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Walk the Talk

Report of Sustainability Reporting Performance in Finnish Companies

HANNA SILVOLA
QINGLAN HUANG
MAXIMILIAN BÖTHFÜHR
ANITA RATILAINEN
EMMI TUISKU
HANKEN SCHOOL OF ECONOMICS

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Hanna Silvola, Qinglan Huang, Maximilian Böthführ,
Anita Ratilainen, and Emmi Tuisku

“Walk the Talk” Report of Sustainability Reporting Performance in Finnish Companies

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“Walk the Talk” report of sustainability reporting performance in Finnish companies

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Hanna Silvola, Qinglan Huang, Maximilian Böthführ, Anita Ratilainen, and Emmi Tuisku

Hanken School of Economics

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ABSTRACT

Over the decades, sustainability reporting has become a well-established practice. However, there are concerns about sustainability disclosure being a mere talk – a means of strategic marketing disconnected from the actual practices. The purpose of this study is to outline the current stage of sustainability reporting for Finnish-listed companies and offer insights for future improvements. By examining 177 companies listed on the Helsinki Stock Exchange, we find that companies' sustainability performance is disconnected from their sustainability commitments, with 89% of companies in the sample talking more than they walk. Breakdown by size, Large Cap companies and Mid Cap companies outperform above the average in Talk and Walk dimensions while Small Cap companies and First North listings underperform below the average. We also identify the lack of assurance, the absence of sustainability-related policy follow-ups, few female presences in the Boardroom and executive management team, and the underrepresentation of sustainability executive in leadership.

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1. INTRODUCTION

This is the first "Walk the Talk" report of sustainability reporting in Finnish listed companies. "Talk" refers to what companies say they will do, and "Walk" to what companies say they have done. The sample consists of 177 companies listed on the Helsinki Nasdaq Stock Exchange, covering both the main list and the First North list. Data is manually collected from publicly available sustainability disclosures and annual reports from the financial year 2023 by the research group of Hanken School of Economics. We follow up MISUM's famous "Walking the Talk" report (2019)[1] and their evaluation methodology. However, we have updated the evaluation methodology to pay attention to the requirements of the Corporate Sustainability Reporting Directive (CSRD) such as a materiality assessment.

The study investigates sustainability reporting performance among Finnish listed companies. Our study is motivated by increasing legislative and market pressure on companies' sustainability. Finnish companies will experience a significant change in their external financial reporting when, as part of the EU's Sustainable Finance Action Plan, the European Commission made sustainability reporting (CSRD) and its independent assurance mandatory for large companies by size during the years 2024-2026. Statutory reporting includes all listed companies (except micro companies employing less than 10 employees) and in addition all other large companies[2]. Sustainability information must be published in digital form in the annual report. A company's sustainability information must be signed by company's Board of Directors (BOD). The Omnibus proposal, published by the European Commission on February 26th, 2025, is likely to narrow down the target group of the mandatory sustainability reporters but its' impacts on market demand are still somewhat unclear.

The data of this report is collected from the financial year 2023 while the CSRD took place for large-sized listed companies in 2024, and SME-sized listed companies in 2026. The high scores of large companies may reflect the fact that pioneers have already begun to prepare for CSRD requirements in 2023, but many smaller companies still have significant gaps in CSRD requirements. We aim to re-conduct this study again later to investigate the progress of sustainability reporting in the Finnish listed companies. We hope that this report encourages Finnish listed companies to improve their real sustainability reporting performance.

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[1] Mistra Center for Sustainable Markets (MISUM). 2019. Walking the talk? Available at: https://www.hhs.se/contentassets/b91b3fcdf6494fecac83ce2c21369f87/walking-the-talk_2019_web.pdf

[2] when 2/3 of the size measures are met: 1) more than 250 employees, 2) turnover >€50M and 3) balance sheet >€25M. According to estimates, the CSRD affects up to 1,300 Finnish companies.

The reader of the report needs to be aware of several limitations of the study when making conclusions from the results. First, our study analyses only publicly available information. It is possible that companies have internally collected and used more sustainability information, but they have not yet publicly disclosed it. Second, only large companies have been forced to disclose non-financial information during the study, and therefore it might not be fair to compare large and small companies. However, the CSRD regulation will first impact all listed companies, and the smaller companies will experience the same public pressure with the delay. Third, our study focuses on a company's published sustainability information and does not necessarily reflect a company's actual sustainability performance – the report only describes the extent of a company's sustainability reporting without ranking companies based on their sustainability "goodness".

2. METHODOLOGY

In this research we adopt the methodology developed by MISUM (2019), which constructs an evaluation framework to comprehensively study the content of publicly available corporate sustainability-related disclosures. To reflect the institutionalization of sustainability reporting over recent years in the EU, we continue to develop the MISUM's evaluation framework according to the requirements of CSRD by dropping some old evaluation indicators and adding new ones, resulting in a novel framework with 16 Talk KPIs and 16 Walk KPIs to quantify the content of sustainability-related disclosures constantly across different companies. Appendix 1a and 1b show details of the evaluation methodology. The KPIs cover a broad range of sustainability-related topics in general business operations whereas industry-specific KPIs are excluded to avoid incomparability across industries.

Each company in our sample is scored on the 16 Talk KPIs and 16 Walk KPIs based on what they say they do (Talk) and what they say they have done (Walk) from publicly available materials of each company for the 2023 financial year. The sources for the data include annual reports, sustainability reports, remuneration reports, Code of Conduct, websites and other published sustainability-related documents. A company could score a total of 40 points for their Talk and their Walk, with each having a maximum score of 20. Out of the 32 KPIs, 25 KPIs are on a binary scale between 0 and 1, 6 KPIs are on a scale from 0 to 2, and 1 KPI is on a scale from 0 to 3.

