company is perceived to be as their purpose is to set criteria for what is considered sustainable economic activity. The impact of standards was most evident in the case of oil and energy, whereas the interviewee explained that standards can define if a whole sector is considered sustainable or not (Table 12.). In practice, this can affect the way companies conduct reporting. For instance, the balance between environmental and social topics may be determined by a company's performance in these two areas. Lack of environmentally sustainable performance may put emphasize on the social dimension. Based on the observations from reports, companies case stories that were presented as social impact, can be interpretated as additional information of social dimension which may compensate lack of legitimacy in environmental aspect of sustainability.

Furthermore, the case of agriculture expressed that it sees value in disclosing "a lot of sustainability information" (Table 9.). The same idea was addressed by case of metal and manufacturing who stated that "doing more than what is expected" is important (Table 11.). While the case of forestry expressed that in general "businesses can do more than what is required" (Table 10.). All of these points of views indicate an ambition level that aims to exceed the obligations of the legal framework. Based on these comments, companies can be argued to engage in sustainability reporting by market request due to the observation that different companies share the same ambition. This shared ambition indicates competition within sustainability performance. Furthermore, these viewpoints support the notion from the literature that sustainability information is requested not only by the legal framework but driven by social expectations which translate into preferences in markets. As social expectations concern sustainable performance from companies, the ones who are perceived as performing in a sustainable manner are seen to be preferred (Gray, 2006). This is based on the understanding that disclosures on sustainability performance have positive reputational impacts for companies in form increasing a company's legitimacy as a responsible actor. To summarize, sustainability reporting, based on the literature and empirical evidence, is rooted in legal framework but the aim for maintaining social contract and seeking competitive advantage through improved reputation may enhance motivation for it.

The data suggests that reporting may have internal value for the company in form of assessment as well. The cases used different in-house indicators for measuring performance in environmental and social topics. For instance, the case of forestry created goals based on the SDGs that were relevant for the operations. Generally speaking, communicating a specific goal, can lead to a reporting practice that measures the achievement of the set goal. In other words, if a company sets a goal, it can be expected to act towards it and report the progress. Internal value of reporting can be seen in its way to demand a company to measure its performance. The framework of GRI is a case in point that assist companies to assess environmental and social topics, in addition to national accounting obligations that reflect the cultural understanding of what issues are worth measuring.

In relation to communicated purpose of sustainability reporting, interviews provided some understanding of the internal value of the practice. As discussed in the chapter of theoretical framework, a company is a social entity consisting of culturally conditioned individuals. Furthermore, a company is embedded in its place as the cultural conditions of these individuals transmit to the company. Building on this, the company holds its internal culture that translates into its behavior. Based on the viewpoints of the interviewees, there is an awareness that the values and beliefs of the people of the company translate to economic activities. More specifically, sustainable economic activities are seen to derive from the company's internal understanding and valuation of sustainability. This was expressed in different ways in interviews. In the case of oil and energy, the participants addressed that internal perceptions of the company in terms of sustainability are an internal stakeholder concern (Table 12.). Internal perceptions were expressed as concerns due to their impact on the company's performance. In other words, the company saw the importance of communicating sustainability information to provide information that enhances internal knowledge about the company's performance in sustainability. As supported by theory, internal information flow is seen to affect the way interactions occur in companies (Taylor & Asheim, 2001). To put it another way, corporate culture is partly created by how the purpose of the company is perceived internally.

Also, the interview with the case of metal and manufacturing, provided an insight that companies may see a connection between the internal understanding of sustainability topics that concern the company and its ability to deliver improved performance in the topics (Table 11.). In their report, the same company also stated that the aim would be to have a "sustainability culture" within the business (Table 7.). While the case of agriculture expressed in the interview that the mindset of employees is a factor in improving a company's performance in sustainability (Table 9.). These insights suggest that companies see the connection between how sustainability is valued and understood by the people of the company and the company's ability to address different topics of it. In other words, corporate culture is seen as a factor in a company's ability to take action towards improvements in environmental and social topics. The role of reporting can be seen as an assessment tool that by being part of a company's practices, demands the company to be accountable and aim for improvements in sustainability performance.

