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SUSTAINABILITY REPORTING ELEMENTS IN THE LARGEST ESTONIAN COMPANIES

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INTRODUCTION

The world has changed. In today's changeable economic environments and highly competitive markets no entity or organization, especially those operating and relying on limited or declining natural resources, can operate the way they did ten years ago. Wider availability of information has made consumers more sophisticated, which directly relates to increased public interest in transparent corporate business practices. Therefore, it turned the pressure on organizations enormously. Moreover, the pressure to succeed in a manner that supports sustainability, is quickly growing. (The Time is now 2013: 3)

Furthermore, regulators are progressively trying to turn to non-financial disclosure regulations as a tool to increase corporate transparency related to social and environmental issues, subsequently organization around the world trying to impact societies and the environment. Political processes in the EU have resulted in several sustainability initiatives and in 2014 the EU amended an act, which required non-financial performance for large companies and public-interest entities with more than 500 employees to be reported. The amended act requires non-financial reporting for large companies and public-interest entities with more than 500 employees, which surely would affect Estonian entities. (A new era ...2016) By 15.01.2016, EU Commission had launched public consultation, which was open until April 2016, to feed its upcoming non-binding guidelines that will set out how large public-interest entities, such as listed companies and banks, could disclose social and environmental information. Guidelines can assist companies in the reporting process, providing them with a methodology that will facilitate the disclosure of relevant, useful and comparable non-financial information, also within guidelines are planned to draw up in line with the

requirements and scope set out in the Directive on disclosure of non-financial and diversity information by certain large companies and groups, which applies to large public-interest entities with more than 500 employees. (EU Commission Directive ... 2016)

Actuality of the topic is related to the fact that regulators are increasingly trying to turn to non-financial disclosure regulations as a tool to increase corporate transparency about social and environmental issues, and companies around the world are irreversibly impacting societies and the environment, especially mentioned above EU act, which would affect also Estonian entities. Interest for sustainability issues might be supported by some economic motivations as the companies are the ones which make the decision to invest on sustainability and certainly expect to have return on investment. However, these motivations are not the only ones driving companies into acting sustainable. Sustainability can provide lots of benefits when it is adequately integrated in the company's corporate strategy. Information about the economic, environmental and social performances of an organization is mentioned in sustainability reports. They are used by companies as an important platform for sharing both their positive and negative sustainability impacts. Global Reporting Initiative (GRI) provides the world's most widely used standards on sustainability reporting and disclosure. Sustainability report is the total reports that covers environmental and social reports.

In accordance with Estonian Accounting act § 24 3 (3), an accounting entity whose annual reports are audited or must be audited pursuant to law shall describe in the management report significant environmental and social impacts resulting from the activities of the accounting entity. But Estonian certified auditors control accompanying financial statements of the entity, which comprise the balance sheet, the income statement, statement of changes in equity, cash flow statement and summary of significant accounting policies and other explanatory information. All in all auditor's opinion need to state that the financial statements is presented fairly, in all material respects, the financial position of entity and its financial performance and its cash flows for the year accordance with the Estonian generally accepted accounting principles, but give no opinion on management report, which generally means that disclosed

information is not controlled by any regulator. (Estonian Account Act 2016) The above mentioned fact increases significantly the actuality of the topic.

An important problem is that when information on companies' environmental reporting is not available to customers, society and investors, then companies can exploit, e.g., common goods that are most valued by people, without any consequences. Therefore, reporting requirements established by governments around the world are made in order to offset this information asymmetry. (GRI, 2013). Transparent, structured and systematic reporting can simulate sustainable development, as majority of customers and investors are willing to direct their demand and investments to more sustainable companies when such information is available. (Benjamin, Drivdal 2016)

A sustainability report is a report disclosed by organization about the economic, environmental and social impacts caused by its everyday activities. Sustainability reporting elements is disclosed data on economic, environmental, social and governance performance. Sustainability performance is implied as ability of the company to evaluate and estimate and the social, environmental and economic impacts of their actions for making effective operational decisions which influence positively aim and objectives and at the same time satisfy sundry objectives of stakeholders and other interested parties. Managing sustainability holistically is challenging and insist to be integrated from management side within environmental, social and economic performance. (Epstein, Widener 2011)

Disclosing on sustainability is surely positive trend, but it must be ensured that both quality and quantity of provided information are in compliance with standards. Quality on disclosure is most important fact which would lead toward whole economy of the world to become more sustainable. (A new era ...2016) Disclosing on sustainability within high quality and comparable data on sustainability performance surely must be set as an essential requirement from regulators. (The time is ...2013) Recent years have seen rapidly growing demand for transparency in companies' reporting. This trend has led to increased popularity of Corporate Sustainability Reporting, which is used as tool regarded by companies to create additional value by implementing such aspects as social and environmental performance.

World climate changes proved that companies influence on societies and the environment is significant. Global and country-specific regulators are increasingly turning to non-financial disclosure regulations as a tool to increase corporate transparency about social and environmental issues. Continues necessity on corporate social and environmental performance put stakeholders to understand on how well corporations perform on these issues. But certainly not enough attention is being paid nowadays to sustainability reporting in Estonia. This applies not only to educational institutions, but also to the state and government. Therefore, much more attention should be paid to sustainability accounting and reporting in Estonia.

The purpose of the study is to provide descriptive analysis on sustainability reporting by largest Estonian companies, provide explanations on the results and make suggestions for its improvement. For the purpose of descriptive analysis on sustainability reporting, a set of compliance assessment criteria must developed, which is suitable for assessing even if companies was not issuing stand-alone sustainability reports. The transparency criteria were developed by the author on the basis of the framework of sustainability reporting. According to classification of companies by reporting categories largest Estonian companies used for thesis research were analyzed based on sustainability information disclosed in the stand-alone sustainability reports and annual reports. Information disclosed in annual report were analyzed in details, as majority of companies tended to provide only qualitative information in nature, without any quantitative related data.

Thesis sheds light on the main reasons for a company to invest on sustainability and to measure it. An emphasis is put on the GRI framework which is founded on plenty of indicators related to sustainability. The motivations which drive to focus on large Estonian companies performing in the industry sectors. (Shiechle, Walin 2014) The presentation of these key elements lead to research question, therefore are respectively explained the purpose of thesis. Thesis research questions are:

- 1.) give an overview of the necessity of sustainability reporting, its theoretical base and latest developments;
- 2.) develop a set of main criteria to provide descriptive analysis of transparent sustainability reporting

- 3.) assess compliance of stand-alone sustainability reports and annual reports prepared by largest Estonian companies with the requirements of STDI (Sustainability Data Transparency Index).
- 4.) provide explanations and make suggestions for improving sustainability reporting based on the results of a performed descriptive analysis

The sample for the study would consist of companies recognized by “Postimees” survey as the “100 Largest companies in Estonia” (Postimees..2015). The sources of data would be based on the annual reports and related publications from the sampled companies for the accounting year of 2014 (latest available reports). The reports would be downloaded from the webpages of the sampled companies. Descriptive analysis of data would be used as methodology for research, notes would be taken directly from the reports and the scores recorded in a score chart using Microsoft Excel.

The structure of the thesis would be the following: the following chapter, theoretical framework, will provide definitions of the terms of interest in this thesis and develop the different theories on sustainability reporting, its contents and aspects, as well as the importance of reporting, different reporting initiatives, latest impacts from regulators, especially EU directives. Within researchers analysis based leading consulting companies and economical journals articles, might explain main question related to sustainability reporting. It will be followed by thesis practical method. Methodology chapter will present the criteria used determine the population studied in thesis. Then, the empirical observations and analysis’ chapter would describe collected data and performed research. Data collected for each of the companies in the sample consists of company-specific websites, publicly available annual financial reports, other sustainability-related links or WebPages. Conclusions and findings are presented at the end of this thesis.

1. THEORETICAL FRAMEWORK

1.1 Importance and content of Sustainability Reporting

Sustainability reports are published by a company or organization about the economic, environmental and social impacts caused by its everyday activities, has emerged as a common practice of present century business. Organizations values, governance model also are presented by sustainability reports. A decade ago sustainability disclosure was mainly usual for the so-called green companies, today it has become the best practice implemented by organizations worldwide, as it provide demonstration of the link between companies strategy and its commitment to a sustainable global economy. (About Sustainability ... 2016) A sustainability report is a report disclosed by organization about the economic, environmental and social impacts caused by its everyday activities. Sustainability reporting elements is disclosed data on economic, environmental, social and governance performance. A sustainability report is the key platform for communicating positive or negative sustainability performance and impacts. Sustainability reporting can be considered as synonymous with next terms (About Sustainability ... 2016):

- 1.) non-financial reporting
- 2.) triple bottom line reporting;
- 3.) corporate social responsibility (CSR) reporting

Due to the actuality of the topic related EU amended act, which would require to report on non-financial performance, it is essential to define sustainability reporting in accordance with EU concept. Sustainability reporting is a method to inform different stakeholders and other interested parties from both inside and outside the organizations about the company's general and wide impact and performance on sustainability. A sustainability report presents the organization's values and governance model, while

demonstrating strategy and commitment to a sustainable global economy. (EU Commission Directive ... 2016) CSR on the other hand is a way to increase the organization's transparency, help to manage risks and improve organizations' reputation. CSR according to EU is a concept whereby companies integrate social and environmental concerns in their business operations and in their interaction with their stakeholders on a voluntary basis. (*Ibid*)

Answering the questions about sustainability level of products, processes, services and organization in general, need the knowledge on measuring sustainability of both economic and non-economic, as well as both qualitative and quantitative factors. Sustainability definition is explained as economic development that meets present generation demands without compromising the ability and opportunity for future generations. In comparison to annual reports, publications on sustainability consist of complex spectrum of topics from energy consumption, environmental issues, financial and economic achievements, as well as stakeholder satisfaction. Sustainability meaning consists not only as environmental friendly, disclosed information is not only about recycling, reducing energy and waste, also measuring sustainability holistically vary from measuring only economical indication. Sustainability performance could be defined as performance of the organization in all range and scope of sustainability. (Epstein M, Widener, 2011)

Social accounting started in the middle of 1990s when organizations began to express their interest for sustainable business, within social impact of business to the society. (Gurvitsh 2012) Due to rapid growth of technology and spread of internet with information now easily obtained, sustainability reporting has become a buzz-word and a necessity. That put stakeholders of organizations to be more concerned about sustainable policy and pushed to active participation on organizations' sustainable business development.

Sustainability reporting is a way to disclose information for different interest groups, for stakeholders both from inside and outside of the organization on company's performance in sustainability. Sustainability reports are used by the companies as an important platform for sharing both their positive and negative sustainability impacts. In

today's global information society stakeholders are waiting to be informed of any significant data as fast as possible. Published number of sustainability reports increasing since first ones were submitted, within also increasing with of organization to make theirs operation sustainable. Some organizations keep publishing their information on sustainability within financial annual reports and not willing to separate them. (Fagerström 2016) In terms of sustainability being hard to measure, certain indexes and metrics become very necessary. According to Global Reporting Initiative (2016) "A sustainability report also presents the organization's values and governance model, and demonstrates the link between its strategy and its commitment to a sustainable global economy."(GRI 2015) CSR reporting provides an opportunities to increase company's transparency and receptivity and thus manage possible risks, building trust or even improve reputation. (GRI 2015)

Sustainability is concerned as one of the corner stones of present business development. Successful financial performance is in dependence of sustainable business development, different reference to sustainability could be found in all types of business journals and company annual reports, huge amount of studies and courses is implemented around the world to improve sustainability concept into organizations' everyday business practice. (Gurvitsh 2012) Sustainability definition is explained as economic development that meets present demand generation without compromising the ability and opportunity for future generations. (Epstein 2011)

Reporting has great influence on the organization itself and makes management act in a more sustainable fashion, by integrating general sustainability aspects into organization's operations. As sustainability reporting enables organizations to consider their impact of wide range of sustainability issues, enabling them to be more transparent about the risks and opportunities they face, CSR reporting helps to follow sustainability performance and connect different functions inside the organization. According to the KPMG survey Sustainability Reporting is becoming the norm as 90% of the 250 largest companies reporting on CSR, increasing amount of regulations which require companies to disclose non-financial information also affect positively as a driver of CSR reporting. The European Directive on Non-Financial Reporting published in December 2014 requires around 6000 of the largest companies in the EU to report on

environmental, social and employee-related, human rights, anti-corruption and anti-bribery matters, but for example in France mandatory regulation on disclosing non-financial reporting affected all listed companies already in 2001. (KMPG 2015)

Major motivators for investing in sustainability are ambitions to satisfy both organizations shareholders and stakeholders, but also legal obligation and within aim to comply with growing amount of regulations. (Shiechle, Walin 2014) Although these are not only motivations leading companies to report on sustainability, organizations found out that sustainable development and environmental progress held to achieve both social and financial success. Environmental and social disclosures in reporting are important and very informative for all types of industries. Growing trend of instances of sustainability reporting showed willing of many companies to demonstrate commitment for providing stakeholders with respective information. But often companies disclose separate social and environmental reports because such reporting is mainly only voluntary and requires transparency, time and knowledge performance. That leads to situations when organizations report only positive and important issues in order to improve performance and create positive opinion of the company for different stakeholders.

Investments made by organizations in the sustainability areas are guided differently, but all organizations could benefit from it both internally and externally. External benefits could include enabling external stakeholders to understand the organization's true value, as well as tangible and intangible assets, improving reputation and brand loyalty, also demonstrating how the organization influences, and is influenced by expectation about sustainable development. On the other hand internal benefit might consist increased understanding of risks and opportunities, benchmarking and assessing sustainability performance in accordance to regulations, avoiding being implicated in publicized environmental, social and governance failures, emphasizing the link between financial and non-financial performance, and comparing performance internally, and between organizations and different sectors. (About sustainability ...)

In general, not providing any information about sustainability could be indicated as a poor condition of sustainability development and may cause problems with investments,

whereas mainly investing committed to sustainability depends on the next conditions: organization's commitment to sustainability as dependent factor for long-term value for shareholders and the expectation of an improvement of the organizations' performances.

Research of Steurer and Konrad which was based on comparison of sustainability reporting by Central-Eastern and Western-Europe organizations stated most important stakeholders for both groups. Central Eastern Europe organizations considered most internal stakeholders, as employees and management as most important, civil societal stakeholders as least important, on the other hand Western Europe organizations considered capital providers as less and civil societal stakeholders as more important. On the second place for Central-Eastern Europe organizations were individual stakeholders, government and media, and with third place followed management and owners. (Steurer 2009) Particular conclusions and results of mentioned survey are compared to particular study research and described in more details in the study empirical part.

Sustainability reporting requires organizations to disclose information about processes and impacts that were not measured before, therefore creating transparency on performance, within providing important knowledge about usage of natural resources. Subsequently sustainability reporting help organizations to avoid environmental and social risks which might lead to significant impact for their businesses.

By releasing sustainability reports companies benefit socially because they engage with stakeholder outside the organization, lead to possible investments and integrate with needed communities and regulators. Through reporting is possible to predict and manage risks, anticipate issues, prepare for future material shortage and increase quickness in process improvement. Also disclosing on sustainability create, improve a brand, signal to clients on trustworthiness and reach different types of customers. As reporting may prove to be a powerful instrument for organizations that need to build trust, company may benefit from communication transparently to the public. Influence on stakeholders outside organization also affected by reporting, it can have profound effect on the happiness and productivity of the employees, positive impact on productivity might be reached by increase of the number of voluntary, uncompensated hours worked. (Value of ...)

1.2 International Reporting Initiatives influencing Sustainability Reporting

Sustainability reports are released by companies and organizations of all types, industries and sectors from all countries worldwide. But during last decade indicators used to report on sustainable development have changed and even those used in 2014 have become obsolete and need to be improved. Past ten years were of major importance for sustainability reporting, within World Business Council for Sustainable Development started with development in 1997 and Global Reporting Initiative (GRI) continued from 2002. Also development of ISO and EMAS standards was involved as standards for environmental management systems. Firstly Environmental Performance Indication (EPI) started to specialize on sustainability conditions. Already starting from 2008 three most popular guidelines became a leaders in sustainable reporting, as a major of researches name them “three pillars of sustainability, those international guidelines are Global Reporting Initiative (GRI), the Account Ability standards and the United Nations Global Compact (UNGS) (Ferguson, Davis 2009)

Surely, most popular guidelines is the Global Reporting Initiative (GRI), thousands of companies across all sectors have published reports that refer to GRI’s Sustainability Reporting Guidelines, other public authorities and also non-profits are widely using guidelines for reporting. (Value of...2015) Global database of GRI’s Sustainability Disclosure features all known GRI-based reports. Further information about GRI Guideline need to be presented to better understand the interest for this framework. But before further description of GRI would be presented we need to have a brief presentation on other International Reporting Initiatives.

Described in Appendix XII give short description, population of usage, different subjects and amount of members of next International Reporting frameworks:

1. Global Reporting Initiative (GRI) Sustainability Reporting Guidelines
2. Account Ability: the AA1000 Series of Standards
3. Carbon Disclosure Project (CDP) tool and framework

4. International Integrated Reporting Council (IIRC) International Framework
5. International Organization for Standardization ISO 260000
6. OECD: Risk Awareness Tool for Multinational Enterprises in Waek Governance Zones.
7. Sustainability Accounting Standards Boards (SASB)
8. United Nations Global Compact Ten Principles
9. WBSCD and World Resources Institute (WRI) The Greenhouse Gas (GHG) Protocol

Lozano and Huisingh research is based on sustainability reporting of three companies using comparative analysis. (Lozano 2011) Researches presented comparison of the main sustainability reporting guidelines, see results presented in Appendix XII (GRI, SA 8000, AA 1000, ISO 14000) and concluded that the all fail to address the time dimension, according to which comparison of reports to the previous year would be possible. (*Ibid*) In particular study comparison of Estonian sustainability reports within time dimension would not be performed, as only few organizations prepare stand-alone reports and purpose of the thesis is to cover all 100 most largest Estonian companies.

As it was already mentioned in the last decades there has been a large growth in the number of sustainability initiatives globally, also role of political processes need to help to increase amount of reporting on sustainability. According to GRI report 93% of the largest 250 companies in the world has report on their sustainability performance for 2014 year, and among them mostly used reporting frameworks were the United Nations Global Compact and Global Reporting Initiative. (Drivdal 2016)

According to particular study results only one company among 100 largest entities in Estonia used one of those global frameworks, Viru Keemia Group AS sustainability report was made in accordance with GRI and UN Global Compact frameworks. Due to that fact author decided to emphasis more detailed explanation, describing history, advantages and disadvantages on GRI framework in the theoretical part of the thesis. All in all within purpose to compare one of the Estonian reports made according to GRI with another two sustainability reports made without reference to any of global initiatives.

Global Reporting Initiative is an international independent organization with Collaborating Centre of the United Nations Environment Programme, network-based structure, in 2015 GRI implemented dual governance structure, with Global Sustainability Board (GSCB) governing the standard-setting activities of organization, as also with a Board of Directors governing all other organizational activities. GSSB is responsible for setting globally accepted standards for sustainability reporting, special Committee named The Due Process Oversight Committee (DPOC) control that process is performed in accordance with GSSB in the standard-setting process. Also independent from those two named below, the Independent Appointments Committee (IAC) provide designing and complication process to the DPOC and GSSB, GRI Standards Department is responsible for standards development. Governance of Guideline consists of Board of Directors, Stakeholder Council, GRI Nominating Committee and Organizational Stakeholders, GRI's secretariat is based in Amsterdam. (About Sustainability ... 2016)

GRI helps businesses, governments and other organizations to understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others, GRI provides the world's most widely used standards on sustainability reporting. GRI vision is to create a future where sustainability is integral to every organizations' decisions making process and its' mission is to empower decisions makers everywhere, through sustainability standards and multi-stakeholders network, for them taking action a more sustainable economy. Global respect is mandatory assumption for success and transparency must play a role the changes to be occurred. GRI was founded in Boston in 1997 by US non-profit organizations Coalition For Environmental Responsible Economies (CERES) and Tellus Institute. (About Sustainability ... 2016) Only some companies led reports with the GRI in the 1990s, but in the middle of 2000-s hundreds of organizations were voluntarily adopting the GRI framework and producing sustainability reports. First version of the GRI standard appeared in 2000, by continuously revising its standards for meeting evolving terms, the GRI has established itself as a leader in reporting. According to Boston College Centre for Corporate Citizenship and EY survey in years 2007 and 2011, GRI Sustainability Disclosure Database grew average about 30% per year. (Value of ... 2015)

Recently adopted European Union Directive made in December 2014 encouraged to rely mainly on GRI's Sustainability Reporting framework, but also on other frameworks like United Nations Global Compact (UNGC), the UN Guiding Principles on Business and Human Rights, OECD Guidelines, International Organization for Standardization (ISO) 26000 and the International Labor Organization (ILO) Tripartite Declaration. Member countries need to implement Directive during two next two years, which means that it must be transposed into national laws, organizations in accordance to Directive need to report on sustainability by the end of 2018. Within that reform transparency and accountability approximately of 6000 public interest companies, with more than 500 employees, among EU would be improved.

Referring back to GRI, its main stakeholders are all organizations that support named Initiative, also all individuals that are committed to measuring and managing their sustainability performance are able to support GRI. For key strategic and policy is responsible The Stakeholder Council (SC), it also support GRI's Board of Directors with advises. GRI received supporting from its global network within findings like government grants, corporate sponsorship, other supports from large international communities. Last but not least, every organizations could voluntary be involved with GRI and have huge opportunities of using any advice or consultation from global trained practitioners and exchanging experience with other GRI members. Concluding all points mentioned above GRI main objectives are (About Sustainability ... 2016) :

1. Increase Stakeholders knowledge, skills and ownership of sustainability reporting and strengthen of linkage between sustainable development, poverty reduction and resource conversation.
2. Increase of sustainability performance of local business organizations in order to positively impact sustainable development, within increasing their competitiveness on the local and global market.
3. Increase of stakeholders capacity in their civil society, within sustainable environmental, social and economic performance.
4. Increase of transparency regarding the impact of foreign multinational companies that invest and operate in developing countries.

GRI new strategies were presented during 2015 GRI Global Conference in Amsterdam, which was focused on data, technology as a critical part of the future of reporting. (A new era ... 2016) Among others, new technology strategies were presented during the Conference. First of all, using of future technology and data for sustainability reporting was discussed, technology leaders from all parts of the world highlighted innovations for bringing sustainability movements into the digital age, providing recommendations for the public regulators. Secondly GRI Digital Reporting Alliance brought together a group of companies working on creating technical infrastructure and platform for digital reporting.

GRI indicators represent an important part of the sustainability reports, huge number of indicators have been created on the purpose to measure sustainability, and each organization need to select their own related to particular activities. The GRI's purpose is to improve the reporting practice in the sustainability areas related to environmental, economic and social themes. (Shiechle, Walin 2014)

Organizations using GRI framework for sustainability reporting are able to choose among different indicators. Last part of the report should explain particular selection of indicators and implementation of guidelines. Possibility of using the GRI for each sector in any country of the world achieved due to huge amount of different indicators, on the other hand widely usage of the GRI around the world makes from reports reliable source of information, applicable for each purpose. The Guidelines are available in 26 languages and its trainings and coaching activities are held globally, also accessibility of framework increased in developing countries as well. Regional Network program is created in 30 developing countries. Implementation of GRI's framework for developing countries is highly relied on possibility of financial resources, but in general guideline is free public good, available to all.

