Sustainability Reporting in the Real Estate Industry

Differences in the Reporting Process Between Municipal and Private Companies

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Abstract

Sustainability and its development has gotten more attention the recent years as trends in society has increased the knowledge about sustainability and demand for transparency. Authorities have therefore taken actions towards a sustainable development and have regulated reporting on the non-financial information, also known as Sustainability Reporting. The Swedish government implemented at the end of 2016 an extension to the Law of Annual Reporting, making it mandatory for larger companies who meet certain criteria to disclose a sustainability report. Thus, making the sustainability reporting more institutional.

Previous studies have been done in the field where they have had more focus on the quality of the reports and why companies disclose a sustainability report. Some researchers have studied the transition of going from disclosing the sustainability report voluntary to become mandatory, as it has now become in Sweden. This study therefore intends to look at how a certain industry, the Swedish real estate industry, conduct their reporting on sustainability. The new regulation will be used as guidance together with one of the most prominent frameworks of how to disclose a Sustainability Report, the GRI framework. Furthermore, to understand how companies proceed with their reporting, one must understand their motivation and incentives, which is why the institutional theory will be used.

The purpose of the study is to create an understanding of how a certain industry discloses their sustainability report, and therefore it was decided to study the differences between two groups within the industry. More specifically, the differences between private companies and municipal companies owned by the local governments. To guide the research, the following research question was formulated:

What are the differences in the process of establishing a sustainability report between privately and publicly owned real estate companies in Sweden?

Through doing a qualitative study with a semi-structured approach, the analysis and conclusion was drawn from 16 interviews with different companies. The conclusion was that the process between the sectors was similar to each other. The companies conducted their process in a continuous structure on a yearly basis without any clear step-by-step process. One difference that was discovered was the involvement of the owner. For the private companies, the owner was a passive support and the main motivator for starting to produce a sustainability report. For the public companies, the owners were very much involved in the process and supportive throughout the report. The public companies did also have more cooperation between each other, where they exchanged ideas regarding the report. Private companies benchmarked other companies but did not have the same support from others.

The practical contribution of this study will be the new knowledge that is provided on sustainability reporting processes and the difference between to sectors. This thesis gives a better understanding of how to conduct a sustainability report and different steps that can be included. The study is oriented towards the real estate industry and therefore provide a valuable insight on different perspectives from the two groups. The highlighted differences can help improve the process by being evaluated or adapted by different companies.
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Definitions and Abbreviations

**Extension of the Law**: The new regulation that was implemented by the Swedish government in 2016, see the law of annual reporting.

**GRI**: Global Reporting Initiatives, framework for disclosing a sustainability report

**Materiality Analysis**: An analysis of what the company consider as essential aspects for their company. Swedish: Väsentlighetsanalys

**Public companies**: Municipal companies owned by local government that will be defined throughout this paper as Public companies

**SABO**: Sveriges Allmännyttiga Bostadsföretag, branch organization of all Public companies

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Chapter 1 - Introduction

In this introduction, the intension is to give the reader a basic understanding of the chosen subject. It will start with describing Sustainability Reporting and the new regulation affecting companies to disclose a Sustainability Report. By the problem discussion and previous studies, the reader will get an understanding of the research gap, which leads to the research question and purpose.

1.1 Sustainability Reporting

One topic that has become more important for companies over the last decades is sustainability. The topic has received more attention due to different factors, for example, stakeholder demand for transparency and disclosures, and new regulations enhancing the importance of integrated sustainability (Fung, 2014, p. 79; Prop. 2015/16:193, p. 35). Those examples have in one way or another helped emphasize the role and focus of sustainability. Sustainability and its development is defined by the World Commission on Environment and Development (WCED) (1987, p. 43) as “Sustainable development is development that meets the needs of the present without compromising the ability of future generations to meet their own”. With the increased focus on sustainability, naturally, reporting on the subject has therefore become more important (KPMG, 2017, p. 6-7).

Sustainability reporting, is a company’s tool for non-financial report on their everyday impact on the economic, environmental and social aspects. By reporting their impact on these aspects, they increase their transparency through demonstrating their commitment and action toward a future of sustainable global economy (GRI, 2018b). Sustainability reporting has many different names, where non-financial reporting, triple bottom line reporting and Corporate Social Responsibility (CSR) are very common. Furthermore, Fung (2014, p. 73) stated that transparency has been widely recognized by academics and practitioners as important in order to present financial and non-financial information that give stakeholders full insight in the business.

The concept of reporting non-financials has been developed over time and have a lot to improve before it is as comprehensive as companies’ financial reports (KPMG, 2017, p. 6-7). Sustainability was at first only conducted by large business corporations who gave out social reports (Brockhoff, 1979; Bowman & Haire, 1976; Lessem, 1977). Later on, when the environment started becoming more and more important, the reporting changed from being a social report to environmental report with focus on the production and sustainable development (Birkin & Jorgensen, 1994; Kolk, 1999; Patten, 1992). Today, the focus is on a broader and more holistic perspective, where social and environmental together with economic is the main aspects in the non-financial reports (Delbard, 2008, p. 398). The definition of sustainability reporting is a report that is published and disclose non-financial information (GRI, 2018b). The non-financial information can be divided into social, environmental and economic aspects that are to be reported on. The sustainability report is a good way to connect the company’s values and strategies with sustainable goals and show in what way the company work towards those goals (GRI, 2018b). The standards that exists today can be categorized more as guidelines and are open for interpretations, therefore the quality and content of the reports can vary a lot between companies (Habek & Wolniak, 2015, p. 400). Clearer standards and procedures could ensure the quality and increase the reliability and comparability of the reports between different companies (Habek & Wolniak, 2015, p. 402). Habek and Wolniak
(2015, p. 400) discussed in their research, that different countries within EU use different methods and models when reporting on sustainability which affect the quality and comparability of the reports. A reoccurring trend amongst governments is to make sustainability reporting mandatory by increasing the regulations. This in order to enhance companies’ transparency and comparability.

1.2 Regulation on Sustainability Reporting
During the last decade there have been more rules and regulations implemented in order to standardize the sustainability work and reporting, to ensure the transparency, quality and reliability of non-financial reports (Fung, 2014, p. 72). One attempt to standardize sustainability reporting was made by EU in 2014 when they implemented a new set of directives. The new EU directive [2014/95/EU] from 2014, requires all companies with 500 or more employees to report their non-financial information and diversity policies. The directive suggests that all the bigger companies that are classified as public interest entities should prepare a sustainability report, making sustainability reporting more institutional. It is also supposed to work as a foundation and guideline for the member states as they form and implement this directive within their national laws. As a response to this, the Swedish government formed an extension of the Law of Annual Reporting and was introduced and implemented as of December 1st, 2016 [2016/17:CU2].

According to the Swedish government in their proposition (2016, p. 6), their intention was to follow the EU’s requirements but also to help create change towards a more sustainable global economy. The Swedish government did however create a stricter legislation, requiring more companies to disclose a sustainability report, and by that increase the transparency and comparability around businesses (Prop. 2015/16:193, p. 6). In their proposition they enlighten the possibilities of improving companies impact on the society and environment through regulations. The society has then the ability to apprehend their actions and act on the information that is available. With this, the Swedish government intends to create conditions for a sustainable development for the future (Prop. 2015/16:193, p. 6).

1.3 Problem Discussion
The extension of the law requires 1600 Swedish companies to conduct a sustainability report compared to the 100 companies that would have been affected by the EU directive (PwC, 2016; Johansson, 2016). The new regulation will give a higher percentage of mandatory reports which also should affect the quality of the reports (Habek & Wolniak, 2015, p. 416). A research made by Hypergene (2017) on behalf of Normative, questioned 200 accounting managers in different industries of their interpretation and concerns after the new regulation. The research found that 9 out of 10 companies was not prepared or thought it to be challenging to disclose a sustainability report. Moreover, 87 percent was unaware of the extension of the Law of Annual Reporting, and that it would affect them and their reporting. Hypergene (2017) also found that 58 percent thought it to be of a small challenge, 39 percent saw it as a great challenge and only 3 percent did not see the new regulation as a challenge at all. However, the research also found that the majority of the sample already had an existing report but considers there to be room for improvement. This indicates that a lot of work lies ahead for Swedish companies in order to produce a sustainability report that aligns with the requirements of the law. Some companies are more prepared than others which combined with the legal obligation should contribute to some differences in the reporting and how it is conducted.
Real estate business is one industry that is regulated to work proactively with the purpose of sustainable development through an overviewing plan of building projects and their usage, as well as their impact on land and water areas (Boverket, 2018). For example, in 2015 about 40 percentage of the total energy consumption in Sweden was accounted by the residential and service sector (Swedish Energy Agency, 2015). Real estate companies represent a major part of the local cycle and is an important part of the urbanization as well as providing homes (Boverket, 2008, p. 9). The Swedish real estate industry can be divided into private companies and municipal companies that are owned by local governments (SFS 2010:879). Municipal companies will hereby be referred to as public companies. These two sectors have different main purposes, as one is driven by profit, and the other for the public good (Boverket, 2008, p. 11; SFS 2010:879). One could assume that these two different purposes could also influence the overall strategy and, in the end, affect their sustainability policy and what they disclose. The different sectors and companies may prioritize different stakeholders and aspects. From a stakeholder’s point of view, shareholders demand is important for private companies to satisfy, while societies demand is of more importance for the public sector. It can also be assumed that these different purposes could affect how much focus and value they put on sustainability. As it may differ on their strategies on how sustainability is integrated in their core business, which can reflect their work of establishing a sustainability report.

Another interesting part is to see how the extension of the law applies new conditions for companies within an industry. The new regulation will shift the reporting from a voluntary model to a mandatory model for some of the companies. This could imply differences in reporting, even between companies within the same industry as well as differences in companies own reporting over time. Since there are no standardized way to conduct a sustainability report it can be assumed that there may be differences in the process of the report as well as the finalized report. There are a few different frameworks that a company can follow when establishing a sustainability report, for example GRI, ISO or Eurhonet. The most common and used framework is however the Global Reporting Initiative (GRI) framework that is worldwide and free accessible for the public (GRI, 2018a). GRI helps businesses and governments to understand their impact and how to increase their transparency, for example, their environment impact and how to communicate it to the society and their stakeholders. GRI’s vision is to standardize and make sustainability reporting as accepted as financial reporting (Larsson & Ljungdahl, 2008, p. 63). By using the GRI framework, the companies can also gain guidance on how to conduct their sustainability report. GRI recommends procedures and different steps to support the structure with the work process.

Sustainability reporting can be linked to several different theories that can describe the motivation and incentives of the report. However, the most suitable are the system-oriented theories, for example the legitimacy theory (Gray et al., 1996, p. 45) or the institutional theory (Deegan, 2017, p. 81). Researchers have however been discussing in recent years whether or not the legitimacy theory is too simplistic and ignores important insights of the sustainability reporting and as the reporting keeps developing (Deegan, 2017, p. 81). For example, the tides are shifting from voluntary disclosing a sustainability report to become regulated and mandatory for more and more companies. Deegan (2017, p. 81), therefore argues for the institutional theory that it adds more valuable insight than previous used theories as the drivers of sustainability reporting are becoming more institutional. This study will therefore use the Institutional theory to understand how the companies adapt to the sustainability reporting and its new regulations.
1.4 Previous Studies & Research Gap

Sustainability reporting is a current subject that is constant going through changes. Kolk (2003, p. 289) made a research on the fortune global 250 list to get an overview over the current circumstances on sustainability reporting. The research concluded that there had been a lot of movement within the field since 1998 at almost every different level, for example country and industry level (Kolk, 2003, p. 289). At both industry and country level there have been an increase in reporting, were the European countries where the most active (Kolk, 2003, p. 289). Researches have been made trying to explain the increase of reporting through examining external factors that affect and differentiate sustainability reporting. Cerin (2002, p. 298) made a study on Swedish companies where he examined if the company size and market capitalization had any correlation with their reporting. Other studies that has been made in Sweden, studies if the content of a sustainability report is somehow correlated with the companies’ size and profitability (Hedberg & Malmborg 2003, p. 154). Other studies have also been made which indicate that the sustainability reporting vary depending on cultural, regional and country-specific differences (Fifka, 2013 p. 4; Maignan & Ralston, 2002, p. 511; Muhammad et al, 2013, p. 335; Noronha et al, 2013, p. 39). Rather than looking at elements affecting the final product and quality of the reporting it would be interesting to study how it is conducted and if it differs between companies within the same industry.

Other studies have examined the drivers behind a sustainability report, but there is less done on how the actual process of conducting the report is. As Maas et al. (2016, p. 237) states there are a lot of articles on why, but not as many on how. From the literature there could be seen that different concept where used differently from that a framework for integrating, controlling, and reporting were produced (Maas et al., 2016, p. 238). The article also tried to understand how sustainability management accounting and control, sustainability assessment and sustainability reporting are correlated as well as how they could be best practiced in order to integrate it into the business. Adams and Frost (2008, p. 288) also questions the lack of research on how the reports are conducted and the process behind them. They highlight that assumptions have been made from studying the reports and disclosure instead of investigating the process (Adams & Frost, 2008, p. 288). In their study they look at how key performance indicators (KPI’s) are developed for companies and how integrated they are in the decision-making (Adams & Frost, 2008, p. 289). The study was conducted on companies in different industries and the result showed some differences between the companies in the development and usage of KPI’s (Adams & Frost, 2008, p. 299).

Furthermore, studies have been made on the differences of mandatory and voluntary disclosure of a sustainability report. Habek and Wolniak (2015, p. 400) conducted a study where they looked at differences in quality between companies that conducted the report voluntary and mandatory and also compared the results between countries. Some benefits with mandatory reporting is that the companies have to follow regulations and certain requirements which will help improve the overall quality, comparability, accuracy and reliability of the report (Habek & Wolniak, 2015, p. 416). Habek and Wolniak (2015, p. 416) also came to the conclusion that mandatory reports tend to have higher quality than reports that are voluntary. The element of legal obligation had a certain effect on the reports and the quality was higher than when the reports were conducted voluntary (Habek & Wolniak, 2015, p. 416). Another study on mandatory reporting was made by Ioannou and Serafeim (2017), where they studied the possible consequences that may arise from legislating sustainability reporting. They collected data from four countries to
explore the possible implications that may arise from newly regulations on from those countries that discloses environmental, social and governance aspects (Ioannou & Serafeim, 2017, p. 3). Their conclusion was that firms who adapt to the new regulations tend to increase their disclosures and supplemented it further to increase the comparability and credibility of the reported information (Ioannou & Serafeim, 2017, p. 30). They concluded that the firms who adapt to the sustainability regulations had a positive correlation with economic effects. Similar studies have also been made in Norway as well as in France on mandatory reporting (Kaya, 2016; Vormedal & Ruud, 2009). The result showed that the lack of political and social drivers decreased the result and quality of reporting in Norway, but the same drivers increased the reporting in France (Kaya, 2016, p. 212; Vormedal & Ruud, 2009, p. 220). As these studies looked and found differences in quality between mandatory and voluntary reports it would instead be interesting to investigate the differences that might be in the process leading up to differences in quality.

One of the first countries to implement rules that regulated sustainability reporting was Denmark (Holgaard et al., 2005, p. 370). In a study were Holgaard et al. (2005, p. 371) examined the regulations impact, he concluded that the implementation of the new legislation helped the evolution of sustainability reporting in Denmark. Since the first version of the implementation was introduced in 1995, there have been some obvious issues and areas that could be improved (Holgaard et al., 2005, p. 362, 371). One finding that Holgaard et al. (2005, p. 371) made, was that the stakeholder interest would have to be increased. There was an opinion in the Danish industries that a lack of stakeholder interest in the report made it unnecessary to have a mandatory report (Holgaard et al., 2005, p. 371). As the early implementation of the regulation, there is also a lack of consistent with the rest of Europe and their regulations regarding sustainability reporting (Holgaard et al., 2005, p. 371). The extension of the Swedish law, SFS 1995:1554, has its foundation in the EU directive that was established in 2014 [2014/95/EU]. This makes the Swedish regulation more related to the rest of European countries and the different laws that also have been implemented and created from the EU directive. In the same way as Holgaard et al. (2005, p. 362) noted that the Danish regulation on green accounts that was introduced in 1995 is in need of improvements, the assumptions can be made that the Swedish version will also need development over time. As it is the first step of making sustainability reporting mandatory, it might take some time and progress in order for it to be fully integrated into the companies’ businesses. During the time that the law is being evaluated and developed it should also be some differences in how it is conducted.

The extension of the annual law of reporting creates a natural research gap where knowledge can be contributed. Since it is the first-time companies in Sweden are reporting under the new legislation, it can be investigated and observed how the new legislation will affect the reporting. Furthermore, there is a gap in the research regarding “how” companies conduct their reporting and the process behind it. Shown from previous studies, most of the focus have been on “why” companies establish a sustainability report rather than exploring “how”. The authors therefore intend to study this incurred research gap and explore “how” companies establish their sustainability report.

1.5 Research Question
Since this is a present issue with the newly implemented law that imposes companies to disclose a sustainability report. However, the reports will not be published until late mid 2018, this research will therefore be focused more on the process of conducting and finalizing the reports. The purpose of the regulations is to enhance the significance of
sustainability reporting. Furthermore, this research will study the potential difficulties and how the processes are performed. This will then be analyzed to see if there are any differences between public and private real estate companies. Therefore, the following research question is to help the authors to direct the study towards correct direction:

*What are the differences in the process of establishing a sustainability report between privately and publicly owned real estate companies in Sweden?*

This study is not interested in the underlying factors of why companies disclose a sustainability report which would give a more complex and broader problematization. By investigating why, organizational values, strategies and other factors has to be considered. Which is not of importance when dissecting the sustainability reporting and solely looking at the process of conducting the report. Therefore, it was decided to specify the research question with “what” in order to compare and get a better understand the sustainability reporting and the differences that can occur within the industry.

As a tool for this research question, the GRI framework will be used as a guideline of how to conduct a sustainability report and use it as an example of how to structure the process. As GRI defines sustainability reporting it can be seen as an activity and process instead of being just a finalized product (Larsson & Ljungdahl, 2008, p. 65). By process, is therefore meant the whole cycle of reporting. For example, how companies identify risks, which stakeholders they view as important, what sustainability focus they have, preparations for the new law and how they form their report - separated or integrated with their financial report.

1.6 Research Purpose
The main purpose is to research what the differences are between the public and private real estate companies in their work process of disclosing their sustainability report. Do the different strategies and purposes of the two sectors affect their sustainability reporting. A lot of studies have been made in the field of sustainability reporting, where most of them has been studying what different factors correlates with the quality of the reports. This research will therefore not investigate any correlating effects of reporting quality. The aim of this paper will therefore be to explore “how” an industry discloses their sustainability report where companies provides similar services and products but are naturally separated. The natural separation could be explained in the sense that the general purpose of private companies is to earn money and have pressure from their stakeholders to perform, while public companies are for the public good. If that might affect how the sustainability report is conducted and processed differently between them.

1.7 Practical and Theoretical Contribution
This thesis could contribute and give some companies increased knowledge on sustainability reporting. By highlighting the differences between companies, it can be of assistants in order to understand and improve their own reporting. By seeing how other companies conduct their report it can be used as an inspiration and help develop a better understanding of different perspectives on sustainability reporting. This study can be of guidance and inspiration for all companies in the real estate industry. However, it may be most interesting for companies that are about to disclose their first sustainability report in order to see how others do it. Furthermore, this thesis is focused on the real estate industry, but since it is the first year that there is a requirement to report according to the new
legislation, this study could give a general insight and guideline in “how” to establish a report.

By conducting a qualitative study in a specific industry, a better understanding of the companies’ processes is made to help future research. This could therefore contribute to identifying differences within the real estate industry and highlight how the regulation and different standards are interpreted and converted into a sustainability report. Since this is the first report that is made under the new regulation, 1995:1554, this thesis could work as a foundation in the research on how companies conduct their reports. With the help of GRI, the process will be investigated in different steps. Therefore, this study could also contribute with knowledge in these steps that could be developed and researched in the future.

1.8 Delimitations

There are some limitations of the research that had to be decided in order to make it possible for the authors to answer the research question.

- As this study will only review the real estate companies that exceed the criteria statutory by the Swedish government in the Law of Annual Reporting (SFS 1995:1554), Chapter 6, 12§. The organization should have had for the last two fiscal years (2015 and 2016):
  - On average had more than 250 employees
  - The company’s total assets should amount to at least 175 MSEK
  - The company’s net sales should amount to at least 350 MSEK
- Law of Annual Reporting (SFS 1995:1554) Chapter 7, 31a§, states that groups that meet the criteria above are supposed to disclose a sustainability report. This allowed the authors to include more companies to the sample.
- As criteria for eligible companies, the following SNI codes were used (Sw.: Svensk Näringsindelning - SNI-Koder) 68.201; 68.203; 68.320. These codes cover the real estate companies who manage properties and other premises as well as manage real estates on behalf of others.
- Companies are limited to those who operate and have their legal seat in Sweden.
Chapter 2 - Scientific Methodology

This chapter intends to discuss the possible research strategies and research methods by describing the different approaches that can be of help to this study. It will then conclude to the specific methods that are most appropriate for this study.