Hereby the motivation to communicate sustainability information might be to improve performance in sustainability in general. This is connected to the idea that corporate culture consists of purpose and actions, and coherence in these two enhances a company's ability to gain reliability which is seen to be a factor for a company's survival (Taylor, 2009). In this way, the understanding of sustainability internally can be considered as the basis for actions. Moreover, corporate culture is said to be partly created by the employees' views on the company's aims and their place in these (Trompenaars & Hampden-Turner, 1997: 157). Therefore, reporting can be seen as a tool for communicating sustainability that is expected by the internal stakeholders as well. It was also expressed in the reports that openness and dialogue with stakeholders are considered as part of the business that operates sustainably, and reporting is a practice that can enhance these. The results from code 'communication of purpose of sustainability reporting" suggest that reporting is considered to be part of sustainable business (Table 8.). Also, the case of agriculture expressed that sustainable business is ensured by disclosures and having an open dialogue throughout its supply chain (Table 7.). Therefore, as companies have stated their aim to be sustainable businesses, they may be motivated to improve their sustainability communication due to the drawn connection between these matters.

This chapter has aimed to cover the two research questions by discussing the analyzed data. Based on the dimensions of geographical context, social contract, and "green" as a business strategy, I have aimed to discuss what could be the motivation for conducting sustainability reports. As a result, it can be argued that these dimensions overlap as geographical context creates the ground for sustainability reporting, seeking a social contract is based on the culture of the context, and market request for sustainability information that is also based on cultural values generates green business strategies. To answer the research questions, the data suggests that a company's concern level sustainability reports are fundamentally based on the legal framework of the headquarter and a company may use frameworks such as GRI and refer to SDGs to increase the legitimacy of sustainability information. On the other hand, sustainability reports may be conducted to maintain the tacit social contract that demands economic activities to demonstrate more their performance and impacts in the light of sustainability. Geographical context hereby refers to the impacts of formal and informal institutions to company's communication.

When it comes to the internal perceptions of this information, companies seem to see connection in the internal importance given to sustainability performance and how a company delivers improvements in it. As a social entity, a company's actions can be seen to stem from the meanings, values and attitudes of the employees which give basis to the shared understandings within the company. Furthermore, sustainability information may be disclosed to remain competitive in the markets in which sustainability information is valued. Yet preferences in the markets can also be connected to the geographical context, which includes socially shared meanings, values and attitudes of a given time. These observations support the theoretical framework, which explains a company to be embedded in the given regulative and social context and creating practices according to these conditions. To summarize, motivation for conducting sustainability reports can be seen to stem from the dynamic between complying with legal and cultural requirements to gain license to operate and economic interests that are connected to sustainability disclosures.

7. Conclusion

This study has aimed to give an understanding of the dynamics that form companies' sustainability reporting practices. Throughout the study, the purpose has been to investigate the deeper roots of the practice and provide evidence for the theoretical setting from empirical case studies. As a result, the study has aimed to critically approach narratives of sustainability that are used in relation to economic activities. The two research questions were studied by analyzing sustainability reports and interview data from case studies according to the theoretical framework. The used framework allowed to concentrate on studying motivation for sustainability reporting from the dimensions of geographical context, social contract and "green" as a business strategy.

As the analysis was conducted by interpretating, I conclude the study by stressing that there are also various other ways to interpretate the collected data. The ideas and conclusions made from the data are a result of the understanding I gained from the used literature and the conditioning of this study including my own cultural position. In terms of the data collection, it would have been elaborating to study sustainability reporting practices in person on the research site. This could have likely allowed to make more observations of the conditions in which sustainability reporting is practiced and how this is perceived internally the company. On that note, this study can be seen as a contribution to the reflections made of sustainability reporting and a suggestion for future research on the role of geographical context to companies sustainability disclosures.