According to large amount of studies, the size of the company reporting in accordance with GRI has a positive influence on the quality and the quantity of disclosed data in sustainability reports, main reason brought out by the researches is that large companies have more pressure outside organizations, from society and possible investors. On the

other hand costs related with reporting implementation are significantly lower for larger companies. Most of small and medium entities (SME) are limited with resources possible to be spent on sustainable report, also other aspects as lack of knowledge on environment, inappropriate environmental management techniques make sustainable development more complicated for SME-s. (Shiechle, Walin 2014)

Global Reporting Initiatives provide guidance for improvement of sustainability preparation ability. Pioneered a comprehensive sustainability reporting framework that is widely used around the world, at the same time GRI is developed with an inclusive multi-stakeholder approach. Globally accepted frameworks and norms are essential for promoting of sustainability reporting, they are used for providing necessary information for investors and other group of interests. Global Reporting Initiative (GRI) helps entities, governments and other organizations to inform on effects of business on major sustainability issues, as GRI provides world's most generally used indicators and standards on sustainable disclosure (Fagerström 2016)

Regulators and governments are indirect interest of sustainable development as it is able to help markets function more efficiently and progress forward sustainable development on the next level. Direct dependence of policies and regulation with sustainability reporting have been proved. (About sustainability ... 2016) According to particular research author's opinion it is essential for Estonian government to understand what companies within their jurisdictions are doing with regard to their environmental and social impacts.

1.3 European Commission Directive influence on sustainability reporting

As it was already mentioned by author in the introduction part, the EU amended act requires non-financial reporting for large companies and public-interest entities with more than 500 employees. Doubtless is the fact, that for performing the research on sustainability reporting elements in the largest Estonian companies, it is needed to perform separate analysis during the empirical part only for entities with more than 500

employees. Due to importance of sustainability disclosure for those entities, in author's opinion it is essential to describe reasons, history and possible consequences of European Commission Directive.

The European Commission launched the proposal for a 2014/95/EU directive in April 2013 following its announcement in the Single Market Act (2011) and in the Renewed Strategy 2011-2014 for Corporate Social Responsibility (2011). Short historical description related to implementations made by European Commission in regards of Renewed EU Strategy 2011-2014 for Corporate Social Responsibility (CSR) need to be disclosed. On 15.04.2014 the plenary of European Parliament adopted the draft amendment to the Accounting Directive, on 29.09.2014 The Council of the European Union adopted the draft amendment to the Accounting Directive, on 22.10.2014 an amendment to the Accounting Directive was adopted by the European Parliament and the Council as regards disclosure of non-financial diversity information by certain large undertaking and groups.

On 15.01.2016, The European Commission has launched a public consultation on the non-binding guideline on the methodology for reporting non-financial information following article 2 of "Directive 2014/95/EU on disclosure of non-financial and diversity information by certain large undertakings and groups". (EU Commission Directive) According to Directive 2014/95 § 14: "The scope of those non-financial disclosure requirements should be defined by reference to the average number of employees, balance sheet total and net turnover. SMEs should be exempted from additional requirements, and the obligation to disclose a non-financial statement should apply only to those large undertakings which are public-interest entities and to those public-interest entities which are parent undertakings of a large group, in each case having an average number of employees in excess of 500, in the case of a group on a consolidated basis." (EU Commission Directive)

By the 06.12.2016 EU Member States should transpose the rules on non-financial reporting into national legislation and The European Commission is responsible for preparation of guidelines on the methodology for reporting non-financial by the end of 2016 year. (Non-Financial Reporting)

The 2014/95/EU Directive is part of a more larger EU's initiative on Corporate Social Responsibility, that also includes planned approach on sustainable and inclusive process of the Europe 2020. According to Global Reporting Initiative (GRI) non-paper on the Renewed EU Strategy 2011–2014 for Corporate Social Responsibility (CSR) and the European Commission's proposal for a Directive on non-financial information disclosure, which is a document for politicians and stakeholders involved in the non-financial information reporting debate, it must provide a rational approach which would help to achieve responsibilities of governments, business and society avoiding additional stress and unnecessary burdens. Constructive dialogue between both sides, interested stakeholders and regulator, based on disclosure of non-financial information is the aim. Large companies in the EU need to disclose information on social related and risks for environmental issues, human rights, diversity on board of management and anti-corruption issues, reporting need to rely on existing internationally-recognized guidelines including GRI's. (GRI: Report or Explain, 2013)

According to EU renewed strategy 2011-2014 for Corporate Social Responsibility, enterprises are responsible for implementation and contribute significantly to EU objectives of sustainable development. Adopted by European Commission current legislative framework of non-financial information disclosure in the EU are following such countries as France, Denmark, China, UK, India and the US, where sustainability disclosure implemented years ago.

European Commissions 'approach on non-financial reporting could be supported by GRI recommendation for a smart policy that should harmonize the fragmented policy landscape among EU members. GRI proposal aim is to achieve a flexible and smart policy while building sustainability reporting framework for all interested stakeholders. First of all EU approach need to implement harmonized policy in which organizations could have place of effective operating, main idea stands on allowing the companies to disclose only information which is material, but reason on not disclosing any other data should be explained. Secondly GRI recommendations purpose that relevant information must be always available for interested parties, as sustainability reporting is relevant for trust establishment and sustainable growth, helpful conditions for that requirement should be performed by regulator, which requirements would ensure the organizations

that disclosing on non-financial information is needed. Decision makers would then be able to react timely and would not suffer from the lack of information, as a result conversation between organizations and their stakeholders would be possible. Thirdly approach concentrate only on most important topics, all organizations need to disclose at least information on next topics: human rights, anti-corruption, governance, labor and off course environment , including biodiversity and climate change. GRI as a widely-accepted International framework is surely the best away to achieve highest comparability level. Stimulation on business growth and general performance would be stimulated with innovations achieved after understanding sustainable contribution., as sustainability reporting encourages businesses to include sustainability into organizations strategy and helps to bring to the market new products and services, at the same time representing an important source of innovation. After all organizations management would feel responsibility on sustainable development in case of reporting on it yearly. Finally according to experience of other countries like Denmark and France, which proved effectiveness of GRI reporting on sustainability, should ensure policy makers in other EU countries that it is exact time for implementing mandatory framework on sustainability reporting standards, which would combines interest of society, business and markets. (GRI: Report or Explain, 2013)

EU amended act would certainly affect also Estonian entities in order to meet planned requirements of 2014/95/EU Directive on disclosure of non-financial and diversity information by large entities with more than 500 employees, significant improvements need to be considered.

1.4 Studies and researches on sustainability reporting improvements.

Based on GRI executives opinion digital data with high availableness for all interested parties would transform sustainable disclosure by providing strong new tools for decision makers. (EY 2016: A New Era) Earlier researches showed that level of disclosure and the nature of sustainability reporting are directly influenced by the business culture of the country, its legal, taxation and political situation and systems

implemented by regulators. (Tristan,Walin 2014:10) In certain part of thesis we would answer on the questions related to reporting on sustainability and what are possible reasons and circumstances for that.

Large number of studies showed that large companies tend to report more on sustainable development than smaller companies, as well as large companies using GRI framework more often, also it has been proved that industry organization operating in affect their reporting. After that researchers have also established that larger organizations are interested to disclose greater amount of sustainability indicators then smaller organizations. (Tristan,Walin 2014:12) Correct implementation of sustainability reporting supports the organizations to create added value for the society and long-term financial growth (Fagerström 2016:23) Size of the company has also direct influence on the amount of quantitative and qualitative information disclosed in sustainability reporting, overall studies deducted that organization's size impact positively on reporting frequency and general quality. Strong importance from the stakeholders on reputation and investing necessity enforce large organization to disclose more on their sustainability. Huge amount of researches confirm the fact that there is a greater pressure on confirm on stakeholders requirements in comparison to smaller organizations. Research authors Gallo and Christensesn found that larger companies are expected to disclose on sustainability to communicate to stakeholders due legitimacy companies gaining. (Tristan,Walin 2014:10)

Companies business success as well, as industry type has an impact on its sustainability reporting. In case of profitability terms, organizations with higher level of return disclose usually more information on environmental and social performance to validate their activities, often these are companies with higher competition or political risks, which are influenced within higher pressure from interested parties. Related costs on sustainability reporting is also with very significant influence, as for small organizations proportionally higher expenses related to reporting it could be a reason to report on sustainability. Some researchers like Meek, Roberts and Gray provide explanations on particular theme, while introducing reasons due to which larger organizations disclose on sustainability more information than small ones, for example complex ownership, higher agency costs and lower cost of competitive disadvantages are basic ones

according to scholars. (Tristan,Walin 2014:11) Sustainability reporting implementation also are lower in case of larger organizations. For evaluating sustainable business impacts it is significant to find ways on measuring sustainability. GRI provide guidance for improvement on ability to prepare sustainability reports and disclosing main aspect needed by stakeholders. (GRI's Reporting 2025 Project May 2015: 4).

Benefits related to amount of financial and human capital resources play important role in comparison of large and small organizations, as most commonly firms ones acquired higher amount of those resources. Especially reporting on environmental and social themes requires such resources. Last but not least lower level of knowledge on environmental and its regulations affects negatively reporting on sustainability among smaller organizations. (Tristan,Walin 2014:11) Sustainability reporting international guidelines provide essential and reliable information to interested parties and in the same time reporting enables organizations to compare and share their experiences world widely within increasing comparability. Most popular framework Global Reporting Initiative (GRI) provide mostly used standards on sustainability disclosure. (Fagerström 2016:23)

The only detailed survey on sustainability disclosure among Estonian companies performed by Gurvitsh and Sidorova in 2012 year, due to that fact survey methodology and results are clearly significant for achieving purpose of certain study and would be used in the empirical part. Research of sustainability reporting integrated into annual reports of Estonian companies listed on local Nasdaq Tallinn Stock Exchange. Survey was governed by the three-dimensional approach to sustainability concept including financial, social and environmental aspects and authors examined social and environmental accounting disclosures in the annual reports of 15 companies from different industries.. Purpose of the research was to determine trend in CSR reporting. Gurvitsh and Sidorova stated that research actuality was related on importance of environmental impact, it was recognized and evaluated by many businesses, while social aspect still remained a matter of charity and voluntary action of each company. (Gurvitsh 2012)

Authors expressed an opinion that because capitalism in Estonia is only 20 years old majority of world trend and developments gained in the country only in recent years,

very little amount of organizations used to disclose stand-alone reports on sustainability. On the other hand express hope on growing number of sustainable reports as media express the growing concern about sustainable development. During particular study no expressions or findings based on mass-media would not be performed, as author consider it as abstract source.

Estonian listed companies were chosen by authors due to assumption that they should be more concerned on providing as much information as possible for stakeholders, as well as on sustainable development. According to survey findings only one participating organization did not made any disclosures in the annual report, but have issues stand-alone CSR report, many companies provided information on both social and environmental aspects in the company's yearbook or on the website, separate sections in the annual reports covered sustainability reporting. Results were divided based on locations of social accounting and environmental accounting disclosures between different sections, results are presented in Appendix XIV and Appendix XV. Results showed that during four years (from 2007 to 2010) total number of social accounting disclosure of Estonian Companies Listed on Stock Exchange increased almost twice from 10 to 19, on the other hand environmental accounting disclosure increased only about 30%, from 8 to 11.

According to a particular study author's opinion Gurtvish and Sidorova research methodology could be also applicable for the current research, as main resource Estonian largest companies perform to disclose on sustainability is management report. But comparing to listed on Tallinn stock exchange entities other companies have no separate sections in Management Report and disclosure on sustainability in Management report would be divided in the same way as it was done in Gurtvish and Sidorova on social and environmental. It is the main reason why study will use a set of indicators based on an existing transparency index (Sustainability Data Transparency Index – SDTI) (Rea, 2015), instead of methodology used by Gurtvish and Sidodova. In the section 1.5 STDI would be described and in the methodology part of thesis detailed description of the research strategy would be brought out by author.

Results of survey showed that there was a growing trend of providing more disclosure in different sections of the annual report, social and environmental disclosures were

located not only in the section dedicated especially for those themes. Authors concluded that main resistance for reporting on sustainability was related to lack of single policy or understanding of how it should be done in order to make the information easily accessible and available for all users. Moreover concluded that organizations prefer to include disclosures on sustainability in their Annual Reports rather than issue stand-alone sustainability reports.

All in all, study showed continuous uptrend in the number of social and environmental accounting disclosures, even global economic crisis of 2008-2010 did not had negative impact on the sustainability reporting, moreover it influenced positively demonstrating that Estonian organizations showed intense to integrate sustainability reporting into their Annual reports. Main explanations brought out by authors were related to slow sustainable development due to post-Soviet desire of businessmen to earn possible higher profits in the short-period rather than long-term sustainable development taking into consideration public and environment interests. One possible opportunity to solve above mentioned problem according to authors was implementing separate course related to sustainable strategy in Estonian universities, subsequently new generation of leaders would have better knowledge and skills for sustainable development. According to authors' opinion for improvement of sustainable disclosure establishing a sustainability network as a part of the global world one is needed, as it would enable organizations to communicate with each other, to participate in trainings and seminars, while at the same time getting support and guidance in preparing sustainability reports in according to global initiatives. (Gurvitsh 2012)

Research of Steurer and Konrad is based on business-society relations in Central-Eastern and Western-Europe and answer on the questions how those lead in sustainability reporting solve the gap in corporate social responsibility. (Steurer 2009) Different socio-political and cultural circumstances related to different regions are observed in relation to disclosure on sustainability, answering on the question how different historic pathways affected understanding of sustainable development in the two Europeans regions. All in all authors draws conclusion regarding the socio-economic contextually of business and society relations.(*Ibid*) Estonia is located in Central-Eastern part of Europe and mentioned by authors as a part of Baltics region,

research is certainly important in sense of legal compliance and role of the government for sustainable development and disclosing on sustainability reporting.

Authors summed up difficulties and reasons why Central-Eastern organizations struggle with implementation of sustainability reporting comparing to Western-Europe companies , divided them into next six characteristics (Steurer 2009):

- 1.) Reporting on sustainability is often understood as compliance with existing regulations only, due to the socialist legacy both business and public community there is perception that primary role in social responsibility have only government. All related activities to sustainable development are voluntary beyond those which are mandatory according to regulators.
- 2.) Problem of fraud and corruption which is widely spread amount Central-Eastern Europe countries, issue is also related to socialist heritage.
- 3.) Considered scepticism for environmental problems and social equity which is also related to socialist heritage.
- 4.) In the past times in countries with socialist legacy business avoided publicity, as privacy and secrecy were as a standard in context of weak and unstable economic environment. Nowadays situation is changing but previous mentality stayed and prevent progress in sustainability disclosure.
- 5.) Society organizations which play important role for business in Western Europe countries, are hardly recognized as stakeholders by Central-Eastern Europe countries.
- 6.) Governments pay less attention to business-society relations in Central-Eastern Europe countries, in some regions any incentives and initiatives for social and environmental performance are totally missing.

All issues described are surely very useful for particular study, as soviet heritage and mentality directly related to Estonian companies, moreover all aspects brought by Steurer and Konrad would be analysed and described within results on empirical research of sustainability elements in Estonian largest companies.

Research results showed that economic dimension of sustainable responsibility was the most important for both Central-Eastern and Western Europe organizations, on the other

hand Central-Eastern Europe organizations ranked environmental responsibility issues considerably higher. Financial performance and long-term competitiveness were most important for both groups and international equity less important also for both groups. Most significant difference between Central-Eastern and Western Europe organizations sustainability reporting is that in Central-Eastern Europe it is not as widespread and advanced as in Western Europe, even in companies with international vision. Legal compliance is most relevant issues for Central-Eastern Europe organizations, as mainly environmental performance is motivated only by EU standards, major concern of all organizations is to fulfil those standards, but not go beyond them. (Steurer 2009)

Research performed by Dagiliene and Gokiene which investigated valuation variables of corporate social responsibility and analysed social responsibility reports in Lithuanian organization, showed that very little amount of Lithuanian companies prepared sustainability disclosures. According to authors opinion it showed the lack of culture in understanding the real impact and influence of environmental and social factors. (Dagiliene 2011) Lithuanian study is extremely important for particular study as economy development, soviet history and social heritage are similar with Estonia. Methodology, main results and findings would be described in details, used and compared to results of particular study.

Authors first of all stated four main issues of sustainability reports which raise interests from stakeholders those are human rights and resources, products design and development, environmental protection and community. Company's reputation is set up as main motivator for reporting; also authors stated that disclosure on sustainability is very hardly measurable due to the lack of general accepted principles. Moreover due to lack of investigations related to valuation methodology of social information, generally organizations prepare sustainability reports only because than company would become social responsible. According to chosen methodology, sustainability reporting valuation was divided into two levels, first of all strategically level and then analytical level. (Dagiliene 2011)

Authors stated in conclusion that Lithuanian social reports are mostly directed on presenting goals, only third part of companies used non-financial indexes of human resources and environmental protection. Lack of quantitative information on indicators for energy, water consumption was identified, little data disclosed about product and services, mainly organizations just fragmentally mentioned about it. All in all results lead authors to the conclusion that Lithuanian companies showed the lack of culture in understanding influence of social and environmental factors. (Dagiliene 2011)

Sustainability reporting popularity increasing among financial analysts, lots of them have already started to disclose sustainability information in their analyses. Interest from other interested parts of the market is also increasing to sustainability performance, but markets rely on sustainability reports as long as majority of organizations start to disclose. Necessity on sustainability information related to long-term risk and value. Asymmetries and differences between disclosed information could direct to extra costs for markets and ineffective functioning. Organizations sustainable behaviour impact positively on society. Some EU countries already developed regulations for mandatory reporting on sustainability because transparency that comes with disclosing enhances organizations accountability for their impact and contributions as a result building trust and united society. (GRI 2013: Report or explain) Research released by EY and Greenbiz concluded that leader of a sustainability strategy are individuals within the executive obligations inside organization, and main reasons leading them on disclosing information is possible adding value, identification of possible risks and gaining a competitive advantage. (EY 2013: Sustainability Reporting ...) The majority of reporting organizations have a specialized department responsible for producing the sustainability report, some of companies also prepare sustainability reports using mix of departments, from environmental management, investor relations, finance, community relations and others. (EY 2013: Sustainability Reporting ...)

Measurement from financial system on value and usage of public goods was always very complicated. Organizations long-term value depends not only on financial capital, but also on human, intellectual, social and natural, within sustainability reporting all components are easily measurable and amended. Monetary impact of sustainability reporting could also be measured, however according to EY research (EY 2013:

Sustainability Reporting ...) only 24% of respondents agreed that influence monetization is possible, 43% though is was impossible, others were not sure within an answer. Main suspicion of respondents was related to the way of measurement, either it should be based on short-term or long-term capital return. Ligternigne believed that sustainable development would provide “better business, for better markets, for a better world”, within improvement on social and economic systems. According to EY research it was suggested that main driver of sustainability development is business (49%), also society (33%) and regulators (30%) were brought out as significant affecting basics for a sustainable global economy. World widely for example mandatory non-financial reporting is implemented by regulators in next countries: Finland, Denmark, France, UK, US, Canada, Korea, Japan, Malaysia. (EY 2013: Sustainability Reporting ...) Increasing expectation of stakeholders, investors and other interested parties for non-financial measurement of organization provide solutions to the issue of value creation and way it is affected by sustainable reporting. Each organization need to estimate its sustainable business practices and asses how their performance is contributing to its economic achievements. Implemented in EU and US reporting guidelines concentrate powerfully on the problems related to materiality of defining report content and developing overall sustainability strategy.

Often quantity and quality of information disclosed in sustainability reports is very limited and narrowed to large organizations, on the other hand increased application of international reporting and management standards improve both factors continuously. Important aspect inside EU is related to possible effect of upcoming non-financial reporting across member countries large entities with more than 500 employees, would it stimulate debates on country levels for a extension on reporting, within including also small and medium entities.

1.5 Sustainability Data Transparency Index (SDTI)

SDTI indicators were implemented by author to cover sustainability reporting elements of Estonian entities on disclosed data of economic, environmental, social and governance performance. Detailed list of SDTI indicators implemented for particular research for Estonian entities are brought in Appendix II, and divided into next groups: Corporate Governance indicators, Labor indicators, Economic indicators, Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators, Health and safety indicators and Environmental indicators, in authors opinion they totally cover all elements of sustainability reporting. Dimension called Corporate Governance is related to disclosed information on the management of board, especially, it looked for disclosure on number of board members and managers, gender diversity, attendance at meetings, length of service, auditor's length of service and age spread. Labor dimension disclosed information on employees and employee rights, it included indicators on share of employees that are not permanent, gender balance, employees trained, employee turnover and sickness action. Next dimension - health and safety covers indicators on injury frequency rate, accidents leading to injuries and fatalities. And finally dimension called environmental disclosed on emissions of CO₂, equivalents, disposal and recycling waste, as well as energy usage and water usage.

The Sustainability Data Transparency Index (SDTI) is an evaluation tool developed by Integrated Reporting & Assurance Services, or IRAS that is used to compare and contrast the presence of key environmental, social and governance (ESG) data in the annual reporting of JSE (Johannesburg Stock Exchange) listed companies and key state owned enterprises. The SDTI contains 84 Environmental, Social and Governance (ESG) data points that are used to score data transparency the presence of comparable quantitative data in public disclosures as well as 50 unscored comments, calculated ratios and/or calculated totals that offer additional intercompany comparability. Compliance to the SDTI is neither required nor recommended by any industry and/or governance bodies (e.g., the JSE, the IIRC and/or the GRI). However, recent trends in reporting have demonstrated an increase in the need for companies to base their qualitative assertions regarding ESG performance on quantitative evidence. Having

been launched in 2013 (with 2011 and 2012 data for ALL of the JSE listed companies present at that time), leading companies have already begun to adopt the SDTI as a useful tool for ensuring that their reporting includes responses to as many of the identified ESG data points as possible. South Africa economy and rate of disclosing on sustainability is much more developed comparing to Estonian.

To establish a SDTI Score, each of the reports needed to be reviewed to determine whether or not data-numbers , or quantitative information was provided relative to each of the 74 SDTI points, including , see detailed table also in Appendix I (Rea 2015):

- 7 Standard Disclosures, those that refer to whether or not a report is GRI compliant, assured, aligned to other reporting frameworks (e.g., CDP), etc.
- 12 Labor indicators, those that refer to the number of employees, employee turnover and absenteeism, training spend, etc.
- 12 Economic indicators, those that refer to revenues and profit generated, as well as compensation paid to directors and employees.
- 10 CSI/SED Spend indicators, including total Rand value of Corporate Social Investment/Socio-Economic Development spend, and a break-down in terms of focus areas.
- 10 Environmental indicators, including consumption of water, electricity and/or other energy, and waste and emissions data.
- 11 Health and Safety indicators, including hours worked, number an frequency of fatalities and lost in injuries, etc.
- 12 Governance indicators, essentially summarizing the composition of the Board, inclusive of lengths of service and gender and racial representation.

This study will use a set of indicators based on an existing transparency index (Sustainability Data Transparency Index - SDTI (Rea, 2015)). By doing this, the study is relying on the validity and reliability of the concepts, factors and measures in the existing SDTI index. The SDTI has been peer reviewed by industry actors and experts in South Africa (Rea, 2015), and I have therefore not attempted to reassess the SDTI's validity claims. Future analyses invalidating certain aspects of the SDTI would undermine some of the theoretical foundation for this study. Because this study will not perform a subjective assessment of the quality of the information given in the reports,

but will only focus on the presence of quantitative and comparable information, this study will be less affected by biased information. All indicators used in this study are based on the existing SDTI index, with most of the indicators found in the SDTI being quantitative counterparts to standard disclosures found in global recognized frameworks like the GRI (Rea, 2015).

Set of rules was developed on the basis of the earlier research done using the Sustainability Data Transparency Index framework (Rea, 2015). The set of rules can be found in Appendix I. By performing a study using a framework based on the existing SDTI framework, this study might provide the authors of the framework with knowledge on the framework's usefulness in and transferability to another region. It will also be possible to benchmark the sample reports to reports from the same industry in another region, further increasing the usefulness of the framework itself.

2. METHODOLOGY AND RESEARCH SAMPLE

2.1 Research Sample

In the current chapter, the Author describes the methods and research samples of an empirical research, are topics were viewed separately by questions. Research design used in the study, sampling procedure for analyses, data source and finally processes and rules used for quantification of the data sources would be described.

To accomplish the objective of this research and to address the lack of readily available comparable information, internet-based research was utilized. The methodology, including sample selection, data collection, and analysis are described below. This study will analyse management reports in annual statements which mostly consists of qualitative textual data, as well as some quantitative data.