2.1 Pre-understanding

It is important to realize that different people interpret information differently (Wallén, 1996, p. 33). This section will therefore discuss the authors pre-understandings within the field of sustainability reporting and how it might affect the interpretation of this study. By highlighting the pre-understanding, the authors also become aware of the possible issues of interpretation throughout the rest of the study. According to Johansson-Lindfors (1993, p. 76), pre-understanding can be divided into two groups, first- and second-hand pre-understanding. First-hand pre-understanding is gained through experiences while second-hand pre-understanding is obtained through knowledge and experiences from books, school or different lectures (Johansson-Lindfors, 1993, p. 76).

As the society has taken a big interest in sustainability it is a challenge that we meet almost every day, and also gives the authors different experience and understanding in how to approach it and work toward it. It is although on a more practical and general level and not so much in how to integrate it in a company or how to conduct a sustainability reporting. The first-hand pre-understanding and experiences comes from various jobs where the authors have been in contact of sustainability in a business context. Although, pre-understanding of the chosen topic comes mainly from second hand pre-understanding.

During the years as students, the authors have gained a lot of second hand pre-understandings in the forms of lectures, cases or as part of courses. Umeå School of Business, Economics and Statistics (USBE) is an ISO14001 certified faculty which lets the students take part of the various range of education that USBE have on sustainability. The sustainability aspect has been a consistent part and integrated in almost every course that have been taken at USBE. In the course Advanced Financial Accounting the authors were introduced and got a deeper understanding of sustainability reporting and the GRI framework.

2.2 Research Philosophy

Research philosophy is a concept through which an understanding on the nature and development of knowledge is gained (Burrell & Morgan, 1979, p. 2-3). Throughout the study, different assumptions will be made, that are important for how the study is conducted. The assumptions constitute the basis from which the method and strategy are formed (Saunders et al, 2009, p. 108). There are two main views on how you might relate to research philosophy, those are ontology and epistemology (Holden & Lynch, 2004, p. 5; Saunders et al., 2009, p. 110). To further help decide the methodological stances, Wright et al. (2016, p. 98) developed questions that should be asked and answered by the researchers: “What can we know about the phenomenon of interest?; How can we know what we want to know? and; What approach should I use and why?”. 
2.2.1 Reality Perspective - Ontology

Ontology addresses and intends to explain the nature of reality (Wallén, 1996, p. 12; Patel & Davidson, 2011, p. 15). The view breaks down the assumption that researchers have knowledge about how the world works and related views on the fundamental nature of the universe, humans and society (Holden & Lynch, 2004, p. 5; Patel & Davidson, 2011, p. 15). Furthermore, ontology can be divided into two more sub views, objectivism and subjectivism (Saunders et al, 2009, p. 110). By objectivism, the researchers consider that social entities exist as independent and not constructed by social actors and other factors (Saunders et al., 2009, p. 110; Wright et al., 2016, p. 97). Burrell and Morgan (1979, p. 4) defined objectivism in the context of organizations as a nature that cannot be influenced by social actors like different kind of stakeholders. In contrast, the subjectivism assume that social entities are created by social actor’s perception and actions (Saunders et al 2009, p. 110). Saunders et al. (2009, p. 111) continued by putting it in an organizational context as that different actors, for example customers, has their own interpretation and view of the reality. The customers view will probably affect his or her actions and interactions with the social structure, and in that way influencing and shaping the social constructions (Saunders et al., 2009, p. 111).

This study examines the differences in the process of sustainability reporting between publicly and privately-owned companies. In order to answer the research question, a good understanding of how and why the companies conduct their report is needed. In order to reach an understanding of the companies’ processes, the view of subjectivism is used. As the reporting is not as standardized there is room for interpretation and influences. The new regulation makes the reporting mandatory but is still open and some of the issues can be interpreted in different ways. The way the companies and individuals choose to interpret certain matters will affect the process of the sustainability reporting. Depending on how the companies conducted their reporting prior the new regulation will also affect their attitude and embrace the changes. Therefore, the objectivistic view cannot be used as it ignores the how companies, authorities and stakeholders effect the social structure and the perception of reality.

2.2.2 Scientific Perspective - Epistemology

Epistemology considers what is viewed as acceptable knowledge (Holden & Lynch, 2004, p. 5; Wallén, 1996, p. 12). Epistemology contains of two scientific perspectives, positivism and interpretivist (Collis & Hussey, 2014, p. 43). Positivism provides a framework of how to adapt the same view as nature scientists on social science. By separating the result and the researchers’ interpretations, positivism creates an objective research where the actual results are in focus (Bryman & Bell, 2011, p. 15; Burrell & Morgan, 1979, p. 2-3). Saunders et al. (2009, p. 113) defined the goal of a research to produce credible result. The credible result is often conducted by developing hypotheses which are tested and then analyzed in regard to existing theories (Saunders et al., 2009, p. 113). The view of interpretivist puts focus on the complexity of relations between social actors and different social phenomenon (Burrell & Morgan, 1979, p. 3) Instead of being objectively constructed, this view has the assumption that social actors develop the social constructions (Burrell & Morgan, 1979, p. 3). It is therefore not as easy to conduct and produce credible result that can be generalized. Instead, the results have to be analyzed and interpreted in order to understand the influence of social actors.

Sustainability reporting is influenced by different factors, for example regulations, frameworks, stakeholders, etc. that help develop and standardize the structure of it. This
thesis is testing the companies’ interpretation of these different factors and how it is translated into the process in order to identify the differences. According to the positivism, it is possible to establish a right or wrong answer to the research question. However, since the sustainability reporting is such a complex matter with no clear structure, the reports will be configured differently. In order to get a credible result, it is important to regard the different factors that influence the structure of the report. The relation and circumstances are important for the understanding the results, and therefore, a positivistic view cannot be used. The organizational behavior is among other things based on the extension of the law of annual reporting, SFS 1995:1554, and different frameworks like GRI, and how they interpret these factors when establishing the report. This research will therefore be conducted in accordance with the view of interpretivist.

2.3 Research Approach
There are numerous research approaches, the most commonly used approaches, deductive and inductive researches, will be discussed in this part. The research approach is of importance to interlink the used theories and methods to one another (Saunders et al., 2009, p. 124).

The deductive research approach, also called testing theory approach (Saunders et al., 2009, p. 124). It is based on drawing conclusions from theoretical structures and general principles. By developing a hypothesis in connection to the theory or principle which later can be empirically tested for interpretation and conclusions, which has been referred to as moving from the theoretical to the empirical (Collis & Hussey, 2014, p. 7; Bryman & Bell, 2011, p. 11). In other words, the researcher bases its research on proof. Holme & Solvang (1997, p. 50) suggests that through continuous empirical testing and challenging the theory it will strengthen the reliability, or gain evidence to reject the theory. Some of the more important features of the deductive approach is that it seeks an understanding relationship between variables (Saunders et al., 2009, p. 125). However, the deductive approach has gotten some critiques in regard to that it is based on theoretical frameworks that might not be suitable for the researched area and will cause problem while gathering data (Johansson-Lindfors, 1993, p. 56).

On the other hand, the inductive research approach, also called the building theory (Saunders et al., 2009, p. 125). When the researcher studies an area or object without having any foundation in a theory or principles. The researcher will therefore start their research with an observation or findings and then create a theory based on their gathered information (Bryman & Bell, 2011, p. 13). One could say that the researcher is working with no prior knowledge, by first observing and then base that to a receive an outcome of the research, a theory. In other words, the process of an inductive research begins with outlining generalizing conclusions from a specific study, and then match it to an existing theory.

This study is most suited for an inductive research approach. As this study will be using a subjectivity viewpoint and an interpretivist perspective, it is therefore more aligned with the inductive approach. The purpose of this thesis is to identify the difference between two groups, this is done by identifying and understanding different patterns that might explain these differences. This study does to some extent take support from existing theories in order to explain parts of the differences. The institutional theory is used in order to analyze and understand the adaption to sustainability report and their motivation behind establishing a report. Furthermore, the major part of the study is based on the GRI
framework and the extension on the law of annual reporting. The GRI framework and extension of the law are not scientifically proven theories and will instead work as guidelines in order to understand and in a structured way analyze the collected data and information. Identifying the differences and understanding the patterns of the company’s actions will be of more importance than testing the correlation between existing theories and the empiricism. The study will therefore follow an inductive research approach.

2.4 Research Design
In order to answer the research question of the study in a correct way, it is important to decide the methodological purpose of the study (Saunders et al., 2009, p. 138). There are different kinds of research designs which helps fulfill the purpose of the study, these are exploratory, descriptive and explanatory (Saunders et al., 2009, p. 138). By deciding the purpose of the study, it simplifies the choosing a suitable research design that will also function as a strategy for the study. The different research designs can be classified after how much that is known in the subject (Patel & Davidson, 2011, p. 12).

Within areas where there are more knowledge gaps, the exploratory research would be more suitable (Patel & Davidson, 2011, p. 12). The purpose with the exploratory research is to get as much knowledge as possible on the subject in order to try and understand the nature of it (Saunders et al., 2009, p. 139). In order to get insight and clarify the understanding, the research could for example be conducted through literature search, interviewing experts in the subject or interviewing focus groups (Saunders et al., 2009, p. 140). The researcher must be ready to react on new knowledge and data that might come up and affect their direction, and the presented result could often be the foundation for future studies (Patel & Davidson, 2011, p. 12; Saunders et al., 2009, p. 140).

In an area where there is more knowledge available the research will be more descriptive (Patel & Davidson, 2011, p. 12). The descriptive research could be proceeding on an exploratory research in order to compare and explain a certain phenomenon (Saunders et al., 2009, p. 140). The research will be describing events or relations that occurs between years, past and future, or companies (Patel & Davidson, 2011, p. 12). The descriptive research is more limited in order to only look at certain aspects of the subject that are of particular interest and try to describe those aspects (Patel & Davidson, 2011, p. 12).

The explanatory design, researches different variables and their causal relationship (Saunders et al., 2009, p. 140). The research could for example try to give a cause-effect explanation or understanding between variables (Wallén, 1996, p. 46). The research could be conducted either by subject data to a statistical test or collect qualitative data in order to explore the relationships between the variables (Saunders et al., 2009, p. 141).

The most suitable design is the exploratory research because the authors will try to gain as much knowledge as possible to be able to understand the nature and differences. Since “how” companies conduct their reporting have fairly little previous research, it can be improved by exploring the topic. This was also concluded in the articles by Maas et al. (2016) and Adams and Frost (2008). Since this is a topic with knowledge gaps and that needs to be explored from the perspective of “how”, this could work as a foundation for future studies. As in the descriptive and explanatory designs, this study does not try to explain phenomenon’s or give a cause-effect explanation. Since the new regulation creates new conditions, the authors have to be aware of possible changes’ and uncertainties that affects the processes. This study aims to explain and understand the
differences in the procedures between the different sectors within the real estate industry. By conducting interviews and search for previous literatures on the subject, the authors will be able to understand and gain deeper insight on sustainability reporting process. Data will be collected on the company's preparation, performance and presentation on their sustainability report in order to describe the differences.

2.5 Research Method
The meaning of research method is how the general orientation of conducting the research is outlined. Bryman and Bell (2011, p. 26) discuss the research method as two defined approaches, qualitative and quantitative researches. Within business research the two terms are used widely and frequently to differentiate different techniques of data collections and analytical tools (Saunders et al., 2009, p. 151). As one is focused on numerical analyses and the other on non-numerical [words] analyses.

Qualitative research method is known as the non-numerical research and can be conducted through many different data collecting techniques, but the most common one is through interviews (Saunders et al., 2009, p. 151). This method seeks, without any statistical data, to generate possible answers to the research problem at hand. Through interpreting the collected answers from, for instance, interviews, the researchers emphasize on words rather than the quantifying measurements as the other approach (Bryman & Bell, 2011, p. 27). As this approach often focuses on how the interviewee perceives questions, this method therefore seeks to comprehend certain behavior and events. Therefore, this method is related to the inductive approach when it is to generate the research to a theory and can be subjective to understand the constant shifting of individuals (Bryman & Bell, 2011, p. 27).

The quantitative research method on the other hand, is known as the numerical method and collects data, for example through questionnaires or data analysis processes such as statistical analysis (Saunders et al., 2009, p. 151). Quantitative method puts emphasize on the quantification of the collected data and the measurement of the data analysis. Therefore, the study will maintain an objective standpoint with a positivism view of the reality. It has been associated with a deductive approach when it tests the applied theories of the research (Bryman & Bell, 2011, p. 27).

In order to gain knowledge and then be able to understand the nature and the differences of the companies’ processes, a qualitative research method will therefore be used. The qualitative method will give deeper insight and knowledge about the companies and their perceptions about sustainability reporting and how they conducted it. This study will therefore focus on non-numerical and put emphasis on words to analyze the differences. Since sustainability reporting is a subject matter and the research question do not include specific variables that neither can be explained or tested. A quantitative research method is therefore not suitable as it requires to be statistically proven. With a subjectivism view that social actors can influence the social constructions, a qualitative research method is suitable in order to identify the interaction.

2.6 Research Strategy
In order to choose the proper research strategy for the study, research question, objectives, existing knowledge, amount of time and resource, and the philosophy need to be taken in consideration (Saunders et al., 2009, p. 141). None of the strategies are superior to the
other and it is more important to choose the strategy or strategies that are most suitable for the study. Saunders et al. (2009, p. 141) describes it as possible to mix the different strategies. For example, the survey strategy can be used as a part within a study that has case study as their major strategy (Saunders et al., 2009, p. 141). The different strategies are for example, Experiment, Survey, Case study, Action study, Grounded theory, Ethnography, Narrative Inquiry and Archival research, some of the more common strategies will be discussed in this section (Saunders et al., 2009, p. 141).

The survey strategy is an economic way of gathering a lot of data in a fairly easy way (Ejvegård, 2003, p. 53). The strategy is often used in deductive research and since it helps to answer questions like “Who”, “What” and “How” it is common in descriptive and exploratory research (Saunders et al., 2009, p. 144). Surveys could be used in different ways, for example, by collecting data in a quantitative way that later are analyzed with statistics in order to explain possible relations between different variables (Saunders et al., 2009, p. 144). The strategy has its benefits in being cost and time effective, but it limits is the respondent’s possibility to give any information beyond the given questions (Ejvegård, 2003, p. 53; Saunders et al., 2009, p. 144).

A case study is conducted in order to examine events that take place within construction of an ongoing context (Saunders et al., 2009, p. 145). In contrary to experiment strategy where the events are tested in a controlled context, the case study is undertaken in an uncontrolled context where the events are analyzed in order to see how they develop in the ongoing context (Saunders et al., 2009, p. 146).

Archival research design is conducted through documents and data as the source of data that is used (Saunders et al., 2009, p. 150). Archival research is a good strategy when the researchers are trying to answer a question that has changed over time (Saunders et al., 2009, p. 150). The data can consist both historical and recent documents in order to show and provide a reasonable and credibly review (Saunders et al., 2009, p. 150). As Saunders et al. (2009, p. 150) describes it is important get a hold of the main source and not rely on secondary data. Overall it is the archival strategy that can also be tricky because the research has to rely on the data that are available. This might be a possible limitation if there have not been so much published and researched on the subject.

Another research design is the narrative inquiry. It is a design where human interaction and stories are told in order to explain behavior and experiences (Connelly & Clandinin, 1990, p. 2; Kvale & Brinkmann, 2009, p. 153). By storytelling, through interviews, the participants can express their experience and the researchers gain knowledge in order to understand a certain matter or subject (Connelly & Clandinin, 1990, p. 2). Within a field and subject where there is already existing knowledge, the narrative inquiry can help the researcher to get a better understanding and new knowledge (Lapan, et al., 2012, p. 218). By telling their story and experience of certain situations or matters, they invite people to get a deeper insight in how these situations or matters can be interpreted.

With consideration of the research question, research philosophy and research design, the authors have chosen to use narrative inquiry as the strategy. In order to identify the differences and in a clear way produce findings in a manageable procedure, narrative inquiry is considered to be the best and most suitable way. By using interviews as the narrative inquiry, the participant can increase the researcher’s knowledge and understanding on sustainability reporting by letting the interviewee tell their perception
and experience. It is thereafter easy to see if their stories correspond or if there are differences in their interpretations and how it reflects in their work with the sustainability reporting. The interviews will help give a better understanding on how companies establish their report, which will be important for the analysis and comparison between the sectors to see if there are any differences. Since the requirement of sustainability reporting is new, the narrative inquiry is suitable in order to get the participants story about the experience and construction of the process. The respondents that has been approached have a good insight and responsibility over the process and is therefore able to tell an appropriate story. By giving their story about the development of the process, it helps to give a better understanding of how the companies process work and answer the research question. Lapan et al. (2012, p. 219) criticized narrative inquiry through indicating that there was a risk that the respondents stories were interpreted by the interviewers and impact to give an inaccurate view. This is something that will be considered by the researchers and ensured by sending the transcribed material and empirical data to the interviewees. Through sending the material the risk of the stories being inaccurately interpreted are reduced. The interviewees are able to review and give their approval of the content that are outlined from their stories. The research method of narrative inquiry is therefore appropriate in order to get a better understanding of the process.

2.7 Choice of Literature and Source Criticism

A literature review is necessary for researchers to get an understanding and identify what has been studied before and the trends within the field. A literature review also allows the researcher to obtain further knowledge and inspiration which is essential for conducting a research (Bryman & Bell, 2011, p. 92). A literature review prevents the risks of research on an already existing subject and “reinventing the wheel” (Bryman & Bell, 2011, p. 91). Distributing research findings is important to contribute the further development of understanding our world and cannot be done when findings are not shared (Hart, 1998, p. 12). Hart (1998, p. 16-19) continues with explaining the difficulties of performing a literature review and that it is required to be persistent and that more complex word combinations are required to find relevant literature. Furthermore, it is required by the researcher to be as thorough as possible with documenting the comprehensive literature searches and managing the administrative part of all searches.

Bryman and Bell (2011, p. 94, p. 111) argues for the importance of critically reading, reviewing and processing previous studies and literatures. This in order to understand what is known within the field, what theories and models that are relevant, and what methods and strategies that have been used successfully. When conducting a thorough literature review, the researcher may also find a possible research gap if certain subjects lacks relevant research.

Myers (2013, p. 120) divides sources into primary sources and secondary sources, where primary sources includes published sources such as reports or some more central governmental publications. While the second source is more comprehensive and builds on the primary source. It was somewhat challenging to find relevant literature to support this study and as the authors had decided to base the study on mainly primary sources. This since there have not been that much study on “how” companies conduct their sustainability report and needs to be explored (Maas et al., 2016, p. 237; Adams & Frost, 2006, p. 288). However, as Hart (1998, p. 16-19) explained, through developing the search combinations and more comprehensive searches, more relevant literature was
found. By complying what Hart (1998) suggested in searching for relevant literature, the authors started out with some keywords and systematically increased their search field. In the beginning, the authors used “Sustainability reporting” as the keywords, which resulted in a lot of literature and the majority was not relevant. By increasing the keywords to “Sustainability reporting process” the relevant literature increased. To find further studies done in the field the keywords were changed into “mandatory vs. voluntary sustainability reporting” and resulted in relevant articles that helped create an understanding of the circumstances. Several motivational theories were searched for in order to understand the companies’ incentives of adapting and disclosing a sustainability report. The keywords that resulted in most relevant literature was “Institutional theory”.

The databases that was used to find the relevant literature for this study was mainly Umeå Universitetsbibliotek (www.ub.umu.se) and Google Scholar. There the authors found the literatures that are the base for this study and where the authors acquired deeper knowledge and understanding within this subject. These databases provided the authors with relevant articles, books and other literatures. These literatures have been significant in either supporting the research arguments or as further information to give the authors deeper knowledge.

To ensure the reliability and credibility, it was decided to limit down the research to only the larger journals and peer-reviewed articles. Books or other literatures had to be thoroughly reviewed of who the publisher and author was to ensure the reliability and credibility. The literature search was conducted on both English and Swedish to increase the possibility of finding relevant literature, hence keywords for the literature search is in both languages.

Most relevant keywords that have been used are: “Sustainability Reporting”, “Hållbarhetsrapportering”, “Mandatory Sustainability Reporting”, “Mandatory vs. Voluntary Sustainability Reporting”, “Sustainability Reporting Process”, and “Institutional Theory”.