Consistent with MISUM (2019), the KPIs in the Talk Section relate to communication on the integration of sustainability into business, on the strategic importance of

sustainability, and on the sustainability-related policies. The KPIs in the Walk Section relate to the communication on how the company translates their sustainability commitments into real work practices. Different from MISUM's (2019) evaluation methodology, we merged two old Talk KPIs ("Mission" and "Vision") into one Talk KPI, dropped "anti-discrimination" but added "equal opportunity" as a substitute in the Talk section. In the Walk section, new KPIs include "materiality assessment" and "CEO compensation". We also modified the point range for the Walk KPI "ESG assurance" to a scale from 0 to 2 (previously 0-1 in MISUM's evaluation methodology). The KPI for GRI reporting has been dropped to reflect the regulation update in the framework.

The research project has been managed by Associate Professor Hanna Silvola and Doctoral Researcher Qinglan Huang. The data has been collected and coded by Hanken's Master Thesis students Maximilian Böthführ, Anita Ratilainen and Emmi Tuisku. The students are assigned around 60 companies per person to collect and code data. They cross-check others' work turn by turn to avoid subjectiveness and some minor measurement errors. Supervisors also randomly pick several companies for additional checks.

Companies were given the opportunity to review their score and correct the score by providing additional publicly available information in case the research team had missed some details. Companies received their respective scorecard by email and were allowed to make comments and raise concerns within 14 days. We revised companies' scores if the companies pointed out any potential omissions. We failed to reach out to one company due to the lack of a publicly available email address. Also, one company responded after the comment period which we unfortunately were not able to revise.

3. COMPANY SELECTION

Our sample includes 177 listings[3] from eleven different sectors on the Helsinki Nasdaq Stock Exchange covering both the main market and the First North Growth Market[4] in the beginning of 2024. We differentiate our research from MISUM (2019) by focusing not only on large companies but also including small and medium-sized listed companies in our sample. Although the CSRD will set to take effect for SME-sized listed companies starting in 2026, we aim to investigate the current reporting capabilities of both

[3] Two Swedish companies dual listed on the Helsinki Nasdaq Stock Exchange (Telia Company AB and SSAB AB) are excluded from the sample.

[4] The Nasdaq First North Growth Market focuses on smaller, growth-oriented companies, which operates separately from the Main Market.

large and small and medium-sized listed companies to gain a broader understanding of the development of sustainability reporting practices in the context of Finland.

Table 1 presents the sample distribution. Panel A presents the distribution by industry. For the sector definition, we rely on Refinitiv Workspace information, derived from the ICB classification[5]. Panel B presents the distribution by company size category. Among 177 listings, 128 are listed on the main market while 49 are listed on the First North Growth market. For listings on the main market, 29 are listed on the Large Cap Index[6], 46 are listed on the Mid Cap Index[7], and 53 are listed on the Small Cap Index[8].

[5] Industry Classification Benchmark (ICB) is a comprehensive and rules based, transparent classification methodology based on research and market trends designed to support investment solutions.

[6] The Nasdaq OMX Large Cap Index in Helsinki consists of the companies with a market capitalization exceeding one billion euro.

[7] The Nasdaq OMX Mid Cap Index in Helsinki consists of the companies with a market capitalization between 150 million euro and one billion euro.

[8] The Nasdaq OMX Small Cap Index in Helsinki consists of the companies with a market capitalization less than 150 million euro.

Table 1

Panel A: This table presents the distribution of companies by industry

Industry	No. of companies	Percentage
Basic Materials	9	5 %
Consumer Discretionary	28	16 %
Consumer Staples	10	6 %
Energy	1	1 %
Financials	20	11 %
Health Care	14	8 %
Industrials	54	31 %
Real Estate	6	3 %
Technology	29	16 %
Telecommunications	3	2 %
Utilities	3	2 %
Total	**177**	100 %

Panel B: This table presents the company size categories

Size category	No. of companies	Percentage
Large Cap	29	16 %
Mid Cap	46	26 %
Small Cap	53	30 %
First North GM	49	28 %
Total	**177**	100 %

4. MAIN FINDINGS

Panel A of Table 2 provides descriptive statistics on the main variables *Talk* and *Walk* scores. The average *Talk* score for sample companies is 12.47 and the average *Walk* for sample companies is 8.62. The *Talk* score ranges from 0 to 20 and *Walk* score ranges from 0 to 19, indicating a wide variation in both Talk and Walk dimensions. The presence of extreme cases, i.e., minimum scores of 0 for both *Talk* and *Walk,* suggest that some companies are overwhelmingly underperforming[9]. On the other hand, the maximum scores imply that some companies are performing exceptionally well in both dimensions, serving as best practice examples[10]. Panel B of Table 2 presents the distribution of the comparison of *Talk* and *Walk* score. Out of 177 companies, 157 companies (89%) scored higher in *Talk* than in *Walk*, 11 companies (6 %) scored higher in *Walk* than in *Talk*, and 9 companies (5%) received the same scores in *Talk* and *Walk*. Scores of individual companies are listed in Appendix 2.

Table 2

Panel A: This table shows descriptive statistics

	Observations	Mean	Median	Min	Max
Talk	177	12.47	14	0	20
Walk	177	8.62	9	0	19

Panel B: This table presents the distribution of the comparison of Talk and Walk scores

	No. of companies	Percentage
Talk score > Walk score	157	89 %
walk score = talk score	9	5 %
Talk score < Walk score	11	6 %
total	**177**	**100 %**

Figure 1 provides a visual representation of the relative performance of companies in our sample. The x-axis stands for Talk score and the y-axis represents Walk score. Each company is plotted on the graph given its corresponding Talk and Walk scores, with color coding based on the industry. Company size is encoded as a third dimension through the scaling of each marker's area. For instance, the largest markers corre-

[9] There are two companies having 0 for both Talk and Walk scores.