This research focused on highly regarded companies that serve as role models and trend setters within the business community, for them strong commitment to socially responsible practices is significant. Specifically, the sample consisted of companies recognized by “Postimees” survey as the “100 Largest companies in Estonia”, (Postimees..2015). These companies were selected due to their sufficient influence on country economy, moreover strong commitment on their employees’ wellbeing may also show a strong commitment to other sustainability- related activities. Estonian companies were chosen because it is certainly relevant to understand the way companies are performing and reporting on sustainability in the country we are studying in.

According to Standard Industrial Classification (S/C) largest part of companies (27%) used for research operating in wholesale industry, 19% in manufacturing, 18% in transportation, communication, electric, gas and sanitary service, 11% in retail industry, 7% in finance, insurance and real estate, 5% in agricultural, forestry and

fishing, 6% in services industry, 5% in construction, 1% in mining and 1% in public administration industry. Reporting on sustainability is important for all industries, but in comparison to other sectors for transportation, communication, electric, gas industries information disclosing on sustainability is more essential, as environmental issues are more relevant and significant. Detailed list of industry distribution is presented below in Figure 1.

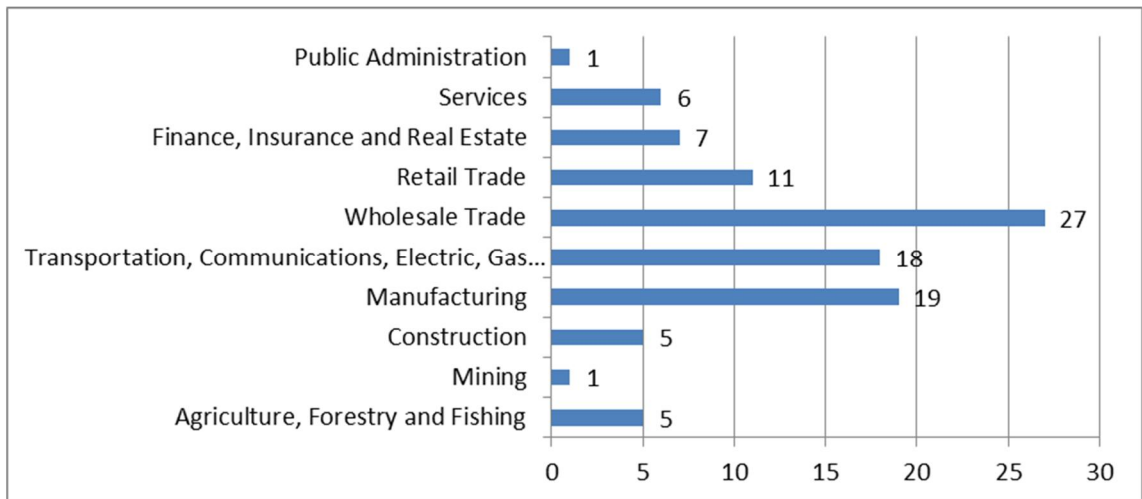


Figure 1. Industry classification of Estonian largest companies

Source: Prepared by author

2.2 Data sources

Data was collected for each of the sample companies utilizing the following systematic approach:

- 1.) Company-specific websites were reviewed to determine whether a company issued formal stand-alone sustainability or integrated report. The most current available reports were downloaded for detailed review. For most companies, the most current reports were those for the 2014 year fiscal period.
- 2.) In addition, publicly available management reports within annual reports were downloaded.
- 3.) In addition, internet-based searched for keywords and variations of keywords, such as “sustainability”, “corporate social responsibility”, “corporate

responsibility reporting”, “environment”, “green”, “corporate stewardship”, “community involvement”, “vastutustundlik”, “ühiskondlik” and other related terms were utilized to collect additional information about companies sustainability activities.

The data sources consist of annual reports and related publications from the sampled companies for the accounting year of 2014 (latest available reports). The reports were downloaded from the webpages of the sampled companies. Notes were taken directly on the reports and the scores recorded in a score chart using Microsoft Excel. One of the advantages with using public reports, is that it is much more easily available than primary data. This availability may make larger samples possible and therefore pave the way for better understanding of the subject. Main disadvantage is that the sources will contain much information that does not fit with the research purpose of this paper, and it therefore puts a demand on the researcher to find out what information is necessary to answer the research problem.

2.3 Data analyses

The data collected using internet-based research was analysed in detail. Based on these analyses, the companies were grouped into the following four reporting categories:

- 1.) Companies issuing formal standalone Sustainability Reports
- 2.) Formally reporting companies that utilized the GRI framework
- 3.) Companies disclosing qualitative and quantitative sustainability information in their annual reports
- 4.) Companies belong to international group/concern company which issuing formal standalone Sustainability Report globally.

Based on extensive analysis, the nature, type, and extent of sustainability-related information reported were determined and common reporting trends and related characteristics identified. For companies that issued a formal sustainability report, the reports were analysed with reference to the specific reporting guidelines utilized.

For GRI-referenced reports, the application level (A,B, or C) the type and number of performance indicators for which information was presented for each major

sustainability-related area, as well as the existence and manner of report verification (i.e. GRI verification, external third-party verification, self-reporting) were determined. GRI-based application levels are used to indicate the level to which report makers have applied the GRI Reporting Framework. To meet the needs of beginners, advanced reporters, and in between, there are three levels, which are respectfully titled C,B an A. For each level reporting criteria reflect a measure of the extent of application or coverage of the GRI Reporting Framework. For formal non GRI referenced reports, the specific reporting guidelines referenced (if any) were noted the issues and scope for which quantitative and qualitative information was reported identified.

For companies that did not issue formal sustainability reports, their annual reports were reviewed to determine the scope and level of detail that was reported. For all companies in the sample, the most frequently reported issues were identified. The results were evaluated and summarized.

In authors' opinion, there were two possibility on performing further descriptive analysis of sustainability reporting by largest Estonian companies. First option was based on the research performed by Gurvitsh and Sidorova, which were based on sustainability reporting integrated into annual reports of Estonian companies listed on local Nasdaq Tallinn Stock Exchange, second option was based on STDI dimension. Gurvitsh and Sidorova research was made only for listed on stock exchange entities and consists of indicators based on totally separate section of Management Report. As it was mentioned above, in accordance with the Estonian Accounting act § 24 3 (3), an accounting entity whose annual reports are audited or must be audited pursuant to law shall describe in the management report significant environmental and social impacts resulting from the activities of the accounting entity, but certainly should not consist of different chapters and separate section in the Management Report. Considered fact prevented to use similar methodology with Gurvitsh and Sidorova research in particular thesis, as almost 90% of the companies are not listed and surely are not dividing their management's report into different sections.

STDI indicators, on the other hand, were possible to implement more easily implemented to cover sustainability reporting elements. Detailed list of STDI indicators implemented for particular research for Estonian entities are brought out in Appendix II.

Moreover in accordance with STDI framework only qualitative data is not enough for positive score. Mentioned benefit of STDI framework is in compliance with general terms of all global reporting frameworks, as both qualitative and quantitative disclosing on sustainability should be performed. According to the current thesis authors opinion STDI Economic indicators would cover economic elements of sustainability reporting, STDI Environmental indicators would cover Environmental elements, STDI Labor indicators, Health/Safety indicators and Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators would cover Social elements respectively and STDI Governance indicators would cover Governance elements.

The set of rules was defined based on the previous research of Rea (2014, 2015), were adapted by the author to the Estonian context, rules needed to be defined to apply a score to a specific dimension in the framework. Indicators used consist seven categories. For each indicator scoring point scale (0-2) was used to divide the information according to the level of disclosure for each category:

- 0 - if no quantitative information disclosed regarding the indicator. Description could be provided within verbal way, but no quantitative related information provided to understand actual performance.
- 1 - if information is disclosed only partly in the report, for cases when information needs to be calculated by the reader on his own, estimated or found outside the reports or attached documentation referenced in the reports.
- 2 - if related information is reasonably disclosed, which means that quantitative information is provided fully and it is easily located within the report or attached documentation.

Exception for some companies from the sample were made by author, totally 10 companies were removed from the study because amount of very low amount of employees. Excluded companies are related to resale of commodities and author made an assumption that entities were established in Estonia due to tax terms in the country, absence of differed income tax or any other. Consequently general of organizations is a usage of tax benefits not sustainable development.

3. DESCRIPTIVE ANALYSIS ON SUSTAINABILITY REPORTING BY LARGEST ESTONIAN COMPANIES

3.1 Classification of companies by reporting category

This chapter is dedicated to give an account of the results from the empirical data collection in the study. The sample represents a wide range of industries in Estonia. The sample was drawn to represent a fairly representative cross section of the population of large companies registered in Estonia, drawing at least one company from each industry (see Figure 1). The companies in the sample reported employing between one and more than 6,900 people in Estonia and abroad (see Appendix XI.), as well as having a reported revenue of between 69 and 1 363 million EUR in 2014 (see Appendix IV). Data on sustainability disclosure of Estonian entities related or owned by international companies, which issued formal standalone Sustainability Report globally, were not used for the descriptive analysis. As non of global standalone sustainability reports made by international concern, consists both qualitative and quantitative data particularly about Estonian entity.

Only three companies out of 100 largest Estonian entities issued formal standalone sustainability reports, other 97 entities disclosed information on sustainability in their annual reports, detailed results are presented in Table 1. The companies that issued standalone sustainability reports were AS Eesti Energia, AS Merko Ehitus and Viru Keemia Group AS, all of those companies also disclosed a significant amount of sustainability related qualitative and quantitative information websites. Only one of three companies issued formal sustainability reporting which utilized the GRI's Guideline as a reporting tool, which was Viru Keemia Group. Detailed information

about GRI report application levels scope of reported information is shown in the following section.

Table 1. Sustainability reporting categories of 100 largest Estonian companies

Companies issuing formal standalone Sustainability Reports	3
Formally reporting companies that utilized the GRI framework	1
Companies disclosing sustainability information in their annual reports	100
Companies belong to international group/concern company which issuing formal standalone Sustainability Report globally.	28

Source: Prepared by author

All 100 companies disclosed selected qualitative information in the managements' reports. Such disclosures typically described positive achievements such as donations to community causes, certifications, and awards and recognitions. Some companies emphasized their commitment to sustainability, to ethical conduct, conservations, etc. Most of the companies did not take significant comprehensive quantitative sustainability disclosures that would facilitate comparability among companies. Based on previously stated studies, under the theoretical part of the thesis, consistent quantitative comparable information about organizations sustainability would be useful to internal and external information users, also it might be useful for standard-setters and information providers.

3.2 Analysis of AS Eesti Energia, AS Merko Ehitus and Viru Keemia Group AS stand-alone sustainability reports.

The reviewed stand-alone sustainability reports ranged from 37 to 106 pages in length. All reports had a primarily descriptive or qualitative approach to sustainability disclosure, emphasizing general policies and the companies' values, or referred to the companies' Code of Conduct.

Before analysing of sustainability reports it is needed to give a brief description on these three companies. The shares of Merko have been listed in the Tallinn Stock Exchange since 1997, company is among the leading residential construction companies in the Baltic States, according to 2014 year Merko Ehitus group was the market leader of the

Estonian construction sector, within about 5% of the total volume of the Estonian construction market, moreover company is with the highest owner's equity in the Estonian construction sector and is able to finance projects by itself in long-term. Viru Keemia Grupp AS is Estonia's largest oil shale processing enterprise, producing 57% of total Estonia shale oil, in the year 2014, oil shale processing volume of company was 2.8 million tones, The Group includes 12 business enterprises which provides jobs for a total of 2,206 people, for the past 10 years total amount of environmental investments exceed 64 million euros. Eesti Energia is the country's largest enterprise and oil shale group, it's operations impact on more than 6,600 of employees, 150,000 people living in Ida-Virumaa region, half a million customers and or less the whole Estonian population.

For comparison of those three stand-alone sustainability reports and evaluation of transparency in this thesis set of indicators on an existing SDTI index were used. As mentioned previously used were different types of indicators: 6 indicators related to economic dimension, respectively 14 environmental indicators, 10 labor indicators, 9 health/safety indicators, 7 corporate social investments (CSI)/ socioeconomic development (SED) indicators and 8 governance indicators (presented in Appendix I). By doing this, the study is relying on the validity and reliability of the concepts, factors and measures in the existing SDTI index, with most of the indicators found in the SDTI being quantitative counterparts to standard disclosures found in global recognized frameworks like the GRI (Rea, 2015). Applicable Sustainability Data Transparency Index framework (Rea, 2015) and related set of rules can be found in Appendix I and Appendix II, these rules were used to evaluate each non-financial report stand-alone sustainability report. The results from this review was recorded using Microsoft Excel, and fully presented in Appendixes III-X. By performing a research using a framework based on the existing SDTI framework, it might provide knowledge on transferability to another country.

Sustainability Data Transparency Index results of VKG AS, Merko Ehitus AS and Eesti Energia AS are presented in Figure 2, based on Appendix III., numbers of percentage for each dimension were calculated from maximum possible amount of points. First of all, standard disclosure indicators must be discussed, those reflect on the use of frameworks like GRI or UN Global Compact, assurance of disclosures and

auditor control of disclosed information. Only Viru Keemia Group AS's sustainability report were was made in accordance with GRI and UN Global Compact frameworks, but with no assurance or auditor's opinion provided the company respectively received four points out of eight possible, Merko Ehitus AS and Eesti Energia performance on disclosure scored zero points both, all estimations were made by the author.

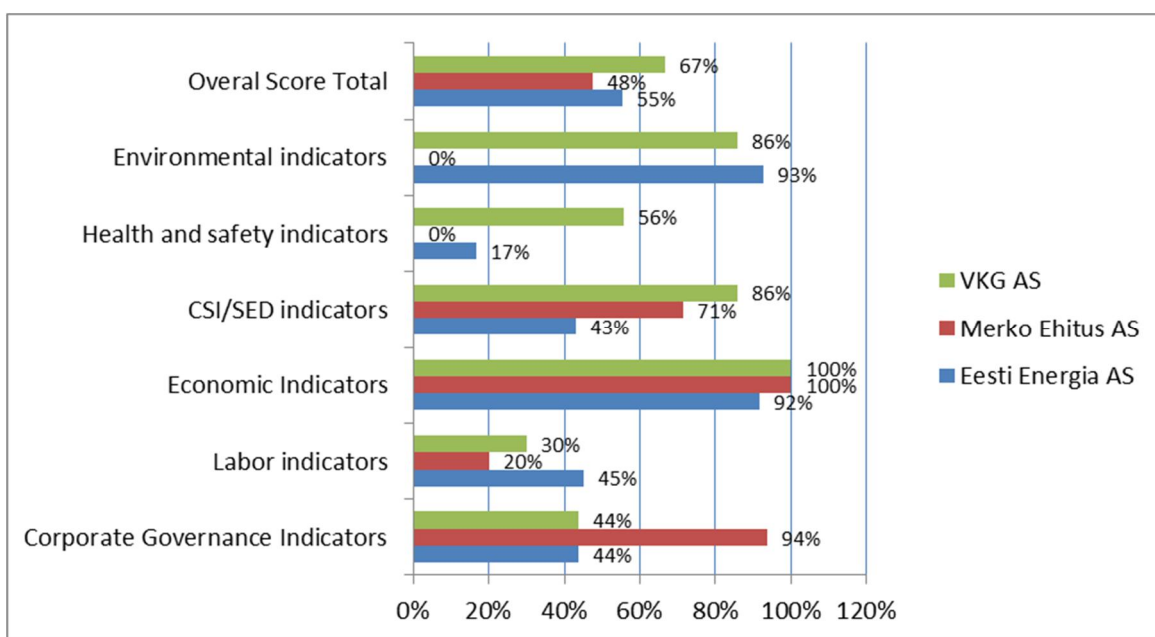


Figure 2. Sustainability Data Transparency Index of VKG AS, Merko Ehitus AS and Eesti Energia AS (based on Appendix III)

Source: Prepared by author

Dimension called Corporate Governance is related to disclosed information on the management of board. Especially, it looked for disclosure on number of board members and managers, gender diversity, attendance at meetings, length of service, auditor's length of service and age spread. The highest total transparency score was achieved by Merko Ehitus with 94%, Eesti Energia and Merko Ehitus performed similarly with 44% transparency respectively. All companies disclosed fully information related to number of board members, their gender and number of members of management team but only Merko Ehitus AS provided information on average age of board members and auditor's related fees, worked years. Reason of disclosing that perfectly on Corporate Governance Indicators by Merko Ehitus AS might be related to the fact that comparing to other two companies it is the only one which is listed in the Tallinn Stock Exchange and applies

special regulations on disclosing on related parties. The highest score overall achieved by VKG AS proves that Global Reporting Initiative (GRI) helps entities to inform better on effects of business major sustainability issues, as initiative provides world' most generally used indicators and standards. Reporting guidance have a wide amount of indicator which are suitable for different type of report makers.

Corporate governance part of VKG sustainability reporting consists of general organization changes took place in 2014 year, including shares and share capital, exercising the rights of shareholders, total amount of paid dividends, moreover list of management of the parent enterprise and subsidiaries of the Group. Separately disclosed information on risk management system, accordingly disclosed business, market, environmental, credit and inherent risks, also risks of destruction of assets. At the same time full table of ISO certificates owned by Group companies was brought out at the end of risk management system part. Additionally chapter where VKG's consolidated economic results for the year 2014 was presented in the last chapter, data also compared with results of previous years. Last pages of report disclosed table of content on GRI indexes within Application Level Criteria table, but not auditor's opinion presented, only financial data was audited by PWC according to Annual Report.

AS Merko Ehitus Sustainability Report consist of Corporate Governance report within disclosed information on Group's legal structure and it's related changes in 2014, general meeting of shareholders, supervisory board, management board, supervisory and management boards of subsidiaries, audit committee, reporting and financial audit. Moreover information related to conflict of interest and handling of insider information is also disclosed, as company it is listed company amount of company's insider persons with permanent access it essential. Also ownership interest of AS Merko Ehitus members of the Supervisory and Management board (over 5%) in other companies was disclosed. Within main rules on information disclosing the chapter is ended.

Unique fact about Eesti Energia stated in chapter Corporate Governance and Risk Management is that sole shareholder of the Company is the Republic of Estonia, also Eurobonds issued by Eesti Energia are listed on the London Stock Exchange, the governance of the company is based on the following guidelines, laws and regulations:

- The UK Corporate Governance Code issued by the Financial Reporting Council of the United Kingdom;
- Baltic Guidance on the Governance of Government;

Basically social responsibility goals are set in four firm principle categories: employee, customer, environment and community. According to Eesti Energia Sustainability Report the compliance with ethical beliefs makes company the employer to work for and stay with. Detailed organizational structure within all related to Group companies, data about Supervisory Board, Management Board, Audit committee Internal Audit was brought out in the same chapter.

Dimension called Labor disclosed information on employees and employee rights, it included indicators on share of employees that are not permanent, gender balance, employees trained, employee turnover and sickness action. The distribution of companies total scores shown in Figure 2 (detailed described in Appendix III). Lowest score for Labor indicators have Merko Ehitus, only 20%. VKG scored 30% and Eesti Energia was a leader of disclosing on Labor with 45%. All companies disclosed fully only information on total number of employees, comparing to other two companies Merko Ehitus has not captured any data of cost of trainings and gender balance of employees.

Separately whole chapter of VKG sustainability report directed to employees, as VKG identified itself as largest employer in the area. Quantitative information based on employment theme consist age distribution of the employees, average age of the employees at different companies, average gross salary at the Group, training expenditures of Group's enterprises, accidents statistics. After that, in order to disclose qualitative information regarding to employees, sustainability report stated about cooperating with Kohtla-Järve Trade Union of Chemist, traditions regarding family events, organization trips, parties and etc. Furthermore, VKG offered scholarships to the most prominent students of the Faculty of Chemical and Materials Technology at Tallinn University, total scholarship fund was 19 thousand euro.

Merko Ehitus AS Social Responsibility Report Labor part disclosed related to company's employees information, therefore personnel policy, health and safety,

personnel development and remuneration data disclosed. Merko Ehitus Group stated that one of the main objective was to pay its employees competitive salary, total costs of salary in 2014 was 30 million euro, which was mainly the only quantitative information disclosed in the chapter. Merko Ehitus also disclosed in social responsibility part information about long-term sponsorships of sport, education, art and culture. During the year, the company supported sports, culture and education and made charitable donations total in the amount of 220 thousand euro. Scholarships in amount 3 200 euro were awarded in construction specialities to young/scientist up to 40 years of age, and 1 920 euro for doctoral level degree. Moreover Merko Ehitus AS was the only company which disclosed information about audit fee.

In spite of Eesti Energia being the largest employer in the Ida-Virumaa region, only 76% of its employees are from that region, 16% from Tallinn and Harjumaa and rest 8% from other regions. Exactly as at 31 December 2014, the company employed 6,712 employees, which was the second number after Tallink Group with 6,952 employees. In the chapter related to Eesti Energia employees disclosed quantitative information on professional profile, length of services, age of employees, female and male employees. According to internal survey 79% of employees felt that Eesti Energia was a stable employer. Company developed and implemented the competency models, as well as development program for engineers. Total training hours in 2014 amounted to 150 thousand euro and total investment to employee improvement to 1.15 million euro.

Dimension disclosed information on the employees' health and safety covers indicators on injury frequency rate, accidents leading to injuries and fatalities. Mostly detailed disclosure on employees' health and safety performed by VKG (56 % accordingly from the maximum of points), Eesti Energia had second place with 17% and Merko Ehtius had not received any points, 0% accordingly. VKG was the only company captured data on first aid, medical treatment and lost time injuries, as well as fatal injury rate, total recordable injury frequency rate and future targeted rate.

Eesti Energia disclosed fully information on total number of recordable injuries as it was mentioned in the report that an additionally safety at work aspect as a crucial for company, that special attention is paid to teaching and guiding their employees as well

as co-operation partners in order to ensure the safety to employees, quantitative data on occupational accidents and coefficients of Occupational accidents per 1,000 employees in Eesti Energia Group and in Estonia for last 14 years disclosed within separate table. Already on the first pages of report it was stated that, Eesti Energia were not fully protected from accidents and in 2014 faced a fatal accidents, subsequently, safety rules and training for employees must have the highest priority for the company.

Dimension called environmental disclosed on emissions of CO₂, equivalents, disposal and recycling waste, as well as energy usage and water usage. Same as with other demission's the distribution of companies' total scores on the Environmental indicators is shown in Figure 2 and detailed in Appendix III. Eesti Energia scored 93% and VKG 86% which were one of the best performance among other dimensions, on the over hand Merko Ehitus scored 0% and captured non of any information needed according to STDI, company disclosed that environmental management system complies ISO 14001 standard and focus on waste handling issues, in cooperating with different companies discover polluted soil and waste containing hazardous substances, but no quantitative data were presented at all.

Economic indicators were presented in stand-alone sustainability report almost perfectly according to STDI by all three companies, VKG AS and Merko Ehitus AS had 100% both, and Eesti Energia AS almost reaching behind with 92%. Possible reason for that is certainly related to the highest interest from stakeholders on economic and financial performance of the companies Eesti Energia AS was the only company which disclosed partly information about compensation paid to executive directors.

Dimension called Corporate Social Investments (CSI) and socioeconomic development (SED) spend indicators observe disclosed information on quantitative amount of expedentures spent on CSI or/and SED respectively. VKG AS scored disclosed related information with highest percentage of STDI, 86% respectively, Merko Ehitus AS have 71% and Eesti Energia only 43%. VKG AS was the only company, which disclosed total monetary value spent on CSI/SED expenditures. All companies disclosed perfectly information related value of CSI/SED spent on infrastructure development, organization received all possible points for that indicator if monetary value on invested amount into

PPE were disclosed. VKG AS stated that as their main resource is employees, they should be competent, qualified, interested and committed to achieving the same aims set by the organization. It is the reason why VKG AS finds it extremely important to provide for training for employees, the company disclosed both qualitative and quantitative information on trainings expenditures, the total value of which during 2014 year was EUR 207 thousand. Moreover, organizations disclosed information on accidents, totally 6 severe accidents and 7 minor accidents were registered at the Group in 2014.