2.8 Social and Ethical Considerations

Ethics is in our daily lives, the do’s and don’ts that are faced daily. As the society and the economy has various laws and regulations for private persons as well as for companies, they also become more complex. Therefore, while conducting a business research, it is of high importance to take ethical and social issues into account (Eriksson & Kovalainen, 2016, p. 63). Bryman and Bell (2011, p. 122) discuss two important concerns in context to ethical considerations, how people whom the research is conducted on is treated and whether or not there could be any situation where a relationship with them could affect the situation. In this study, the participants were all treated equally by not favorizing anyone. The same procedures were followed with every participants in order to treat them equally. The procedures consisted of initial mail contact, dial up for interview and a few minutes set aside to ensure their comfortability, and lastly follow up with their approval. To ensure the objectivity with the participants, the authors did not look up their previous reports and sustainability work to maintain an unbiased interview and relationship.

Ethic research covers the way the study is conducted and reported, for example, lack of informed consent, avoiding any harm or putting anyone at risk, avoiding any deception, invading of someone’s integrity, and treating people with respect (Bryman & Bell, 2011, p. 128; Eriksson & Kovalainen, 2016, p. 63-64). Invading of integrity, which is of high
priority for participants and which many of us hold dear. Condoning one's privacy is not regarded as acceptable and can be avoided through treating each participant with mutual respect and sensitivity (Bryman & Bell, 2011, p. 136). Not bringing anyone of the participants to harm or risk, has been described by Bryman and Bell (2011, p. 128-129) as: physical harm, endangering any development or self-esteem of the participants, or harming any present or future career possibilities.

The study must be conducted without deceiving the participants and ensuring that they are all aware of the purpose and making their independent decision of participating or not in the study. The research must therefore be transparent while informing the participants to ensure that they are not forced to participate and that they understand the purpose of the study. To ensure that this study’s participants are informed and not deceived, the authors provide the participants with an information letter. This in turn to inform what they are participating in and what it means for them.

As this study will conduct a qualitative data collection through interviews, there will be a risk of putting the participating companies at potential risk of harming their organization or reputation. The information that the authors gain access to has to be treated carefully. It is not to be misused or used in any other purpose than has been agreed upon. In order not to harm any of the participating individuals or companies, the transcriptions and possible citations will be sent for approval. Inputs will be collected regarding the empirical data to make sure that no misinterpretations of the participants answers are made and that they can stand behind what is in the text. This in turn, to treat the participants with respect as well as not putting them into any uncomfortable situations. In order to maintain the participants integrity, no individual names will be disclosed or directly connected to the citations. However, the company names will be disclosed if approved, this in turn to increase the transparency of this study.
Chapter 3 - Practical Method

This chapter will describe the practical approaches. It begins by defining the chosen industry followed by a description of the population and sample. Continuing with describing how the interviews will be held and what the possible risk are with this method. Lastly, how the authors will transfer the data to writing and how it will be analyzed.

3.1 Population and Sample

The population for the chosen industry are all the real estate companies that meet the criteria stated by the extension of the law, 1995:1554. The population can be divided into two sectors, the companies that are privately owned, and the companies that are municipally owned, defined earlier as publicly owned companies. To understand the mere size of the chosen population, the authors used the database Business Retriever, that is available through the website of Umeå University library. The database enables the authors to ensure the company forms, for example, no foundations or other similar company forms were included. Those that were included were only companies that have their main objective of manage properties and other facilities as well as manage facilities on behalf of others, also covered by the SNI codes described in the delimitations. Business Retriever helped the authors to ensure that the companies in fact have a pure real estate organization and that they in fact meet or exceed the criteria set by the government.

3.1.1 Sample Method

Through a study one tries to understand and describe a specific population and a certain issue, but as Saunders et al. (2012, p. 210) explains, it is nearly impossible or impractical to interview an entire population. Therefore, a representative sample needs to be chosen for the purpose of creating a perception of an unknown issue within the studied population. Bryman and Bell (2011, p. 176) describes a sample as the segment of the decided population to study, in other words, a subset of the population. Therefore, choosing a representative sample will save both time and money for the researchers. One may decide its sample based on different techniques, Bryman and Bell (2011, p. 176) states that depending on what type of technique one chooses depends if one expects generalizable results or not. Techniques such as probability or non-probability approaches (Bryman & Bell, 2011, p. 176; Saunders et al., 2012, p. 216).

Bryman and Bell (2011, p. 176) further explains the probability technique, each individual within a population have the same probability of being selected to the sample. This through random selection and eliminating the human factor. The aim of the probability sample is to eliminate all possible sampling errors to a minimum (Bryman & Bell, 2011, p. 176). It is therefore possible to generalize the results for the whole population if it has empirical statistical conclusions. Thus, this technique requires a quantitative study with statistical tests trying to answer hypotheses, and therefore, this technique is not suitable for this study.

Non-probability technique on the other hand, is explained by Bryman and Bell (2011, p. 176) as a sample that has not been randomly selected. In the techniques, some individuals in a specific population have a higher probability of being selected. With the non-probability technique, you may still be able to generalize your population from your results, but not with any statistical grounds (Saunders et al., 2012, p. 213). Non-profitability techniques contain of three main methods, quota sampling, convenience
sampling, and snowball sampling (Bryman and Bell, 2011, p. 190). Were convenience sampling entails the researchers sample to individuals close to the researcher making it easy for the researcher to conduct the study (Bryman & Bell, 2011, p. 190). Quota sampling on the other hand, is a represented sample that may include certain criteria of the individuals selected to the study. Criteria may be certain age, gender, origin, or other specific characteristics (Bryman & Bell, 2011, p. 193). Snowball sampling starts out with one or more initial contacts that then becomes a chain effect where the initial persons is then used to gain further respondents (Bryman & Bell, 2011, p. 192-193). Hence, these techniques and methods can therefore not be explained as random sampling.

This study will apply a non-probability technique because it is assumed to be more suitable when doing a qualitative study with interviews. The sampling method can be described as a convenience. The authors have sent out requests for interviews to those real estate companies that were of interest and exceeded the criteria of the extension of the law of annual reporting (SFS 1995:1554). The response from the contacted companies were thereafter different and the companies that showed interest in participating was booked for an interview. The sample consists of different real estate companies, were some of them have their main business in ordinary housing, and others in renting other facilities. The sample can be described as diversified with participants of both large and small sizes, but all are still above the criteria of mandatory disclosing a sustainability report. The only limitation was that it was not enough time to interview all the companies within the sectors. Quota was not suitable for this study as there were no specific criteria that the companies had to meet rather than the regulating criteria. The regulating criteria where only to ensure that that the participating companies had to disclose a sustainability report for the fiscal year of 2017. Due to lack of prior contact within the industry, the snowball sampling method was not an option.

3.1.2 Sample Criteria

The sample goal was to achieve theoretical statutory and have a representative number of companies from each sector. To achieve statutory, a sufficient part of the population is required, and the breakpoint is when more interviews will not contribute to further knowledge (Saunders et al., 2012, p. 235). Furthermore, many of the contacted companies have disclosed sustainability information over a long time. It can be assumed that they have good experience and knowledge. This justifies the number of interviews as the participating companies will then contribute with sufficient insight into the different sectors processes and how they work with the sustainability reporting. Many of the companies have long time experience of sustainability reporting, which is an important factor in the establishment and process of the report. It is therefore considered that increasing the number of participants will not give any further knowledge because of the similar conditions. Other conditions like geographical location and type of organization are also factors that matters, but in time and experience, these will align towards the same process. Thus, the authors consider that theoretical statutory have been achieved with 8 participants from each sector, in other words 8 public companies and 8 private companies making it total of 16 interviews.

In a qualitative research, it is essential for the study what sample is chosen, as it is sensitive and plays an important role in the study (Dalen, 2015, p. 58). It is important that the sample is not too big as it will consume a lot of time interviewing and transcribing the data. The quality of the sample is therefore more important than the quantity, so that the researchers gets enough comprehensive material to be able to interpret and analyze the
interviews. To ensure the comparability, the companies from the different sectors were matched against the total assets as the main measurement. The matching was made so that the largest companies within the sectors were prioritized and made sure that they were relatively equal in regards of total assets. Within the industry, the organizations are composed differently and could be difficult to compare size and structure of public and private companies. Therefore, the total assets helped constitute a good measurement since it is their main business and objective to own properties.

From business retriever it was found that the total numbers of companies that met the criteria were 80, see appendix 2, 47 public companies and 33 private companies. Due to the time constrains the authors decided that an initial contact around half of the available 80 companies would be sufficient and result in a good response rate. In total, 38 companies were contacted, equally on both sectors. The 16 companies that responded and participated accounted for a fifth of the total companies. This is considered by the authors as an acceptable proportion of the population that could be compared and analyzed to understand the differences. Since the sustainability reporting has gone from voluntary to mandatory and the regulation has created new conditions, most of the companies are facing the same challenges. This was noticed relatively early as the responses converged among the companies and between the sectors towards similar answers. This strengthens that it was a representative number of participants and that theoretical statutory was achieved. If the sample were to be expanded, this would not have given any new information or explanation that would have changed the perception of the processes. With a bigger sample, other respondents could have given unique answers about their process, but it would not have affected the general opinion and understanding. The industry is homogenous since the companies have one service, to own and manage properties. The service is carried out in the same way among the industry and there are no real differences in the operations. This also indicates that the answers will converge due to similar operations and achieve theoretical statutory. Rowley (2012, p. 263) defines that for new researchers 12 interviews for a duration of 30 minutes would be adequate. As the authors identifies themselves as new in the topic and as researchers, this is a good guideline to follow. However, the interviews lasted as long as needed in order for the interviewees to tell their story and allowing the researchers to gain sufficient empirical material. The 30 minutes were therefore used as a reference point on the minimum time required. The most important was to get theoretical statutory which was gained, and the authors feel confident with that the 16 interviews are sufficient and that further interviews would not contribute for additional knowledge.

3.1.3 Sample Process
In the process of finding both public and private companies, the database Business Retriever was used to filter out the companies that met the requirements of mandatory disclosing a sustainability report. The business retriever list was then transmitted to an excel file to make it easier to handle and work with. Continuing, the authors manually double-checked all the companies on that excel file to ensure that they were all in fact real estate companies with the correct SNI codes and met the requirements of the law. By reviewing company’s webpage, company description and their management report it could be ensured that the population was correct, and the sample could be determined. The 38 companies that were approached, were evenly matched in total assets, seemed like interesting companies and most importantly met the law requirements. The majority of the companies answered positively to the initial email where the authors introduced
themselves and the degree project as well as the choice subject. Eventually we got 16 companies that were interested in participating in the study.

It was however difficult to find private companies where the parent company met the requirements. Because, the requirements from the law of annual reporting concerns parent companies, and it was rarely that the parent company met these requirements, the requirement was however meet by the group. We therefore had to find guidance in the law, stipulated that groups have to disclose sustainability reports as well. In the law of annual reporting chapter 7, 31a§, guidance was found stipulating that groups have to disclose sustainability reports when one or more group members reaches the criteria. Thereafter, the number of companies that could be included increased, it was however important to check that the group did not have too diversified operation. Therefore, some limitations had to be decided to ensure that their real estate business were the majority operation or at least the base of their operation. Furthermore, the companies had to have their operation in Sweden to be included in this study.

3.1.4 Sample Loss
Out of the 38 companies that was initially contacted there was unfortunately some companies that did not respond or declined to participate. The respondents that did not want to participate either did not have time or were too new with sustainability and therefore worried that they would not be of help to this study.

Of the scheduled interviews, none of them dropped out or had other complications that forced them to not participate. However, one company had to reschedule due to sickness, but it did not affect the interview and it could be conducted at another occasion.

3.2 Interviews
By conducting interviews, data can be gathered in a relevant way (Lantz, 2013, p. 13). There need to be an alignment between the research question, purpose of the interview, research strategy and the interview in order to provide significance data and do a relevant analysis (Saunders et al, 2009, p. 318). The purpose of an interview is to ask relevant questions that are connected to the research question and then let the respondent answer and explain to get a better understanding. As Bryman and Bell (2011, p. 466) states, there is a difference between a qualitative research and a quantitative research. Quantitative research and questionnaires are for example more structured since they have more specific targets that are being investigated (Bryman & Bell, 2011, p. 466). Qualitative studies tend to be less structured in order to not limit the answers from the respondent. Rowley (2012, p. 263) discuss the length of the interview and number of respondents and states that it depends on the nature of the research purpose and question. It is instead up to the researchers to decide the right number of participants and interview length that is appropriate.

3.2.1 Interview Structure
A qualitative interview can be conducted in different ways. According to Myers (2013, p. 122) the interviews can be either structured, unstructured or intermediate, which means that they are a mix between the two. Saunders (2009, p. 320) gives an example of a typology were the different methods are categorized after the level of structure and formality. They can then be seen as structured interviews, semi-structured interviews and unstructured, or in-depth interviews. Rowley (2012, p. 262) confirms this and states that the methods often are categorized after how structured they are.
Structured interviews are quite standardized and can in times be similar to a questionnaire that are used in a quantitative research (Lantz, 2013, p. 44; Rowley, 2012, p. 262). As described by Saunders et al. (2009, p. 320) the respondent gets questions that often has pre-coded answers for them to answer. The structured interview has a social interaction and interplay between the interviewer and respondent that differentiate the qualitative “questionnaire” from the quantitative. The structured interview also helps restrict the non-response error that easily occur when a questionnaire is sent out (Rowley, 2012, p 262).

In the semi-structured interviews, the researchers have an interview guide that they base their questions on (Bryman & Bell, 2011, p. 467). The interview guide and questions are usually based on themes connected to the research purpose and research question and are meant to guide the interview (Saunders et al., 2009, p. 320). As Bryman & Bell, (2011, p. 467) discuss the researchers do not have to follow the exact order of the interview guide but instead can choose the order freely. Furthermore, it is up to the researchers to decide if any questions that are not included in the guide should be added or if any follow up questions are needed in order to get the main question answered (Bryman & Bell, 2011, p. 467; Rowley, 2012, p. 252). Notes are usually taken during the interview and it is also recorded in order to be transcribed later (Saunders et al, 2009, p. 320).

Unstructured interviews are used to get a deeper understanding of a particular area (Saunders et al, 2009, p. 321). Contrary to structured and semi-structured interviews, the unstructured do not have prepared questions and instead the participant talks freely about the subject or different situations (Collis & Hussey, 2014, p. 133; Lantz, 2013, p. 43). The unstructured interview needs some skills in order to conduct it in a proper way and the data can be difficult to compare since the participants talks about their perceptions (Rowley, 2012, p. 260).

In this thesis, semi-structured interviews will be used. In order to get the best understanding of the companies’ processes, they are supposed to answer freely on how they conduct their report. An interview guide will be used during the interviews in order to cover the different themes and questions that is needed for the analysis. There are some more fundamental questions on each theme that will be asked and talked about. The companies will answer the questions in stories and will lead the conversation. If several questions are covered in one answer, it might not be necessary to ask all the questions. During the interview, it can also pop up follow-up questions that might be of interest for the study and to accomplish the purpose.

3.2.2 Interview Guide

Bryman & Bell (2011, p. 473) refers to the interview guide as a “list of memory” that helps the interviewer during the interview. It can be suggested questions or a list of issues that could be asked during the interview (Kvale & Brinkmann, 2009, p. 130). Usually the interview guide and the questions are structured in themes that are connected to the research purpose and question (Saunders et al, 2009, p. 320). It is also important that the questions have a proper academic language so there are no misunderstandings during the interview (Rowley 2012, p. 265).

The interview guide for this thesis is structured in themes related to the theoretical framework, see appendix 3 and 4. The first part consists of some opening questions to get a better understanding of the company. The second part is related to the institutional theory and the motivation behind their sustainability report. The third part is related to
the new regulation (SFS 1995:1554). The fourth part is related to the GRI framework and the process of establishing a report. And lastly, the fifth part are some ending questions to ensure that everything has been covered and if there is any further information that the interviewee wants to share. Together they represent the theoretical framework and will be of help when analyzing how companies establish their report. The five phases of the GRI framework is a major part of the interview guide because it will help the authors understand the different processes. It is however not a problem since many of the questions related to the five phases also include questions that are related to the other theories. It also helped to give a good structure for the guide since the phases have a mutual arrangement (Lantz, A, 2013, p. 73). Rowley (2012, p. 265) says that the order of the question is important since they often give context for each other and together help to better understand what is asked.

The interview guide was shared and reviewed with a person who works with sustainability services at PwC, this person has good understanding of the sustainability requirements and the extension of the law. This person looked over the questions and gave feedback on them for the authors to adjust to be more specific and correct. The received feedback was that the interview questions were relevant and will give desired result to answer the research question. The first two interviews were scheduled with one-week gap to have time to review the interview and make sure that the questions were understood correctly. After the first interview, time was set aside to evaluate the question together with the interviewees. There were not any problems with the questions and the authors were satisfied that it would help answer the research question.

3.2.3 Interview Preparations

The initial preparations consisted of a first contact with the companies that were of interest for the study. When a sufficient amount of companies was willing to participate a letter of information was created. The information letter had the purpose to further introduce and explain the thesis and the meaning of the interview.

About a week before the interviews were supposed to take place the information letter was sent out. The letter was sent out together with the interview guide. In order to give the companies some time to prepare and get comfortable with the questions and topics that were going to be discussed during the interviews.

3.2.4 Conducting the Interview

For simplicity, due to participants and the authors different geographical locations and to save time, money and avoid travel for the authors, thus, it was agreed to have the interviews over the phone, as discussed by Bryman and Bell (2011, p. 489). However, it would have been preferable to have the interview face-to-face, allowing the researcher to read the interviewee’s body language and take that into consideration when analyzing the results (Collis & Hussey, 2014, p. 134-135).

As the interviews was conducted over the phone there were some risks that the authors had to be aware of, for example disturbances and noise. It was therefore important that the researchers could find a quiet place and be undisturbed as the interview was being audiotaped to later be transcribed. For simplicity it was decided to conduct the interviews in the authors home, to ensure that the interviews were not disturbed on the authors side. It was also decided on beforehand, to ensure that no misunderstandings or misinterpretations occurred during the interviews or when analyzing the data. That the interview was to be held in Swedish as it is the authors and the participants native
language which will simplify and make the interviewee feel more comfortable during the interview. This is also something that Myers (2013, p. 119) discuss, that making the participant comfortable will give more comprehensive answers. By having the interviews in Swedish, the participants would get more comfortable in their native language and give better answers. Ahrne and Svensson (2015, p. 42-43) further discuss the comfortability of the participants and that it is important to consider the place where the interview is held to ensure their comfortability. Trost (2010, p. 66) even argues for allowing the participants to decide where and how the interview should be conducted. Not only because they have taken the time off for the interview and are kind enough to participate, but also to make sure they feel that they are safe and relaxed. In this case it was conducted over the phone due to the geographical location and therefore difficult factor to affect. Ahrne and Svensson (2015, p. 44) elaborates and bring up some drawbacks of telephone interview. For example, that they tend to be more formal and therefore affect the comfortable and answers of the participants. This was however nothing that was noticed during the interviews and from the discussions with the interviewees it appeared that they were comfortably. Naturally the answers could have been more elaborated during a face-to-face interview even though both the authors and interviewees were satisfied. One drawback that was felt during the interviews was that element of not being face-to-face made it hard to read the interviewee and pick up on things that could have led to further answers. It sometimes felt hard to get a flow in the interview and unfortunately some elaborations of answers were lost due to this. It did however not affect the result and how the authors were able to answer the research question, but with face-to-face interviews it could have been a deeper discussion creating an even better understanding.

The interview started out with the authors calling the participant a few minutes before designated time of the interview, this to ensure the correct phone number and that there were no interferences. This is also formulated by Kvale and Brinkmann (2009, p. 128), that setting aside a few minutes for small talk with the participants will in turn allow them to talk more openly and express themselves more about their experiences. The authors had decided in advance that only one author would hold the interview and the other to be passive, but listening and take notes, this to avoid misunderstandings and keep it simple for the interviewee. The author holding the interview started out with introducing both authors and some background as well as purpose of the study. The author responsible for the interview continued with a brief summary of the interview guide and information letter as all the participants had got and the majority had read. This to ensure that the interviewee had gotten the relevant information and understood the purpose of the study. Furthermore, it was made sure that the participants were aware of what it meant for them and to get an oral consent of their participation. The participants were also informed that the interview was being recorded and that it was only available for the authors and deleted after being transcribed. The participants were asked if they wanted to be anonymous, if they could be quoted and if the participants wanted the finalized product after it has been published. When the brief recap was done and the participant and author holding the interview were ready the audiotape was started, and the interview begun.