[10] There is one company scoring 20 for Talk and 19 for Walk.

spond to Large Cap companies. Taking size into consideration enables a multidimensional comparison of performance and enhances credibility. Overlapping points occur for companies with identical Talk score and Walk score. The vertical and horizontal dotted lines show the average Talk score and Walk score: the average Talk score is 12.47 while the average Walk score is 8.62. The diagonal line indicates an equal Talk score and Walk score for the company. A position below the diagonal line (purple area) denotes a lower Walk score than Talk score. As shown in Figure 1, the majority of companies are located in the purple area, indicating that most companies are scoring higher in Talk than in Walk. Specifically, companies plotted in the bottom left are weaker performers in both Talk and Walk, with those in the top right corner exhibiting above-average performance in Talk and Walk. It is also apparent that large companies outperform small companies in both Talk and Walk dimensions.

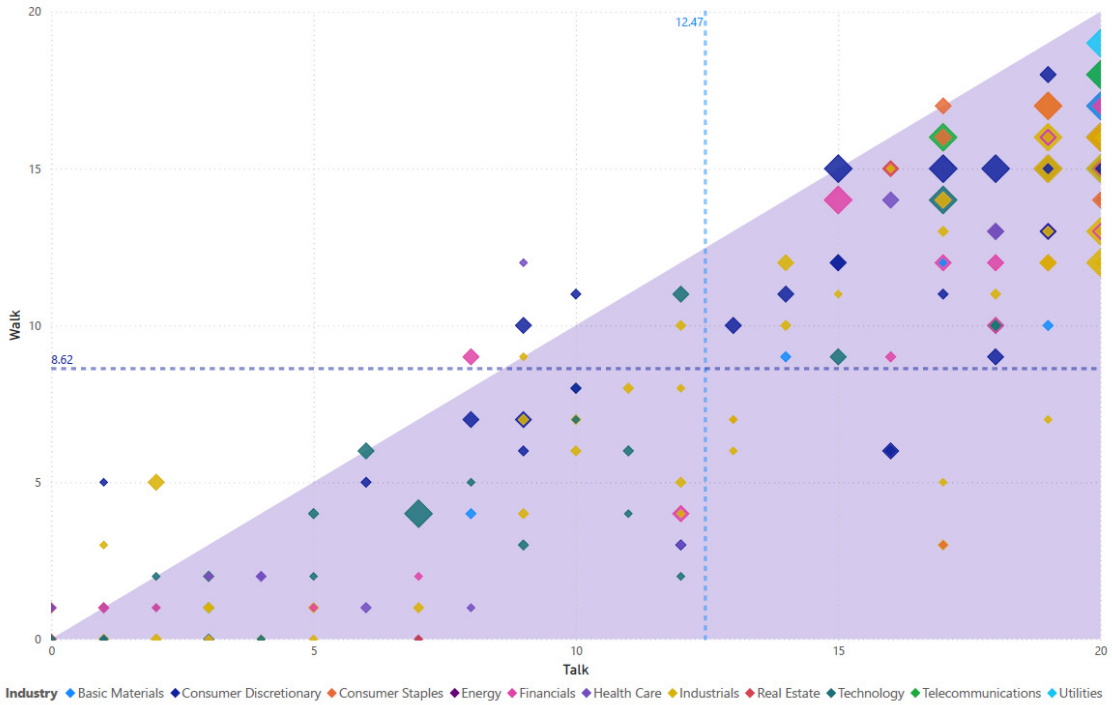

Figure 1 Relative sustainability performance of Finnish listed companies on different industries

4.1 AVERAGE TALK AND WALK SCORES ACROSS DIFFERENT MARKETS AND SEGMENTS

Table 3 presents the average Talk and Walk scores by company size category. The average Talk score is highest for Large Cap companies (18.62), followed by Mid Cap (16.17), Small Cap (11.06), and First North GM (6.88). There is a clear downward trend in the average Talk score as the company size decreases, with Large Cap companies having more than double the average Talk score of First North GM companies.

Similar to Talk score, the average Walk score is highest for Large Cap companies (15.34), followed by Mid Cap (12.09), Small Cap (6.85), and First North GM (3.31). The average Walk score also decreases with company size, with Large Cap companies having more than four times the average Walk score of First North GM companies. The results indicate that in comparison to others, large cap companies outperform in both Talk and Walk dimensions. This is because many large companies have already voluntarily engaged in sustainability reporting for a long time due to stakeholder pressure and have sufficient financial and human resources to allocate to sustainable business projects. Mid Cap companies perform above the average while Small Cap companies and companies listed on First North Growth Market underperform below the average.

It is rather challenging for small-sized companies to cope with the sustainability reporting trend and integrate sustainability into their operation.

Table 3

	Average Talk	Average Walk
Large Cap	18.62	15.34
Mid Cap	16.17	12.09
Small Cap	11.06	6.85
First North GM	6.88	3.31
Total	**12.47**	**8.62**

4.2 SUSTAINABILITY ASSURANCE AND MATERIALITY ASSESSMENT

ESG assurance is still uncommon, with a majority of sustainability information (78.53%) not externally assured. 20.34% of companies have limited assurance on sustainability information disclosed, and approximately 1% of companies have reasonable assurance on at least one aspect of ESG information. Regarding materiality assessment, a notable portion (41.24%) of companies have no materiality assessment. Single materiality assessment represents 25.99% and double materiality assessment accounts for 32.77%, suggesting that it is slightly more common than single materiality assessment.