The highest total transparency score was achieved by VKG AS 67%, than Eesti Energia with 55% and Merko Ehitus received 48% transparency respectively. Analysing reasons of perfect performance by VKG it must be mentioned that Sustainability report of the company was based not only on the guideline of the Global Reporting Initiative (GRI), but also guided by the document "Oil and Gas Industry Guidance on Voluntary Sustainability Reporting" issued in cooperation with the International Petroleum Industry Environmental Conservation Association (IPIECA) and the American Petroleum Institute (API). Additionally The ISO and OHSAS certification materials of the enterprise were also used while preparing the report. In order to unify environmental policy, VKG has developed next important principles:

- environmental management system in compliance to the international standard ISO 14001;
- everyday activities must be followed the requirement prescribed in legal acts, conventions and agreements of Estonia and the European Union; much attention must be paid for promoting sustainable development in the enterprise,
- reusing as many materials and wastes generated from the production process as possible;
- importance of cooperation with research and development institutions, both for solving environmental issues and for developing new technologies.

Also, detailed quantitative data on investments made by VKG during the last 5-7 years was disclosed, for example, the Group made a 47.3 million euro investment that will reduce the environmental impact directly, total environmental expenditures for 2014

financial year were four times larger than seven years ago. Moreover, VKG disclosed main directions of environmental activities for the years 2012-2018, including reducing atmospheric emissions, improving the quality of storm water and waste water, issues regarding depositing of oil shale ash and bottom ash. Subsequently, industrial wastes like hazardous wastes, non-hazardous wastes, reusable wastes, CO₂ emissions, SO₂ emissions, SO_x heide, air pollution fees, electricity consumption, water consumption and water emissions analysed in details, within both qualitative and quantitative data disclosed.

Eesti Energia stated in the beginning of the Chapter related to environmental activities that innovation in oil shale industry is inevitable and company understands that implementation of any new solutions depend on its' investments, in 2014 a total of 28,5 million euro was invested to improve environmental sustainability of companies production. Company was following all environmental requirements set by the European Union. Amounts of emissions for SO₂, NO₂, Fly Ash and CO₂ as well as Solid Wastes or Oil shale ash and Waste rock were stated separately in tables within comparison for last four years. In 2014 Eesti Energia paid the government of Estonia 60.3 million euros in environmental charges, 28 million euro of this were for oil shale and water resources and 31,8 million euro for compensation the environmental impacts on water and air pollution and waste. Furthermore detailed quantitative data on total amount of production (electricity, heat, shale oil, retort gas) and resources used (commercial oil shale, natural gas, biofuels, municipal waste, cooling water, pumped mining water) disclosed in the chapter.

Following chapter is dedicated to the discussion of the findings and their importance, answer to the research question need to be provided. Average transparency score for three reviewed companies was 57%, highest score performed on economic indicators 97% and lowest on health and safety indicators 24%, during further research average score on STDI of companies performed stand-alone sustainability reporting should be compared to average STDI performance of other largest Estonian organizations, which disclosed information on sustainability only in the Annual Report management's reports.

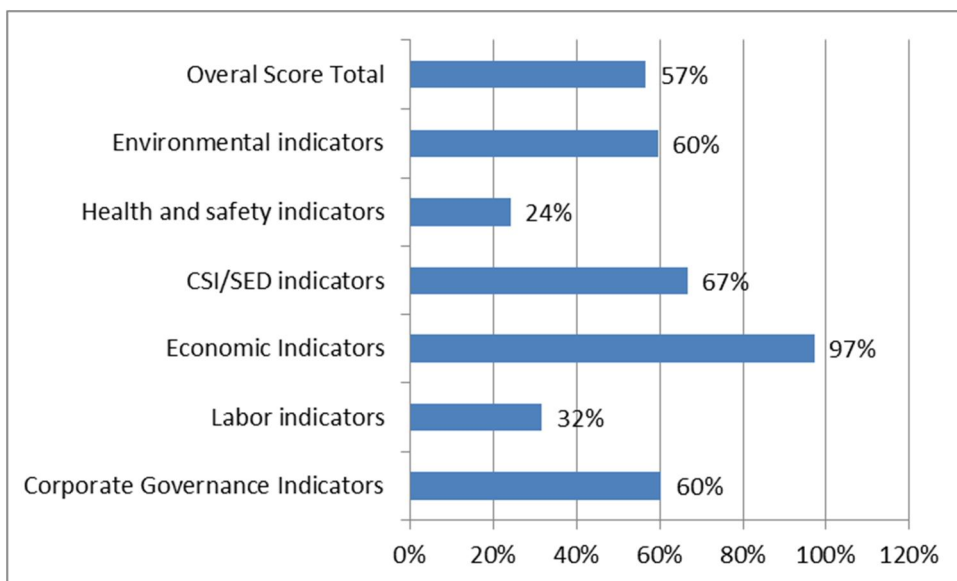


Figure 3. Average Sustainability Data Transparency Index of VKG AS, Merko Ehitus AS and Eesti Energia AS

Source: Prepared by author

The distribution of companies, which issued standalone sustainability reports, is shown in Figure 3. The overall average transparency score for all three reviewed companies was 57% meaning that the companies disclosed quantitative and comparable information on more than ½ of the indicators measured in the study. The category with the highest average transparency score was Economic, while Health and Safety had the lowest average score. The indicators all captured quantitative information it is reasonable to expect large and well-governed companies to have and disclose significant part of information while issuing independent standalone sustainability reports. Assuming that the transparency index used in this study is an adequate measure for transparency, the answer to the research question is that Estonian companies issued standalone sustainability reports disclosed more than half of required information on sustainability but still have a room for improvement on transparency. Further suggestions and analysis on results would be made after comparison of STDI scores with other Estonian companies without disclosed standalone reports, but reported on sustainability in the managements'

3.3 Managements Reports analysis on sustainability disclosure

In this chapter descriptive analysis results on sustainability reporting for Estonian largest companies, which has not issued standalone reports, would be described. All results are based on the information disclosed in the Managements' Reports. In purpose of covering sustainability reporting elements STDI dimensions mentioned above were used. (detailed results presented in Appendixes III- X) But due to very low scores on Environmental and Health/Safety dimensions those results would not be used for calculation of the overall score. For detailed analysis Estonian entities were divided into different categories according to industries. Different industries management's reports lengths, related appendix, highest and lowest dimensions and entities with best performance results are presented in Table 2.

Table 2. Data on managements reports and STDI scores among all industries.

	Managment's reports length (Pages)	Related Appendix	Highest score	Lowest Score	Best performers (overall score)
Manufacturing	1.-11.	IV, XVI	Economic Indicators (53%)	Environmental (0%) and Health & Safety (0%)	Silvano Fashion (25%)
Services and Public Administration	2.-48.	V, XVII	Economic Indicators (50%)		TÜK (46%)
Finance, Insurance and Real Estate	3.-21.	VI, XVIII	Economic Indicators (60%)		ERGO (29%)
Retail Trade	1.-15.	VII, XIX	Economic Indicators (53%)		Tallinna Kaubamaja (30%)
Wholesale Trade	1.-5.	VIII, XX	Economic Indicators (58%)		Neste Eesti (23%)
Transportation, Communications, Electric, Gas and Sanitary Services	1.-56.	IX, XXI	Economic Indicators (58%)		Tallinna Sadam (48%)
Agriculture, Forestry and Fishing	1.-34.	XX, XXII	Economic Indicators (57%)		Nordecon (43%)

Source: Prepared by author

Total amount of Estonian largest companies from the study sample which are related to manufacturing industry is equal to 19. The reviewed management' reports ranged from 1 to 11 pages in length. The distribution of the manufacturing industry companies' average scores in all STDI categories is shown in Appendix IV and XVI. The overall average transparency score for all companies from industry was 21% (data presented in Table 2 and Figure 5) meaning that the companies disclosed quantitative and comparable information on only 1/5 of the indicators measured in the study. Highest average score were awarded a 53% in the Economic Disclosures category, lowest scores were related to Environmental and Health & Safety dimensions, as none of the companies disclosed any related information in accordance with STDI methodology.

Sufficient influence on the average score in the Economic disclosure among manufacturing companies played Silvano Fashion Group, with related score of 83%, also with A Le Coq they were only companies disclosed information on monetary value of dividends paid to shareholders. Moreover A Le Coq made different sponsorships for sport clubs and individual professional athletes and disclosed exact monetary values of those sponsorship. Totally all organizations disclosed in their management's reports information on monetary value of total revenue and net profit generated. On the other hand companies issued Stand-Alone Sustainability Reports achieved significantly higher scores than manufacturing industry highest, respectively VKG AS (100%), Merko Ehitus (100%) and Eesti Energia (92%)

Corporate governance transparency highest scores of 31% achieved by two companies Silvano Fashion Group and Scandagra Eesti, as both companies disclosed number of the board members and management team, and scored both within 1 point for disclosing gender balance in the board. Among manufacturing highest overall score achieved also by Silvano Fashion Group with 37% (without taking into account Health/Safety and Environmental indicators), dependence on highest overall score and longest length of management's report of 11 pages is concluded in that case. Moreover company was the only one in the group listed on the main list of Nasdaq Tallinn stock exchange, with recently highest interest from different stakeholders.

Remarkable is the fact that Ericsson Eesti AS, which is largest Estonian company according to its revenue in 2014 financial year with 1 363 thousand euros and 1 493

employees, scored overall only 17%. Company's management's report was only 4 pages length and only rarely disclosed in general was indicator related to employee turnover. Other information disclosed by Ericsson Eesti AS was rather qualitative without any specific monetary or value data.

Three hugest Estonian clinics are related to Services and Public Administration industry: Tartu Ülikooli Kliinikum (TÜK), Põhja –Eesti Regioonahaigla (PERH) and Ida-Tallinna Keskhaigla. The overall average transparency score for all reviewed companies was 29%, which is slightly higher comparing to the score of manufacturing industry, but still means that organizations disclosed quantitative and comparable information only on 1/3 of the indicators measured in the study. TÜK management's report was leading in the length of the managements' report with 48 pages, PERH on the other hand had a report with only 2 pages of length. Similarly organizations scored in accordance to STDI dimensions, TÜK achieved 70% (without E and HS), which is also group highest score and PERH scored only 21%.

TÜK disclosed separately a section named “Ensuring the sustainability during in terms of intense economic situation”, where next both qualitative and quantitative information disclosed: 18 million euros spent on medical campus and construction of nursing corpus, financial expenses on e-lab development were 585 thousand euro, training budget exceed 900 thousand euro, participation in cooperation projects cost 2,5 million euros. On the other hand Ida-Tallinna Keskhaigla pages of text disclosed considered only on qualitative information on different sustainable development aspects without any supporting with quantitative data.

Second place in the group is held by Olympic EG with 40% in total, the company is listed on the main list of Nasdaq Tallinn stock exchange. Olympic was the only organizations in group which achieved better than others in Corporate Governance indicators with 44%, information on gender balance in the board, average length of service and average age for board members were disclosed. On the other hand Olympic had no disclosure on paid amount to board members and audit fee on purpose with explanations, which are not appropriate in authors opinion. TÜK on the other hand achieved more points for Labor Indicators 70% and CSI/SED indicators 100% as monetary values for all possible indicators related to CSI/SED expenditures were

disclosed. In comparison, entities disclosed information on sustainability in the stand-alone reports achieved highest score in Labor dimension only with 45% by Eesti Energia AS and CSI/SED dimension with 86% by VKG AS, both are lower than TÜK.

Overall score of TÜK (46%) disclosure on sustainability in the Annual Report's management report is even comparable to Stand-Alone sustainability reports made by VKG (67%), Eesti Energia (55%) and Merko Ehitus (48%), even taking into account fact that TÜK scored 0% for both Health/Safety and Environmental dimensions. Surely symbiosis Tartu University and medical centre is related to that high score on STDI-s, and bring TÜK significantly ahead over its main competitor PERH in sustainable development.

Among companies related to Finance, Insurance and Real Estate industry Swedbank achieved highest score of 50% in Corporate Governance dimension and Ergo Insurance awarded highest score of 100% in Economic dimension. Overall scored Finance, Insurance and Real Estate industry companies 26%. Swedbank, which is the tenth largest company in Estonia with 344 million euros of revenue and 2,257 employees, scored overall 34%. Company disclosed quantitative information on education of employees and cooperation with funds, start-ups and donation organizations, for example, 177 employees attended 350 different trainings and seminars on finance themes, within start-up Prototron company has funded the creation of prototypes in total amount of 18,220 euros, also organizations clients donated within their bonus points over 152,000 euros.

Listed company Tallinna Kaubajama which is related to Retail Trade industry, achieved highest score of 44% in Corporate Governance dimension and with Eesti Tarbijate Keskühistu awarded highest score of 83% in Economic dimension. Overall scored Retail Trade industry companies 22%. Tallinna Kaubamaja, which is listed on the main list of Nasdaq Tallinn stock exchange is the fourth largest company in Estonia with 880 thousand eur of revenue and 3 824 amount of employees, scored overall 45%. Company disclosure on investments is very detailed, separately compared value of investments on tangible and intangible assets, moreover investments divided into different parts of business. Also organizations included into managements' report a separate part on social responsibility, but all two pages of text disclosed considered only on qualitative

information on different sponsorships, charities and other supporting activities, without any supporting with quantitative data.

Circle K Eesti AS with 278 thousands euros of revenue and 539 employees, scored overall 31%, has disclosed total amount of taxes paid to the government and even described ongoing legal case with Tallinn city administration and disclosed related disputed euros amount. Also, organizations included into managements' report a separate part on social responsibility, but disclosed only qualitative information on different sponsorships, charities and other supporting activities, without any supporting with quantitative data.

From Wholesale industry group 9 companies and 1 company from Transportation, Communications, Electric, Gas and Sanitary Services industry were removed from the study because amount of very low amount of employees: Baltic International Trading (11 employees); Arte Bunkering (10); Orlen Eesti (12); Ja Süsteemid (1); Mark Oil (13); Antonio Trade (8); Jetoil (11), Revail Oil (3); MBR Metals (5), Baltic Marine Bunker AS (11 employees. Majority of excluded companies are related to resale of commodities and in authors opinion organizations are established in Estonia due to tax terms in the country, absence of differed income tax or any other, consequently general of organizations is a usage of tax benefits not sustainable development.

Alexela Group with 225 thousand eur of revenue and 1 038 employees, scored overall only 22%, but disclosed in details major investments made in 2014 year, subsidiary Kiviõlli Keemiatööstus has invested in the modernization of equipment, safety and environmental protection over 5 million euros. Two leaders in the Transportation, Communications, Electric, Gas and Sanitary Services industry group are Elering and Tallinna Sadam, accordingly scored 63% and 56% in Corporate Governance dimensions, 83% and 100% in Economic dimension, 57% both in CSI/SED dimension, but due to very high score in Labor dimension with 75% Tallinna Sadam is leading overall over Elering with 72% in total. Labor dimension highest score achieved due to disclosures of : number of temporary employees, gender balance of employees, total person worked hours, number of employees trained, costs of trainings as well as days lost due to sickness leave. Moreover Elering disclosed very detailed information on R&D expenses, within comparison of actual values to the budget ones.

Related to Transportation, Communications, Electric, Gas and Sanitary Services industry Tallink Group, is listed on the main list of Nasdaq Tallinn stock exchange is the second largest company in Estonia with 921 thousand euros of revenue and 6 952, scored overall 41%. Management's report consists of 11 pages divided into next parts: Economic indicators, Sales, Earnings, Liquidity and cash flow, Funding, Ships and other investments, Market survey, Group structure, Staff and shareholders Shares and dividends. Remarkable was disclosure on CSI/SED expenditures, as total value amount for each new ship bought or upgraded by company was disclosed.

Longest managements' report in Construction and Agriculture, Forestry and Fishing industries group was made by Nordecon, 34 pages in total. It is also listed entity and report consists of separate section named "Charitable activities and social responsibility", where Nordecon stated that company values education, culture and community engagement, whereas in 2014, 257 thousand euros was allocated to charitable causes. The distribution of the mentioned industry companies' average scores in all STDI categories is shown in Appendix XXII. Highest average score were awarded a 57% in the Economic Disclosures category, lowest scores were related to Environmental and Health & Safety dimensions, both 0%. Remarkable is performance of Nordecon, with overall result of 64%, within 56% in Corporate Governance dimension, 50% for both Labor and CSI/SED dimensions and 100% in Economic dimension. Overall score of Nordecon dimensions is 43% which is even comparable to Stand-Alone sustainability reports made by VKG (67%), Eesti Energia (55%) and Merko Ehitus (48%). On the other hand, BLRT Group AS, which is the sixth largest Estonian company with 411 million euros of revenue, 3 561 employees and 81 subsidiaries, scored overally only 19%.

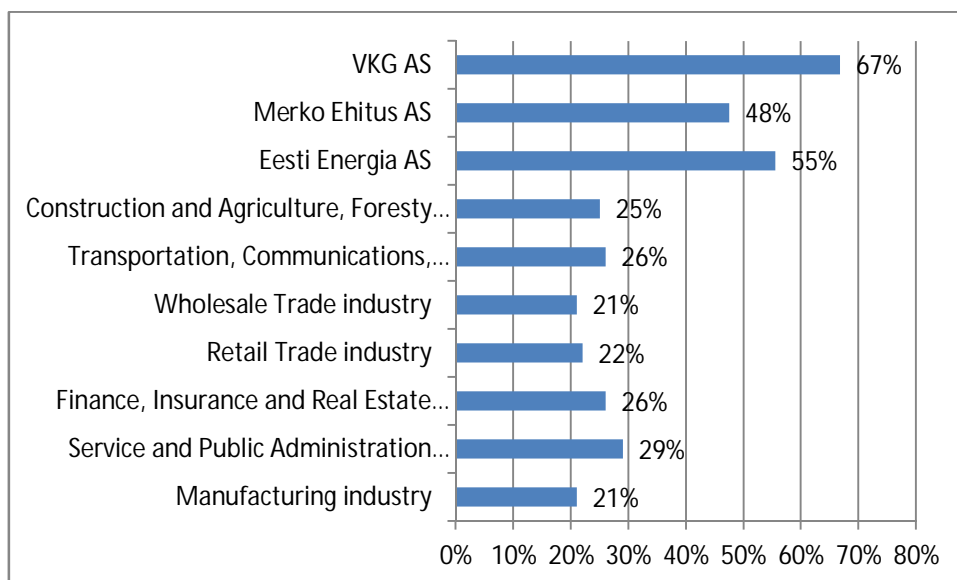


Figure 5. Sustainability Data Transparency Index Average Overall score among all industries and companies which issued stand-alone sustainability reports

Source: Prepared by author

Overall average scores among all industries are presented in Figure 5, average transparency scores were from 21% to 29%. Lowest average transparency scores were achieved by Wholesale Trade and Manufacturing industries, and the highest average transparency score achieved by Service and Public Administration industries. Taking into account that Environmental and Health/Safety dimensions were not used for calculating of the overall average score, as all entities in the sample has not disclosed any quantitative and comparable information regarding on related indicators, overall average transparency for all industries would be about 5-6% lower. Moreover none of Environmental sustainability elements were disclosed in and significant part of Social sustainability elements, which related to Health/Safety dimension, were not recognized in the managements' reports of the companies.

The distribution of companies, which issued stand-alone sustainability reports and STDI average scores among different industries by companies without standalone sustainability reports, is shown in Figure 5. Health/Safety and Environmental categories were not added for calculation of overall average score, as only VKS AS and Eesti Energia AS disclosed quantitative information for related indicators. All industries

overall scores are at least twice lower than Stand-Alone sustainability reports overall scores made by VKG (67%), Eesti Energia (55%) and Merko Ehitus (48%).

Results on average transparency among industries showed that companies disclosed lack of quantitative and comparable information and significant improvements need to be considered. Majority of the companies used significant part of managements' report on the disclosure of qualitative information about general economic situation worldwide and country specific, for example on GDP and average labor cost changes. Disclosing on sustainability is surely positive trend, but it must be ensured that both quality and quantity of provided information are in compliance with standards. Quality on disclosure is most important fact which would lead toward whole economy of the world to become more sustainable.

As it was already mentioned during the theoretical part of the study, in accordance with the Estonian Accounting act § 24 3 (3), an accounting entity whose annual reports are audited or must be audited pursuant to law shall describe in the management report significant environmental and social impacts resulting from the activities of the accounting entity. Estonian certified auditors should not express their opinion on Managements' Report part of the Annual Report. Overall current thesis authors conclusions on the reason of such shortage in quantitative disclosing on sustainability similar with Gurtvish survey. (Gurtvish 2012) Author concluded that main barrier for reporting on sustainability is related to lack of any policy and regulation from the government, within reference to one of the global reporting initiative as a guidance, easily accessible and available for different interested parties. Possible solution for that problem certainly is EU Directive, which would assist companies with a guidelines in the reporting process, providing methodology that will facilitate the disclosure of relevant, useful and comparable non-financial information, but Directive is planned to draw up in line with the requirements and scope set out on disclosure of non-financial and diversity information only for large companies and groups, which applied to large public-interest entities with more than 500 employees.

Moreover, similarly with Gurtvish the author of the current thesis thinks that low sustainable development is related to post-soviet heritage, as company owners desire to maximize profits in the short-term rather than long-term sustainable development, even

not considering on public and environmental interests. Gurvitsh concluded that possible opportunity to solve above mentioned problem was implementing separate course related to sustainable strategy in Estonian universities, subsequently new generation of leaders would have better knowledge and skills for sustainable development. Author do not agree with that because first of all suggestions were made about eight years ago, there are already implemented different courses and studies in Universities on sustainability's and totally new generation of Estonian businessmen already started their carriers. Secondly made suggestions were related to listed entities, particular research sample is more larger. According to authors opinion there is a significant part of Estonian largest companies related to or owned by International concern and half of them prepare their sustainability standalone reports globally. Estonian or any other subsidiary worldwide could successfully use internal experience and implement the same report, but with changed quantitative data related only for specific country. But the author agrees with another recommendation made by Gurvitsh, according to which an opinion for improvement of sustainable disclosure establishing of sustainability network is needed as a part of the global world, it would enable organizations to communicate with each other, to participate in trainings and seminars, while at the same time getting support and guidance in preparing sustainability reports in according to global initiatives.

Major motivators for investing in sustainability are ambitions to satisfy both organizations shareholders and stakeholders, but also legal obligation and within aim to comply with growing amount of regulations. (Shiechle, Walin 2014) Although these are not only motivations leading companies to report on sustainability, organizations found out that sustainable development and environmental progress held to achieve both social and financial success. Environmental and social disclosures in reporting are important and very informative for all types of industries. Growing trend of instances of sustainability reporting showed willing of many companies to demonstrate commitment for providing stakeholders with respective information. But often companies disclose separate social and environmental reports because such reporting is mainly only voluntary and requires transparency, time and knowledge performance. That leads to situation when organizations report only positive and important issues in order to

improve performance and create positive opinion of the company for different stakeholders.