Furthermore, this study gave only an overview of the legislations that underlie sustainability reporting. A more detailed look into how sustainability is addressed in the given country's legislation could have generated discussion on the possible shortcomings of how the concept of sustainability is legally covered. This note also leads to another suggestion for future research around the topic. Sustainability reports could also be studied from the perspective of what sort of information is not disclosed in reports, which could increase the understanding of the level of comprehension of sustainability in relation to economic activities. Such discussion could possibly enrich the awareness around sustainability and the role of economic activities in sustainability issues. The aim here would be to contribute to a discussion on how communication on economic activities performance in sustainability can facilitate actions towards a more sustainable economic behavior. As a conclusion, I summarize the main ideas generated from the data analysis.

Based on the dimensions of geographical context and social contract, the legitimacy of economic actors is rooted in the regulations and cultural conditions of the place. This study aimed to address the way company practices are influenced by these conditions. As a form of communication, sustainability reports and their content can be seen to incorporate values, beliefs, and attitudes of the place as they aim to meet the information needs of the given time and place. In other words, sustainability is communicated according to the culturally shared understanding of sustainability that ultimately translates to the legal framework of the company's location. Hereby companies' can be argued to reproduce the shared understanding of sustainability by reporting based on the national legal framework and referring to international frameworks such as SDGs. These can be argued to be the basis for narratives of sustainability that companies' reports include. This study has aimed to shed light to the thinking that companies' communication on sustainability is deeply based on the geographical location in form of formal and informal institutions as one of the motivations for reporting can be seen to be the maintenance of social contract. In addition, the motivation for disclosing sustainability information may be based on economic interests. This idea is supported by the analyzed data that suggest that disclosing sustainability information may be connected to economic gains.

When it comes to the demonstration of social commitment, case companies used case stories in their reports. These stories may be interpretated as qualitative content of social dimension of sustainability. As discussed in the chapter of theory, social impacts of economic activities are considered more challenging to measure, which correlates with the finding of case stories. In other words, companies may use real-life stories as demonstration material that adds to the information of social impact. Hereby, this study suggests that while numerical targets for improvements in sustainability performance may give more validity to a company's reports, also qualitative information concerning stakeholder engagement can play as a demonstration tool. However, this study has aimed to declare that the communicated performance in sustainability of an economic activity is approached with a certain understanding of sustainability. Therefore, the communication of sustainability can be based on collective understanding of sustainability as what is disclosed aims to meet the understanding of the stakeholders. On that note, this study suggests that narratives of sustainability that are used in relation to economic activities should be challenged rather than taken for granted in the mass usage of the concept of sustainability. Hereby, the study has aimed to contribute to the critical literature on sustainability reporting which considers the way sustainability is articulated and accounted for to be a deeply culturally bounded matter (Gray, 2010). By addressing the context in which companies conduct sustainability reporting, there is a chance to make indications of how the concept of sustainability is understood and translated to economic activities in a particular culture. Further studies on how cultural understanding of sustainability transmits to companies and their communication could create more discussion on how sustainability issues are addressed as part of economic activities.

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Appendix 1.

Semi-structured interview outline.

A) Introductory questions

1. What is your role in the company?
2. How are environmental, social, and economic aspects addressed in the company?
4. How is sustainability performance measured and what indicators are used?
5. In which ways sustainability performance is communicated inside and outside of the company?

B) Regulations and standards

6. What are the legal obligations on the national level that apply to the company?
7. What sort of international frameworks and standards are used in reporting?

C) Reporting process

8. What were the grounds to start sustainability reporting in the first place?
9. In which way sustainability reporting practices have evolved over the years?
10. Which aspects of sustainability have been of particular focus?
11. How is the sustainability reporting process organized and managed?
12. How would you describe the meaning of sustainability reporting internally?

D) Stakeholders

13. To whom do you think the company's sustainability reporting is aimed?
14. In which ways are stakeholders involved in the reporting process?
15. What sort of stakeholder concerns has the company identified and how are these responded to?

E) Evaluation of sustainability reports

16. What is the importance of sustainability reports produced by other large companies?
17. What is the role of the company in influencing sustainability reporting within and across sectors?
18. How does the future of the company's sustainability reporting look like?