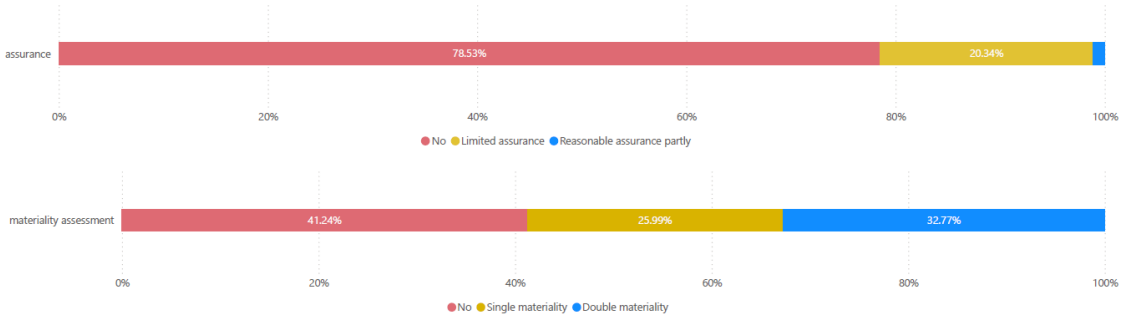

Figure 2 Percentage of companies having assurance and conducting materiality assessments

4.3 SUSTAINABILITY TARGETS AND FOLLOW-UPS

The majority of companies have established defined targets for sustainability, with around 7% of companies addressing only one single aspect of sustainability and around 57% of companies having targets covering broader aspects of sustainability. However, more than 50% of companies do not have sustainability target follow-ups, either due to the absence of targets or because their targets are not quantified and too vague to be followed up. It is crucial to narrow down the targets and make them measurable which helps the organization strive to meet them. Around 2% of companies have quantified targets and the targets are defined with regard to time and scope. 27% of companies have quantified targets and report on the progress towards the targets. 17.5% of companies embedded the quantifiable sustainability targets into their long-term strategy.

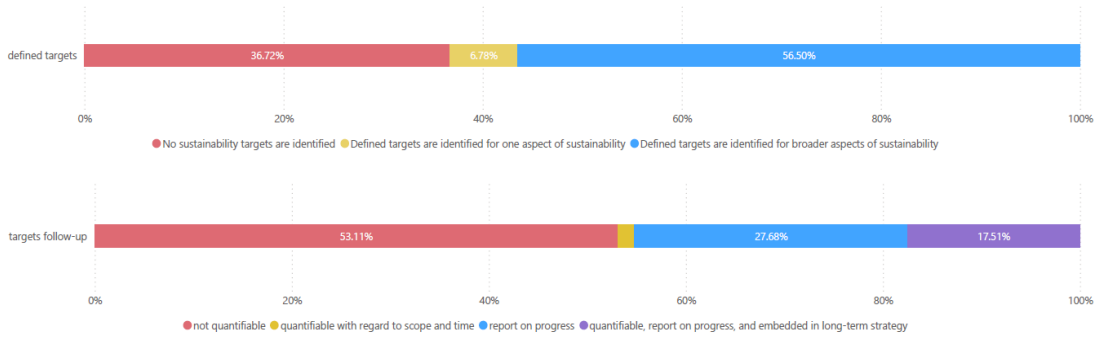

Figure 3 Percentage of companies defining and following up sustainability targets

4.4 SUSTAINABILITY-RELATED POLICIES AND FOLLOW-UP COMMUNICATIONS

Figure 4 presents the number of companies with sustainability-related policies publicly available and the number of companies that communicate on follow-up actions regarding such policies. Companies without a publicly available policy but nevertheless provide information on related topics are excluded from this analysis.

In general, most sample companies have public sustainability-related policies that stakeholders can access. Among all policies, the Anti-corruption policy appears most frequently with 123 companies (out of 177 companies) publishing it, whereas the Employee Health and Safety Policy appears the least frequently, with 106 companies publishing it.

Communications on follow-up actions are less frequently delivered. Although it is the most frequently published, the Anti-Corruption policy exhibits the largest discrepancy between the statement of intent and actual follow-up actions reported. One explanation could be that it is difficult to establish an efficient whistleblowing system where corruption and financial fraud can be reported and detected due to the complexity of organizations. Human Right Policy follow-up also appears less frequently possibly due to the difficulty of human rights due diligence in the value chain. The level of follow-up is highest for the Environment Policy, with 110 companies publishing it and out of them 101 companies reporting on the environmental performance.

There are companies that communicate on related performance on a policy that is not publicly available. These companies might value such sustainability topics but not necessarily have the resources to establish formal written-down policies, or they have policies within the organizations yet not published to the public for some reason.

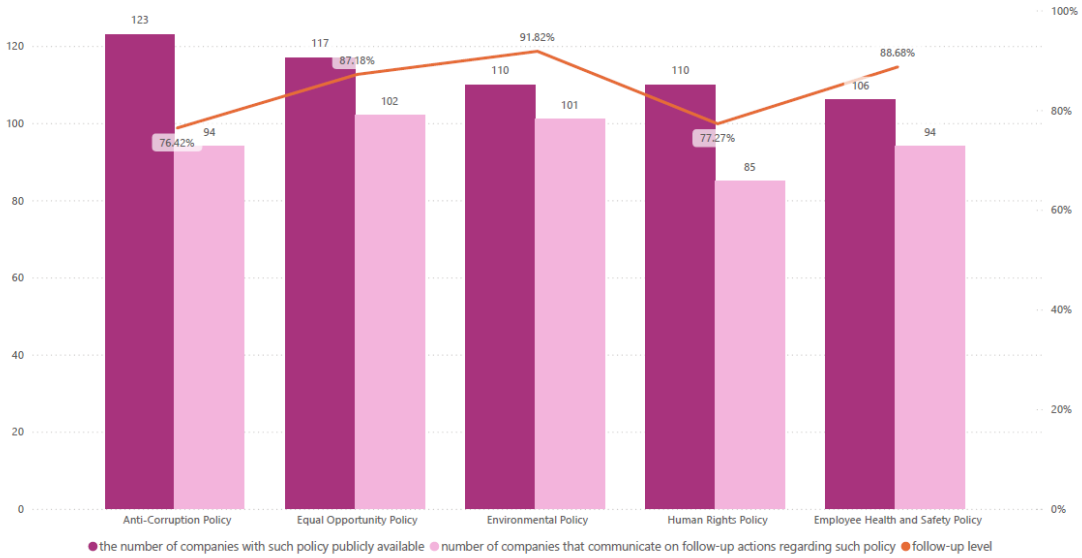

Figure 4 Number of companies having and communicating sustainability-related policies and follow-ups