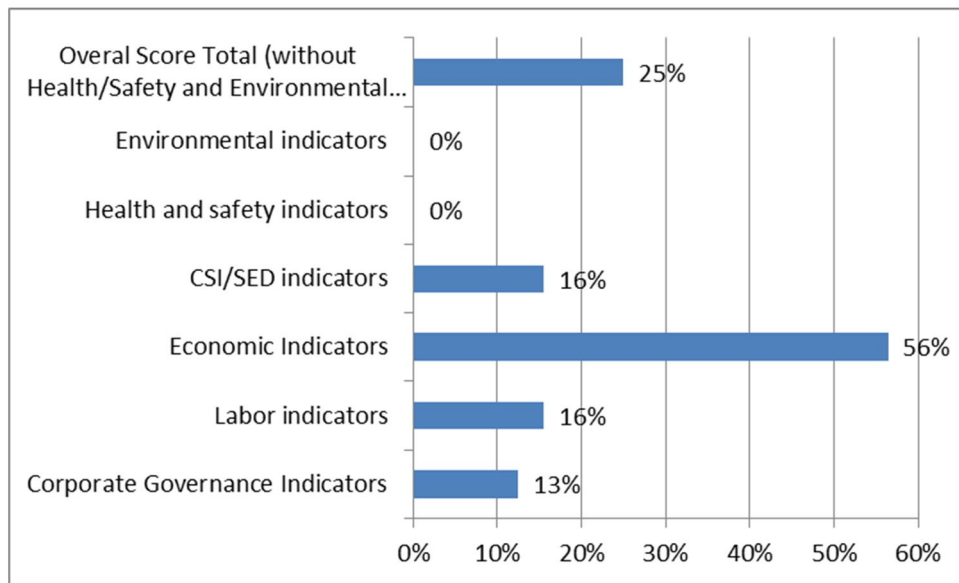


Figure 6 Sustainability Data Transparency Index Average among Estonian largest companies with employees over 500

Source: Prepared by author

The distribution of companies with employees over 500 is shown in Figure 6. The overall average transparency score for all companies was 25% meaning that the companies disclosed quantitative and comparable information only on 1/4 of the indicators measured in the study. The category with the highest average transparency score was Economic aspects, while Health/Safety and Environmental had the lowest average scores. During the theoretical part of thesis it was stated that large companies are more likely to report than small companies, as they are more influenced than small companies due to competitive advantage, stakeholder pressures, risk management and transparency stakeholders. But results on average transparency showed that companies disclosed almost similarly comparing to industry average scores, with significant lack of quantitative and comparable information. In order to meet planned requirements of EU Directive on disclosure of non-financial and diversity information by large entities with more than 500 employees, significant improvements need to be considered. Author's conclusion about major difficulties and reasons why companies struggle with implementation of sustainability reporting are similar with Steurer research made on

basis of Central-Eastern organizations. (Steurer 2009) First of all due to socialist legacy in Estonia reporting on sustainability is frequently understood as compliance with existing regulations only, understanding would not change as long as all activities related on sustainable development are voluntary, but situation certainly would be improved after EU Directive implementation. Secondly scepticism for environmental problems and social equity which is also related to socialist heritage might disappear also after the implementation by regulators of mandatory reporting. Fraud and corruption in Estonia is involuntarily much deeper problem and possible solution do not exist, in authors opinion it is only matter of time for generation change, because even stable growth of salaries is not an obstacle for prevalence on fraud and corruption cases. Next difficulty stated by Steuer is related to business avoid of publicity, privacy and secrecy, in the author's opinion it is also related to the previous question, as secrecy is often linked with fraud or corruption. Similarly with Central-Eastern European countries, society organizations in Estonia are very weak, as well as lack of governments attention on business-society relations, mainly in all regions excluding Tallinn any initiatives for social and environmental performance are missing. All in all in authors opinion the only solution for mentioned difficulties could be the implementation of EU Directive.

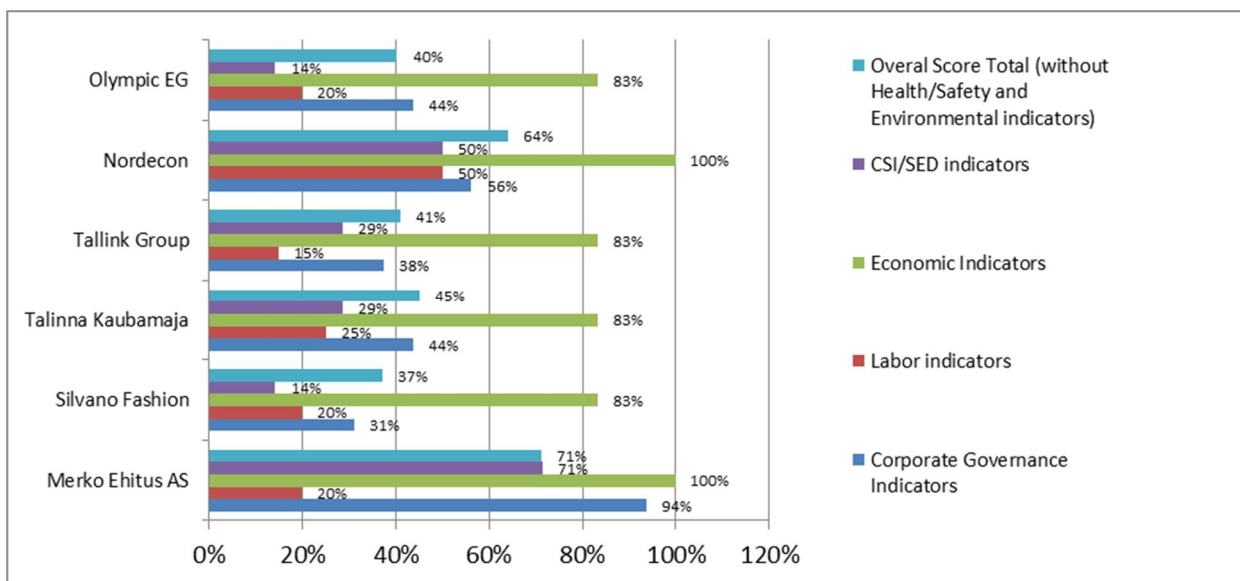


Figure 7. Sustainability Data Transparency Index Average among companies listed on the main list of Nasdaq Tallinn stock exchange

Source: Prepared by author

Top 100 Estonian largest companies, used as sample in the current thesis, consist of total 6 entities, which are listed on the main list of Nasdaq Tallinn stock exchange. Reviewed managements' reports range is from 11 to 34 pages and Merko Ehitus AS disclosed standalone sustainability report. The distribution of the listed companies scores in all STDI categories is shown in Figure 7. Leading position in all STDI categories is held by Merko Ehitus AS excluding Labor dimension, as Nordecon achieved highest score of 50%. Health/Safety and Environmental categories were not added in comparison, as none of the companies disclosed quantitative information for related indicators. Transparent, structured and systematic reporting can simulate sustainable development, as majority of customers and investors are willing to direct their demand and investments to more sustainable companies when such information is available. According to the results presented in Figure 7 most of listed companies analysed during the research, do not understand yet all benefits related to sustainability reporting or having the lack of motivation.

In accordance with theoretical part of study sustainability reporting contribution, exactly increase consumer and employee loyalties, reduce waste and monitoring long-term and

improve risk management values. But organizations from different industries were motivated to report on sustainability within their own reasons, but majority of them are motivated with transparency with stakeholders and less due to brand or reputation, mentioned suggestion is certainly suitable for listed Estonian entities.

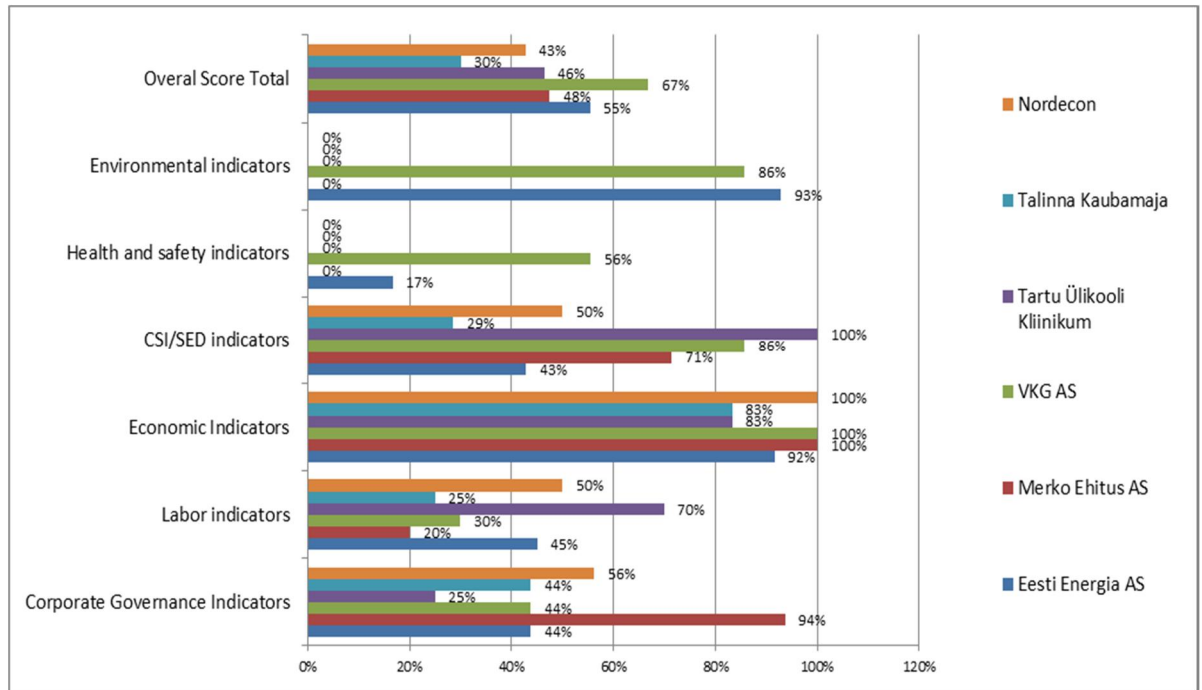


Figure 8. Sustainability Data Transparency Index Average among companies which issued stand-alone sustainability reports and best three performances on STDI transparency among companies without stand-alone sustainability reports.

Source: Prepared by author

The distribution of companies, which issued stand-alone sustainability reports and best three performances on STDI transparency among companies without stand-alone sustainability reports, is shown in Figure 8. Health/Safety and Environmental categories were not added for calculation of overall average score, as only VKS AS and Eesti Energia AS disclosed quantitative information for related indicators. Overall score of Nordecon and TÜK are very high, respectively 43% and 46% which is even comparable to Stand-Alone sustainability reports made by VKG (67%), Eesti Energia (55%) and Merko Ehitus (48%). Remarkable also is fact that TÜK is the leader scorer on CSI/SED (100%) and Labor (70%) dimensions. Both mentioned factors lead author to the suggestion, that motivated and capable for reporting on sustainability

organization is able to disclose in the management' report all quantitative and comparable information even with higher transparency score than those organizations, which issued standalone reports.

Fact that public companies are influenced by stakeholders to a greater extent than privately held companies, suggesting increased influence of stakeholders perspectives, explain TÜK high average score, but cannot explain lack of quantitative and comparable information on sustainability disclosed by PERH and Ida-Tallinna Keskhaigla, which are also public companies. On the other hand private companies are more likely than public companies to see reporting as an opportunity to manage risk.

Based on the results of the study, the author of current thesis agrees with the suggestion made in the Dagiliene research, company's reputation is set up as main motivator for reporting, sustainability reports raise interests from stakeholders those are human rights and resources, products design and development, environmental protection and community. (Dagiliene 2011) Moreover stated by Dagiliene, that disclosure on sustainability is very hardly measurable due to the lack of general accepted principles and lack of investigations related to valuation methodology of social information, explain fully why best three performers companies achieved almost same transparency scores comparing to those, who issues standalone reports But majority of other largest Estonian entities that Estonian companies issued standalone sustainability reports disclosed lack of required information on sustainability and have a significant room for improvement on transparency. All in all results led author to the conclusion that Estonian largest companies showed the deficiency of culture in understanding of environmental, social and governance sustainability elements.

CONCLUSION

Sustainability reporting has increased worldwide in the last decade, more and more identified an important measure of the quality of an organization's governance processes and long-term business strategy. Governments, international organizations, stock exchanges and a number of private initiatives have developed policy, regulation, requirements, and guidelines to promote sustainability reporting. The European Commission defines sustainability reporting as the responsibility of enterprises for their impacts on society. Transparency to a wide stakeholder group creates incentive for improving performance and sustainability reporting practices, enabling companies to measure, monitor and manage their impact on society and the economy, and help contribute to a sustainable future.

A sustainability report is a report disclosed by organization about the economic, environmental and social impacts caused by its everyday activities. Sustainability reporting elements is disclosed data on economic, environmental, social and governance performance. The purpose of the study was to provide descriptive analysis on sustainability reporting by largest Estonian companies, provide explanations on the results and make suggestions for improvement. Due to political processes in the EU which resulted sustainability initiatives and as a results amended by EU act, that would require non-financial reporting for large companies and public-interest entities with more than 500 employees.

Related to described aim next research questions were covered during the study: give and overview of necessity of sustainability reporting, its theoretical bases and latest developments; develop a set of main criteria for provide descriptive analysis of transparent sustainability reporting; assess compliance of standalone sustainability reports and annual reports prepared by the largest Estonian companies with the

requirements of STDI (Sustainability Data Transparency Index) and finally provide explanations and make a suggestions for improvement of sustainability reporting based on the results of performed descriptive analysis

For the purpose of descriptive analysis on sustainability reporting, a set of compliance assessment criteria must developed, which is suitable for assessing even if companies was not issuing stand-alone sustainability reports. The transparency criteria were developed by the author on the basis of the framework of sustainability reporting. According to classification of companies by reporting categories largest Estonian companies used for thesis research were analysed based on sustainability information disclosed in the stand-alone sustainability reports and annual reports. Information disclosed in annual report were analysed in details, as majority of companies tended to provide only qualitative information in nature, without any quantitative related data

Among research sample only three companies issued formal standalone sustainability reports. Those were AS Eesti Energia, AS Merko Ehitus and Viru Keemia Group AS,. Only Viru Keemia Group AS issued formal sustainability reporting which utilized the GRI's Guideline as a reporting tool. In order to measure compliance of standalone sustainability reports prepared by those three companies requirements of STDI (Sustainability Data Transparency Index) were used. STDI indicators were implemented by author to cover sustainability reporting elements of Estonian entities on disclosed data of economic, environmental, social and governance performance. Overallly Viru Keemia Group AS report achieved higher score, Eesti Energia AS report was on the second place and Merko Ehitus AS within lowest index score respectively. The category with the highest average transparency score was Environmental. In case of assumption that the transparency index used as a measurement tool for transparency of three companies issued stand-alone sustainability reports, answer to the research question is that actuall all three companies have significant room for improvement of transparency.

For Estonian largest companies, which has not issued standalone reports, results would be described based on the information discosed in the Managements' Reports. In purpose of covering sustainability reporting elements STDI dimensions were used. STDI indicators were implemented by author to cover sustainability reporting elements of

Estonian entities on disclosed data of economic, environmental, social and governance performance.

Results on overall average transparency among all industries showed that companies disclosed lack of quantitative and comparable information and significant improvements need to be considered. Majority of the companies used significant part of managements' report on the disclosure of qualitative information. Main barrier for reporting on sustainability is related to lack of any policy and regulation from the government, within detailed description of how it should be done, easily accessible and available for different interested parties. Author suggested that possible solution for that problem should be the implementation of EU Directive, which would assist companies with a guidelines in the reporting process, providing methodology that will facilitate the disclosure of relevant, useful and comparable non-financial information.

Results on overall average transparency among Estonian largest companies with employees over 500 disclosed almost similarly comparing to industry average scores, with significant lack of quantitative and comparable information. In order to meet planned requirements of EU Directive on disclosure of non-financial and diversity information by large entities with more than 500 employees, significant improvements need to be considered. Major difficulties and reasons why companies struggle with implementation of sustainability reporting, is firstly due to socialist legacy in Estonia , as reporting on sustainability is frequently understood as compliance with existing regulations only, understanding would not change as long as all activities related on sustainable development are voluntary, but in authors opinion situation certainly would be improved after EU Directive implementation. Secondly skepticism for environmental problems and social equity, which is also related to socialist heritage might disappear also after the implementation by regulators of mandatory reporting. Third problem is related to business avoiveness of publicity, privacy and secrecy, in authors opinion it is also related to previous question, as secrecy is oftenly let with possible fraud or corruption. Finally society organizations in Estonia are very weak, as well as lack of governments attention on business-society relations. All in all in authors opinion the only solution for mentioned difficulties could be the implementation of EU Directive.

Low sustainable development is related to post-soviet heritage, as company owners desire to maximize profits in the short-term rather than long-term sustainable development, even not considering on public and environmental interests. Author suggested that partly problem might be solved, when those Estonian largest companies, which are related to or owned by International concerns, with already prepared sustainability standalone reports, would successfully use internal experience and implement the same reports, but with changed quantitative data related only for specific country. Moreover improvement of sustainable disclosure establishing of sustainability network is needed as a part of the global world, as it would enable organizations to communicate with each other, to participate in trainings and seminars, while at the same time getting support and guidance in preparing sustainability reports in according to global initiative.

Results on overall average transparency among companies with issued standalone sustainability reports and best three performers on transparency among companies without standalone sustainability reports showed that motivated and capable for reporting on sustainability organization is able to disclose in the management' report all quantitative and comparable information even with higher transparency score than those organizations, which issued standalone report. Based on the results author suggested that company's reputation is set up as main motivator for reporting, sustainability reports raise interests from stakeholders those are human rights and resources, products design and development, environmental protection and community. Difficulty related to the fact ,that disclosure on sustainability is very hardly measurable due to the lack of general accepted principles and lack of investigations related to valuation methodology of social information, explains in authors opinion why best three performers on average transparency, among companies without standalone reports, achieved almost same transparency scores comparing to those, who issued standalone reports. To sum up results led author to the conclusion that Estonian largest companies showed the deficiency of culture in understanding of environmental, social and governance sustainability elements.

All in all author suggestions for improvement of sustainability reporting are:

- implementation of EU Directive within mandatory reporting guidelines;

- cooperation with related international group and concerns, within usage of internal experience;
- establishing and networking with organizations globally, within participation in trainings, seminars, while getting support and guidance;

Transparency on environmental, social, and governance factors would become observable when government and regulators are interested as investors and stakeholders. First of all it could help government to understand what companies within their jurisdictions are doing with regard to their environmental and social impacts, secondly could help them to assess how companies are contributing to national sustainability efforts, and finally creates dialogue between companies and other stakeholder. To conclude sustainability reporting practices are influenced by the business culture of a country, which is linked with the legislation system of the country. Sustainability reporting is therefore a vital first step for managing change towards a sustainable global economy, promoting transparency and clear understanding of national sustainable development efforts.

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APPENDIX

Appendix I: Transparency Indicators Used in the Study (Implemented for Estonia)

Corporate Governance Indicators

1. Number of board members
2. Gender balance in the board
3. Average length of service for board members
4. Average age of board members
5. Average attendance at board and committee meetings
6. Auditor remuneration: audit fees, non-audit fees, and other services
7. Auditor length of service
8. Number of members of management team

Labor indicators

1. Total number of employees (average or year-end)
2. Number of temporary employees (contractors or seasonal)
3. Gender balance of employees
4. Share of employees who are permanent
5. Employee Turnover
6. Total person hours worked, or average full-time equivalents during the year.
7. Total number of employees trained

8. Cost of training
9. Person days lost due to sickness leave - in percent or days
10. Person days lost due to strike or other industrial action.

Economic Indicators

1. Monetary value of Total Revenue Generated
2. Monetary value of Net Profit Generated
3. Monetary value of Total Compensation paid to employees, including wages and benefits
4. Monetary value of Compensation Paid to Executive directors
5. Monetary value of funds invested in research and development
6. Monetary value of dividends paid to shareholders

Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators

1. Monetary value of total CSI/SED expenditures
2. Monetary value of CSI/SED spend on education
3. Monetary value of CSI/SED spend on skills development
4. Monetary value of CSI/SED spend on health
5. Monetary value of CSI/SED spend on infrastructure development
6. Monetary value CSI/SED spend on arts and culture
7. Monetary value CSI/SED spend on other

Health and safety indicators

1. Number of fatalities (i.e. injuries on duty leading to death)
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)

3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)
5. Total number of recordable injuries
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)
9. Does the company report injury rate targets?

Environmental indicators

1. Total direct energy consumption - Gigajoules (i.e. use of fuels)
2. Total indirect energy consumption - Gigajoules (electricity purchased)
3. Total electricity consumption (MWh)
4. Target: Reduction in electricity intensity
5. Target: Reduction in energy intensity
6. Total carbon emissions (tons of carbon dioxide equivalents, CO₂e)
7. Total Scope 1 CO₂e Emissions – Tons
8. Target: Reduction in Carbon Emission intensity
9. Total water consumption (kilolitres, or m³)
10. Target: Reduction in water intensity
11. Total volume of non-hazardous waste disposed (tons)
12. Total volume of hazardous waste disposed (tons)
13. Total volume of waste sent for recycling (tons)
14. Percentage of waste disposed that is sent for recycling

Appendix II. Summary of the Sustainability Data Transparency Index

See Rea, M. H. (2015). SDTI 2014. Integrated Reporting & Assurance Services, available at <http://www.iras.co.za/Research/2014/IRAS%20-%202014%20Research%20Report%20-%2029%20September%20-%20FINAL.pdf>

7 Standard Disclosures

- o SD1 Is the report GRI-compliant?
- o SD2 Has the report been assured?
- o SD3 Did the assurance provider test specific data points and provide insightful findings?
- o SD4 Has the company made a CDP Submission?

- o SD5 Does the report contain a King III compliance checklist?
- o SD6 Is the company a signatory of the United Nations Global Compact (UNGC)?
- o SD7 Is the company a signatory of any Industry-specific regulatory body (e.g. ICMM) or the Equator Principles?