During the interview, the participant was allowed to tell his or her story in accordance to the narrative inquiry and was not interrupted (Connelly & Clandinin, 1990, p. 2). However, as it was a semi-structured interview, the author handling the interview came up with sub-questions that was not prepared (Rowley, 2012, p. 262). The sub-questions helped to get a deeper understanding of their process and their motivation in regard to their sustainability report.
There were two companies that had two participants present during the interviews. It did not create any issues, rather a development of the interview because it helped the discussion going and the authors were able to receive more information. When it was two participants, it allowed them to help each other to fill in where the other participant forgot something. This could however cause a biased study because the other participants did not have the same possibility and could therefore have missed something. However, this was not seen as a major issue but rather as further knowledge and insight into the company’s process. Another problem arose however when the interviews were to be transcribed, it was difficult to separate the participants, and know who said what. But as that is not as important for the study itself, the authors saw no major problems with this.

The interview was estimated to take approximately 40-45 minutes and the participants had been informed about this, and the majority had set aside 60 minutes for the interview. As can be seen in table 1 bellow, the time of each interview varied a lot, which can be depending on the personalities as some people have longer and more comprehensive answers and some just answer the questions as it is. Many of the participants also answered many of the later questions early on, but this was not an issue since the authors were prepared for this and got the answers that they had hoped for. On average the interviews took around 35 minutes which the authors are fairly satisfied with. The interview guide was fairly extensive, and the interviews were estimated to last about 45 minutes. The respondents that participated had very good insight in the sustainability reporting and had been involved in the development of the process. The interviewees could therefore retell the answers with quite extensive answers and they often answered several questions at the same time. Since the process of the report has a logic structure, many of the parts of producing the report could be linked together and therefore answered in one answer. The estimated time of the interviewees were therefore shorter than expected.

The transcribed material and empirical data was sent to the interviewees for approval and a confirmation that the companies name could be used. All the companies approved that their company names could be written out in the thesis. Since research question is oriented towards the differences between companies it was decided together that the interviewees names were not relevant for the thesis. Although, the title of the interviewees was included to give a relevant background on the participants role in the company and also improve the transparency.
<table>
<thead>
<tr>
<th>Company</th>
<th>Respondent</th>
<th>Position</th>
<th>Interview length</th>
<th>Date of Interview</th>
</tr>
</thead>
<tbody>
<tr>
<td>Vasakronan</td>
<td>A1</td>
<td>Head of Sustainability</td>
<td>33 Minutes</td>
<td>2018-03-29</td>
</tr>
<tr>
<td></td>
<td>A2</td>
<td>Group Controller</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Diös Fastigheter AB</td>
<td>B</td>
<td>Environmental Coordinator</td>
<td>35 Minutes</td>
<td>2018-04-04</td>
</tr>
<tr>
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<td>C</td>
<td>Overall Manager of the Sustainability Reporting</td>
<td>33 Minutes</td>
<td>2018-04-04</td>
</tr>
<tr>
<td>Wallenstam AB</td>
<td>D</td>
<td>Project Leader in Investor Relation and Communications</td>
<td>41 Minutes</td>
<td>2018-04-04</td>
</tr>
<tr>
<td>Hufvudstaden</td>
<td>E</td>
<td>Sustainability Director</td>
<td>30 Minutes</td>
<td>2018-04-05</td>
</tr>
<tr>
<td>Wihlborgs Fastigheter</td>
<td>F</td>
<td>Environment Director</td>
<td>35 Minutes</td>
<td>2018-04-06</td>
</tr>
<tr>
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<td>G</td>
<td>Communication Director</td>
<td>30 Minutes</td>
<td>2018-04-09</td>
</tr>
<tr>
<td>Willhem AB</td>
<td>H</td>
<td>Chief Financial Officer</td>
<td>35 Minutes</td>
<td>2018-04-20</td>
</tr>
<tr>
<td>Uppsalahem</td>
<td>I</td>
<td>Sustainability Strategist</td>
<td>43 Minutes</td>
<td>2018-04-05</td>
</tr>
<tr>
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<td>31 Minutes</td>
<td>2018-04-05</td>
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<td>K</td>
<td>Environment Director</td>
<td>48 Minutes</td>
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<td>Sustainability Strategist</td>
<td>36 Minutes</td>
<td>2018-04-10</td>
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<td>33 Minutes</td>
<td>2018-04-12</td>
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<td>Chief of Accounting</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Svenska Bostäder</td>
<td>O</td>
<td>Chief Financial Officer</td>
<td>37 Minutes</td>
<td>2018-04-12</td>
</tr>
<tr>
<td>Eskilstuna Kommunfastigheter AB</td>
<td>P</td>
<td>Environmental and Quality Director</td>
<td>35 Minutes</td>
<td>2018-04-16</td>
</tr>
</tbody>
</table>

Table 1. List of Participating companies.

### 3.2.5 Transcribing the Interviews

Jenks (2011, p. 5) explains transcription as a vital part in conducting a research and have four fundamental objectives to achieve. Firstly, to represent a communicative event that took place in the past. Secondly, transcriptions are used to assist the analysis of the data, in this scenario data is gathered through interviews. Thirdly, transcriptions are used to distributing the observations or findings. Fourthly, transcriptions are used so that the studies validity of the researchers claims can get academically verified. There are different ways of transcribing data, some of the most common techniques are through a short narrative, a line-by-line description of the conversation, or a video still or drawing (Jenks, 2011, p. 3). One can also use any combination of these three techniques. Short narrative is when the researcher describes the communication in detail and can be used to briefly explain some circumstances of information before the transcription itself. Line-by-line description is when you transcribe everything that is being said as well as the vocalization of the respondent. The video still or drawing is as it sounds, a picture can be used in the transcription if the communication is recorded on a camcorder.
However, as stated before, the interviews will be audiotaped allowing the authors to easier do a line-by-line descriptive transcription because it is possible to pause and playback the interview to transcribe the actual wording. Meaning that the wording that was said and used during the interview will be the same in the written transcription as the audiotape. Dalen (2015, p. 65) highlights the importance that the researchers do the transcription themselves, as it is a way of getting to know the data, but it also depends on the size of the sample.

As the audio files were only meant to be kept until the transcription, empirical data and empirical analysis was written, after that the files will be removed from the authors computer to ensure that the files are not spread. As the interviews were held in Swedish the data had to be translated into English to be able to do an accurate analysis. This translation decreases however the comparability due to risks of misinterpret words as English is second language for the authors (Bryman & Bell, 2011, p. 482). It was however done with confidence as both authors have been studying abroad and have had several courses in English during the past years.

3.2.6 Coding

It is important to sort out and categorize the collected data in order to make the analysis and overview easier. Coding the data is a good tool in order to get a structure to the material (Lantz, A, 2013, p. 157; Rowley, 2012, p. 268). One way of conducting the coding is by identifying themes in order to separate different content and make it clear (Collis & Hussey, 2014, p. 162; Rowley, 2012, p. 268). The themes could be determined after the interviews to adapt to the most suitable, or it could follow the predetermined themes that the interview was built on (Lantz, A, 2013, p. 157). When the proper themes have been identified, the next step is to go through the text and divide and categorize different parts in the interviews to the right theme (Rowley, 2012, p. 269).

In this thesis, the themes that the interview guide was based on was used. It was also a natural categorization since a process goes through different stages that could act like a guidance. The themes then were how the companies reported before the extension of the law, how the adjustment to the law was, and how their process was conducted for the sustainability report. When presented, the last theme was divided into sub-categories in order to easier identify and compare between the companies.
Chapter 4 - Theoretical Framework

This chapter presents relevant frameworks, concepts and theories. It will begin by going through the GRI framework, followed by the extension of the Law of Annual Reporting and Institutional theory. At the end of this chapter, there will be a concluding summary of how these frameworks and theories will be of help when trying to answer the research question.

4.1 Global Reporting Initiative (GRI)

The GRI framework of how to disclose a sustainability report consists of two parts. The first part includes Reporting Principles and Reporting Guidance, in other words, the input of the report and how to identify the content and ensure the quality to be disclosed (Larsson & Ljungdahl, 2008, p. 68). The second part includes Standard Disclosures, in other words the results and how to disclose it. The first part of the report ensures the quality and content, which is why organizations should consider the Principles for Defining Report Content and Quality (GRI, 2015c, p. 16-17). The second part, Standard Disclosure, is divided into two different types, General- and Specific Standard Disclosures (GRI, 2015c, p. 20).

4.1.1 Principles for Defining Content

The Principles for Defining Reporting Content of the report is a part of the inputs and ensures a balanced and reasonable content included in an organization’s sustainable report (GRI, 2015c, p. 16; Larsson & Ljungdahl, 2008, p. 68). In this study the content is not the main objective, but since it is the outcome of the process it is important to take into consideration. How the companies define and reflect themselves through the content will affect the process and how they conduct the report. The principles of defining content is also similar to the five phases that GRI suggest as a structure. The GRI guidelines integrate into each other and together make a more complete framework.

The Materiality aspect is described by GRI (2015c, p. 17) as the threshold of significant topics that is to be disclosed in a sustainability report. The materiality is decided by taking external factors in consideration and looking on what actually affects the company (Larsson & Ljungdahl, 2008, p. 68). It is assessed from an economic, environmental and social perspective in order to in order to include the content that impact the companies near and future performances (GRI, 2015d, p. 11).

Stakeholder Inclusiveness, in the report, the organization should be able to identify and explain its stakeholders interests and expectations (GRI, 2015c, p. 16). To understand each stakeholder’s expectation and interest can be difficult, as well as to balance the different input of all stakeholders that might be interested and read the report (Frostenson et al., 2015, p. 39-40; GRI, 2015d, p. 9).

Sustainability Context is defined by GRI (2015c, p. 17) as the organizations presented performance in a context of sustainability. The organization should report how they are contributing for a sustainable future without compromising the needs of future generations, as well as how they aim to contribute for future improvements (Frostenson et al., 2015, p. 41; GRI, 2015d, p. 10). Furthermore, the organization should also report how it contributes for a sustainable economy, environment and social conditions, on a local as well as on a global level.

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GRI (2015c, p. 17) defines *Completeness* as whether the disclosure of information is appropriate and reasonable. Sufficient information should be reported to reflect the economic, environmental and social impact and enabling the possibility for stakeholders to assess the organization’s performance and their boundaries (GRI, 2015d, p. 12-13; Larsson & Ljungdahl, 2008, p. 73).

4.1.2 Principles for Defining Quality

The Principles for Defining Reporting Quality guides choices on ensuring the reporting quality (Frostenson et al., 2015, p. 43). These two principles are of high importance and are fundamental for the organizations transparency (GRI, 2015c, p. 17). Principles for defining quality is important to consider in order to understand the outlines of what the companies have as a framework of a good report. As Frostenson et al. (2015, p. 62) discuss, it is easy to create a sustainability report that has quantity before quality. The GRI’s principles for defining quality is a good guideline to make sure that the report is relevant. This part is however not as important for this study, since the intention is not to study the quality, rather the process. In future studies were the reports have been published and available to compare quality, this principle will have more importance. But for now, it creates an understanding and context for the end product.

*Balance* is important for the transparency, as the organization is to report an unbiased portrayal of their sustainable performance and ensuring that stakeholders can assess the organization properly (GRI, 2015c, p. 17; GRI, 2015d, p. 15). It can however be difficult to provide a complete unbiased report, but by including both favorable and unfavorable results in the report it at least reduces the risk of a biased portrayal (Frostenson et al., 2015, p. 44; GRI, 2015d, p. 15).

To enable *Comparability*, it is important that organization’s compiles issues and information’s consistently (GRI, 2015c, p. 18). The reported information should be reported and available for stakeholders to analyze the organization’s performance over time as well as compare it with other organizations (GRI, 2015d, p. 14; Larsson & Ljungdahl, 2008, p. 76). Therefore, it is important that the report is balanced with favorable and unfavorable performances as well as reporting issues and information’s consistently.

*Accuracy* is of importance to ensure that the report holds sufficient and detailed information for stakeholders to evaluate their performance (GRI, 2015d, p. 14-15). In return, this increases the trustworthiness of the organization and their report, which helps stakeholder’s decision-making (Frostenson et al., 2015, p. 45).

*Timeliness*, the organization reports their performance on a regular basis (GRI, 2015c, p. 18). For example, it can be of value to align the disclosure of the sustainability report together with the financial report, to enable for stakeholders to compare and analyze both the financial performance and sustainable performance (Larsson & Ljungdahl, 2008, p. 78).

*Clarity*, the disclosed information should be comprehensible for stakeholders with reasonable knowledge about the organizations (GRI, 2015c, p. 18). The report should be clear, understandable and accessible without unreasonable effort (GRI, 2015d, p. 15-16; Larsson & Ljungdahl, 2008, p. 78-79).
**Reliability.** Stakeholders should be confident of the information provided for them that the process and information is reliably collected, analyzed and disclosed (GRI, 2015c, p. 18). The stakeholders should be able to examine the report with confidence that its content has been appropriately collected and documented, and that it has applied the reporting principles (Frostenson et al., 2015, p. 46-47; GRI, 2015d, p. 16).

### 4.1.3 Standard Disclosures

The Standard Disclosure are as stated before, divided into two categories, General and Specific, which in turn are divided into seven parts respectively three dimensions (GRI, 2015c, p. 24, 43).

The General Standard Disclosures includes seven issues: **Strategy & Analysis, Organizational Profile, Identified Material Aspects & Boundaries, Stakeholder Engagement, Report Profile, Governance, and Ethics & Integrity** (Frostenson et al., 2015, p. 49-50; GRI, 2015c, p. 24). The organization can disclose different numbers of general disclosures depending on their level of reporting, either in accordance to **Core level, or Comprehensive level** (GRI, 2015c, p. 8). What distinguishes them is that the comprehensive level is broader, the organization has to report on all indicators on material aspects, while core level report the essential aspects (GRI, 2015c, p. 11).

The Specific Standard Disclosures has three dimensions which are **Economics, Environmental, and Social** (Frostenson et al., 2015, p. 53; GRI, 2015d, p. 62). These standard disclosures are more specific in the manner of the organization's sustainability impact. The Economical dimension is based on the economic performance and their direct and indirect impact on economic conditions of their stakeholders and their effect on local, national and global economic systems (GRI, 2015d, p. 67; Larsson & Ljungdahl, 2008, p. 95). How their market presence is allocated and the organizational economic impact throughout the society. This indicator could most often be gathered from the financial statements if compiled with accepted international reporting standards, as for example International Financial Reporting Standards (IFRS) (GRI, 2015d, p. 67).

The Environmental dimension concerns organizations direct and indirect impact on the nature, both living and non-living systems, as for example, air, water, ecosystems, and land (GRI, 2015c, p. 52). This dimension covers the organization’s inputs and outputs, in the sense of energy respectively emission and waste (Frostenson et al., 2015, p. 56).

The Social dimension concerns the organizational impact on the social systems where it operates (GRI, 2015c, p. 64). The Social dimension is based on numerous universal standards that are internationally recognized, where many of them are standards from the United Nations (UN) (GRI, 2015c, p. 64). The Social dimension are further divided into four sub dimensions: **Labor Practices and Decent Work, Human Rights, Society, and Product Responsibility** (GRI, 2015d, p. 62; Larsson & Ljungdahl, 2008, p. 101).

The outline of standard disclosure is a general view of how a sustainability report should be structured. The general idea is to report on environmental, economic and social aspects in all areas. The aspects and structures are an important part of the work with sustainability reporting. It might differ between companies what they see as important and what they focus on and thus affecting the process of reporting. For example, a company with a primary focus on the environmental aspect might have more follow ups and internal systems monitoring the environmental impact. Another example, as a
company with a primary focus on the social aspect might have more engagement with community and their surroundings in order to ensure their social work, which they later disclose in order to be transparent.

4.2 GRI’s Five Phases

GRI have developed guidelines in order to make the process easier for the companies when conducting the sustainability report. The guidelines consist of a five-phase model for the process. The five phases are: prepare, connect, define, monitor, and report (GRI, 2014e, p. 9). The five phases are building on the “The GRI sustainability reporting cycle: A handbook for small and not-so-small organizations” (Larsson & Ljungdahl, 2008, p. 111). To establish the report in a structured way is important in order ensure the quality (Frostenson et al., 2015, p. 62). Further, Frostenson et al. (2015, p. 30) says that not conducting the process in a structured way comes with certain risks. The report can for example lose its value and reliability if not conducted in the right way. A structured process helps to identify the relevant aspects and content that should be included instead of the report being a showcase of material that do not fulfill its purpose (Frostenson et al., 2015, p. 62). GRI has developed the five phases as a guideline for the companies to help them give an overview of how to conduct the report in a structured way. The following phases constitutes the GRI’s guidance to a structured process:

The first phase, Prepare, is when all the planning takes place. The companies should assemble the reporting team, get to know all the guidelines and requirements, organize the first meetings and set the agenda for the report (Frostenson et al., 2015, p. 65; GRI, 2014e, p. 10-11). During this phase important decisions and questions need to be decided in order for the process to continue smoothly (Frostenson et al., 2015, p. 66). They should for example in an early stage, ensure the commitment of management, decide on relevant topics and decide whether the report should be integrated in the annual report or a stand-alone document (GRI, 2014e, p. 10-11).

The second phase, Connect, is about analyzing and getting input from stakeholders in order to involve and satisfy their demand (GRI, 2014e, p. 12). It is important to engage stakeholders and consider their input about the company’s activities in order to present a more diversified report (Frostenson et al., 2015, p. 67). In this phase it is therefore important to identify and communicate with the stakeholder what are considered most important for the company (GRI, 2014e, p. 12).

The third phase, Define, apprehends the material aspects and boundaries of the topics that are supposed to be in the report (Frostenson et al., 2015, p. 70; GRI, 2014e, p. 13-15). The material aspect and boundaries are about defining what is really important for the company in their work and reporting of sustainability and how this important issue may matter. GRI (2014e, p. 13-15) defines it as “defining the issues that are really important to achieve your company’s sustainability goals, respond to the information needs of your stakeholders and manage your impact on the economy, environment and society.”.

The fourth phase, Monitor, gathers all the information that are supposed to be analyzed and processed (GRI, 2014e, p. 16). This is an important phase in order to narrow down and obtain the important parts that should be included in the report. Sustainability reports can be used as a tool in order to communicate and create a transparency towards the company’s stakeholders. However, the information is also important internally even though it is not used in the report (GRI, 2014e, p. 16; Larsson & Ljungdahl, 2008, p. 126).
When the company analyze the information, they can extract what is of importance to create change or boost the overall sustainability work of the company.

The fifth and last phase, Report, is when all the information is contained, and the report is ready for publishing (GRI, 2014e, p. 17-18). During this phase the last edits and details are finished. The company have to make sure that the information in the report is correct and decide how to present the full report (Larsson & Ljungdahl, 2008, p. 127-128). The company also have to decide whether the report should be externally assured (GRI, 2014e, p. 17).

4.3 The Law of Annual Reporting

Beginning of 2017, Sweden implemented an extension of the law of annual reporting [2016/17:CU2], requiring Swedish firms who meets certain criteria to disclose sustainability information. This law was stipulated due to the new EU directive as mentioned in chapter 1. According to the new extension of the Law of Annual Reporting (Sw.: Årsredovisningslagen) (SFS 1995:1554) 10§, ch. 6, requires companies that meet the following criteria to disclose a sustainability report:

1. The average number of employees during the last two years should at least be 250 employees
2. At least one of the last two years, the firm’s net sales should be larger than 350 mkr
3. At least one of the last two years, the firm’s total assets should be larger than 175 mkr

According to the Swedish government and the Committee of Civil Affairs, the intention of the new law was to follow the EU’s requirements and help create change towards a more sustainable global economy (Swedish Government., 2016, p. 6). The Swedish government created a stricter legislation than EU, requiring more companies to disclose a sustainability report. With the statutory requirement of sustainability reporting, the government states it will increase the transparency and comparability around businesses (Swedish Government., 2016, p. 6). In their preposition they highlight the possibilities of improving, through regulations, companies impact on the society and environment. The society has then the ability to apprehend their actions and act on the information that is available. With this, the Swedish government also intend to create conditions for a sustainable development for the future (Swedish Government., 2016, p. 6).

The companies that are required by the new legislation to issue a sustainability report need to conduct it according to the Law of Annual Reporting (Sw.: Årsredovisningslagen) (SFS 1995:1554) and the criteria in 12§, ch. 6. The report is then checked and signed by the accredited auditor if it fulfills the requirements of the law (SFS 1995:1554). Since 12§, ch. 6 in the Law of Annual Reporting (Sw.: Årsredovisningslagen) (SFS 1995:1554) is the foundation requirement that Swedish companies with mandatory reporting needs to follow. This study will use this as a framework in the process of identify differences between public and private real-estate companies. Sustainability reporting do not have a clear and standardized way of conducting and presenting the report. The connection among the reporting companies is the new regulation since it is the only requirement they have to follow. This is therefore important to consider when identifying the differences. As Frostenson et al. (2015, p. 30) states, “Sustainability reporting has been essentially characterized and governed by the standardization that has emerged in recent years.”. The new regulation will most certainly characterize the affected companies process of
conducting their sustainability reports and is therefore an important element to understand the differences.