4.5 SUSTAINABILITY AT THE TOP LEVEL

In the sample, only about 37% of the companies link CEO remuneration to sustainability KPIs, whether equity-based or cash-based. Gender balance, defined as 40-60% female representation, remains a challenge at the top level: about 25% of companies achieve it in their BOD, and just 16% of companies achieve it in their executive management team (EMT). There is still a long way to go to address this gap. Notably, ESG executives are underrepresented in leadership, with only 24% of companies having an ESG executive as part of the management team actively involved in decision-making.

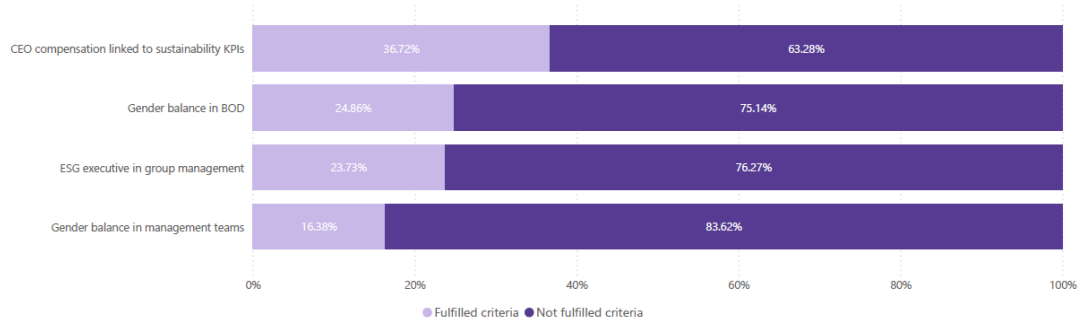

Figure 5 Percentage of companies' sustainability performance at the top level

5. CONCLUSION

The increasing awareness of sustainability pressures companies to do "good" while doing business[11]. Sustainability reporting therefore occurs and evolves as a channel through which companies communicate sustainability-related information with diverse stakeholders. However, sustainability reporting could be symbolic, and sustainability is likely to be performative for the purpose of image building. Such symbolic sustainability reporting contains less useful information that can be taken into account for decision-making and is also likely to be misleading for stakeholders engaged less in the business process. A comprehensive understanding of sustainability reporting practices among Finnish listed companies is crucial for understanding the development of sustainable business and green transition in Finland. In this study, by examining 177 companies listed on the Helsinki Stock Exchange, we find that companies' sustainability performance tends to be somewhat disconnected from their sustainability commitments. Specifically, we identify the lack of assurance, the absence of sustainability-related policy follow-ups, few female presences in the Boardroom and executive management team, and the underrepresentation of sustainability executives in leadership.

The purpose of this study is to outline the current stage of sustainability reporting for Finnish-listed companies and offer insights for future improvements. The data of the study is from the financial year 2023 when the EU Commission had just finalized its decision on the CSRD. At the time of publishing this study, the Commission has just published the Omnibus proposal to harmonize, simplify and narrow down mandatory sustainability reporting. We hope that this report provides fact-based evidence for policymakers but especially encourages companies to improve their real sustainability reporting performance.

[11] Flammer, C. (2013). Corporate social responsibility and shareholder reaction: The environmental awareness of investors. Academy of Management journal, 56(3), 758–781.

6. APPENDICES

Appendix 1a: Evaluation methodology of" Talk" Score

Appendix 1b: Evaluation methodology of" Walk" Score

Appendix 2: Company List and Scores

Appendix 1a. Evaluation methodology of ”Talk” Score

Talk KPIs: composition and distribution								
focus area	**KPIs**		**description** point range/ distribution	**scoring**				
					scoring scale			
				max points	**0 point**	**1 point**	**2 points**	
communicated sustainability	1	Website	The company website is a key communication tool for companies and is an essential source of information for many different stakeholders. The company delivers ESG information and / or its commitments to sustainable development on its website.	0-2 points	2	No or very little ESG information is communicated through the group website. Further, this information is not easy to find.	ESG information is part of the website and can be found easily.	ESG information is highlighted on the start page and a major part of the website is devoted to it. Additionally, a wide range of different materials on the topic are provided through it.
	2	CEO statement/Chairman statement	The CEO/chairman has a public statement on sustainability. The CEO statement in the annual report reflects which areas the company considers most important to stakeholders. Emphasizing sustainability in the CEO statement signals executive commitment as well as understanding for stakeholder interest.	0-1 point	1	The CEO statement does not cover sustainability.	The CEO statements cover sustainability (one aspect of sustainability also counts).	
	3	Mission/vision/ purpose	The mission statement is critical as it is a written declaration of an organization’s core purpose and focus. The vision statement is connected to a company’s mission and is the aspirational description of what an organization strives to achieve in the mid-or long-term future. The company covers sustainability at least in one of the areas of mission/vision/purpose.	0-1 point	1	The mission / vision / purpose statement does not encompass sustainability.	The mission / vision / purpose statement encompasses sustainability.	
	4	Core values	The core value statement summarizes what is most important to a company. The company’s core values cover sustainability.	0-1 point	1	The core value statement does not encompass sustainability.	The core value statement encompasses sustainability.	
	5	Business model	The company’s overall business model is discussed in relation to sustainability.	0-1 point	1	The company’s overall business model is not discussed in relation to sustainability.	The company’s overall business model is discussed in relation to sustainability.	