- 12 Labor indicators
 - o La1: Total number of employees
 - o La2: Total number of temporary employees (contractors, seasonal, casual, temporary)
 - o La3: Percentage of employees who are deemed “HDSA”
 - o La4: Percentage of employees who are women
 - o La5: Percentage of employees who are “permanent”

 - o La6: Percentage of employees who belong to a Trade Union
 - o La7: Employee Turnover (i.e. number of persons who departed relative to the total number of employees at year-end
 - o La8: Total number of Person Hours Worked (PHW) – Reported

- o La9: Total number of employees trained, including internal and external training interventions
- o La10: Monetary value of Employee training spend
- o La12: Total number of Person Days lost due to industrial action (i.e. strike action)
- 12 economic indicators
- o Ec1: Monetary value of Total Revenue Generated
- o Ec2: Monetary value of Net Profit Generated
- o Ec3: Monetary value of Total Compensation Paid to Employees, including wages and benefits
- o Ec4: Total Monetary value of Compensation Paid to Executive directors – excluding LTIP gains
- o Ec5: Total monetary value of long-term incentive plan (LTIP) gains – executive directors
- o Ec6: Total monetary value of compensation paid to prescribed officers – excluding LTIP gains
- o Ec7: total monetary value of LTIP gains – prescribed officers
- o Ec8: monetary value of historically disadvantaged South African Procurement spend (HDSA)
- o Ec9: monetary value of total taxes borne and collected on behalf of government(s), inclusive of VAT, income tax, royalties, rates & taxes, etc.
- o Ec10: monetary value of funds invested in research and development
- o Ec11: monetary value of dividends paid to shareholders
- o Ec12: monetary value of earnings retained
- 10 CSI/SED spend indicators
- o CS1: monetary value of total corporate social investment (CSI)/socioeconomic development (SED) expenditures – reported

- o CS2: monetary value of CSI/SED spend on education
- o CS3: monetary value of CSI/SED spend on skills development
- o CS4: monetary value of CSI/SED spend on health
- o CS5: monetary value of CSI/SED spend on basic needs and social development, including nutrition and/or feeding programmes
- o CS6: monetary value of CSI/SED spend on infrastructure development
- o CS7: monetary value of CSI/SED spend on arts and culture
- o CS8: monetary value of CSI/SED spend on other
- o CS9: comprehensive discussion of returns on CSI/SED expenditures
- o CS10: monetary value of enterprise development spend
- 10 environmental indicators
- o En1: total direct energy consumption (Gigajoules) – i.e. from fuels burned
- o En2: total indirect energy consumption (Gigajoules) – i.e. from electricity purchased
- o En3: total electricity consumption (MWh)
- o En4: total carbon emissions (tons of carbon dioxide equivalents, CO₂e)
- o En5: total carbon emissions include the following mix (scopes 1 to 3)
- o En6: total water consumption (kilolitres, or m³)
- o En7: total volume of non-hazardous waste disposed (tons)
- o En8: total volume of hazardous waste disposed (tons)
- o En9: total volume of waste sent for recycling (tons)
- o En10: percentage of waste disposed that is sent for recycling - reported
- 11 health and safety indicators
- o HS1: number of fatalities (i.e. injuries on duty leading to death)
- o HS2: number of first aid cases (FACs i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)
- o HS3: number of medical treatment cases (MTCs i.e. injuries on duty leading to medical treatment but no lost days)

- o HS4: number of lost time injuries (LTIs, i.e. injuries on duty leading to at least one lost day)
- o HS5: total number of recordable injuries, including MTCs, LTIs and fatalities
- o HS6: fatal injury frequency rate (i.e. number of fatalities per 200.000 hours worked)
- o HS7: lost time injury frequency rate (number of LTIs per 200.000 hours worked)
- o HS8: total recordable injury frequency rate (i.e. number of LTIs, MTCs and fatalities per 200.000 hours worked)
- o HS9: total number of employees and contractor receiving voluntary counselling and testing (VCT) for HIV/AIDS
- o HS10: total number of employees and contractors tested for HIV/AIDS
- o HS11: HIV/AIDS prevalence rate amongst employees
- 12 Governance indicators
- o Gov1: number of board members
- o Gov2: number of board members who are non-executive
- o Gov3: number of board members who are deemed “independent”
- o Gov4: number of board members who are deemed HDSA
- o Gov5: number of board members who are women
- o Gov6: average length of service – executive directors
- o Gov7: average length of service – non-executive directors
- o Gov8: average length of service - overall
- o Gov9: average age of directors
- o Gov10: average attendance at board and committee meetings
- o Gov 11: auditor remuneration: percentage of non-audit fees/fees for other services
- o Gov12: number of prescribed officers

Appendix III. Sustainability Data Transparency Index of VKG AS, Merko Ehitus AS and Eesti Energia AS

	Eesti Energia AS	Merko Ehitus AS	VKG AS
Corporate Governance Indicators			
1. Number of board members	2	2	2
2. Gender balance in the board	2	2	2
3. Average length of service for board members	1	2	1
4. Average age of board members	0	1	0
5. Average attendance at board and committee meetings	0	2	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	2	0
7. Auditor length of service	0	2	0
8. Number of members of management team	2	2	2
Overall Score	44%	94%	44%
Labor indicators			
1. Total number of employees (average or year-end)	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0
3. Gender balance of employees	2	0	2
4. Share of employees who are permanent	0	0	0
5. Employee Turnover	2	2	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0
7. Total number of employees trained	1	0	0
8. Cost of training	2	0	2
9. Person days lost due to sickness leave - in percent or days	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0
Overall Score	35%	10%	20%
Economic Indicators			
1. Monetary value of Total Revenue Generated	2	2	2
2. Monetary value of Net Profit Generated	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2
4. Monetary value of Compensation Paid to Executive directors	1	2	2
5. Monetary value of funds invested in research and development	2	2	2
6. Monetary value of dividends paid to shareholders	2	2	2
Overall Score	92%	117%	100%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators			

1. Monetary value of total CSI/SED expenditures			2
2. Monetary value of CSI/SED spend on education	1	2	2
3. Monetary value of CSI/SED spend on skills development	1	2	2
4. Monetary value of CSI/SED spend on health	1		1
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2
6. Monetary value CSI/SED spend on arts and culture		2	1
7. Monetary value CSI/SED spend on other	1	2	2
Overall Score	43%	71%	86%
Health and safety indicators			
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	1
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	1
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	1
5. Total number of recordable injuries	2	0	2
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	1
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	1
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	2
9. Does the company report injury rate targets?	1	0	1
Overall Score	17%	0%	56%
Environmental indicators			
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	2	0	2
2. Total indirect energy consumption - Gigajoules (electricity purchased)	2	0	2
3. Total electricity consumption (MWh)	2	0	2
4. Target: Reduction in electricity intensity	2	0	1
5. Target: Reduction in energy intensity	2	0	1
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	2	0	2
7. Total Scope 1 CO2e Emissions – Tons	2	0	2
8. Target: Reduction in Carbon Emission intensity	2	0	1
9. Total water consumption (kilolitres, or m3)	2	0	2
10. Target: Reduction in water intensity	2	0	1
11. Total volume of non-hazardous waste disposed (tons)	2	0	2
12. Total volume of hazardous waste disposed (tons)	2	0	2
13. Total volume of waste sent for recycling (tons)	1	0	2
14. Percentage of waste disposed that is sent for recycling	1	0	2
Overall Score	50%	0%	50%
Overall Score Total	47%	49%	59%

Source: Prepared by author

Appendix IV. Sustainability Data Transparency Index Average among Manufacturing industry

	Ericsson Eesti	Maag Group	HKScan Estonia	ABB	PKC Eesti	Liviko	Tartu Mill
Management's report lengths (pages)	4	1	3	4	2	4	3
Corporate Governance Indicators							
1. Number of board members	0	0	0	0	0	0	0
2. Gender balance in the board	0	0	0	0	0	0	0
3. Average length of service for board members	0	0	0	0	0	0	0
4. Average age of board members	0	0	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0	0	0
8. Number of members of management team	0	0	0	0	2	0	0
Overall Score	0%	0%	0%	0%	13%	0%	0%
Labor indicators							
1. Total number of employees (average or year-end)	2	2	2	2	2	0	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0	0
5. Employee Turnover	2	0	2	2	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0	0	0
8. Cost of training	0	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0	0
Overall Score	20%	10%	20%	20%	10%	0%	10%
Economic Indicators							
1. Monetary value of Total Revenue Generated	2	2	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	0	2	0	2	2	0	2
4. Monetary value of Compensation Paid to Executive directors	0	0	0	2	0	0	0
5. Monetary value of funds invested in research and development	0	0	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0	0	0	0
Overall Score	33%	50%	33%	67%	50%	33%	50%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators							
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	0	2	0	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0	0	0

7. Monetary value CSI/SED spend on other	0	0	0	0	0	0	0
Overall Score	14%	14%	0%	14%	0%	14%	14%
Health and safety indicators							
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Environmental indicators							
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Overall Score Total	11%	12%	9%	17%	12%	8%	12%
Overall Score Total (without Health/Safety and Environmental indicators)	17%	19%	13%	25%	18%	12%	19%

	Silvano Fashion	Krimelte	Valio Eesti	Ruukki Products	Enics Eesti	Tere
Management's report lengths (pages)	11	4	3	3	3	5
Corporate Governance Indicators						
1. Number of board members	2	0	0	2	2	0
2. Gender balance in the board	1	0	0	0	0	0
3. Average length of service for board members	0	0	0	0	0	0
4. Average age of board members	0	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0	0
8. Number of members of management team	2	2	0	2	2	0
Overall Score	31%	13%	0%	25%	25%	0%
Labor indicators						
1. Total number of employees (average or year-end)	2	2	0	2	2	0
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0
5. Employee Turnover	2	2	2	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0	0
8. Cost of training	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0
Overall Score	20%	20%	10%	10%	10%	0%
Economic Indicators						
1. Monetary value of Total Revenue Generated	2	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2	2	2
4. Monetary value of Compensation Paid to Executive directors	2	0	0	0	2	2
5. Monetary value of funds invested in research and development	0	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	2	0	0	0	0	0
Overall Score	83%	50%	50%	50%	67%	67%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators						
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	0	0	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0	0	0

OverallScore	14%	14%	0%	0%	14%	14%
Health and safety indicators						
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Environmental indicators						
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Overall Score Total	25%	16%	10%	14%	19%	13%
Overall Score Total (without Health/Safety and Environmental indicators)	37%	24%	15%	21%	29%	20%

	Wendre	Henkel Makroflex	A. Le Coq	Scandargra Eesti	Saku Õlletehase AS	Estonian Cell
Management's report lengths (pages)	3	3	4	4	4	4
Corporate Governance Indicators						
1. Number of board members	2	2	0	2	0	0
2. Gender balance in the board	0	0	0	1	0	0
3. Average length of service for board members	0	0	0	0	0	0
4. Average age of board members	0	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0	0
8. Number of members of management team	2	2	0	2	0	0
Overall Score	25%	25%	0%	31%	0%	0%
Labor indicators						
1. Total number of employees (average or year-end)	0	0	0	2	2	0
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0
5. Employee Turnover	0	0	0	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0	0
8. Cost of training	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0
Overall Score	0%	0%	0%	10%	10%	0%
Economic Indicators						
1. Monetary value of Total Revenue Generated	2	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	0	2	2	0
4. Monetary value of Compensation Paid to Executive directors	2	0	0	0	2	0
5. Monetary value of funds invested in research and development	0	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	2	0	0	0
Overall Score	67%	50%	50%	50%	67%	33%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators						
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2	2	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	2	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0	0	0
Overall Score	14%	14%	29%	14%	14%	14%
Health and safety indicators						

1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Environmental indicators						
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Overall Score Total	18%	15%	13%	18%	15%	8%
Overall Score Total (without Health/Safety and Environmental indicators)	26%	22%	20%	26%	23%	12%

Source: Prepared by author

Appendix V. Sustainability Data Transparency Index Average among Service and Public Administration industries

	Tartu Ülikooli Kliinikum	PERH	Olympic	Ida- Tallinna Keskhaigla	Eesti Media	Estonian Air	KIK
Management's report lengths (pages)	48	2	18	14	5	10	28
Corporate Governance Indicators							
1. Number of board members	2	0	2	0	0	2	0
2. Gender balance in the board	0	0	1	0	0	0	0
3. Average length of service for board members	0	0	1	0	0	0	0
4. Average age of board members	0	0	1	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0	1
7. Auditor length of service	0	0	0	0	0	0	0
8. Number of members of management team	2	0	2	0	0	2	0
Overall Score	25%	0%	44%	0%	0%	25%	6%
Labor indicators							
1. Total number of employees (average or year-end)	2	2	2	2	0	2	2
2. Number of temporary employees (contractors or seasonal)	2	0	0	0	0	0	0
3. Gender balance of employees	2	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0	0
5. Employee Turnover	2	2	2	2	0	0	1
6. Total person hours worked, or average full-time equivalents during the year.	2	0	0	0	0	0	0
7. Total number of employees trained	2	0	0	0	0	0	0
8. Cost of training	2	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0	0
Overall Score	70%	20%	20%	20%	0%	10%	15%
Economic Indicators							
1. Monetary value of Total Revenue Generated	2	2	2	2	0	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	0	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	0	0	2	0
4. Monetary value of Compensation Paid to Executive directors	2	0	2	0	0	2	0
5. Monetary value of funds invested in research and development	2	0	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	2	0	0	0	0
Overall Score	83%	50%	83%	33%	0%	67%	33%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators							
1. Monetary value of total CSI/SED expenditures	2	0	0	2	0	0	2

2. Monetary value of CSI/SED spend on education	2	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	2	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	2	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2	2	0	2	2
6. Monetary value CSI/SED spend on arts and culture	2	0	0	0	0	0	0
7. Monetary value CSI/SED spend on other	2	0	0	0	0	0	0
Overall Score	100%	14%	14%	29%	0%	14%	29%
Health and safety indicators							
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Environmental indicators							
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Overall IScore Total	46%	14%	27%	14%	0%	19%	14%
Overall Score Total (without Health/Safety and Environmental indicators)	70%	21%	40%	20%	0%	29%	21%

Appendix VI . Sustainability Data Transparency Index Average among Finance, Insurance and Real Estate industry

	Swedbank	SEB Pank	If	Tavid	ERGO	Rand ja Tuulberg	Nordea Estonia
Management's report lengths (pages)	6	21	5	3	10	3	5
Corporate Governance Indicators							
1. Number of board members	2	2	0	2	2	0	2
2. Gender balance in the board	1	0	0	0	0	0	0
3. Average length of service for board members	1	0	0	0	0	0	0
4. Average age of board members	0	0	0	0	0	0	0
5. Average attendance at board and committee meetings	2	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0	0	0
8. Number of members of management team	2	2	0	2	2	0	2
Overall Score	50%	25%	0%	25%	25%	0%	25%
Labor indicators							
1. Total number of employees (average or year-end)	2	2	2	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0	0
5. Employee Turnover	2	2	2	0	2	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0	0	0
8. Cost of training	0	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0	0
Overall Score	20%	20%	20%	10%	20%	10%	10%
Economic Indicators							
1. Monetary value of Total Revenue Generated	2	2	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2	2	2	0
4. Monetary value of Compensation Paid to Executive directors	0	2	0	2	2	0	0
5. Monetary value of funds invested in research and development	0	0	0	0	2	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0	2	0	0
Overall Score	50%	67%	50%	67%	100%	50%	33%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators							
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	0	0	2	0	2	0	0

6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0	0	0
7. Monetary value CSI/SED spend on other	2	1	0	0	2	0	0
Overall Score	14%	7%	14%	0%	29%	0%	0%
Health and safety indicators							
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Environmental indicators							
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%	0%
Overall Score Total	22%	20%	14%	17%	29%	10%	11%
Overall Score Total (without Health/Safety and Environmental indicators)	34%	30%	21%	25%	43%	15%	17%

Source: Prepared by author

Appendix VII . Sustainability Data Transparency Index Average among Retail Trade industry

	Talinna Kaubamaja	Maxima eesti	Rimi Eesti Food	Magnum	ETK
Management's report lengths (pages)	15	2	1	6	8
Corporate Governance Indicators					
1. Number of board members	2	0	0	0	2
2. Gender balance in the board	1	0	0	0	0
3. Average length of service for board members	1	0	0	0	0
4. Average age of board members	1	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0
8. Number of members of management team	2	0	0	0	2
Overall Score	44%	0%	0%	0%	25%
Labor indicators					
1. Total number of employees (average or year-end)	2	2	0	2	2
2. Number of temporary employees (contractors or seasonal)	2	0	0	0	0
3. Gender balance of employees	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0
5. Employee Turnover	1	1	0	1	1
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0
8. Cost of training	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0
Overall Score	25%	15%	0%	15%	15%
Economic Indicators					
1. Monetary value of Total Revenue Generated	2	2	0	2	2
2. Monetary value of Net Profit Generated	2	2	0	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	0	0	2
4. Monetary value of Compensation Paid to Executive directors	2	0	0	0	2
5. Monetary value of funds invested in research and development	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	2	0	0	0	2
Overall Score	83%	50%	0%	33%	83%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators					
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0

5. Monetary value of CSI/SED spend on infrastructure development	2	0	1	0	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0
7. Monetary value CSI/SED spend on other	2	0	0	0	0
Overall Score	29%	0%	7%	0%	14%
Health and safety indicators					
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Environmental indicators					
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Overall Score Total	30%	11%	1%	8%	23%
Overall Score Total (without Health/Safety and Environmental indicators)	45%	16%	2%	12%	34%

	Circle K Eesti AS	Prisma Peremarket	Alexela Oil	Elke Group AS	OG Elektra	Rautesko
Management's report lengths (pages)	7	2	2	4	3	3
Corporate Governance Indicators						
1. Number of board members	2	0	0	2	0	2
2. Gender balance in the board	0	0	0	0	0	0
3. Average length of service for board members	0	0	0	0	0	0
4. Average age of board members	0	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0	0
8. Number of members of management team	2	0	0	2	0	2
Overall Score	25%	0%	0%	25%	0%	25%
Labor indicators						
1. Total number of employees (average or year-end)	2	2	2	2	0	0
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0	0
5. Employee Turnover	2	0	0	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0	0
8. Cost of training	0	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0	0
Overall Score	20%	10%	10%	10%	0%	0%
Economic Indicators						
1. Monetary value of Total Revenue Generated	2	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2	0	0
4. Monetary value of Compensation Paid to Executive directors	2	2	2	2	0	0
5. Monetary value of funds invested in research and development	0	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0	0	0
Overall Score	67%	67%	67%	67%	33%	33%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators						
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	0	2	2	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0	0

7. Monetary value CSI/SED spend on other	0	0	0	0	0	0
Overall Score	14%	0%	14%	14%	14%	14%
Health and safety indicators						
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Environmental indicators						
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%	0%
Overall Score Total	21%	13%	15%	19%	8%	12%
Overall Score Total (without Health/Safety and Environmental indicators)	31%	19%	23%	29%	12%	18%

Source: Prepared by author

Appendix VIII. Sustainability Data Transparency Index Average among Wholesale Trade industry

	Neste Eesti	Alexela Group	Silberauto	Olerex	Toyota Baltic
Management's report lengths (pages)	1	2	4	1	1
Corporate Governance Indicators					
1. Number of board members	2	0	0	0	2
2. Gender balance in the board	0	0	0	0	0
3. Average length of service for board members	0	0	0	0	0
4. Average age of board members	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0
8. Number of members of management team	2	0	2	2	2
Overall Score	25%	0%	13%	13%	25%
Labor indicators					
1. Total number of employees (average or year-end)	2	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0
5. Employee Turnover	1	0	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0
8. Cost of training	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0
Overall Score	15%	10%	10%	10%	10%
Economic Indicators					
1. Monetary value of Total Revenue Generated	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	0	2
4. Monetary value of Compensation Paid to Executive directors	2	0	2	0	2
5. Monetary value of funds invested in research and development	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	2	0	2	0	0
Overall Score	83%	50%	83%	33%	67%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators					
1. Monetary value of total CSI/SED expenditures	0	2	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	0	0	0
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0	0

Overall Score	14%	29%	0%	0%	0%
Health and safety indicators					
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Environmental indicators					
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Overall Score Total	23%	15%	18%	9%	17%
Overall Score Total (without Health/Safety and Environmental indicators)	34%	22%	26%	14%	25%

	Hebron	Amvesrv Groupi AS	Novotrade Invest	ABC Groupi AS	Mecro
Management's report lengths (pages)	3	5	3	3	4
Corporate Governance Indicators					
1. Number of board members	0	2	0	0	0
2. Gender balance in the board	0	0	0	0	0
3. Average length of service for board members	0	0	0	0	0
4. Average age of board members	0	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	0
7. Auditor length of service	0	0	0	0	0
8. Number of members of management team	2	2	0	0	0
Overall Score	13%	25%	0%	0%	0%
Labor indicators					
1. Total number of employees (average or year-end)	2	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	0
4. Share of employees who are permanent	0	0	0	0	0
5. Employee Turnover	2	0	0	2	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	0
8. Cost of training	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0
Overall Score	20%	10%	10%	20%	10%
Economic Indicators					
1. Monetary value of Total Revenue Generated	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2	2
4. Monetary value of Compensation Paid to Executive directors	2	2	2	2	0
5. Monetary value of funds invested in research and development	0	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0	0
Overall Score	67%	67%	67%	67%	50%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators					
1. Monetary value of total CSI/SED expenditures	0	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	0	0	0	0	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0	0

Overall Score	0%	0%	0%	0%	14%
Health and safety indicators					
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Environmental indicators					
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Overall Score Total	17%	17%	13%	14%	12%
Overall Score Total (without Health/Safety and Environmental indicators)	25%	25%	19%	22%	19%

	Sandmani Grupi AS	Tamro Eesti	Bauhof Group	Eugesta Eesti
Management's report lengths (pages)	1	1	3	1
Corporate Governance Indicators				
1. Number of board members	0	0	0	0
2. Gender balance in the board	0	0	0	0
3. Average length of service for board members	0	0	0	0
4. Average age of board members	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0
7. Auditor length of service	0	0	0	0
8. Number of members of management team	0	0	0	0
Overall Score	0%	0%	0%	0%
Labor indicators				
1. Total number of employees (average or year-end)	0	2	0	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0
3. Gender balance of employees	0	0	0	0
4. Share of employees who are permanent	0	0	0	0
5. Employee Turnover	0	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0
7. Total number of employees trained	0	0	0	0
8. Cost of training	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0
Overall Score	0%	10%	0%	10%
Economic Indicators				
1. Monetary value of Total Revenue Generated	1	2	2	2
2. Monetary value of Net Profit Generated	1	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	0	2	0	2
4. Monetary value of Compensation Paid to Executive directors	0	0	0	0
5. Monetary value of funds invested in research and development	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	2	0
Overall Score	17%	50%	50%	50%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators				
1. Monetary value of total CSI/SED expenditures	0	2	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	0	0	0
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0
Overall Score	14%	14%	0%	0%

Health and safety indicators				
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0
5. Total number of recordable injuries	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0
Overall Score	0%	0%	0%	0%
Environmental indicators				
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0
Overall Score	0%	0%	0%	0%
Overall Score Total	5%	12%	8%	10%
Overall Score Total (without Health/Safety and Environmental indicators)	8%	19%	13%	15%

	Cronimet Eesti Metall	Ensto Ensek	Kaupmees ja Ko	Viljandi Aken ja Uks
Management's report lengths (pages)	1	1	1	4
Corporate Governance Indicators				
1. Number of board members	0	2	0	0
2. Gender balance in the board	0	0	0	0
3. Average length of service for board members	0	0	0	0
4. Average age of board members	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0
7. Auditor length of service	0	0	0	0
8. Number of members of management team	0	2	0	0
Overall Score	0%	25%	0%	0%
Labor indicators				
1. Total number of employees (average or year-end)	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0
3. Gender balance of employees	0	0	0	0
4. Share of employees who are permanent	0	0	0	0
5. Employee Turnover	0	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0
7. Total number of employees trained	0	0	0	0
8. Cost of training	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0
Overall Score	10%	10%	10%	10%
Economic Indicators				
1. Monetary value of Total Revenue Generated	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2
4. Monetary value of Compensation Paid to Executive directors	0	2	2	2
5. Monetary value of funds invested in research and development	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0
Overall Score	50%	67%	67%	67%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators				
1. Monetary value of total CSI/SED expenditures	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0
Overall Score	14%	14%	14%	14%
Health and safety indicators				

1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0
5. Total number of recordable injuries	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0
Overall Score	0%	0%	0%	0%
Environmental indicators				
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0
Overall Score	0%	0%	0%	0%
Overall Score Total	12%	19%	15%	15%
Overall Score Total (without Health/Safety and Environmental indicators)	19%	29%	23%	23%

Source: Prepared by author

Appendix IX . Sustainability Data Transparency Index Average among Transportation, Communications, Electric, Gas and Sanitary Services industry

	Tallink Group	Telia Eesti AS	Eesti Gaas	Saurix Petroleum	Elering
Management's report lengths (pages)	11	2	2	1	56
Corporate Governance Indicators	0	0	0	0	0
1. Number of board members	2	0	0	0	2
2. Gender balance in the board	0	0	0	0	1
3. Average length of service for board members	1	0	0	0	1
4. Average age of board members	1	0	0	0	1
5. Average attendance at board and committee meetings	0	0	0	0	1
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	1
7. Auditor length of service	0	0	0	0	1
8. Number of members of management team	2	0	0	0	2
Overall Score	38%	0%	0%	0%	63%
Labor indicators	0	0	0	0	0
1. Total number of employees (average or year-end)	2	0	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	0
3. Gender balance of employees	0	0	0	0	1
4. Share of employees who are permanent	0	0	0	0	0
5. Employee Turnover	1	0	0	0	2
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	2
8. Cost of training	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0
Overall Score	15%	0%	10%	10%	35%
Economic Indicators	0	0	0	0	0
1. Monetary value of Total Revenue Generated	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	0	0	2	2
4. Monetary value of Compensation Paid to Executive directors	2	0	0	2	2
5. Monetary value of funds invested in research and development	0	0	0	0	2
6. Monetary value of dividends paid to shareholders	2	0	0	0	0
Overall Score	83%	33%	33%	67%	83%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators	0	0	0	0	0
1. Monetary value of total CSI/SED expenditures	2	0	0	0	2
2. Monetary value of CSI/SED spend on education	0	0	0	0	2
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	0	2	0	2

6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	1
7. Monetary value CSI/SED spend on other	0	0	0	0	1
Overall Score	29%	0%	14%	0%	57%
Health and safety indicators	0	0	0	0	0
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Environmental indicators	0	0	0	0	0
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	2
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	2
4. Target: Reduction in electricity intensity	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0
Overall Score	0%	0%	0%	0%	14%
Overall Score Total	27%	6%	10%	13%	42%
Overall Score Total (without Health/Safety and Environmental indicators)	41%	8%	14%	19%	59%