**The Law of Annual Reporting (Sw.: Årsredovisningslagen) (SFS 1995:1554), Chapter 6. Audit management report etc.**

12 § The sustainability report should contain the information necessary for understanding the company’s development, status, result, and the impact of their operations, including information on environmental, social conditions, personnel, human rights and anti-corruption issues.

The report should include:
1. Business model
2. Business policies in the questioned areas, including reviewing the implemented engagements
3. The results of the stated policies
4. Essential risks of the questioned areas and their connection to the business, including, when relevant, the business relations, products or services that could have negative consequences
5. How the company manage the risks
6. Relevant results that affects the business

Extracted from the Law of Annual Reporting (SFS 1995:1554)

Item 1-6 in SFS 1995:1554 is the criteria for the content of the report that the companies need to meet, below are the definitions according to the Proposition 2015/16:193 (2016, p. 45-46).

**Business model**
Only needs to be an introduction and presentation of the company’s business model so that the receiver understands how the company is structured.

**Business policies**
A description of the business policies on environmental, social conditions and personnel, human rights and corruption. If the company do not have any policies on any or some of the areas the reason should be well motivated.

**The results of the stated policies**
Presentation of the outcome of the business policies on the areas of environmental, social conditions and personnel, human rights and corruption and what the result have been for the company.

**Essential risks**
The essential risks that are associated with the business, products or services of the company and could mean a negative impact on environmental, social conditions and personnel, human rights and corruption.

**How the company manage the risks**
How the identified risks are managed, and the companies work in order to improve their business so that the negative impacts will be controlled and reduced.
Relevant results that affects the business
Non-financial information and results that might be of importance for the company and stakeholders and need to be highlighted in order to maintain high transparency.

4.4 Institutional theory

The institutional theory gives an understanding of how organizations adapt to norms and changes in society, and how they react on its environment (Eriksson-Zetterquist, 2009, p. 5). Companies have to adapt to the new regulation and the institutional theory can then be used in order to understand how the adaption is made and legitimized (Meyer & Rowan, 1977, p. 340). The new legislation will change the conditions for the affected companies and they will have to adapt to the new situation. Some of the companies will have to react since they do not report on sustainability before and some companies will have to adjust their already implemented reporting in order to meet the new requirements. The institutional theory gives an understanding of the companies' behavior within the sustainability field since it is highly institutionalized. The actual reporting is based on law and regulations from different authorities. At the same time there are pressure from different stakeholders and actors that affect how the company acts. Within the context of external pressure and factors the institutional theory then give a good perspective on how companies create legitimacy. Bruton et al., (2010, p. 422) discussed how companies adapt and assimilate a certain structure and behavior due to pressures from institutions and authorities. Another theory that could be used in order to analyze the behavior of a company is the legitimacy theory (Gray et al., 1996, p. 45). The legitimacy theory tries to explain the relation between a company’s behavior and different external expectations (Islam, 2017, p. 5). The legitimacy theory means that the existence of a company is influenced by both the market circumstances and different social expectations. A company needs to listen to the societies demands and expectations in order to survive (Islam, 2017, p. 5). Researchers have however been discussing in recent years whether or not the legitimacy theory is too simplistic and ignores important insights of the sustainability reporting and as the reporting keeps developing (Deegan, 2017, p. 81). For example, the tides are shifting from voluntary disclosing a sustainability report to become regulated and mandatory for more and more companies. Deegan (2017, p. 81), therefore argues for the institutional theory that it adds more valuable insight than previous used theories as the drivers of sustainability reporting are becoming more institutional. This study will therefore use the Institutional theory to understand how the companies adapt to the sustainability reporting and its new regulations.

The institutional theory has emerged from systems-oriented theories. Gray et al. (1996, p. 45) defined system-oriented theories as “a more systems-oriented view of the organization and society. These theories permit us to focus on the role of information and disclosure in the relationship(s) between organizations, the state, individual and groups”. Deegan (2002, p. 293) described institutional theory as how organizations adapts to external factors that affect the environmental they act in. Organizations will in accordance with the change that occurs in their environment also change and adjust their operation and structure. In difference with other theories that explains the reactions of organizations, the institutional theory is oriented on how the managers adapts to current and changing norms (Deegan, 2002, p. 294). Isomorphism is the best concept when trying to explain and understand the homogenization that can occur between companies (DiMaggio & Powell, 1983, p. 149). Isomorphism give an understanding of the process when a company try to increase the comparability with companies within the same industry by adjusting and becoming more similar (DiMaggio & Powell, 1983, p. 149).
There are three ways that isomorphism can occur, coercive isomorphism, mimetic isomorphism, and normative isomorphism (DiMaggio & Powell, 1983, p. 150).

The coercive isomorphism is a when the homogenization is influenced and affected by political and more formal factors, for example a government mandate that forces companies to adapt (DiMaggio & Powell, 1983, p. 150). It can for example be as in the case of this study that the extension of the law, SFS 1995:1554, requires companies to establish a sustainability report. In a study made by Boiral and Gendron (2011, p. 345) they conclude that legal affections on the environment play a big role in the process of adjusting and restructuring. Furthermore, it is discussed in the article about the role that institutional pressure plays in the committing companies to sustainability reporting. The authors suggest that in order to maintain a high degree of transparency the coercive isomorphism that are created through institutional pressure should be aimed to favor a more substantive change (Boiral & Gendron, 2011, p. 342). The latest regulatory changes make the sustainability reporting mandatory and can have mixed receiving since it can be quite an adjustment. Over time the new regulation should create a more substantive change though since it aims to integrate the sustainability reporting in the core business, hence making it a more natural part to work with. In an article by Yang (2009, p. 46), coercive isomorphism is described as, “pressures to conform to the expectations of the larger society”. A regulatory chance can indicate in certain expectations on the companies, which in its turn can give different effects on the decisions in the organization (Yang, 2009, p. 46). The new regulation regarding sustainability reporting is a product of the Swedish governments intention to increase the transparency among Swedish companies. The expectation is that the Swedish companies are that the companies should have their sustainability work and the reporting as a prioritized question and integrate it more naturally in the company. The effect of the expectations is although more interesting to see. Some companies might see the regulations as a burden and contractively work with it, while some companies might embrace it and see the positive effect it might have for the company, the reporting and the sustainability work overall.

The mimetic isomorphism is the result of uncertainty and instead of developing the organization in their own way they mimic other companies (DiMaggio & Powell, 1983, p. 151). The mimetic isomorphism could either be intentional through replicating a big competitor that has a structure or strategy that is proven to work, or it could be unintentionally through employee’s mimetic former employers and influencing the companies in a new direction (DiMaggio & Powell, 1983, p. 149). The mimetic isomorphism is also something that is discussed in an article by Hedberg and Von Malmborg (2003, p. 158). It is natural that mimetic isomorphism occurs since companies work close to each other and since sustainability reporting is a complex it is natural to seek inspiration from other companies. Many companies interact with each other or monitor others in order to define issues regarding the report (Hedberg & Von Malmborg, 2003, p. 158). Yang (2009, p. 45, 46) elaborates that "mimetic isomorphism is a response to uncertainty" and that it occurs when the companies face unknown situations where they do not have any strategy or specific guidance. The new regulations create a new set of conditions for the companies and depending on their prior experience and preparations they might be unfamiliar with the new way of reporting. That creates an uncertainty and the mimetic isomorphism is a way of handling that situation. The sharing or inspiration is a help for the companies but can also create a homogenization within the industry or among a group like the private and public real estate companies.
The normative isomorphism often comes from a norms and value and can be linked with a professionalism (DiMaggio & Powell, 1983, p. 152). The normative isomorphism can be divided into two separate categories, were the homogenization in the first category comes from similarities in education and the second category from professional networks (DiMaggio & Powell, 1983, p. 151). Companies have large networks and possibilities to come in contact with each other and exchange thoughts. Such occasions could for example be through different professional and trade associations that a company are connected to (Mizruchi & Fein, 1999, p. 5). Companies within the same industry, like the real estate industry, have access to help through branch organizations and other forums were normative patterns can be created.

4.5 Concluding framework
The GRI framework and the new legislation (SFS 1995:1554) was chosen to understand the processes and identify the differences amongst the companies. Furthermore, the new legislation also creates a new environment for the companies where they have to adapt and adjust their processes and organization. Therefore, the institutional theory, is chosen in order to analyze the behavior of companies’ responses to change.

The GRI is a well-developed framework and often used by companies when conducting a sustainability report. Therefore, their guidelines can work as a good way to categorize and asses the process and procedures of the companies that will participate in this study. The intention is to use the GRI framework and its guidelines in order to analyze how companies conduct their report and what their processes looks like. The GRI guidelines on reporting content, reporting quality, standard disclosure, and five phases gives a good indication on what is essential when conducting a sustainability report. It is important to state that the GRI framework is not a scientific theory or academically proven. As Ahrne and Svensson (2015, p. 210) discuss there are different type of theories that explain different phenomenon’s. There are casual theories that explains cause and effect relationships while other theories can explain the function of institutions and relations in the society, which does not match the GRI framework. Ahrne and Svensson (2015, p. 210) does however describe that there are other types of theories that explain how things work. As the GRI guideline tries to explain how a sustainability report can be conducted and how the process works, it is therefore a valuable tool in the analysis. It is developed by the biggest organization in the field of sustainability reporting and is the most used framework (GRI, 2018f). The framework is well recognized and accepted in field of sustainability and the new Swedish legislation, SFS 1995:1554, is for example formed similarly to the GRI framework. Thus, complimenting each other when analyzing the process of the companies.

The new legislation has changed the conditions for the companies and the requirements of a sustainability report. From being voluntary it has now become mandatory for many companies, and the new legislation is the only requirement that the companies have to follow. The companies are for example free to choose standards as they want but still have to fulfill the requirements of the law. The law is now a factor defining if the companies’ sustainability reports are approved and are therefore affecting the companies’ processes. The new legislation can then work as a tool when assessing and analyzing the companies step-by-step work by looking on the parts that is required to be in the report. In the same why as the GRI framework tries to explain how the process works (Ahrne & Svensson, 2015, p. 210). For example, it can be investigated if there are any differences in policies that are implemented in the company’s, or how the companies assess the risk
that are associated with the company’s business. Which of the required parts does the companies consider to be important and where do they choose to focus? The new legislation is also not an academically proven or a tested theory, but as mentioned earlier it is the only requirements that the companies need to follow in order to produce an acceptable report.

Since the new law have changed the setting and the way that companies have to work with sustainability reporting, there have also been an element of adaptation for the companies. In order to analyze how the companies, adjust to the new requirements the institutional theory have been chosen. This theory is more oriented on answering why companies have a sustainability report. Evidently, many of companies do not have an option anymore since they are obligated by law to have it, but it can be used to look at over time and analyze if companies are acting on the law or had reacted before the law. The institutional theory also helps to identify and give an understanding on their view on sustainability reporting. If the drivers of their report are the new law, pressure of other companies, using it as a comparative advantage or use it as a legitimizing activity. This could also be derived and investigated how it defines the companies work with sustainability reporting.
Chapter 5 - Empirical Findings

This chapter will present the results from the interviews. They will be presented individually within their sector of either Private or Public. The results will follow the structure of the interview guide attached in the appendix. Each sector will have a finishing concluding summary of the similarities and differences within the sector.

5.1 Private Companies

5.1.1 Vasakronan

The interview was conducted with one of the larger private real-estate companies in Sweden. They own and manage properties all over Sweden and the majority of the properties are used as offices or stores. The interviewees had the roles as head of sustainability and group controller and will hereafter be referred to as interviewee A1 and interviewee A2.

History of Sustainability Reporting

Vasakronan established their first sustainability report 2009. Before that, they included some material regarding sustainability and then mostly in the environmental aspect in their financial report. They follow the GRI framework in their report and have done so since they started with the sustainability report in 2009.

“I would say that since... recent years it has been a much more financial focus ... or focus on the financial sector...”

Interviewee A1 says that the step to produce a sustainability report was relevant in time. The shift from integrating some material in the financial report to establishing a sustainability report came naturally for the company. Some of their stakeholders showed interest in the sustainability reporting and were interested in how they would manage it.

“...our owner thought that, shouldn’t you, it was not any explicit requirement, you who do so much good already, it would be interesting to see how you would present your work in such a report.”

Interviewee A1 also said that the industry does not have any big impact on their reporting and that there might be some differences between the companies that are listed and those that are not listed. Companies like Vasakronan, that are not listed, have been able to control the development of their reporting without having too much pressure from surrounding factors.

Adjustment to the Extension of the Law

Since Vasakronan have a solid history of reporting on sustainability, interviewee A1 thought that the adjustment to report under the extension of the existing law (1995:1554) was not so difficult.

“It has not affected us, because we already did what the law requires.”
Interviewee A1 said that the requirements from the extension of the law can be seen as hygiene factor in today's business and that it is something every company should be able to report on.

“However, I am a bit surprised that it was not a requirement that all companies should be able to report their climate impact, or should report their climate impact”

The extension of the law meant very small changes for the actual process of establishing the report. Vasakronan had a systemized process on how to conduct their report which made it easy to adapt and produce the new material that was supposed to be included under the extension of the law. Content like policies and risks is something that Vasakronan worked with on a regular basis and therefore were easy to include.

“Then we do an annual risk assessment where we look at what risks we have and what we can do to make sure that we, ensures that they do not occur. Policies and documents and other guiding documents are a help along the way.”

Process of Establishing the Sustainability Report

Prepare
Vasakronan have a joint procedure between the sustainability report and the financial report. The work starts in September every year when they go through the reports and make a plan for how they should be designed. The outline is later reviewed by the company's auditors in order to make sure that everything is covered.

“... we have cases for our financial report, were we go through what kind of questions we want to highlight in the field of sustainability, what we have been working on in the past year, what we are especially proud of, and what is worth emphasizing”

Vasakronan conduct different workshops and materiality analysis at an early stage in order to ensure that the content and indicators that are supposed to be presented are reasonable. In order to present and make the report as comprehensive as possible, Vasakronan in an early stage monitors and take inspiration from other companies within the same industry.

“...it is also to see if there are any questions that other speaks of that we may not have on our agenda”

Connect
“Owners, co-workers, tenants, suppliers, financiers, and society. It can be different organizations, universities and colleges, agencies and municipalities and so on”

During last year, Vasakronan gathered all their stakeholders for a workshop in order to get their opinion on the subject and what they consider important. Interviewee A1 says that a big workshop like that is conducted with a few years apart, but that they involve the stakeholders in different ways during the establishment of the report. For example, they meet their owners in different occasions during the year, where opinions can be gathered. They always have an ongoing dialogue with their tenants in order to satisfy their demands and what they think is important. Interviewee A2 fills in that financiers are a stakeholder that have had an increased interest of the sustainability report in recent years.
“As it is very connected to financing, green bonds and green loans. There is a more extensive and more frequent dialogue as well [With Financiers]”

Interviewee A1 points out that the materiality analysis and stakeholder dialogue is an important part in order to intercept new questions or issues that they might not have focused on before.

**Define**

For Vasakronan the stakeholder dialogue and materiality analysis are the basis for defining what should be in the report. Through them they collect what is substantial for the company to report on and what their stakeholders view as important.

“…and at the end it is the management of the company that decide what questions that we later report on...”

The environmental and financial aspect is Vasakronan’s main focus. They have seen some economic effects by monitoring ratios regarding energy performance and keeping them low. A certain profitability has made it more important and giving it a higher focus. Furthermore, they speak about the relation between financial risk and sustainability and how it is important to show that the risks associated with sustainability and climate impact will not affect them. Overall it is important for Vasakronan to be transparent about their risk and how they affect their value and current status.

“...how big climate impact you have because of what you do, but also how big risk you have in being damaged by changing climate.”

Interviewee A1 also says that banks nowadays have more interest in the potential sustainable risk associated with the companies and are not solely looking at their balance sheet and income statement to assess the company.

**Monitor**

The data and material that are in the report are collected through Vasakronan’s internal systems. The system gathers information of different departments that then can be retrieved and used in the report. The system also gather data that can be collected and provide a basis for different calculations. Interviewee A1 says that they for example, get help with some calculations on carbon dioxide from an external part based on the information that their system has collected.

Interviewee A2 elaborates that the company has different operational goals that the gathered information helps to monitor. Vasakronan therefor uses the collected data for more purposes than just publishing it in the sustainability report.

” ...energy performance that is an indicator, were we have an operational goal for the company, which all co-workers know about, that we should reduce it with 3 % during the following years and therefore show the importance to follow this during the year and engage the organization”

**Report**

Vasakronan treats it sustainability report the same way as a financial report. It is therefore audited by an external part in order to ensure the quality and reliability of the report.
“...the auditors ask a lot of relevant questions regarding where the data is from, how are you sure that this is the correct data from the system, are there back-ups on this, and what do you do if something is missing...”

Interviewee A1 says that it has help the company to develop their reporting in order to make it as similar to other financial reporting and how they follow-up on it.

5.1.2 Diös

Diös is a real estate company and are listed on the Swedish mid-cap. They operate in northern Sweden where they manage, and own real estates used for stores, office and housing. The interviewee, hereafter referred to as Interviewee B, was relatively new at the position as an environmental coordinator at Diös. Even though that the respondent had relatively short experience with Diös, Interviewee B had however gained good insight of the process from the last sustainability report, conducted for 2017.

History of Sustainability Reporting

Diös have disclosing a sustainability report since 2016 and follows the GRI framework when conducting the report.

“...wanted to show that the company is transparent and publish as much of our work as possible. So, it was based on the legal requirement and from an investor perspective, but also so that the general public can see what we do”

Diös had an impression that a legal requirement would be implemented and therefore established their first report in 2016 to have one practice year. During the first year, Diös used GRI G4 which was updated to GRI standards for 2017.

Adjustment to the extension of the law

Since Diös had one year to adjust to the requirements they did not have any difficulties in the transition to meet the requirements.

“... I do not think there was any difference as to how it was last year and how it was this year. It was more that we this year had to ensure that we reported on the requirements of the law...”

The interviewee B says that the process of establishing the report was not changed due to the extension of the law. Material like policies and risks, that is required to be reported, was something that was already elaborated within the company and could be used in the sustainability report. Interviewee B also said that there were not any big differences between policies and risks that was reported before the extension of the law and in the latest report.

“...make it even clearer [Then last year] what is classified as risks and how we handle them, make sure that the policies we choose are available for everyone”

Process of Establishing the Sustainability Report

Prepare

Diös had recently released their sustainability report for 2017 and almost directly started the initial work with the report for 2018. The sustainability report is connected with the annual report and therefore follow the same procedure. Interviewee B is a part and
responsible for a team of four persons that work on the sustainability report. Two employees from the communications department have the responsibility of the text in the report and the other to collect and analyze the data needed for the report.

“...it is nobody that work with it full-time, everybody has the annual report as a part of their job, so part-time you could say...”

Diös also do some research in the initial phase where they take inspiration from other companies in how to present the report. The inspiration is mostly collected from companies in the same industry on how they interpret and present certain aspects.

The work with the report is also structured and based on the materiality analysis that the company have made. The analysis is made in order to sort out which aspects and indicators that are of most importance for the company. The materiality analysis was conducted through interviews, workshops and dialogues with the identified stakeholders.

**Connect**

Before the first report in 2016, Diös did an analyze in order to identify their stakeholder.

“...the identification of stakeholders and materiality analysis, was not updated this year, but we have plans on doing that, maybe next year or the year after that”

The stakeholder is an important part for Diös’ process and are together with the materiality analysis the foundation of what is considered important for the company to report on.

**Define**

Interviewee B explains that there is a balance in what to report between what stakeholders see as important and identified problems. When defining the content, Diös has based it on the material analysis they did.

“...it is important that we report on the aspects we have identified as essential, furthermore, we try to report on everything that is easy accessible and try to report on as much as possible...”

Diös has also chosen to report to European Public Real Estate Association (EPRA) which is an organization that collects and uploads different reports within the real-estate industry. Interviewee B says that it is mainly for investors to be able to compare different companies in an easy way. EPRA also have some recommendations on what indicators to use in the report.

Energy is an important aspect that Diös reports on since it is the largest climate effect they have. Interviewee B also says that they report as much as they can on their emissions.

**Monitor**

Diös has different systems that help them to collect and gather data that are included in the report. Interviewee B and another person is later responsible to process the data before it is put in the report.
“... we take personnel statistics from our own system, from the payroll system, everything related to energy and water and emission from energy consumption we have a separate monitoring system where we collect the information from...”

The information is then integrated as a sustainability chapter in the annual report and put as a separate appendix in the end of the annual report with tables and diagrams in order to give a more detailed description. Interviewee B also explains that the information gathered is used to some extent internally, mainly in the purpose to highlight and communicate regarding operational goals that they have.