strategic direction	6	Corporate strategy	The corporate strategy plays an important role in corporate communication as it serves as a plan for the upcoming reporting period and reveals the main strategic themes of the corporation. The company integrates sustainability into its strategy.	0-2 points	2	The corporate strategy does not refer to sustainability.	Sustainability is part of the corporate strategy but is described in general terms and not specified as an own strategic theme.	Sustainability is a critical part of the core strategy, reflected through an own strategic theme.
	7	Risk Management	The annual report provides information on key sustainability risks the company has identified and on how those can affect its own business. Additionally, it presents plans to mitigate them.	0-2 points	2	The annual report does not encompass sustainability issues.	The company identifies one main sustainability risk, for example, climate risk.	The company identifies multiple sustainability-related risks.
	8	Defined targets	In order to be a good corporate citizen and to take responsibility for their operations many companies develop sustainability strategies and define sustainability targets. The company has clear targets associated with sustainability.	0-2 points	2	No targets that address sustainability is defined.	Defined targets address only one aspect of sustainability, for example environmental topics.	Defined targets are communicated that address all of dimensions of sustainability in terms of ESG, for example environmental, as well as social goals and governmental goals.
	9	Sustainable development goals	In order to be a good corporate citizen and to take responsibility for their operations many companies identify the SDG goals most material to their business. The company identifies material SDGs to which they aim to contribute.	0-1 point	1	No SDGs identified.	Material SDGs identified.	

principled commitment	10	Code of Conduct	A CoC is a written set of principles that is issued by an organization to its employees and management and that forms the basis for what is expected from them. Further, it is intended to be a manual that offers support in day-to-day decision-making. The CoC is publicly available.	0-1 point	1	A CoC is not publicly available.	A CoC is publicly available.	
	11	Supplier Code of Conduct	Supplier CoC is a set of rules outlining the social norms and responsibilities of, or proper practices for a company's suppliers. The company has a supplier code of conduct or related requirements for suppliers that is publicly available.	0-1 point	1	A Supplier CoC is not publicly available.	A Supplier CoC is publicly available and discloses the company's requirements for its suppliers.	
	12	Human rights policy	A Human Rights Policy encompasses a company's stance on Human Rights issues. The company has a human rights policy publicly available.	0-1 point	1	A Human Rights Policy is not publicly available nor is a part of the CoC dedicated to this topic.	A Human Rights Policy is publicly available or a part of the CoC is dedicated to this topic.	
	13	Employee Health and safety policy	An Employee Health and Safety Policy encompasses a company's stance on issues regarding its employees' well-being. The company has such a policy publicly available.	0-1 point	1	An Employee Health and Safety Policy is not publicly available nor is a part of the CoC dedicated to this topic.	An Employee Health and Safety Policy is publicly available part of the CoC is dedicated to this topic.	
	14	Anti-corruption policy	An Anti-Corruption Policy describes how a company handles the problem of corruption. The company has such a policy publicly available.	0-1 point	1	An Anti-Corruption Policy is not publicly available nor is a part of the CoC dedicated to this topic.	An Anti-Corruption Policy is publicly available or a part of the CoC is dedicated to this topic.	
	15	Environmental policy	An Environmental Policy describes a company's philosophy, intentions and objectives regarding the environment. The company has such a policy publicly available.	0-1 point	1	An Environment Policy is not publicly available nor is a part of the CoC dedicated to this topic.		
	16	Equal opportunity	An equal opportunity policy is a formal commitment by an organization to provide fair treatment to all employees and job applicants, ensuring that decisions are made without discrimination based on race, gender, age, religion, disability, or other protected characteristics. The company has such a policy publicly available.	0-1 point	1	An equal opportunity policy is not publicly available nor is a part of the CoC dedicated to this topic	An equal opportunity policy is publicly available or a part of the CoC is dedicated to this topic	

Appendix 1b. Evaluation methodology of ”Walk” Score

Walk KPIs: Composition and distribution								
Focus area	**KPIs**		**Description** **Point range/distribution**	**Scoring**				
				Scoring scale				
				0 point	**1 point**	**2 points**	**3 points**	
Reporting accountability	1	ESG reporting (new)	Is sustainability information integrated into the annual report?	0-1 point	No (Only separate SR is also 0)	Yes		
	2	ESG assurance (new)	On which level is SR externally assured?	0-2 points	None (No external assurance)	Limited assurance (For small and medium firms, limited assurance partly is also 1)	Reasonable assurance partly (For instance carbon emission reasonable assurance)	
	3	Materiality assessment	Does the company have double materiality assessment?	0-2 points	No	Single materiality	Double materiality	
	4	Defined targets follow-up	ESG targets need to be defined in a quantifiable way with regard to scope and time frame. The actual performance towards goal achievement should be also disclosed together with its long-term sustainability strategy.	0-3 points	S/CR targets are not defined at all, or they are not defined in a quantifiable way. This means that the scope of the target is not clearly named and/ or that no due date is stated	S/CR targets are defined and quantifiable with regard to scope and time.	S/CR targets are defined and are quantifiable with regard to scope and time. Additionally, the company reports on its current performance towards goal achievement.	S/CR targets are defined, and they are quantifiable with regard to scope, as well as time. Additionally, the company does not only report on its current performance towards goal achievement but also embeds its targets in a longer-term (+10 years) sustainability strategy.