	Baltic Maritime Logistics Group	Utilitas	Tallinna Sadam	Skinest Rail
Management's report lengths (pages)	8	3	16	4
Corporate Governance Indicators	0	0	0	0
1. Number of board members	2	0	2	0
2. Gender balance in the board	0	0	1	0
3. Average length of service for board members	0	0	0	0
4. Average age of board members	0	0	0	0
5. Average attendance at board and committee meetings	0	0	1	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	1	0
7. Auditor length of service	0	0	2	0
8. Number of members of management team	2	2	2	0
Overall Score	25%	13%	56%	0%
Labor indicators	0	0	0	0
1. Total number of employees (average or year-end)	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	1	0
3. Gender balance of employees	0	0	1	0
4. Share of employees who are permanent	0	0	1	0
5. Employee Turnover	0	0	2	1
6. Total person hours worked, or average full-time equivalents during the year.	0	0	2	0
7. Total number of employees trained	0	0	2	0
8. Cost of training	0	0	2	0
9. Person days lost due to sickness leave - in percent or days	0	0	2	0
10. Person days lost due to strike or other industrial action.	0	0	0	0
Overall Score	10%	10%	75%	15%
Economic Indicators	0	0	0	0
1. Monetary value of Total Revenue Generated	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	0	2	2
4. Monetary value of Compensation Paid to Executive directors	2	0	2	0
5. Monetary value of funds invested in research and development	0	0	2	0
6. Monetary value of dividends paid to shareholders	0	0	2	0
Overall Score	67%	33%	100%	50%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators	0	0	0	0
1. Monetary value of total CSI/SED expenditures	0	0	2	0
2. Monetary value of CSI/SED spend on education	0	0	2	0
3. Monetary value of CSI/SED spend on skills development	0	0	2	0
4. Monetary value of CSI/SED spend on health	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0

7. Monetary value CSI/SED spend on other	0	0	0	0
Overall Score	14%	14%	57%	14%
Health and safety indicators	0	0	0	0
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0
5. Total number of recordable injuries	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0
Overall Score	0%	0%	0%	0%
Environmental indicators	0	0	0	0
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0
Overall Score	0%	0%	0%	0%
Overall Score Total	19%	12%	48%	13%
Overall Score Total (without Health/Safety and Environmental indicators)	29%	18%	72%	20%

	Elisa Eesti	Sanitex Estonia	Vopak E.O.S	Alexela Logistics
Management's report lengths (pages)	4	3	1	1
Corporate Governance Indicators	0	0	0	0
1. Number of board members	2	0	0	0
2. Gender balance in the board	1	0	0	0
3. Average length of service for board members	0	0	0	0
4. Average age of board members	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0
7. Auditor length of service	0	0	0	0
8. Number of members of management team	2	2	0	0
Overall Score	31%	13%	0%	0%
Labor indicators	0	0	0	0
1. Total number of employees (average or year-end)	2	0	2	0
2. Number of temporary employees (contractors or seasonal)	0	0	0	0
3. Gender balance of employees	0	0	0	0
4. Share of employees who are permanent	0	0	0	0
5. Employee Turnover	2	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0
7. Total number of employees trained	0	0	0	0
8. Cost of training	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0
Overall Score	20%	0%	10%	0%
Economic Indicators	0	0	0	0
1. Monetary value of Total Revenue Generated	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2
4. Monetary value of Compensation Paid to Executive directors	2	0	0	0
5. Monetary value of funds invested in research and development	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	2	0
Overall Score	67%	50%	67%	50%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators	0	0	0	0
1. Monetary value of total CSI/SED expenditures	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	0	2	0
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0
Overall Score	14%	0%	14%	0%
Health and safety indicators	0	0	0	0

1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0
5. Total number of recordable injuries	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0
Overall Score	0%	0%	0%	0%
Environmental indicators	0	0	0	0
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0
Overall Score	0%	0%	0%	0%
Overall Score Total	22%	10%	15%	8%
Overall Score Total (without Health/Safety and Environmental indicators)	33%	16%	23%	13%

	Evail Oil	DSV Transport	EVR Cargo
Management's report lengths (pages)	1	3	8
Corporate Governance Indicators	0	0	0
1. Number of board members	0	0	0
2. Gender balance in the board	0	0	0
3. Average length of service for board members	0	0	0
4. Average age of board members	0	0	0
5. Average attendance at board and committee meetings	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0
7. Auditor length of service	0	0	0
8. Number of members of management team	0	0	0
Overall Score	0%	0%	0%
Labor indicators	0	0	0
1. Total number of employees (average or year-end)	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0
3. Gender balance of employees	0	0	0
4. Share of employees who are permanent	0	0	0
5. Employee Turnover	0	0	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0
7. Total number of employees trained	0	0	0
8. Cost of training	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0
Overall Score	10%	10%	10%
Economic Indicators	0	0	0
1. Monetary value of Total Revenue Generated	2	2	2
2. Monetary value of Net Profit Generated	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	0	2
4. Monetary value of Compensation Paid to Executive directors	0	0	0
5. Monetary value of funds invested in research and development	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	2
Overall Score	50%	33%	67%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators	0	0	0
1. Monetary value of total CSI/SED expenditures	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	0	0
6. Monetary value CSI/SED spend on arts and culture	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0
Overall Score	14%	0%	0%
Health and safety indicators	0	0	0

1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0
5. Total number of recordable injuries	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0
9. Does the company report injury rate targets?	0	0	0
Overall Score	0%	0%	0%
Environmental indicators	0	0	0
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0
3. Total electricity consumption (MWh)	0	0	0
4. Target: Reduction in electricity intensity	0	0	0
5. Target: Reduction in energy intensity	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0
10. Target: Reduction in water intensity	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0
Overall Score	0%	0%	0%
Overall Score Total	12%	7%	13%
Overall Score Total (without Health/Safety and Environmental indicators)	19%	11%	19%

Source: Prepared by author

Appendix X. Sustainability Data Transparency Index Average among Construction and Agriculture, Forestry and Fishing industries

	BLRT	Baltic Agro	Stora Enso Eesti AS	RMK	Nordecon
Management's report lengths (pages)	8	2	2	6	34
Corporate Governance Indicators					
1. Number of board members	0	0	0	0	2
2. Gender balance in the board	0	0	0	0	1
3. Average length of service for board members	0	0	0	0	1
4. Average age of board members	0	0	0	0	1
5. Average attendance at board and committee meetings	0	0	0	0	1
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0	1
7. Auditor length of service	0	0	0	0	0
8. Number of members of management team	2	0	2	0	2
Overall Score	13%	0%	13%	0%	56%
Labor indicators					
1. Total number of employees (average or year-end)	2	2	2	2	2
2. Number of temporary employees (contractors or seasonal)	0	0	0	0	2
3. Gender balance of employees	0	0	0	0	2
4. Share of employees who are permanent	0	0	0	0	0
5. Employee Turnover	1	0	0	0	2
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0	0
7. Total number of employees trained	0	0	0	0	2
8. Cost of training	0	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0	0
Overall Score	15%	10%	10%	10%	50%
Economic Indicators					
1. Monetary value of Total Revenue Generated	2	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	2	2	2	2
4. Monetary value of Compensation Paid to Executive directors	0	2	0	0	2
5. Monetary value of funds invested in research and development	0	0	0	0	2
6. Monetary value of dividends paid to shareholders	0	2	0	0	2
Overall Score	50%	83%	50%	50%	100%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators					
1. Monetary value of total CSI/SED expenditures	0	0	0	2	2
2. Monetary value of CSI/SED spend on education	0	0	0	0	1
3. Monetary value of CSI/SED spend on skills development	0	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0	0

5. Monetary value of CSI/SED spend on infrastructure development	0	0	2	2	2
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0	2
Overall Score	0%	0%	14%	29%	50%
Health and safety indicators					
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0	0
5. Total number of recordable injuries	0	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Environmental indicators					
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0	0
Overall Score	0%	0%	0%	0%	0%
Overall Score Total	13%	16%	14%	15%	43%
Overall Score Total (without Health/Safety and Environmental indicators)	19%	23%	22%	22%	64%

	Graanul Invest	Lemeks	Lemminkäinen	Astlanda Ehitus
Management's report lengths (pages)	4	3	8	1
Corporate Governance Indicators				
1. Number of board members	0	0	2	0
2. Gender balance in the board	0	0	1	0
3. Average length of service for board members	0	0	0	0
4. Average age of board members	0	0	0	0
5. Average attendance at board and committee meetings	0	0	0	0
6. Auditor remuneration: audit fees, non-audit fees, and other services	0	0	0	0
7. Auditor length of service	0	0	0	0
8. Number of members of management team	0	0	2	0
Overall Score	0%	0%	31%	0%
Labor indicators				
1. Total number of employees (average or year-end)	2	0	2	0
2. Number of temporary employees (contractors or seasonal)	0	0	2	0
3. Gender balance of employees	0	0	0	0
4. Share of employees who are permanent	0	0	0	0
5. Employee Turnover	0	0	2	0
6. Total person hours worked, or average full-time equivalents during the year.	0	0	0	0
7. Total number of employees trained	0	0	0	0
8. Cost of training	0	0	0	0
9. Person days lost due to sickness leave - in percent or days	0	0	0	0
10. Person days lost due to strike or other industrial action.	0	0	0	0
Overall Score	10%	0%	30%	0%
Economic Indicators				
1. Monetary value of Total Revenue Generated	2	2	2	2
2. Monetary value of Net Profit Generated	2	2	2	2
3. Monetary value of Total Compensation paid to employees, including wages and benefits	2	0	2	0
4. Monetary value of Compensation Paid to Executive directors	0	0	2	0
5. Monetary value of funds invested in research and development	0	0	0	0
6. Monetary value of dividends paid to shareholders	0	0	0	0
Overall Score	50%	33%	67%	33%
Corporate Social Investments (CSI)/ socioeconomic development (SED) Spend indicators				
1. Monetary value of total CSI/SED expenditures	0	0	0	0
2. Monetary value of CSI/SED spend on education	0	0	0	0
3. Monetary value of CSI/SED spend on skills development	0	0	0	0
4. Monetary value of CSI/SED spend on health	0	0	0	0
5. Monetary value of CSI/SED spend on infrastructure development	2	2	2	0
6. Monetary value CSI/SED spend on arts and culture	0	0	0	0
7. Monetary value CSI/SED spend on other	0	0	0	0
Overall Score	14%	14%	14%	0%

Health and safety indicators				
1. Number of fatalities (i.e. injuries on duty leading to death)	0	0	0	0
2. Number of first aid cases (i.e. injuries on duty leading to minor treatments, such as plaster or pain tablet)	0	0	0	0
3. Number of medical treatment cases (i.e. injuries on duty leading to medical treatment but no lost days)	0	0	0	0
4. Number of lost time injuries (i.e. injuries on duty leading to at least one lost day)	0	0	0	0
5. Total number of recordable injuries	0	0	0	0
6. Fatal injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
7. Lost time injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
8. Total recordable injury frequency rate (i.e. per 200k, 1000k hours or per full-time equivalents)	0	0	0	0
9. Does the company report injury rate targets?	0	0	0	0
Overall Score	0%	0%	0%	0%
Environmental indicators				
1. Total direct energy consumption - Gigajoules (i.e. use of fuels)	0	0	0	0
2. Total indirect energy consumption - Gigajoules (electricity purchased)	0	0	0	0
3. Total electricity consumption (MWh)	0	0	0	0
4. Target: Reduction in electricity intensity	0	0	0	0
5. Target: Reduction in energy intensity	0	0	0	0
6. Total carbon emissions (tons of carbon dioxide equivalents, CO2e)	0	0	0	0
7. Total Scope 1 CO2e Emissions – Tons	0	0	0	0
8. Target: Reduction in Carbon Emission intensity	0	0	0	0
9. Total water consumption (kilolitres, or m3)	0	0	0	0
10. Target: Reduction in water intensity	0	0	0	0
11. Total volume of non-hazardous waste disposed (tons)	0	0	0	0
12. Total volume of hazardous waste disposed (tons)	0	0	0	0
13. Total volume of waste sent for recycling (tons)	0	0	0	0
14. Percentage of waste disposed that is sent for recycling	0	0	0	0
Overall Score	0%	0%	0%	0%
Overall Score Total	12%	8%	24%	6%
Overall Score Total (without Health/Safety and Environmental indicators)	19%	12%	36%	8%

Source: Prepared by author

Appendix XI. Estonian 100 largest companies (revenue, number of employees)

		Turnover 2014 (Million, EUR)	Employees 2014
1	Ericsson Eesti	1 363	1 493
2	Tallink Group	921	6 952
3	Eesti Energia	880	6 712
4	Talinna Kaubamaja	535	3 824
5	Baltic International Trading OÜ	458	11
6	BLRT Grupp AS	411	3 561
7	Maxima eesti	401	3 696
8	Rimi Eesti Food	363	2 070
9	Neste Eesti	360	41
10	Swebank	344	2 257
11	Telia Eesti AS	305	1 972
12	Magnum	299	999
13	Eesti Tarbijateühistu Keskühistu	285	816
14	Arte Bunkering	279	10
15	Circle K Eesti AS	278	539
16	Orlen Eesti	261	8
17	Merko Ehitus	252	765
18	Alexela Group	225	1 038
19	Ja Süsteemid	216	1
20	Prisma Peremarket	208	1 016
21	Eesti Gaas	197	233
22	VKG	195	2 206
23	Baltic Agro	188	62
24	Baltic Marine Bunker	187	11
25	Stora Enso Eesti	186	607

26	Silberauto	183	495
27	Olerex	182	308
28	Tartu Ülikooli Kliinikum	177	3 578
29	Maag Group	169	707
30	Riigimetsa majandamise keskus	161	775
31	Mark Oil	162	13
32	Nordecon	161	732
33	Toyota Baltic	160	40
34	PERH	154	3 313
35	Hebron	154	261
36	HKScan Estonia	152	1 323
37	ABB	151	1 149
38	Antonio Trade	151	8
39	Olympic EG	151	2 665
40	Keskkonnainvesteeringute Keskus	146	97
41	Jetoil	144	11
42	PKC Eesti	139	1 062
43	Reval-Oil	139	3
44	Graanul Invest	138	253
45	Alexela Oil	134	94
46	Liviko	134	355
47	SEB Pank	130	1 218
48	Saurix Petroleum	129	35
49	Elering	129	146
50	Baltic Maritime Logistics Group	125	640
51	Ütilitas	124	253
52	If PjaC Insurance	121	544
53	Amvesrv Groupi AS	120	463
54	Tavid	115	181
55	Novotrade Invest	114	121

56	MBR Metals	114	5
57	Elke Group AS	116	411
58	Tallinna Sadam	114	370
59	Tartu Mill	109	251
60	Lemeks	107	550
61	ABC Grupi AS	105	522
62	ERGO Insurance	103	1 117
63	Silvano Fashion Group	101	2 749
64	Skinest Rail	99	1 291
65	Krimelte	95	310
66	Elisa Eesti	95	544
67	Mecro	94	458
68	OG Elektra	93	798
69	Sanitex Estonia	93	114
70	Valio Eesti	93	369
71	Ruukki Products	92	132
72	Vopak E.O.S	88	507
73	Enics Eesti	88	736
74	Sandmani Grupi AS	87	93
75	Tere	86	427
76	Wendre	84	638
77	Alexela Logistics	84	230
78	Henkel Makroflex	83	112
79	Ida-Tallinna Keskhaigla	82	2 114
80	A. Le Coq	82	328
81	Tamro Eesti	82	73
82	Bauhof Group	81	444
83	Eesti Media	80	957
84	Eugesta Eesti	80	88
85	Rautesko	78	345
86	Scandargra Eesti	77	98

87	Evail Oil	75	42
88	Lemminkäinen Eesti	73	332
89	DSV Transport	73	150
90	Cronimet Eesti Metall	73	35
91	EVR Cargo	73	839
92	Astland Ehitus	72	66
93	Ensto Ensek	72	401
94	Saku Õlletehase AS	72	350
95	Kaupmees ja Ko	71	237
96	Estonian Air	69	160
97	Rand ja Tuulberg	70	249
98	Nordea Bank Eesti filiaal	70	64
99	Viljandi Aken ja Uks	69	774
100	Estonian Cell	69	85

Source: Prepared by author

Appendix XII. International Reporting frameworks

	Description	Members/regions represented	Industries	Subjects
Global Reporting Initiative (GRI)	Reporting framework G3.1 and G4 are the GRI's set of sustainability reporting guidelines.	4 981 organizations from all regions around the world	All public and private organizations	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development
Accountability: The AA1000 Series of Standards	Voluntary, principle-based standards; provides frameworks for organizations to proactively handle their sustainability challenges; method for assurance professionals to evaluate the degree to which and organization meets specific principles; framework for stakeholder engagement	North America, European Union, Latin America, Middle East, Southern Africa	Financial services, pharmaceuticals, energy and extractives, telecommunications, consumer goods and food & beverages	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development
Carbon Disclosure Project (CDP)	Provides online CDP Questionnaire for firms looking to report their environmental impacts	Global membership includes investors and corporations	Firms from all types of industries report to CDP	The environment
International Organization for Standardization ISO 26000	Provides guidance for organizations on how to behave in a socially responsible way. Helps organizations to put principles into actions and shares best practices	Members from 163 countries	All types of organizations	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development
International Integrated Reporting Council (IIRC)	International framework for integrated reporting, one of the main objectives of integrated reporting is to communicate a more comprehensive picture of an organizations' value by considering the environmental, social and governance dimensions along with financial performance. The framework would provide a consistent and comparable way for companies to develop integrated reports	Global organizations made up of regulators, companies, the accounting profession, investors, and those involved with standard setting	All types of organizations	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development

OECD: Risk Awareness Tool for Multinational Enterprises in Weak Governance Zones	Focuses on the risks and ethical issues that corporations doing business in such areas might encounter, includes a higher level of care when managing investments and speaking out regarding wrongdoings.	34 member countries including advanced and emerging countries in North America, South America, Europe and the Asia-Pacific region.	Multinational enterprises, professional associations, trade unions, civil society organizations and international financial instructions.	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development
Sustainability Accounting Standards Board (SASB)	SASB has classified companies into ten sectors covering 89 industries that incorporate their degrees of resource use and potential for sustainability innovation. SASB produce materiality maps by industry and develop standards for each industry that will account for differences across types. Sustainability accounting standards will consist of performance metrics and management disclosures and will be classified under impacts or opportunities for innovation	Any public company in US	89 industries in ten sectors: health care, financials, technology and communications, non-renewables, transportation, services, resources transformation, consumption, renewables and alternative energy, and infrastructure	Organizational governance; Human rights; Labor practices; The environment; Fair operating practices; Consumer issues; Community involvement and development
United Nations Global Compact Ten Principles	Voluntary corporate responsibility initiative, requires participating companies to adhere to their 10 principles regarding human rights, labor, environment and anti-corruption. The Global Compact also has a number of specific tools for different industries.	More than 10 000 corporate participants and other stakeholders in over 130 countries.	Any company, business association, labor or civil society, government organization	Labor practices; The environment; Consumer issues; Community involvement and development
WBSCD and World Resources Institute (WRI). The Greenhouse Gas (GHG) Protocol	GHG Protocol is a global accounting tool used by corporations, organizations and governments to quantify, manage and report on greenhouse gas emissions.	Used globally by corporations, organizations and governments in both developed and developing countries.	All types of organizations across industries	The environment

Source: Value of Sustainability Reporting

Appendix XIII. Advantages and disadvantages of global reporting tools.

Tool	Brief description	Focus areas	Advantages	Disadvantages
ISO 14000	Assess the environmental impact of operations and improve their performance. Five main elements: 1. Identify impacts to the environment 2. Understand current and future legal obligations 3. Develop plans for improvement 4. Assign responsibility for plans implementation 5. Periodic performance monitoring	Environment	Provides a systematic understanding of environmental dimension. Report internally about results, performance and plans. ISO 14031 is one of the most comprehensive in regards to environmental issues. Recognised worldwide.	Does not address economic and social dimensions. Sometimes is entirely informational, e.g. ISO 14031. Costly and labour intensive. It does not consider synergies among the dimensions.
SA 8000	Auditable certification standard based on international workplace norms of International Labour Organisation (ILO) conventions, the Universal Declaration of Human Rights and the UN Convention on the Rights of the Child.	Social (mainly focused on the human and labour rights)	Addresses human and labour rights explicitly throughout the company. It raises public awareness about the company's efforts.	Not focused on environment and economic dimension of sustainability. It does not consider synergies among the dimensions.
AA 1000	Help to establish a systematic stakeholder engagement process to ensure greater transparency, and effective responsiveness to stakeholders.	Social and Ethical	Stakeholder management through the entire process. Emphasis on innovation over compliance, and possibility to chart their own course as opposed to being guided.	Complex in implementation. It is resource intensive. It does not explicitly consider the economic and environmental dimensions, or their synergies.
GRI Guidelines	Guidelines for reporting on economic, environmental and social performance. Their use is voluntary. They contain general and sector-specific 79 Performance Indicators (50 core indicators and 29 additional).	Economic, environmental, and social	One of the most complete guidelines available. Multi-stakeholder participation Recognised worldwide.	Large number of indicators, which complicates longitudinal comparisons and benchmarking. It can become costly to collect the information for the indicators. It does not consider synergies among the dimensions.