“...if we consider environmental goals, we have our goals that we should reduce our emission and energy consumption, so we communicate that internally, it is also a part of our report, that we show what our actual energy consumption is.”

Report
As stated before, Diös include their sustainability report in their annual report, and they chose not to have it externally reviewed.

“Especially because the one that review it, if we say the auditors, they know too little about sustainability reporting, we more have knowledge than them, so it has not been worth doing it”

Interviewee B also says that the company aims to have a more continuous reporting in order to communicate and improve their overall work with sustainability better. Diös also want to reduce the printed specimens of the report and instead have it in a digital version.

5.1.3 Akademiska Hus
Akademiska Hus is one of the bigger actors on public facilities and operate all around the country. The interviewee will hereafter be referred to as interviewee C, whom is the overall manager of the sustainability reporting for Akademiska Hus. Interviewee C have previous experience from the company with sustainability reporting and different standards.

History of Sustainability Reporting
Akademiska Hus have been disclosing a sustainability report since 2009 and have since then been using GRI framework as guidance. In general, Akademiska Hus is gathering data and does all calculations for the sustainability report themselves, but when the GRI standard is updated the use expertise help to identify the changes that they have to be aware of, this is also called “Gap-analysis”.

“It has been a bit different, but we have during changes in the standard, for example to GRI 3.0, we then had help with the Gap-Analysis. But essentially, we do the sustainability report by ourselves...”

Adjustments to the Extension of the Law
However, due to the early adoption to the sustainability reporting and the GRI standard, the extension of the law did not affect Akademiska Hus. According to Interviewee C, they only had to add and take extra time to reflect on the matter of for example, the indicator of human rights, to ensure they meet the requirements of the law. Otherwise they had no struggle with the extension of the law.
“As we have been working with sustainability questions for a while now at Akademiska Hus, we have had sustainability policies since 2012, as well as our work with risks, it is quite developed.”

As interviewee C continues to answer on the required adjustments they have had to make because of the law. Interviewee C explains how the sustainability is deeply implemented within their organization. That it’s something that they are working on continuously in their organization, and since they are certified ISO 14000, which means that they need to show continued improvements.

“... we are in a quite male dominated industry, but we are working hard on including women into our company, as well as foreign born people...”

**Process of Establishing the Sustainability Report**

**Prepare**

Interviewee C explains that even after just disclosing last year’s financial statement and sustainability report, the work starts right away for preparing the next annual reporting period. For them it starts with a new Gap-Analysis for the new GRI Standard to be implemented for 2018 annual reports.

“My perception is that the annual report and sustainability report is more or less allocated over the whole year.”

Through initial research of others sustainability reporting they found inspiration and guidance on how to view certain indicators and their solutions for it. Akademiska Hus therefore look at other businesses reports, both within the industry but also outside to find inspiration.

“...I mean, sustainability questions are quite complex and overlap each other, it’s not that they are always empowering each other but are instead compromises between themselves...”

**Connect**

Akademiska Hus have three key stakeholders in mind for their sustainability reports, their customers, their owners and the financiers as they are building a lot and needs to borrow money. They also engage their stakeholders through direct meetings with their customers or through phone interviews. Interviewee C also highlight that stakeholder dialogues often gives a new perspective and are therefore valuable for the sustainability reporting development.

“...this organization is quite steady, it’s not that major differences between years, and therefore doesn’t have to do stakeholder dialogues, in-depth stakeholder dialogues with all stakeholders every year... “

Interviewee C recommends arranging a schedule where the dialogues with the stakeholders are with a couple of years in between.

**Define**

Akademiska Hus follows the guidelines and process put forward by the GRI Standard which bases on the stakeholder dialogues and other directive such as owner’s directive
and different laws. Together with the materiality analysis the company gets a framework for defining what is essential for the organization.

Interviewee C thinks in general that there are only minor adjustments in the reporting are made over time. As the standard is free for interpretations of most of its aspects, it is up to the organization to interpret it their way.

“...let’s say that 80-85% is the same, and therefore it’s positive that the standards get updated...”, “...it means that you have to reevaluate your organization again or view it with new eyes.”

**Monitor**
Akademiska Hus uses different data systems depending on what they want to retrieve. With their personnel system they get the statistics of their employees, and through their energy portal they collect the energy consumption in their facilities. The collected data is also used internally to show progress.

“...to the employees as internal stakeholders as well as possible consultants, in a clear way clarify our standpoints and why we work with these questions...”

**Report**
Akademiska Hus publish their report on the web, and if Interviewee C express that this is the last year with the printed copy. Their sustainability report is fully integrated in their annual report. The report is reviewed as Akademiska Hus has a directive that requires them to review their reports. The report and its content are however not externally reviewed.

The final product is then put together in the team of internal communicators and Interviewee C is working together with the financial statement team for the layout and the final touches.

**5.1.4 Wallenstam AB**
Wallenstam is listed in the large-cap and are a real-estate company that works with both management and construction. The respondent was a project leader in IR communications and was responsible for the process of establishing the sustainability report. Hereafter the respondent will be referred to as interviewee D.

**History of Sustainability Reporting**
Wallenstam established their first sustainability report in 2006 and has since 2010 also conducted it in accordance with the GRI framework. Interviewee D explains that the GRI framework helps give a better structure in the report and enhance the comparability with other companies.

“...it is good to have one that many follows, the same framework...”

Interviewee D expresses that there has been an anticipation on the company to report on sustainability and that some stakeholder had an interest in reviewing that information. It is also information that gets more relevance in their process with different municipalities and authorities.
Furthermore, the company's purpose is to clarify and make the information more available regarding their sustainability work. Interviewee D says that there has been a societal progress towards more transparency which also have helped to increase the importance of conducting a report.

**Adjustment to the Extension of the Law**

Since Wallenstam have a heavy experience with sustainability reporting and been doing it for many years, the new requirements did not affect them very much.

"...for our part it has not meant that we all of a sudden have to start establishing a sustainability report, we have already done that for ten, twelve years so to say."

The interviewee D elaborates that the process has not changed but that they have had to overlook and add some parts that were not included before. Reporting on human rights is one example of issues of that not have been on the agenda before the extension of the law. Since the company operates in Sweden and follow applicable rules for example relating to working conditions, the working environment and freedom of association. Interviewee D also says that although it has not been in the sustainability report before the process of including it was not too difficult.

"...we have a pretty clear opinion, for example we have a code of conduct, were we somewhere have a perception about human rights, because much of it is included even though you do not write about it..."

In the same way that Wallenstam have a code of conduct to retrieve relevant information from in order to meet the requirements, they also have an extensive work with risks that made it easy to include in the report.

"...we have a compliance function and that function are the ones that follow up on risks that we have, and also the ones that present the, or maps the risks..."

However, even though the process and work of establishing the report did not change much or were too complicated, Interviewee D stated that the biggest challenge was the presentation and how to put together the different parts. In order to and ensure that nothing was left out and that all required aspects were covered, Wallenstam took help from consultants in doing a gap analysis.

"...they have essentially looked at our GRI report and also compared with the new law and what part we have and where we are and here we have everything in place...", "...it is something we have done to ensure our reporting..."

**Process of Establishing the Sustainability Report**

**Prepare**

Wallenstam has the sustainability report as a part of the annual report process. Interviewee D is responsible for the process and usually starts the work and initial preparations after the summer. The CEO is the main responsible for the report and almost all of the work is performed by the respondent, with some support from the Communication Director.
The sustainability report is based on Wallenstam’s business plan and includes a stakeholder and materiality analysis. The current analysis is still actual since the company usually make business plans for a longer period of five years.

“...2015 we made a profound stakeholder analysis and materiality analysis in order to analyze the material sustainable aspects according to GRI...”

Next year will mean some changes for Wallenstam. For example, their business plan is in the final year, and they will therefore have a more intense initial phase of planning and making a new plan and new analysis. Interviewee D also explains that the company are looking over the organization and strategy in respect of the sustainability work.

**Connect**
The involvement of stakeholders is mainly through the stakeholder analysis in order to decide the material aspects. Wallenstam do not have any direct dialogue with the stakeholders during the establishment of the report.

“The big work with evolving the stakeholders, are when, before every new business plan, when we decide the material aspects that we are going to measure the upcoming years”

Since Wallenstam make an extensive analysis when they conduct their business plans they have a clear understanding of their main stakeholders and their opinions.

Interviewee D highlights shareholders and the financial sector including banks, investors and creditors as important stakeholders. They are a natural since they have a financial interest in the company and the sustainability report helps to give a complete picture of the wellbeing and risks of the company. Internally, the employees are an important stakeholder in order to enhance knowledge and to clarify the company’s work. Tenants are of course an important stakeholder as they are the customers of the company.

**Define**
Wallenstam is comfortable in having the five-year business plan and materiality analysis as the foundation for the report as the industry is not as fluctuating as other industries.

“...it is a pretty inflexible business, it is not consumer goods that can change between months, for us it takes about 18 months to build a new real estate.”

Wallenstam base the indicators they measure on the GRI standard and it is then up to management to make the final decision on which indicators and aspects that are proper. Interviewee D talks about the energy consumption and the carbon footprint reduction in their real estate and how GRI have pretty specific methods on how to calculate those.

**Monitor**
The current system in Wallenstam is that the respondent collects all the data from different departments in the organization. Interviewee D contacts the different departments from whom data is needed. The different departments then compile the data so that it can be collected and put in the report.
“...my job is to find, collect the data, that is how it actually looks, we are a lot of people that works with it and gather the information, but I am the one that collects and writes about it.”

Beyond just presenting the collected data, Interviewee D explains that the information is important to motivate the internal work with sustainability and give an understanding to employees.

“...to get an overview and knowledge over the things we actually do...”

**Report**

Wallenstam has their sustainability report integrated in their annual report and do not get the content externally reviewed. Interviewee D explains that they feel confident in the steps they have taken in order to ensure the quality of the report and that they meet the requirements.

“...we have hired consults that have helped us with certain parts and that have helped us to do a GAP analysis...”

Furthermore, as earlier mentioned Wallenstam are going through a period of change and are in the process of taking the reporting to the next level. They are currently overlooking the process and organization, as well as how they can improve the content.

“We are also going to connect our sustainability work more to FN’s agenda 2030 and that also means that we probably will structure the sustainability report based on agenda 2030...”

**5.1.5 Hufvudstaden**

Hufvudstaden is a listed large-cap company with mainly office and store facilities in Stockholm and Gothenburg. Their main business idea is not to buy too many facilities and have instead a more long-term perspective as they rarely sell their facilities either. The respondent will here-on be referred to as Interviewee E and have been at the company for several years and is the sustainability manager at Hufvudstaden.

**History of Sustainability Reporting**

Hufvudstaden have disclosed a sustainability report according the GRI framework for six years in a row, they reported on environmental questions before that, but Interviewee E is not sure when it all began.

“...it has existed for a while, but it was not a sustainability report in that sense, more like an environmental reporting or something like that.”

Due to increased interest from for example banks they got more pressure mainly in later years, where they have to answer for possible sustainability risks. Interviewee E also highlights that as a real estate company the energy question have been of interest and importance not only for the company itself, but also other stakeholders. It was clear that Hufvudstaden used GRI as guidance and framework, and from the interview it was clear that Interviewee E had no knowledge of other frameworks.
Adjustment to the Extension of the Law
It was not any major adjustments for Hufvudstaden to fulfill the new regulation, as they had been reporting according to GRI for several years. Hufvudstaden was already complying with the law even before it was released.

“It is however good that people, or companies are forced to do it, simultaneously if you can’t cope with the development it can punish you in other ways. ”

The main different for Hufvudstaden would be that it was more implemented up to management level and had to be signed off by the board of directors. They had already been working with diversity and had policies on it and risks, so in general there were no major adjustments for Hufvudstaden after the extension of the law. Interviewee E also highlights the obscurity with the law, that it is hazy and open for defining, each company has to do their interpretation of the law.

“... the legal requirements do not say too much, of course you have to do a sustainability report, but it’s not that comprehensive.”

Process of Establishing the Sustainability Report

Prepare
The planning stage has been more or less the same for the last three years, since the last update of the GRI framework, but it will be changed for next year’s reporting due to a new update to GRI Standard. By looking at competitors they find inspiration of what others highlight in their sustainability reports.

Connect
Hufvudstaden’s main stakeholders are their tenants, employees, shareholders, and their suppliers. The stakeholders are able to lift up their concerns and their interest to the company, for example, the tenants through their yearly contacts with them. They have daily contact with their employees and main shareholders who is in the board of directors. Interviewee E also highlights the concern if tenants and employees really read or reviews the annual reports.

“I would also like to say that it should not be exaggerate the it is very few tenants who reads and reviews annual reports, I think it is very few of the employees who reads it as well, but that is another problem, they should be done a bit more accessible... “

Define
Interviewee E further explains the difficulties with the context of the reports and how it is not that many people who understands a sustainability report. Even though GRI is a good and comprehensive framework, Interviewee E continues with concerns of how it does not contribute for an easy and understandable report.

“... it becomes more for the super-expert or the person who works at a bank who know this, it becomes very technical, nerdy and inaccessible, sadly. ”

Interviewee E further explains that the GRI framework is even really difficult to fully understand. Interviewee E concludes that the goal should not be to do complicated and too comprehensive reports that no one reads. Instead companies should try to do accessible and readable reports that a stakeholder would understand without too much
previous knowledge in the field. Sustainability Reporting is more or less controlled by consultants who makes the report, who develops new standards, and so on. At the end there will only be one person at the company understanding what's going on and understands the report.

Monitor
Interviewee E highlights that for this industry it is probably easier to report on the major factors and indicators since they have those information’s inhouse. Interviewee E also compares with the retail industry. For example, the retail industry always has to collect data from landlords of their energy consumption, while the real estate industry can easier retrieve that information. Furthermore, the collected data, mainly the energy information is later used internally, to show employees the progress of energy consumption and such. Some of the gathered data is also uploaded to their website to increase the transparency of their work.

Report
The sustainability report is integrated into the annual report and Hufvudstaden have taken an active decision of not having it externally reviewed because their stakeholders does not see it as necessary. Hufvudstaden have on the other side external revision on their energy consumption and carbon dioxide emissions to ensure that they are correct calculated. But the sustainability report overall is not externally reviewed more than what the law requires. Interviewee E’s personal goal for the future would be to make future reports easier to read and understand, more accessible for stakeholders.

5.1.6 Wihlborgs Fastigheter AB
Wihlborgs Fastigheter AB is a real estate company that operates in the southern part of Sweden. They only manage commercial real estates like office, stores and industrial properties. The respondent that will be referred to as Interviewee F, have the position as environment director.

History of Sustainability Reporting
Wihlborgs established their first sustainability report in 2011 and conduct the report in accordance with the GRI framework. Wihlborgs follow GRI standards and Interviewee F says that the report has developed over time.

“...it has gone from reporting on everything and that all is equally important to us making a self-assessment about what we consider important and putting focus on that”

Interviewee F explains that the company begun reporting due to increased interest from stakeholders and that they saw a value of communicating and being transparent regarding the non-financial information. Furthermore, the respondent elaborates that over the years the environmental aspect has been the main focus, but they are going to a more holistic report were the economic and social aspects are given more focus as well.

Interviewee F experience that reporting on sustainability has become standard within the industry and that almost everyone presents a report today. However, the industry did not affect that Wihlborgs establish a report and interviewee F rather feels that they were early with reporting but could not for sure confirm it.
Adjustment to the Extension of the Law
Since Wihlborgs have reported for quite some time, the extension of the law did not affect them and the process of establishing the report. Wihlborgs had to make sure that they meet the requirement highlight some questions that not were on their agenda before the extension.

“...that is the benefit of being proactive and lie ahead of the legislation, it does not create as much trouble when it comes, and we have learned how to work...”

Interviewee F also says that the company did not find it very challenging to meet the new requirements. Furthermore, Interviewee F describes that the company have a systematized method on how to conduct the report. Items like policies and risks were something that were already included in the previous reports and the only change was that they had to ensure and complement those episodes, so it would meet the requirements.

Process of Establishing the Sustainability Report
Prepare
As mentioned before, Wihlborgs has a well-structured process and method of conducting their report. Interviewee F explains that they this year started the process with going through their old report and comparing it to the new requirements. This step was conducted in order to see what was needed to be included and improved in the new report.

“...if there is any area where we need to complement so we meet the requirements we focus on that and break it down and distribute the responsibilities that we need to work with and collect data and produce texts that describe how we work with those issues...”

The project leader and responsible is an employee that comes from department of communications. Wihlborgs also have a sustainability group were the chief of different departments is a part of to support the work with the sustainability report.

Wihlborgs also have a materiality analysis partly based on a dialogue with stakeholders that are the foundation of the report. Material aspects are highlighted in order to make the process as smooth as possible.

Connect
Interviewee F highlights shareholders and investors as important stakeholders that have an interest in the sustainability report. Interviewee F further explains that the different stakeholders are involved through different surveys, dialogues and interviews but that it differs between years how much they are involved.

“It is important for us to capture and listen on the arguments that different stakeholders have because they are a big part in that we produce the report and so that we are close to what they expect us to produce”

Define
Interviewee F says that a lot of the content is natural due to the materiality analysis that they have made and the different GRI guidelines that helps structure the report. Further the respondent also explains that Wihlborgs do not want to create a difficult and heavy report.
“...we work in trying to reduce the report as much as possible in order to make it relevant and easily read and also complement with digital version on our website...”

The process for Wihlborgs is that the workgroup together with management and the board discuss the base that they have. This in order to get a clear vision on which material aspects that should be included in the report. Interviewee F says that over the years the environmental aspect has been in focus and in later years they have begun to integrate economic and social also.

“...I would like to widen the report over time, it is still a lot of focus on environmental control and the energy part...”

Monitor

Wihlborgs have their own system where they can collect the data that are included in the report. Interviewee F explains that they within the sustainability group have their areas of responsibility and that each group are responsible of collecting and compile the data that is needed.

Report

Wihlborgs have their sustainability report integrated in their annual report. They also have an appendix where they have different tables and diagrams to further explain. The project leader from the department of communications is the person that puts the report together and add the final touch. The report is however not reviewed by an external part. Wihlborgs is although satisfied with the quality and content of the report. Wihlborgs consider the comprehensive groundwork in form of materiality analysis and dialogues with stakeholder to position the report where it should be.

Wihlborgs strive after having a light report that is easy to read and till next year they want to have a more ongoing reporting during the year.

5.1.7 Olov Lindgren AB

Olov Lindgren AB is a relatively small real estate company that is solely located in Stockholm and has its revenue from its residential tenants and commercial facilities. It is a family business with strong cultural values, where they feel pride of what they do. The respondent is a communication manager and will be referred to as Interviewee G.

History of Sustainability Reporting

Olov Lindgren have been working with sustainability questions for a long time but without a clear structure. The structure came as they did their first sustainability report in 2016. Their first sustainability report was due to knowledge of an upcoming extension of the law that was going to be implemented one year. Olov Lindgren therefore prepared themselves one year ahead to ensure that they understood the topic and reported correctly. As guidance, Olov Lindgren used GRI G4.

“...we made a trial report, we can call it, in 2017, we published it in 2017 for 2016, as we were to learn how to structure our report more accurately for this year, for 2017 legal requirements.”
Olov Lindgren’s main purpose with the sustainability report is to meet the legal requirements as well as meeting and satisfy stakeholders demand as they have an interest in it.

“We have an ambition to build new buildings, as we have not built anything since the ‘90s, we have sort of had a break, and will now begin building again, and then there are additional legal requirements on us to build sustainable.”

Adjustment to the Extension of the Law
Interviewee G thought the extension of the law to be positive as it has helped guide their structure and sustainability work. As they are relatively small with not that many employees, the challenge for Olov Lindgren was to manage the resources to establish the report from scratch while trying to structure it correctly. Locating and analyzing the data of what they actually were doing and what they were not but should do, this was some major adjustments and challenges for Olov Lindgren.

“At the beginning we thought it to be a demand, but when we started working with it the last years, we have been able to use it to structure our own sustainability work and gained increased interest internally, and it has received a more natural focus in the organization.”

Process of Establishing the Report
Prepare
Through workshops, stakeholder analysis and materiality analysis Olov Lindgren determined what to include in the report. Olov Lindgren did this in 2016 and are using the same analysis and findings in the 2017 report because they thought that they had not achieved the desired goals of 2016.

“...so we have been continued the work during 2017 as we try to be transparent with what we do and what we are not as good on but are under improvement, we are however taking small steps because of lack of resources, human resources.”

Their main inspiration and guidance is through their partnership, with a communications bureau, Hallvarsson & Halvarsson that works within the sustainability area, who have introduced them into the GRI framework and helped structuring the reporting process. Otherwise they have also had guidance from auditing firms mainly with legal aspects.