Follow-up actions	5	Environmental policy follow-up	Does the company take steps to reduce negative environmental impact? Detailed data needed if possible. For example, total energy consumption, total water consumption, and total emission.	0-1 point	No	Yes		
	6	Supplier code of conduct follow-up	Does the company evaluate suppliers, conduct on-site visits or supplier audits?	0-1 point	No	Yes (For example, the firm discloses the number of suppliers by country/on-site visit(s)/ supplier audit(s)/ whether the firm terminates suppliers if the suppliers do not meet the evaluation)		
	7	Equal opportunity follow-up	Does the company disclose any information about their efforts towards achieving equality? This may include details on gender ratio, gender pay gap, instances of discrimination, and respect for religious practices.	0-1 point	No disclosures	Disclosure(s)		
	8	Human rights policy follow-up	Does the company assess human rights according to human rights policy	0-1 point	There is no information regarding a follow-up on existing Human Rights Policy	There is information regarding a follow-up on existing Human Rights Policy		
	9	Employee health and safety policy follow up	Does the company enhance working conditions and provide safety training for employees to prevent injuries and fatalities? Is there information about the follow-up on the existing Employee Health and Safety Policy?	0-1 point	There is no information regarding a follow-up on an existing Employee Health and Safety Policy	There is information regarding a follow-up on an existing Employee Health and Safety Policy		
	10	Anti-corruption policy follow-up	Does the company take actions to improve transparency and avoid corruption?	0-1 point	There is no information regarding a follow-up on an existing Anti-Corruption Policy	There is information regarding a follow-up on an existing Anti-Corruption Policy		
	11	Sustainable development goals (SDGs) follow-up	Does the company measure SDGs?	0-1 point	No	Yes		
Top-level commitment	12	ESG executive in group management	If the S/CR Executive (Sustainability manager) is part of the group management this person possesses power and decision-making authority to put S/CR on the agenda and is at an eye level with all the other “main” organizational functions.	0-1 point	The sustainability representative (for instance, head of sustainability) is not part of the group executive management team.	The sustainability representative (for instance, head of sustainability) is part of the group executive management team.		
	13	CEO compensation	Is the CEO compensation linked to sustainability KPI(s)? (Either equity-based or cash-based)	0-1 point	No	Yes		
	14	Gender balance in the Board of Directors	Companies with a board of directors comprising 40-60% females (excluding employee representatives) can be considered as promoting gender balance; does the company meet this criterion?	0-1 point	The share of women in the Board of Directors is not in the range of 40-60%	The share of women in the Board of Directors is in the range of 40-60%		
	15	Gender balance in the management team	Does the company executive management team comprise of 40-60% female ratio?	0-1 point	The share of women in the Executive Management is not in the range of 40-60%	The share of women in the Executive Management is in the range of 40- 60%		
	16	CoC signed by CEO or board	A signed CoC shows the importance of this document to the organization and the accountability of the CEO/board. Is the CoC signed by either the CEO or a board member?	0-1 point	No	Yes		

APPENDIX 2

Company list and scores

Company Name	Talk	Walk	Total
Aallon Group Oyj	1	3	4
Admicom Oyj	1	0	1
Administer Oy	13	7	20
Afarak Group SE	8	4	12
Aiforia Technologies Oyj	4	0	4
Aktia Bank Abp	19	16	35
Alandsbanken Abp	20	13	33
Alexandria Group Oyj	5	1	6
Alisa Pankki Oyj	1	1	2
Alma Media Oyj	14	11	25
Anora Group Oyj	20	15	35
Apetit Oyj	20	14	34
Aspo Oyj	17	14	31
Aspocomp Group Oyj	9	3	12
Asuntosalkku Oy	7	0	7
Atria Oyj	20	14	34
BBS-Bioactive Bone Substitutes Oyj	0	1	1
Betolar Oyj	19	7	26
Biohit Oyj	6	1	7
Bioretec Oy	3	2	5
Bittium Oyj	12	11	23
Boreo Oyj	14	10	24
CapMan Oyj	20	17	37
Cargotec Corp	19	15	34
Caverion Oyj	20	13	33
Citycon Oyj	16	15	31
Componenta Oyj	14	9	23
Consti Oyj	17	13	30
Detection Technology Oyj	15	11	26
Digia Oyj	20	15	35
Digital Workforce Services Oyj	12	2	14
Digitalist Group Oyj	3	0	3
Dovre Group Oyj	17	3	20
Duell Oyj	1	5	6
Eagle Filters Group Oyj	3	1	4
EcoUp Oyj	4	0	4
Eezy Plc	11	8	19
Efecte Oyj	2	2	4

Elecster Oyj	2	0	2
Elisa Oyj	20	18	38
Endomines Finland Oyj	19	10	29
Enento Group Oyj	17	12	29
Enersense International Oyj	18	11	29
eQ Oyj	12	4	16
Etteplan Oyj	19	12	31
Evli Oyj	18	10	28
Exel Composites Oyj	20	12	32
Fifax	17	3	20
Finnair Oyj	19	18	37
Fiskars Oyj Abp	17	15	32
Fodelia Oyj	13	7	20
Fondia Oyj	3	0	3
Fortum Oyj	20	19	39
F-Secure Oyj	6	6	12
Glaston Oyj Abp	20	13	33
Gofore Oyj	18	10	28
Harvia Oyj	15	12	27
Heeros Oyj	0	0	0
Herantis Pharma Oyj	3	0	3
HKFoods Oyj	20	14	34
Honkarakenne Oyj	12	3	15
Huhtamaki Oyj	20	16	36
Ilkka Oyj	6	5	11
Incap Oyj	14	12	26
Inderes Oyj	2	1	3
Innofactor Oyj	18	10	28
Investors House Oyj	0	1	1
Kamux Oyj	13	10	23
Kemira Oyj	20	17	37
Kempower Oyj	20	12	32
Keskisuomalainen Oyj	10	11	21
Kesko Oyj	19	17	36
Kesla Oyj	12	5	17
KH Group Oyj	3	1	4
Kojamo Oyj	20	16	36
Kone Oyj	20	15	35
Konecranes Abp	19	16	35
Kreate Group Oyj	12	10	22
Lamor Corporation Oyj	20	14	34
LapWall Oyj	10	7	17