Source: Lozano Huisingh 2011

Appendix XIV. Locations of Social Accounting Disclosures during Years 2007-2010 for Estonian Companies Listed on Stock Exchange as of October 2011

Social Accounting Disclosure	2007	2008	2009	2010
Chairman Statement/Message from the Chairman	1	1	4	2
Separate section of Management report dedicated to charity and social responsibility	3	3	4	5
Separate section of Management Report dedicated to personnel	4	4	6	7
Separate section of Management Report dedicated to customers			1	
Brief introduction of the company	2	1	1	2
Separate section of Management Report dedicated to Supervisory Board				1
Separate section of Management Report dedicated to production			1	
Separate section of Management Report dedicated corporate targets		1		
Separate section CSR covering both social and environmental disclosures				1
Total number of disclosures	10	11	18	19

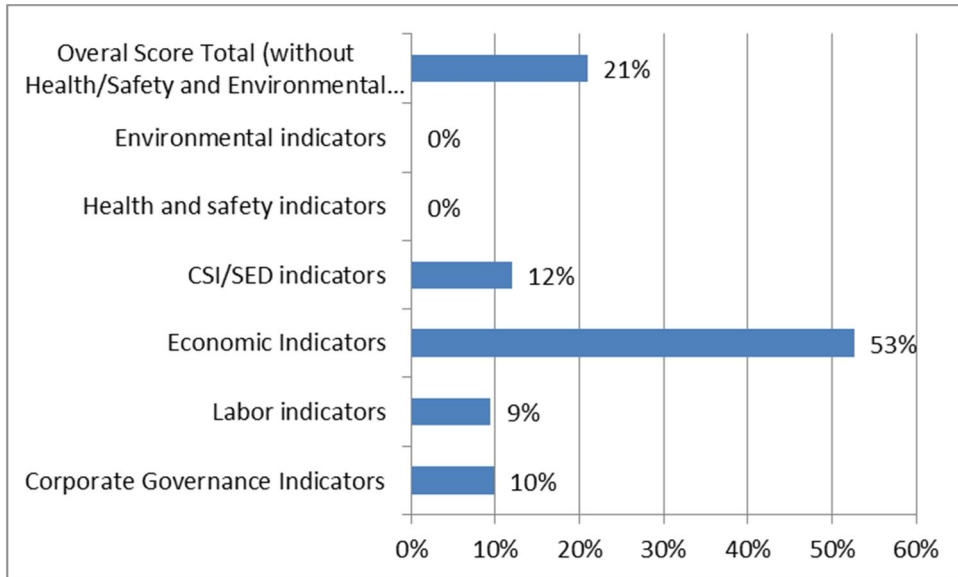
Source :Gurvitsh 2012

Appendix XV. Locations of Environmental Accounting Disclosures during Years 2007-2010 for Estonian Companies Listed on Stock Exchange as of October 2011

Environmental Accounting Disclosure	2007	2008	2009	2010
Chairman Statement/Message from the Chairman	1	1	2	1
Separate section of Management report dedicated to charity and social responsibility	2	3	3	3
Separate section of Management Report dedicated to personnel				1
Separate section of Management Report dedicated to customers		1	1	1
Brief introduction of the company			1	
Separate section of Management Report dedicated to Supervisory Board	4	3	2	2
Separate section of Management Report dedicated to production	1	1	1	1
Separate section of Management Report dedicated corporate targets			1	1
Inside the management report with no section specified				1
Total number of disclosures	8	9	12	11

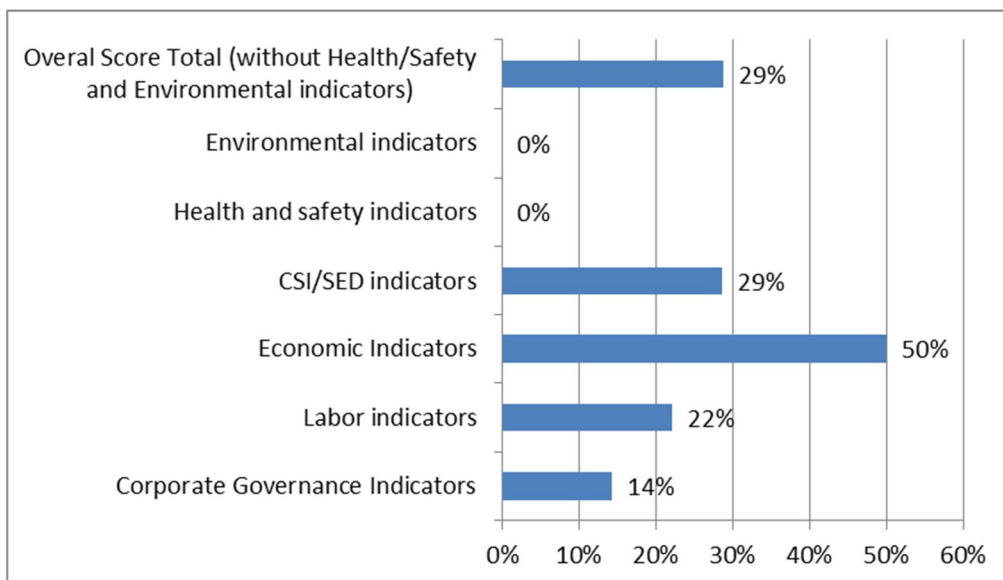
Source :Gurvitch 2012

Appendix XVI. Sustainability Data Transparency Index Average among Manufacturing industry



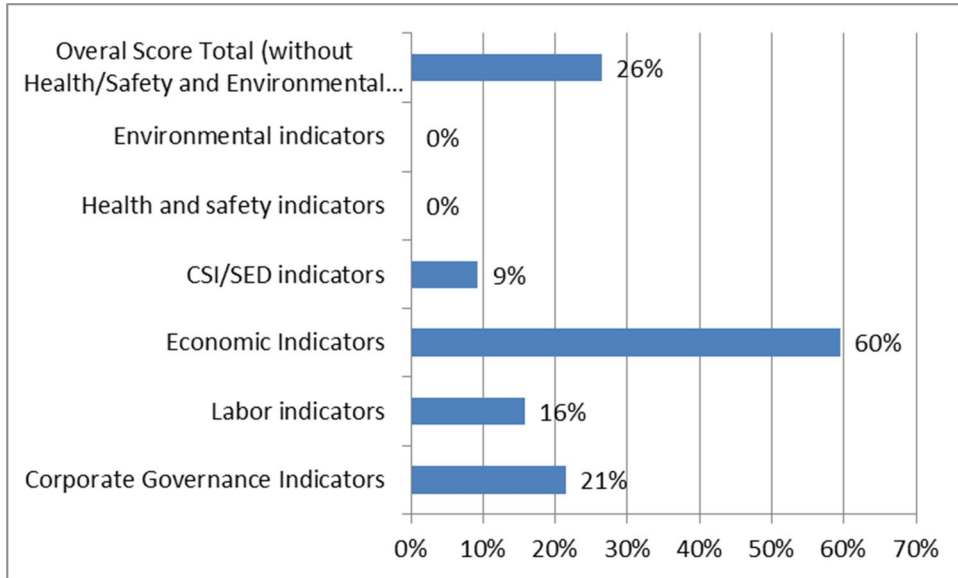
Source: Prepared by author

Appendix XVII. Sustainability Data Transparency Index Average among Service and Public Administration industries



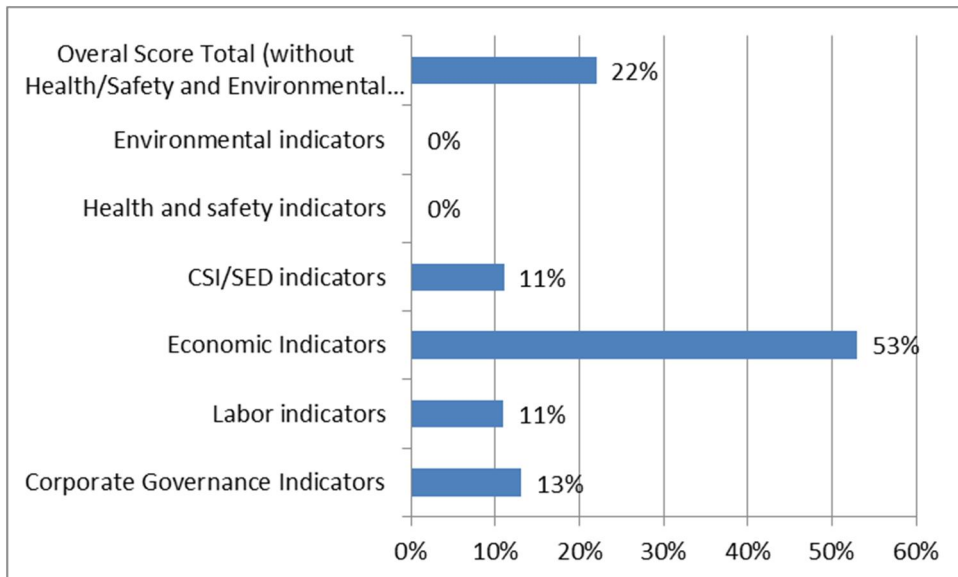
Source: Prepared by author

Appendix XVIII. Sustainability Data Transparency Index Average among Finance, Insurance and Real Estate industry



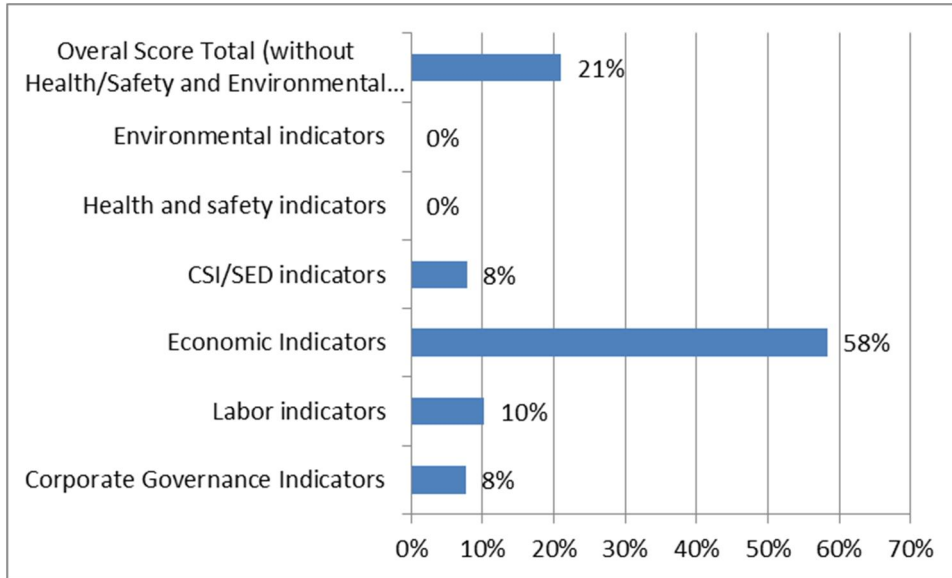
Source: Prepared by author

Appendix XIX. Sustainability Data Transparency Index Average among Retail Trade industry



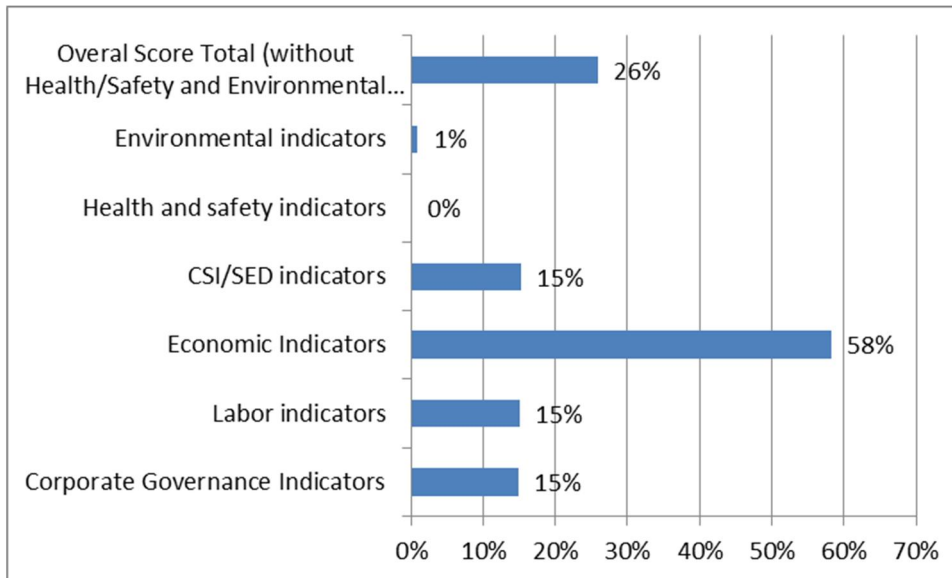
Source: Prepared by author

Appendix XX. Sustainability Data Transparency Index Average among Wholesale Trade industry



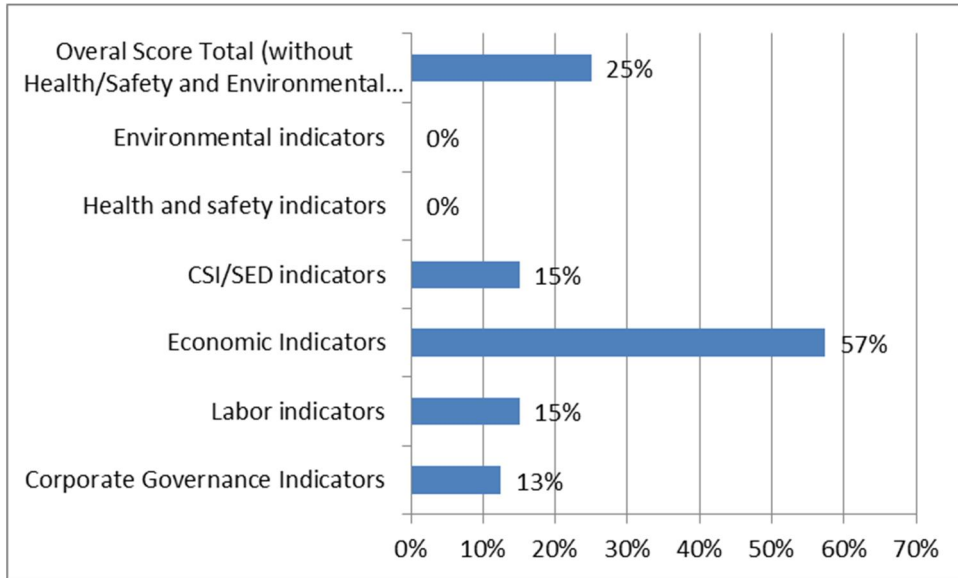
Source: Prepared by author

Appendix XXI. Sustainability Data Transparency Index Average among Transportation, Communications, Electric, Gas and Sanitary Services industry



Source: Prepared by author

Appendix XXII. Sustainability Data Transparency Index Average among Construction and Agriculture, Forestry and Fishing industries



Source: Prepared by author

RESÜMEE

KESTLIKKUSE ARUANDLUSE ELEMENDID EESTI SUURIMATES ETTEVÕTTETES

Dmitri Žoga

Maailm on muutunud. Tänapäevases majanduslikus keskkonnas ja kõrge konkurentsiga turul ei saa ükski ettevõtte, eriti kahanevate looduslike ressursidega seotud valdkondades, tegutseda sarnaselt nagu kümme aastat tagasi. Laialdane informatsiooni kättesaadavus on muutnud tarbijad targemaks, mis on otseselt seotud kõrgendatud avaliku huviga ettevõtluse läbipaistvuse suhtes, millest tuleneb tugeb surve ettevõtetele. Veelgi enam kasvab ka surve läbi lüüa jätkusuutlikul viisil. (The Time is now 2013: 3)

Üha enam püüavad riigiasutused ja teised regulaatorid pöörduda mittefinantsteabe avalikustamise poole, et kasutada seda kui vahendit suurendamiseks äriühingute läbipaistvust sotsiaalsete ja keskkonnaalaste küsimustega seoses, mille eesmärgiks on mõjutada ühiskondi ja keskkonda. Euroopa Liidu (edaspidi EL) poliitiline tegevus on kaasa toonud mitmeid jätkusuutlikkuse algatusi ja 2014. aastal täiendati akti, mis nõuab rohkem kui 500 töötajaga ettevõtelt mittefinantsteabe avalikustamist, mis omab kindlasti mõju ka Eest ärikeskkonnale. (A new era ...2016)

Äriühingute huvi jätkusuutlikkuse küsimuse vastu võib olla ajendatud mõnest majanduslikust aspektist, kuna äriühingud on need kes teevad otsuse, kas jätkusuutlikkusse investeerida või mitte ning nagu majanduses üldiselt, oodatakse sellest investeringust ka kasumit. Majanduslik kasu ei ole kindlasti aga ainus ajend käituda jätkusuutlikult. Äriühingu strateegiasse oskuslikult integreeritud jätkusuutlik käitumine võib kaasa tuua ka palju muid eeliseid. Informatsioon äriühingu

majandusliku-, keskkonna- ja sotsiaalse käitumise kohta moodustab kokku kestlikkuse aruande. Kestlikkuse aruannet kasutatakse, et jagada äriühingu nii positiivseid kui negatiivseid jätkusuutlikkuse mõjusid. Globaalse aruandluse algatus (GRI) annab ette maailmas enimkasutatud standardid jätkusuutlikkuse aruandluse ja avalikustamise kohta.

Kestlikkuse aruande elementideks on informatsioon majandusliku-, keskkonna- ja sotsiaalse käitumise ja ettevõtte valitsemise kohta. Jätkusuutlikuks käitumiseks peetakse ettevõtte võimet hinnata oma tegevuse sotsiaalsed, keskkonnaalast ja majanduslikku mõju, et vastu võtta efektiivsed otsused mis soodustaksid positiivsetele eesmärkidele jõudmist ning samal ajal rahuldaksid seotud osapoolte huvisid. Korraldada äriühingu jätkusuutlikkust terviklikult võib olla tõsine väljakutse ning see peab olema integreeritud juba juhatuse tasandilt äriühingu keskkonna, sotsiaalse ning majanduslikku tegevusse. (Epstein, Widener 2011)

Käesoleva töö eesmärk on läbi viia kirjeldav analüüs kestlikkuse aruande kasutusest suuremates Eestis registreeritud äriühingutes, selgitada tulemusi ning anda soovitusi parendusteks. Analüüsi eesmärk on käsitleda millised on üldised vastavuse kriteeriumid, mis sobivad ka juhul kui ettevõtte ei koosta eraldiseisvat kestlikkuse aruannet. Töös kasutatud läbipaistvuse kriteerium on koostatud autori poolt tuginedes kestlikkuse aruande koostamise raamistikule. Töö raames suurteks äriühinguteks klassifitseeritud ettevõtete puhul on analüüsitud nende eraldiseisvat kestlikkuse aruannet, kui see on koostatud ning majandusaasta aruandeid. Majandusaasta aruandes esitatud informatsiooni on töö raames detailselt analüüsitud, kuna enamus äriühinguid on esitanud kvalitatiivset informatsiooni ilma seotud kvantitatiivse informatsioonita.

Kestlikkuse aruanne on organisatsiooni poolt koostatud aruanne milles tuuakse välja ettevõtte igapäevategevuse majanduslikud, keskkonnaalased ja sotsiaalsed mõjud. Mõistet kestlikkuse aruanne võib käsitleda kui sünonüümi järgmistele terminitele: (About Sustainability ... 2016):

- 1.) Mittefinantsteabe aruanne
- 2.) Tulemuste kolmikmõõde
- 3.) Ettevõtte sotsiaalse vastutuse aruanne

Töö eesmärk on selgitada peamiseid põhjuseid, miks äriühingud peaksid jätkusuutlikkusesse investeerima ja seda mõõtma. Erilist rõhku on pööratud Globaalse Aruandluse algatuse raamistikule, mis on aluseks paljudele jätkusuutlikkusega seotud indikaatoritele. (Shiechle, Walin 2014). Need põhielemendid on aluseks uurimisküsimustele, millele on töökäigus esitatud järjekorras vastatud. Töö peamised teemad on alljärgnevad:

- 1.) Kestlikkuse aruande vajalikkusest ülevaate andmine, selle teoreetilised alused ning viimased arengud;
- 2.) Uurimise aluseks olnud kriteeriumite välja töötamine;
- 3.) Eesti suuremate ettevõtete eraldiseisvate aruannete ja majandusaasta aruannete vastavuse hindamine STDI-le (Sustainability Data Transparency Index);
- 4.) Analüüsi tulemustest ülevaate andmine ja parendussoovituste pakkumine.

Töö aluseks olnud valim koosneb ajalehe „Postimees“ poolt läbiviidud uuringus „100 suuremat ettevõtet Eestis“ (Postimees 2015) tunnustatud äriühingutest. Informatsiooni aluseks on valimisse jäänud ettevõtete 2014 aasta majandusaasta aruanded (viimane avalikustatud informatsioon) ja äriühingutega seotud publikatsioonid. Majandusaasta aruanded on laaditud alla valitud äriühingute kodulehtedelt. Kasutatud metodoloogiaks on kirjeldav analüüs, mille käigus informatsioon on võetud otse majandusaasta aruannetest ja tabelites kasutatud numbrid on koondatud kokku tööpaberisse kasutades selleks Microsoft Excelit.

Töö on jaotatud kolmeks osadeks. Esimeses osas on toodud teoreetiline raamistik, mis annab ülevaate kasutatud terminitest koos nende definitsioonidega ja annab ülevaate erinevate teemaga seotud teooriatest, kestlikkuse aruande sisust ja aspektides, kestlikkuse aruande erinevatest initsiatiividest, viimastest regulatsiooni muutustest, sh EL-i direktiividest. Teises töö osas on käsitletud uuringu läbiviimiseks kasutatud metodoloogiat, tuues välja valimi koostamise kriteeriumid. Töö kolmandaks osaks on empiiriline ülevaatus ja analüüs. Kokkuvõte ja järeldused on esitatud töö lõpus.

Eesti suurimate ettevõtete kestlikkuse aruandluse kirjeldav analüüs on toodud töö empiirilises osas, mille aluseks on STDI indeksi erinevat tüüpi indikaatorid, milleks on 6 indikaatorit seotud majandusliku dimensiooniga, 14 keskkonna indikaatorit, 10 tööjõu

indikaatorit, 9 tervise/turvalisuse indikaatorit, 7 ettevõtte sotsiaal investeeringute indikaatorit/sotsiaalmajandusliku arengu indikaatorit ja 8 ettevõtte valitsemise indikaatorit (loetletud lisas 1). Kohalduv STDI raamistik (Rea, 2015) ja seotud reeglistik on leitav lisast 1 ja 2. Nimetatud reegleid on analüüsi aluseks mille, tulemused on toodud lisades 3-10.

Eesti sajast suurimast ettevõttest kolm koostasid eraldiseisva kestlikkuse aruande, ülejäänud 97 avaldasid jätkusuutlikkuse informatsiooni majandusaasta aruandes, detailsed tulemused on toodud tabelis 1. Ettevõtted, mis esitasid eraldiseisva kestlikkuse aruande olid AS Eesti Energia, AS Merko Ehitus ja Viru Keemia Group AS. Ainult Viru Keemia Group AS koostas kestlikkuse aruande vastavuses GRI raamistikule. Kokkuvõttes Viru Keemia Group AS saavutas kõrgeima tulemuse, millele järgnesid vastavalt Eesti Energia AS ja Merko Ehitus AS. Kõrgeim keskmine läbipaistvuse tulemus oli seotud keskkonna dimensiooniga. Hinnates eelpool nimetatud ettevõtete eraldiseisvate aruannete vastavust läbipaistvus indeksile, võib järeldada, et kõikidel kolmel ettevõttel on olulisel määral arenguruumi.

Valimis toodud ülejäänud ettevõtted, kes eraldiseisvat kestlikkuse aruannet ei esitanud, avaldasid vastava informatsiooni majandusaasta aruande tegevusaruandes. Nimetatud juhtudel on ettevõtete tegevusaruannete sisu vastavust hinnatud STDI dimensioonidele. Analüüsi tulemused näitavad, et ettevõtete avaldatud informatsioonis on puudu kvantitatiivsest ja võrreldavast informatsioonis ja olulises ulatuses on parandused vajalikud. Enamus ettevõtetest avaldas tegevusaruandes kvalitatiivset informatsiooni. Peamine takistus jätkusuutlikkuse informatsiooni avalikustamiseks on kättesaadavate valitsuse juhiste puudumine, kus oleks detailselt kirjeldatud, kuidas ning millist informatsiooni avaldada tuleb. Autori hinnangul oleks üheks võimalikuks lahenduseks EL direktiivi rakendamine, mis annaks ettevõtetele raporteerimiseks juhtnöörid ning metodoloogia relevantse, kasuliku ja võrreldava informatsiooni avaldamiseks.

Eesti ettevõtete valdkondade lõikes tulemused on olulises osas sarnased, enamus ettevõtetel puudusid kvantitatiivsed ja võrreldavad tulemused ja selleks, et vastata EL-i direktiivile tuleks ettevõtetel oma aruannete sisu olulises osas täiendada. Peamiseks takistuseks ettevõtetele jätkusuutlikkuse rakendamiseks on autori hinnangul Eesti sotsialistlik pärand, mille tõttu nähakse jätkusuutlikkuse rakendamist, kui ainult

vastavust regulatsioonidele ja arusaamine ei muutu nii kaua kui kestlikkuse aruandluse rakendamine on vabatahtlik. Autori hinnangul muutuks olukord olulistelt EL-i direktiivi vastu võtmisel, millega kaasneks skeptitsism langus ühiskonna ja keskkonna probleemide suhtes. Kolmanda probleemina näeb autor ärikeskkonna privaatsust ja saladuslikkust ning ettevõtete püüdlusi kõrvale hiilida informatsiooni avalikustamisest, mis võib olla seotud pettuste ning korrupsiooniga. Samuti on autori arvates Eestis ühiskonnaorganisatsioonide mõjuvõim väike ning valitsuse tähelepanu on liiga vähesel määral suunatud äri ja ühiskonna suhetele.

Kokkuvõttes soovitab autor, et kestlikkuse raporteerimise peamiseks ajendiks võiks olla ettevõtete hea maine kujundamine ning peamised parendused kestlikkuse aruannetega seoses oleksid järgmised:

- EL-i direktiivi rakendamine, mis teeks kestlikkuse aruannete esitamise kohustuslikuks ning annaks ülevaate raporteerimise sisust ning ulatusest;
- Koostöö edendamine rahvusvaheliste gruppide ja kontsernide vahel, kogemuste jagamiseks;
- Võrgustike loomine globaalsete organisatsioonide vahel eesmärgiga läbi viia koolitusi ja seminare kestlikkuse raporteerimisega seotud teemadel;

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