Connect
Olov Lindgren have identified their main stakeholders as their customers, employees, owners, suppliers and politicians. Engaging the stakeholders came naturally when Olov Lindgren did their materiality analysis for their first sustainability report, because they have frequent discussions with their stakeholders, for example with their customers or tenants, they did a “Satisfied Customer Index” (Sw.: Nöjd-Kund-Index (NKI)) to know what is of important issues amongst their tenants.

“...then politicians and officials so to speak, at newly produced buildings, there are extensive environmental programs within local city, that we have to adapt our projects accordingly, we cooperate therefore with them in many of these questions for example.”
Define
As Olov Lindgren did their first sustainability report for 2016 reporting year, their materiality analysis is up to date, as well as their risk analysis. They have however based much of the analysis on the GRI guidance, the requirements and what indicators they had to report on. In this part of the process Olov Lindgren again had support from their partners, Hallvarson & Halvarson, to interpret the framework and the law on what is required by them. However, since their first report there has not been much change in the materiality between the two reports, but it mostly the focus on different indicators that has shifted the most.

“...this year I think it [the report] mirrors our naturally viewpoint on sustainability, quality before wear and tear and so on, thus we do it more like a story than a report, that it has become a more natural part of our organization.”

Monitor
The people in the sustainability committee has their special tasks, where for example one has to collect the waste statistics. So, the committee has individual tasks to collect the required data depending on what role each person has. Interviewee G informs that they use the gathered data internally. However, material used internally is very limited but is something that Interviewee G considers as a future goal to improve.

Report
Olov Lindgren’s sustainability report is integrated within the annual report and it is not externally reviewed. The report is only reviewed by an auditor that the it exists, which is in accordance with the law. The integration of the report is different from previous year, it does now describe the different issues and aspects connected with the organization in a more natural way.

“...it is a learning process, that is how I want to see it.”

As it is quite new for Olov Lindgren they don’t have a proper sustainability manager. They instead have the sustainability committee that are responsible for the area. Furthermore, interviewee G thinks that this position will be introduced to the organization in the near future.

“I think that thanks to the sustainability report, that we [Olov Lindgren] will soon have an own sustainability manager as a new position, something that we did not have earlier, which will increase the focus on our external- and internal sustainability questions.”

5.1.8 Willhem AB
Willhem AB is a fairly young organization that is in their eight fiscal year as they were founded in 2011. They are a private company with their main operation of rental apartments, around 26 000 apartments in different locations in Sweden. The respondent is the CFO of the company and will hereafter be referred to as Interviewee H.

History of Sustainability Reporting
Even though Willhem is a young company, they started disclosing sustainability questions and issues very early, in 2012. It was however not according to any framework, it was in 2013 they had their first sustainability report based on a sustainability standard,
GRI standard because they thought it to be the most acknowledged and suitable framework for them.

“Because it [GRI] is both, it drives the development of sustainability and have helped us over the years to improve our sustainability field.”

Since they did on of their first sustainability report according to the GRI standard there have been few changes in their report over time. There have been some changes but not any major differences over time. Instead it has been more included into the report, aspects that has gained more importance. At first it was only Interviewee H and another colleague who worked with the sustainability report but now they have put together a sustainability team with their individual responsibilities.

Adjustment to the Extension of the Law

Interviewee H’s thoughts about the law is that it should not have to be a requirement on companies to disclose a sustainability report. Sustainability questions and issues are nothing that one does just because they have to, but rather it is something that occur in the whole organization. However, Interviewee H continues that it can be more effective to implement this law to help the sustainability development.

Willhem was however not affected by this new extension of the law since they had already reported on the required issues. What they found to be of some challenge was the requirement to report on the possible risks and human rights according to the law.

“Since we had been following GRI, which actually made us report on many of those aspects before it was a law requirement.”

Willhem had to change their perspective of reporting due to the new law. They had to think more from a communicative perspective on how to disclose the information.

Process of Establishing the Report

Prepare

As Willhem is using monthly follow-up on most of their aspects, for example energy consumption and economic goals. As stated before, they are a group of people who disclose the report and they have their own individual responsibilities and they find inspirations from the GRI framework as well as two other forums. One of those forums is an international real estate organization called GRESB, Global Real Estate Sustainability Benchmark. Willhem sends a comprehensive sustainability report to GRESB, which then compiles the report and where Willhem can see their sustainability position and compare to other organizations. The other forum that they use as inspiration and guidance is the Swedish Green Building Council that sets requirements when constructing new buildings. These are some forums and organizations that Willhem finds inspiration when conducting their sustainability report.

Connect

Willhem’s main stakeholders are their owners, potential buyers and sellers, investors, as well as customers and tenants. However, even if their tenants are very important, it is probably not them they firstly turn to with their sustainability report, even if many customers are interested in sustainability questions.
“... a general change can be seen in sustainability questions, people are much more aware and interested in these questions today than 10 years ago.”

The stakeholders are not involved in the process of disclosing the report. Willhem meets with their stakeholders once in a while to get an understanding of what they consider as important aspects.

**Define**
When Willhem initially started with the GRI framework, they identified what areas that were of importance for them through a materiality analysis. It is the foundation of their report today as well. Then it is their business plan where they clarify their goals which in turn indicates what aspects are important for them.

“...the areas within sustainability have probably not changed, what's important or not. It is more that some areas have gained more room and importance than before.”

They base their sustainability reports on the initial risk and materiality analysis that was made in the beginning. They use however their business plan as ensuring that the annual goals of energy consumption, CSR goals and economic goals are met. And their business plan is reviewed and updated every year together with yearly risk analysis. Interviewee H continues with if the sustainability questions are to be permeated through the whole organization, it is important to have it reviewed and consider what to further develop. Furthermore, to consider what is important for the organization and what goals they should have. Therefore, the business plan is of importance, because this is where Willhem highlights these questions and have an annual review on the document.

**Monitor**
As they have individual responsibilities in their sustainability group, it is up to each and one of them to either find the department or person who have the required information. However, most of the data can be acquired in their systems, energy for example, other data must sometimes be collected from different locations, for example, from offices around Sweden. Interviewee H explains that some of the information is just numbers as mostly can be received from the data systems, but other things could be soft information, so there are therefore different ways of retrieve the data.

The collected data is also used internally as well, for example due to their ambitious energy goals it is important to continuously guide the organization towards the goal, using this information is a great motivation.

“... it is actually not coming from the top to bottom, it is instead the organization that should develop plans and other guidance on how to reach the goals.”

**Report**
The finalized product is integrated into the annual report and have been integrated into every annual report since the start of disclosing their sustainability report. It has been brought up for discussion whether Willhem should employ a sustainability manager to simplify the process and responsibility. Willhem does not have an external audit or review of the sustainability report as there are no clear value of it today.
5.1.9 Concluding Empirical Data for Private Companies
The common outline for the Private companies was that they all disclosed their sustainability report according to the GRI standard and the majority had been doing so for a long time. Owners, investors and financiers have showed an increasing interest of sustainability questions and its effect on the hard values of the companies, thus influencing the private companies into an early adoption of the sustainability report. Furthermore, the main aspect to disclose in their sustainability report was environmental issues but a trend could be noticed that they were moving towards a more holistic report.

5.2 Public Companies

5.2.1 Uppsalahem
Uppsalahem is the biggest real estate company in their municipality. They own 16,731 accommodations, were 3,916 are used as student accommodations. They have over the years constructed a lot but is now in a phase where they have shifted focus on renovating their real estates. The respondent, referred to as interviewee I, work as a sustainability strategist in Uppsalahem and have good insight and knowledge about the process of establishing the report.

History of Sustainability Reporting
Uppsalahem conducted a sustainability for the last three years, 2015-2017. During these three years they have followed the GRI framework. For 2015, Uppsalahem followed GRI G4 and for the other two years they have followed GRI standards. Uppsalahem sees GRI as a good framework to use since it ensures the quality and make the report comparable with others that also use GRI.

Interviewee I says that the municipality always has been ahead with sustainability and for that reason it came natural for Uppsalahem to produce a sustainability report.

Adjustment to the Extension of the Law
Interviewee I says that the Uppsalahem did not have any big difficulties in adjusting to the extension of the law. They found the new law a little hard to interpret and report on some of the new aspects that the extension introduced.

“...according to the legislation we have to report on human rights, and what are human rights for a municipal real estate company”

Interviewee I explains that the they took help from their auditors in order to review the 2016 report and see what they needed to improve to fulfill the requirements. A gap-analysis was completed to make it clear were the report had to be developed. Regarding risk and policies, that are supposed to be included according to the new regulation, it was something that had been progressed over time. As it was not something new, it did not affect the process, more than that there was more information that had to be retrieved.

Process of Establishing the Report
Prepare
Interviewee I has been one of two responsible for the sustainability report, the other person is from the department of communications. The work has been carried out by an editorial group with people that in their turn have been responsible for different areas. Uppsalahem had a well worked out process of how to conduct the report. They started
before the summer in looking over their materiality analysis and material aspects to see if they were still significant. In October they had a meeting in the editorial group where they set the guidelines for how to conduct the report and the framework for the content that should be in the report.

The material analysis, that was the basis for the report, was made in 2015 and is planned to be renewed in 2018. Interviewee I explains that the analysis were conducted with help from consults to get a good understanding of the material aspects. It was also based on a stakeholder dialogue through a survey among tenants, interviews with the owner and an internal workshop. Interviewee I also says that an initial step in the process was to consider opinions from different stakeholders.

“We sent out a survey to our key stakeholders and asked what they thought about last year’s sustainability report and if there were anything in they thought were missing or should be added to this year’s report.”

Uppsalahem have also benchmarked other companies in order to get inspiration for the report, and Interviewee I also says that SABO have been a great help in order to get the right structure, indicators and material aspects.

Connect
For Uppsalahem, the key stakeholders are the municipality as their owner, employees and the current and possible to be tenants. Interviewee I explains that it is the same stakeholder that have been important in their previous reports and that they have a good overview of the stakeholders and their expectation.

The main source of contact with the stakeholders were through the stakeholder dialogue that was established as a part of the materiality analysis. Before the 2015 report they conducted surveys, interviews and ongoing dialogues. Interviewee I explain that the stakeholder dialogue has been checked and updated to some extent so that it is up to date.

Define
As mentioned the foundation for the report is the materiality analysis and the material aspects that were identified in 2015. The management make the final decision on what actually goes in the report before the editorial group put together the outlines for the report and compile the content.

Uppsalahem have a holistic report were the economic, environmental and social aspects all are included. Interviewee I although says that the social aspect is highlighted and the different work and commitments they are involved in are highlighted in the report.

“...as a public company we have a dedicated social work we can say, or a social responsibility, it is about creating housing for everybody and creating safe neighborhoods...”

Interviewee I further explain that SABO as the branch organization have become more interested in helping their members. They are putting a reference group together that can help with certain issues and they also create different forums were companies can increase their knowledge.
“For example, next week there is going to be a day were we and ten other companies are participating and discussions social ratios, what to measure and if we can measure in the same way so it gets comparable.”

**Monitor**

As mentioned, Interviewee I described that the responsibility is divided within the editorial group and that each person then is responsible to obtain the information and data needed for the report. The information is collected from within the company and the information that has been stored throughout the ongoing year.

**Report**

Uppsalahem have structured it so that they integrate what they have been doing during the year in the beginning of the annual report but also have an appendix in order to show and present some information in a clear and structured way.

“...we have really put in the effort in this product, before when we did the sustainability report we made a pretty heavy product. We really put the effort in the first part in order to tell what we done during the year and effort in layout and illustrations...”

Till next year Interviewee I say’s that the focus will be on updating the materiality analysis and the aspects that are in the report. Interviewee I say’s that it is considered to be a heavy process, but it is needed in order to develop the report further.

“...in order to sort out the issues we have the biggest impact and the most important for people to read about, and what they find most interesting for us to report on.”

**5.2.2 AB Stockholmshem**

AB Stockholmshem is one of Sweden’s biggest municipality real estate company and is focusing on housing. The respondent is a sustainability strategist in the company and will hereafter be referred to as Interviewee J.

**History of Sustainability Reporting**

Stockholmshem had not produced a sustainability report prior to the extension of the law and the 2017 report were therefore their first. Interviewee J explains that they early included the environmental aspect in their annual report but did not define it as a sustainability report.

“[Now] We have to, according to the law, we meet all the criteria of big companies...”

Stockholmshem follow GRI in the report they established for 2017 which is chosen by their owner, the municipality. Interviewee J explains that the owners want the companies in the municipality to use the same framework in order to make the report as similar and comparable as possible.

“...I think it is a good framework since it is the most widely used...”

Interviewee J also says that the purpose of the report, other than meeting the requirements, are to be transparent about what they do and what they focus on in their sustainability work. Interviewee J also elaborated that private companies might be ahead in the aspect of reporting on the sustainability and that public companies have been comfortable.
“...we get comfortable sometimes and only do what we must. I think that’s the case this time, because we do not have the interest of looking good in the stock exchange or something like that.”

**Adjustment to the Extension of the Law**
Since Stockholmshem have not established a sustainability report before, Interviewee J says it has been a bit of a challenge. It has been a dual work, were the actual sustainability work in the firm and the report have been developed together. New aspects like human rights and corruption have made Stockholmshem evaluate and make an extensive “due diligence” in order to fully understand how they affect and are affected.

Interviewee J says it have helped the company a great deal and that they have found different gap in the organization.

“We have tried not only to do it for the sake of the report, but also so it is a journey how we actually can improve ourselves...”, “It then becomes a more concrete result, like the next one, during the upcoming year, we have to work with some issues and do it in a more structured way, so we can say next year that we have improved.”

**Process of Establishing the Sustainability Report**

**Prepare**
Since it is the first time that Stockholmshem establish a sustainability report they have seen it as a learning process. They did not have a clear procedure or process on how to conduct the repo and instead had to create it.

“...the first thing we did was to identify our stakeholders and then talk to the person in the company that has the most contact with the stakeholders in order to sort out what they think is most important. So, we did a stakeholder analysis and had a dialogue with the stakeholders, and did a materiality analysis, basically together, and that was the initial phase.”

Interviewee J further explains that the next step in the process was to review the material aspects that was produced from the materiality analysis was to compare them with their own internal material aspects. They looked at directives from their owners, different environmental aspects and goals they had in order to find a balance in the material aspects that was included in the report.

Stockholmshem also benchmarked other companies in order to get inspirations on what to do and how to do it. Interviewee J although says that the biggest support came from their affiliations where they could compare and share thoughts as well as ways to present.

“I think that identifying the indicators that corresponds with our material aspects have been the most difficult part...”

**Connect**
“We have tenants, both for housing and facilities, we have coworkers, our owner, tenant compounds, providers, Stockholm Stad...”, “...we have branch organizations, we are a part of both SABO and Fastighetsägarna that are two big branch organizations...”
Interviewee J says that the interaction and involvement of stakeholders are a part that they can improve. The input from stakeholders comes from ongoing interactions like, surveys on tenants, dialogues with owners during board meetings and dialogues with tenant’s compounds.

“...what we have said is that we need to improve it [stakeholder involvement] but it was good enough this first year. We have not had big focus groups and instead try to find where we meet them today [Daily]...”

Define
The materiality and content have its base in the analysis that was conducted before the report. Interviewee J explains that Stockholmshem defines the content and material aspects through the analysis and the GRI index that they have.

Interviewee J says that the materiality analysis is supposed to be used for the coming years. Stockholmshem do not expect that to much are going to change and with a yearly review and minor updates it is a good foundation. Interviewee J says that the part that is in need of improvement and a yearly update are the stakeholder dialogue.

Monitor
The material that is used in the report is obtained from people in the organization that are experts and have good knowledge on the issue.

“Numbers comes from the finance department, constructions come from those who builds and the project manager. We collect from the experts in the organization, numbers regarding energy is obtained from the energy strategist, and so on.”

Interviewee J also says that the data that are collected is used internally and not only for the report. It is a part of the ongoing reporting in the company and to show how the company are doing on different issues. It is also to some extent reported to management to give an overview of the status and well-being of the company.

Report
Stockholmshem has the sustainability report integrated in the annual report and it only exists as a digital version. Interviewee J says that they do not get the content in the sustainability report reviewed by an external part. They do not get it reviewed since it was their first year of reporting and do not feel ready of being reviewed. Stockholmshem also thinks that there is a lack of knowledge among the ones that reviews.

Interviewee J points out that they want to develop their report and think that they have learnt a lot during the first year.

“...but we can always improve and make it better and clearer...”

5.2.3 ÖrebroBostäder AB (ÖBO)
ÖrebroBostäder AB (ÖBO) is a public real estate company that offers varying accommodations all around the city where it operates and accommodates a third (1/3) of the city’s population. The respondent is the environmental manager of the company, and will hereafter be referred to as Interviewee K.
History of Sustainability Reporting
ÖBO have been reporting on environmental issues and questions for several years, but not as a comprehensive sustainability report. They began 2011 or 2012 with their environmental report, CSR report as they called it, which was a separate document from the annual report and followed a framework called “Eurhonet”. It was developed by ÖBO together with other Swedish and European real estate firms.

“...to try to build up and have some sort of similar structure on it [environmental questions] for real estate companies.”, “And then this group [Eurhonet] was created, to try to reach a consensus and help each other instead of inventing the wheel again, for example.”

For the 2017 annual report ÖBO used the Eurhonet framework, however, Interviewee K thinks that there is a shift for ÖBO, that this report may be the last report according the Eurhonet framework. Interviewee K continues to explain their transition to their first CSR report of when it became a trend in Sweden and rest of the world in general. ÖBO naturally thought that this is something that they should be a part of.

“...as a public company, this with sustainability, mainly the social sustainability is a major fundamental key point in what we are doing.”

Adjustment to the Extension of the Law
Interviewee K thinks that the new extension of the law is generally good, but that it was too defuse and open for interpretation. ÖBO had to ask for advice from their auditors if they had interpreted the law and indicators correctly. They felt some sort of difficulties to report accordingly to the law, mostly because it’s the first year with the requirements of the law.

“...it was difficult to know how to include the new requirements of the law naturally.” “It exists for annual reports in general, so it is valuable that it exists for sustainability as well.”

But in general, there were not any major adjustments due to previous years of reporting CSR. It was however some minor additions to their reports, such as anti-corruption, human rights. Some aspects that was previously covered by the group report was now also included in ÖBO’s sustainability report for 2017.

Process of Establishing the Sustainability Report
Prepare
Through their business plan they have structured clear sustainable areas that should pervade the whole organization. Their planning and preparations are mainly based on their business model where they have identified their indicators. Through their business plan they have clear goals for the organization and the sustainability work. Their business plan extends over a 4-year period and will be updated in 2019.

“...to view the sustainability report as a part of, as a follow-up of our business plan, what has happened during the year, because in our business plan we identify the most important work areas, and then that should also be followed-up in the sustainability report.”
Other inspirations and guidance is also gathered from SABO, which is the parent organization for all public companies. It can be used as a forum for all public companies to help and discuss different topics with each other.

**Connect**

Their main stakeholders are the local government, the board of directors that are appointed politicians by the local government, employees, customers which are their tenants, and the society overall. But according to interviewee K, their customers are probably the most important stakeholder.

Their board of directors are frequently involved in the work of the business plan in form of workshops to identify the significant indicators to focus on. With their tenants they try to involve them in forms of meetings, customer questionnaires, and as well as including them as a taskforce to supervise new projects in their neighborhood. But they are not included into the disclosing of the report, more than what the stakeholders highlight as important for them in terms of sustainability questions.

**Define**

As ÖBO have been very involved in the Eurhonet framework and association, their indicators have been identified earlier. They connect the report towards the business plan and existing goals. Furthermore, the environmental policies that ÖBO currently have are also in accordance and certificated with the ISO-14001, environmental management systems.

**Monitor**

It is the Interviewee K and the sustainability team that consists of the communication-, environmental-, economy- and the social department that collects the data and decides what to include in the report. They do follow-up on the indicators as well as including information’s of what had happened during the year.

“...it is our communications department that together with the concerned department, for example social contract department or environmental department that will decide what to include, what is the most important, what is the essence.”

Much of the gathered data is also uploaded to their websites, social medias and their customer magazine or so-called newsletter. Interviewee K continues to explain their additional purpose of the sustainability report is also to internally inform their employees of the process.

“...to present that what many people actually work with has a deeper purpose than just to earn money to the company or something like that, that it is for so much more, it has so much more additional value to the society.”

**Report**

ÖBO’s report is integrated in their annual report and is not externally reviewed more than the auditing on the annual report by their auditing firm. But the context of the sustainability report is not externally reviewed. ÖBO’s future goals with their sustainability report is to go from Eurhonet, or if possible together with Eurhonet more towards the GRI framework. As well as working more according the global goals and
agenda 2030 that the Swedish government have implemented for a more sustainable and equal future.