Lassila & Tikanoja Oyj	20	15	35
Leaddesk Oyj	1	0	1
Lehto Group Oyj	1	0	1
Lemonsoft Oyj	5	2	7
Lifeline SPAC I Oyj	0	1	1
Lindex Group Oyj	20	13	33
Loihde Oyj	11	4	15
Mandatum Oyj	15	14	29
Marimekko Oyj	19	13	32
Martela Oyj	19	15	34
Merus Power Oyj	9	9	18
Metsa Board Oyj	20	15	35
Metso Oyj	20	17	37
Modulight Oyj	9	12	21
Musti Group Oyj	15	12	27
Nanoform Finland Oyj	4	2	6
Neste Oy	20	17	37
Netum Group Oyj	8	5	13
Nexstim Oyj	8	1	9
Nightingale Health Oyj	12	3	15
NoHo Partners Oyj	18	9	27
Nokia Oyj	17	16	33
Nokian Tyres plc	18	15	33
Nordea Bank Abp	20	16	36
Norrhydro Group Oyj	13	6	19
Nurminen Logistics Oyj	7	1	8
Nyab Oyj	10	7	17
Olvi Oyj	17	17	34
Oma Saastopankki Oyj	8	9	17
Optomed Oyj	4	2	6
Oriola Oyj	18	13	31
Orion Oyj	19	15	34
Orthex Oyj	20	15	35
Outokumpu Oyj	20	15	35
Ovaro Kiinteistosijoitus Oyj	0	0	0
Pallas Air Oyj	7	0	7
Panostaja Oyj	16	9	25
Partnera Oyj	17	5	22
Pihlajalinna Oyj	16	14	30
Piippo Oyj	4	0	4
Pohjanmaan Arvo Sijoitusosuuskunta	3	2	5
Ponsse Oyj	20	15	35

PunaMusta Media Oyj (now REBL GROUP OYJ)	16	6	22
Purmo Group Oyj	16	15	31
Puuilo Oyj	9	10	19
QPR Software Oyj	1	1	2
Qt Group Oyj	7	4	11
Raisio Oyj	17	16	33
Rapala VMC Oyj	10	8	18
Raute Oyj	19	13	32
Reka Industrial Oyj	9	4	13
Relais Group Oyj	8	7	15
Remedy Entertainment Oyj	9	7	16
Revenio Group Oyj	18	13	31
Robit Oyj	9	7	16
Rush Factory Oyj	0	1	1
Saga Furs Oyj	9	6	15
Sampo Oyj	20	17	37
Sanoma Oyj	15	15	30
Scanfil Oyj	18	13	31
Siili Solutions Oyj	3	2	5
Sitowise Group Oyj	20	16	36
Solteq Oyj	10	8	18
Solwers	12	8	20
Spinnova Oyj	17	12	29
Springvest Oyj	7	2	9
SRV Yhtiot Oyj	19	16	35
SSH Communications Security Oyj	3	2	5
Stora Enso Oyj	20	18	38
Suominen Oyj	19	12	31
Taaleri Oyj	18	12	30
Talenom Oyj	2	5	7
Tamtron Group Oyj	12	4	16
Tecnotree Oyj	5	4	9
Teleste Oyj	18	10	28
Terveystalo Oyj	17	14	31
Tietoevry Oyj	17	14	31
Titanium Oyj	1	0	1
Toivo Group Oyj	3	0	3
Tokmanni Group Oyj	19	16	35
Trainers' House Oyj	3	1	4
Tulikivi Oyj	10	6	16
United Bankers Oyj	19	13	32

UPM-Kymmene Oyj	20	16	36
Vaisala Oyj	20	13	33
Valmet Oyj	19	17	36
Valoe Oyj	5	1	6
Verkkokauppa.com Oyj	17	11	28
Viafin Service Oyj	5	0	5
Viking Line Abp	16	6	22
Vincit Oyj	3	0	3
Wartsila Oyj Abp	19	15	34
Wetteri Oyj	11	6	17
WithSecure Oyj	15	9	24
Witted Megacorp Oyj	2	1	3
Wulff Yhtiot Oyj	10	7	17
YIT Oyj	20	13	33

HANNA SILVOLA, QINGLAN HUANG, MAXIMILIAN BÖTHFÜHR, ANITA RATILAINEN, AND EMMI TUISKU, HANKEN SCHOOL OF ECONOMICS

Walk the Talk: Report of Sustainability Reporting Performance in Finnish Companies

Over the decades, sustainability reporting has become a well-established practice. However, there are concerns about sustainability disclosure being a mere talk – a means of strategic marketing disconnected from the actual practices. The purpose of this study is to outline the current stage of sustainability reporting for Finnish-listed companies and offer insights for future improvements. By examining 177 companies listed on the Helsinki Stock Exchange, we find that companies' sustainability performance is disconnected from their sustainability commitments, with 89% of companies in the sample talking more than they walk.

Breakdown by size, Large Cap companies and Mid Cap companies outperform above the average in Talk and Walk dimensions while Small Cap companies and First North listings underperform below the average. We also identify the lack of assurance, the absence of sustainability-related policy follow-ups, few female presences in the Boardroom and executive management team, and the underrepresentation of sustainability executive in leadership.

HANKEN SCHOOL OF ECONOMICS

HELSINKI
ARKADIANKATU 22, P.O. BOX 479,
00101 HELSINKI, FINLAND
PHONE: +358 (0)29 431 331

VAASA
KIRJASTONKATU 16, P.O. BOX 287,
65101 VAASA, FINLAND
PHONE: +358 (0)6 3533 700

BIBLIOTEKET@HANKEN.FI
HANKEN.FI/DHANKEN

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