“...agenda 2030, mostly the declaration for a sustainable society, with the 17 milestones that they [the government] have, for example, fighting poverty and so on, is pretty much what we should and are working for.”

5.2.4 Förvaltnings AB Framtiden
Interviewee L represents Förvaltnings AB Framtiden are a group of real estate companies that together produced a sustainability report. The group consists of five private real estate companies. The respondent, Interviewee L, work as a sustainability strategist in Familjebostäder i Göteborg AB that is one of the members in the group.

History of Sustainability Reporting
Within the group there is a different level of experience and history of reporting. Some of the companies has reported in some form since a few years back and they followed the GRI framework. The group gave out a light version of a sustainability report in 2013 and 2014.

“...it was not so strategic and instead showed different cases from the parent company you could say. A sustainability report but it did not follow the structure of a sustainability report...”

The most recent report that was given out for the group follows GRI. Interviewee L explains that it was a recommendation from their owner to use GRI and that they saw the value in the report being comparable with other companies and industries. The extension of the law was the reason why Framtiden and the group established their first report. As the biggest public real estate company, they also felt an expectation of producing a sustainability report.

Adjustment to the extension of the Law
As Framtiden did the report as a group they did not find the transition in making a sustainability report so hard. The support and resources that came with doing it together made the process easier. The experience that came with som of the companies also did that they had a sense of how to produce the report.

Interviewee L explains that the biggest challenge was the time aspect and holding their deadlines.

“The parent company that are collecting a lot of information during a short period of time, and we have our annual general meetings within a week, which makes it tight on time...”

As a big group and publicly owned the good governance made it easy to include parts like policies and risks in the report. Interviewee L explains that the municipality have a lot of documents that the group have to follow which also was the basis in the report.

“We have a lot of governing documents and a very clear hierarchy among the documents, so for goals, rules and documents it was pretty clear for us...”
Process of Establishing the Report

Prepare
Framtiden had some previous material in form of a survey sent to the stakeholders and a list of material aspects in accordance with GRI G4. Interviewee L explained that the first thing they did was to review the material in order to define the aspects that should be reported on. It was made from workshops and revision of the documents and business plan for the group.

“...then we did it one more time together with, we had support from consults also to ensure that we meet the requirements and GRI standard requirements and then determined our sustainable aspects for the 2017 report...”

Management and different key persons were involved in the process to determine the material aspect for the report. Interviewee L says that coworkers from communication, marketing, environmental and sustainability strategist also were involved.

Connect
Interviewee L highlights tenants, owners, coworkers and society as their key stakeholders. Stakeholders were an important part in determining the material aspects were the information from the surveys with tenants and dialogues with different stakeholder groups was a solid foundation. Interviewee also explains that there are hard to find a balance between what stakeholder’s think are important and what the company actually can affect.

“...for our tenants the waste issue is very central within the environmental aspect. Waste is visible, concrete, hands on, it is chaos in the sorting room and waste room we get notified about that. If we look at the groups climate and environmental effect, should we only asses it from our largest effect, we should focus and put all our efforts on energy instead...”

Define
The material aspects that was developed in the initial phase was the foundation for the report. Since it was the first year that the group reported they did an extensive work in defining their material aspects and had to weigh in a lot. As mentioned earlier, Interviewee L explained that there is a fine line between listening to stakeholders and what they think are important and presenting the things that the company can affect.

Monitor
Interviewee L explain that they have a comprehensive system of collecting data. Everything that is needed for the report already gets stored, manually, in the company. The only process Framtiden have to do is to collect the data and compile it, so it can be presented in the report. Framtiden had divided the responsibility in the work group so that some persons were responsible for obtaining and process the data.

The data that are collected are not only used for the report but also to follow up on Framtiden and the groups business plan and internal goals that are set.

Report
Framtiden has their sustainability report as a separate document and it does not get reviewed by an external part. They think that they get enough feedback and people that read through it in order to ensure the level of quality. Interviewee L also explains that
they decided relatively early on that they should not get it reviewed since it comes with a relatively high cost.

“We did it for the first time this year, so we wanted to meet the requirements of the law and wanted to strengthen our internal work...”

Interviewee L says that the report has part where it could be improved. Furthermore, Interviewee L states that it has been good for the internal and external work to produce the report since it highlights the topic and bring up the importance to a higher level.

5.2.5 AB Gavlegårdarna

AB Gavlegårdarna is a public real estate company that accommodate a third of the residents in their municipality. The respondent, Interviewee M, is new as communication director but was involved in the most recent sustainability report and have good insight in the process.

History of Sustainability report

Gavlegårdarna was earlier a part of the sustainable housing network Eurhonet. In 2014 they made a comprehensive report in accordance with Eurhonet and their guidelines. There was then two years between 2015 and 2016 when Gavlegårdarna did not do any sustainability report and it was instead picked up in 2017 again. Gavlegårdarna reported on different issues, but it was not a defined as a sustainability report.

Interviewee M explains that it was the extension of the law that made them produce a sustainability report and that they in the report for 2017 follows the GRI framework. Interviewee M also says that the municipality wanted to produce a sustainability report which created a demand for a sustainability report. The report for the municipality was dependent on that the different companies in the group also made a report.

Adjustment to the Extension of the Law

Interviewee M explains that the information has been spread out throughout their annual report and the difference now is that they have aggregated it into a sustainability report. The adjustment to making a report were therefore not so hard for the company.

Interviewee M although says that there have been some challenges when interpreting the different aspects. Much of the content and aspects were already on the agenda before, but aspects like human rights were something that had to be processed and reviewed.

“...what could human rights be in Sweden, so we thought that for us human rights might be to have somewhere to live and how do we do that in a fair way? We thought of queuing system and that it might be a human right to be able to collect points and that everyone can do that and that it is fair....”

Regarding the risk and policy part of the report it was something that Gavlegårdarna already had in the company and was not any special process in developing it.

“We have, as I said, environmental policies, social responsibility policies, and those three parts we have been discussing to combine into one sustainability policy instead. We do a risk analysis every year, we have a business governance system and business plans that we review so we have everything in place.”
**Process of Establishing the Report**

**Prepare**
There was three people in the work group that produced the report. The respondent as chief of communications, CFO and the quality and environmental manager. The initial phase and planning was about getting to know the circumstances and meaning of the law.

“**KPMG had a lecture about sustainability reporting and meaning of the new law, we have been on two, three meetings about the new law and meaning with all of my colleagues in the municipality group.**”

Since it was the first report for Gavlegårdarna and it was connected to the report that the municipality made, they had close collaboration in the initial phase. Interviewee M explains that they during the summer and autumn had a lot of meetings in order to define the aspects and issues that should be included in the report.

Interviewee M also points out that they did a revision of the GRI guidelines and came to the conclusion that they did not have to follow it exactly as it is, and instead selected the part that is most suited for them.

**Connect**
Interviewee M highlights their owner and tenants as the main stakeholders of importance when conducting the report. The owner since the report is supposed to be connected to the municipalities and the tenants since they want to share the work they do and create an understanding for their “customers”.

Tenants were not involved in any particular way in the process of establishing the report other than that they were seen as the reader of the report. As mentioned earlier, the owner was involved in the process from the start and there was an exchange of ideas and influences along the way.

**Define**
The material aspect was processed and defined together with the municipality. Interviewee M also highlights that they want to have a holistic report and that it is equal focus on environmental, economic and social sustainability.

**Monitor**
Gavlegårdarna collects the information during the year through surveys, dialogues, different index and measures that they do. The three in the work are the ones that retrieve and process the information that later are put in the report.

Interviewee M further explains that the information is used internally within the organization and not only in the report.

“**Our balanced scorecard... It is some sustainable, sustainable growth for example, a measure or goal we have in the organization, so we connect it and leads and breaks it down in our organization. So, every unit assess in their operational planning, how can we contribute to a sustainable growth...**”
Report
Gavlegårdarna integrate their report in the annual report. As of before they had information regarding the different aspects spread out in the annual report. Interviewee M explains that they have the information needed to meet the requirements integrated in the annual report and that they further elaborate it in their annual magazine that is given out.

“...we report concluding in the sustainability report that are integrated in the annual report, but refer to the description in the annual magazine where we develop ourselves with pictures and do it more comprehensive in what we mean with social responsibility...”

The report is put together by the working group with help from a bureau that makes the layout. Interviewee M also says that the report does not get externally reviewed more than the check from the auditors that is required by the law.

5.2.6 Skelleftebostäder AB
Skelleftebostäder AB (Skebo) is a public real estate company. They manage real estate for housing and also facilities. The respondents worked as CFO, Interviewee N1, and accounting manager, Interviewee N2.

History of Sustainability Reporting
Skebo has since 2015 have economic, ecological and social sustainability as part of their annual report. Interviewee N1 says that it is common for public companies to include those parts as it is a recommendation from SABO, the branch organization.

“We wrote some before 2015 also, but it was mostly focus on the environmental aspect.”

Interviewee N1 says that the report for 2017 is the first aggregated report and is due to the extension of the law. Further, Interviewee N1 explains that the focus is to meet the requirements and present the work they do within the field for stakeholders.

Since Skebo is a smaller company, they have chosen to follow K3, which are a set of Swedish accounting rules.

“We do not follow IFRS and it is pretty extensive to follow GRI, we are not listed and not that big, so we do not really have the conditions, it is not reasonable that we have all those targets either, we are not that big.”

Adjustment to the Extension of the Law
Interviewee N1 thinks that the adjustment went pretty well, and that their previous work with including information in the annual report helped the transition to the new way of reporting. The challenging part for Skebo was to identify and allocate suitable measures and indicators for the new parts that was included.

“It is the new [aspects] with human rights and prevention of bribery and corruption has not been included before. We have not had any text about it or tried to have any measurable goals or so.”
Company N follow the municipality's policies which made it easy for them to include it in the report. These adopted policies are not stated sustainability policy’s and instead the municipality has policies in different areas like environmental policies and policies on bribery and corruption.

**Process of Establishing the Sustainability Report**

**Prepare**
The managing director, chief of marketing, CFO and accounting manager were the team that worked with the report. Skebo start the sustainability report at the same time as they start working on their annual report. Interviewee N2 says that it was not so much that changed with the process of their establishment.

“Well, we have worked with the sustainability thinking differently for years, so it was not that much of a difference, it was that we had to ensure that we had all the parts…”

Interviewee N2 were responsible in the initial phase to look into the extension of the law. In order to sort out the meaning and understanding of the law so that they could meet the requirements of the law. To ensure that the report followed the regulations, Skebo also attended some courses. They also found inspiration by benchmarking other companies.

“Look at annual reports to get some inspiration, then try and connect it to our industry and see what is relevant when it comes to real estates.”

**Connect**
Interviewee N1 highlights the tenants, residence in the municipality, owner and the bank as the stakeholders they have in mind when they do the report. Skebo does however not include their stakeholders in any particular way in the process. They have a long relationship and good knowledge of their stakeholders and therefor feel confident in what is expected to be in the report.

**Define**
Skebo has a work group that together conclude the material aspects and the content of the report.

“Well, it is pretty informal, or we do not have any template or so, we go through all the areas and what is material…”

Interviewee N1 also explains that since they do not follow a framework like GRI they do not have same requirements in how to structure the report and what to include. Interviewee N2 fills in that it would have been unmanageable and too much work for Skebo to follow GRI. Skebo tries to keep it within the limits of the law and identify reasonable and suitable targets as well as aspects for them.

**Monitor**
In Skebo all the information and data are retrieved from the different departments that it concerns. The different targets are distributed to the chief of the department so that they can keep track and deliver the data that is needed. Interviewee N1 also explains that the data is valuable for the ongoing control for follow ups on the different targets and issues that Skebo have set internally.
“...the energy follow-up is done every month, and would we see that it is of track somewhere, then we get signals and we then have to do targeted actions...”

Report
Skebo has their report integrated in the annual report and much of the content is presented in the management report. Interviewee N1 explains that they do not get the report reviewed by an external part. The report is checked by the auditors that it exists as the law stipulates, but not anything beyond that. The report was put together by the working group with the help from an external communications bureau.

Interviewee N2 further explains that the municipality that they operate in and are owned by have discussions about producing their own report. That would affect Skebo and their way of reporting. They would have to be in line with the measures and targets that the municipality chose so that the report aggregates to the municipalities.

Interviewee N1 also says that it was good to get one first year of reporting but there are some parts that they want to improve.

“...I think that in the future we should highlight the social work that we actually do. We have probably been modest at it, and there are probably more things that we are doing, although we have not seen it or been focusing on it...”

5.2.7 Svenska Bostäder
Svenska Bostäder is a public company owned by their local government, with mainly rental apartments. The respondent is the CFO of the company and will hereafter be referred to as Interviewee O.

History of Sustainability Reporting
Interviewee O starts out with explaining that Svenska Bostäder have been working with most of the sustainability questions without classifying it as a sustainability report. Svenska Bostäder have earlier focused a lot on environmental questions, for example pollution, as well as on economic aspects.

The established sustainability report that are released this year is therefore their first report where they follow a framework and reports on Environmental, Social, and Economical issues. As their guidance they followed the GRI Standard, on a core level. This due to a demand from their local government and owners.

Adjustment to the Extension of the Law
Since this was their first proper sustainability report, Svenska Bostäder had to adjust their reporting a bit. According to Interviewee O it has been a journey for them that began early on to ensure that the requirements were met. Since they have been reporting on environmental issues before it meant that they could keep most of their data gatherings and gap analysis. As Svenska Bostäder did before they had their environmental questions in their management report, so that they just had to lift it up to their new sustainability report. Otherwise it was mainly to supplement the sustainability report with the missing aspects to meet the requirements of the law.

“...but these thoughts of how we are doing, how we are affecting people, especially in our city that we operate in, those are some new thoughts for us to pursue.”
But according to Interviewee O there was no major challenge to disclose the sustainability in accordance to the law since they have been working with most of the questions even though it was without a proper framework.

Process of Establishing the Sustainability Report

Prepare
As stated before, this adjustment has been a journey for Svenska Bostäder. They did not have to start over from scratch, but to report what they have used before and supplement it with further aspects in accordance to a framework. They started this journey already in 2016 with seminars and workshops with their auditor. They then formed a sustainability group with a number of individuals who worked with these sustainability questions. The group consisted of people from Human Resources, Communication and the Environmental department.

“...it is a constant process in progress, how was the report that we did now and what do we need to change for the coming year?

According to Interviewee O they could not have done this extensive work without the help of their auditor. And since this was their first report they have had to try their way forward. Svenska Bostäder got further inspiration and guidance through looking at other companies’ sustainability reports as well as having meetings with similar public companies to learn how they proceed with their sustainability reports.

Connect
Svenska Bostäder identified their stakeholders when they began with their preparations of their sustainability report. Their main stakeholders are their customers, tenants, employees, suppliers and entrepreneurs, and last but not least, their owners and other authorities such as SABO. Svenska Bostäder involve their customers, suppliers and entrepreneurs mainly through dialogs with the company, either through their channels or direct contact. However, according to Interviewee O the channels have not been working properly and Svenska Bostäder is not quite there to fully involve those stakeholders. They have had on the other hand workshops with their owners and employees.

Define
The context of the report is mainly based on the requirements of the law and the GRI standard. After workshops with employees and owners there was many opinions on many aspects that they thought were important. However, the management and the sustainability group had to filter the most important and came up with the following five aspects: local community, indirect economic impact, anti-corruption, energy and pollution.

“...this is not something that just one, two, three or four people should know about, this is something that the whole organization should know and feel engaged in these questions.”

Monitor
Svenska Bostäder have their sustainability group with their individual responsibilities and out in the organization there are people that are expected to report the information forward to these sustainability group individuals. They have then had help by an agency to finalize the report in an appealing manner.

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“...and this is something that should exist from year to year, because it should be possible to measure the change from year to year, to ensure the quality.”

As it is today, they do not use the gathered data for other purposes than the external disclosing, mostly because it is so new for them. But Interviewee O is hopeful for the future use of it in other ways than just external report.

**Report**

Svenska Bostäder’s sustainability report is integrated in their annual report, even though it has an introducing chapter in the annual report. Svenska Bostäder do not have an external review or audit on the sustainability report, mostly because according Interviewee O, that they were not yet there and had to focus on learning how to disclose a reliable and good report. Interviewee O concludes the interview with their vision for the future, and it is to be able to report for their whole value chain and feel confident enough to have an external audit on their sustainability report.

“...if you want to do this for real to inform how you impact your community or surroundings, then you must know your whole value chain that you actually use, and we are not there yet...”

5.2.8 Eskilstuna Kommunfastigheter AB

Eskilstuna Kommunfastigheter AB (Kfast) is one of the largest real estate companies in their municipality. They manage apartments, facilities and commercial buildings. The respondent is environmental and quality director and will hereafter be referred to as Interviewee P

**History of Sustainability Reporting**

Kfast have been reporting on sustainability for some years without calling it a sustainability report. Interviewee P says that they have included a chapter on sustainability in their annual report. Kfast have chosen to follow the GRI framework when conducting their report.

Interviewee P also explains that the reporting has been a product of high awareness in the municipality. They have always been ahead regarding the environmental aspect for example.

“So, it is probably the owner who have been pushing for this for many years...”

Interviewee P also talks about the importance of getting the disclosure of their work out to different stakeholders and how it is good marketing for their work.

**Adjustment to the Extension of the Law**

Interviewee P says that there has not been such a big difference in the process of establishing the report. The work they did and the process they have was a good foundation to elaborate on. Interviewee P however says that it was good that the law got mandatory.

“No, I think it was really good, it shows on us, we stepped up a level...”

Kfast have pretty high ambitions and targets for their sustainability work which also reflects in the report. The company is ISO certified which also favored the work of
including policies for example, since it was something that was already defined in the company. Interviewee P says that they had to work more on the risk part and review it before putting it in the report.

Process of Establishing the Sustainability Report

Prepare
Interviewee P was in charge and responsible for the work of establishing the report and had a work group of three people that helped with the different parts. The closest and most involved person was a journalist that helped conduct different interviews in order to decide material aspects.

“We had a thought, followed GRI and looked at other municipalities. Then we had a plan on what to include and what not to include, so we followed that template.

Interviewee P also says that they benchmarked other companies and found inspiration from their reports.

Connect
Kfast did not have all their stakeholders in mind when conducting the report, but the most important were employees, customers in form of tenants, providers and their owners. The different stakeholder was not involved in any special way during the process, but information obtained in different ways were considered when the material aspects were set.

“...we have a lot of different customer surveys and cooperation’s dialogues with all of them, so they can make, we have their opinions every year, so we have that material...”

Define
The journalist that was in the working group interviewed different people within the company in order to define what was relevant to include in the report. As Kfast is ISO certified they had a pretty good understanding of the different parts and how to include it in the report.

“So, I decided responsible people in the organization that would answer questions, and then I used the journalist to ask those questions and be a part of defining the material.”

Interviewee P says that the content developed quit a lot from how they reported before. With many new parts and a more comprehensive report they elaborated it for the better.

Monitor
As earlier described, Interviewee P point out that much of the information was also obtained through the interviewees that was conducted.

The information is besides being reported important for Kfast and their ISO certification. They have to report on the different areas within the certification at least once a year which also helped to ease the process of retrieving the material.

Report
The report is put together by the working group and finished up by the same person that compiles the annual report.
The report is integrated in the annual report and are separated with a green color on the pages, so it is easy to find and navigate through. Kfast does not get the report externally reviewed either. Interviewee P says that the report works as a reference work and that they have gotten positive feedback on it.

“We have a vision that we should develop it more, make it more qualitative and attractive for people…”

5.2.9 Concluding Empirical Data for Public Companies
The overall outline that was common for Public companies was that they have been including some information about sustainability in their annual report in their past. However, many has not disclosed a stated sustainability report or followed any specific framework. The extension of the law is the main reason why most of the public companies disclose their first sustainability report this year. In the sustainability report that is disclosed this year, the majority uses the GRI standard as their guide and framework. Another clear aspect was that the owners was much more involved and worked alongside the company in producing their report as the owners and company had the shared interest of the public good. Public companies had more cooperation between each other where SABO was a key connection in developing the process and report.
Chapter 6 - Analysis

This chapter will analyze and discuss the findings of the empirical finding presented in the previous chapter. The two groups will be compared and analyzed based on the theoretical framework presented in an earlier chapter and the different themes from the coding’s. Continuing with analyzing the differences and similarities and see what the underlying factors may be.

6.1 Adaption
The actual process of establishing the report is different and unique in every company that have been interviewed and constituted the empirical material. The different sectors have been working with the information regarding sustainability differently in the past, which also have characterized their process to some extent. A quite big difference between the two groups was how they have chosen to include the information and worked with it in the past. The majority of the private companies had followed the GRI framework and had good knowledge and procedures on how to establish a report. The majority of the public companies had instead included information in different parts throughout their annual report with an informative purpose without following any specific framework or guideline. These differences come from the differences in expectations on the two groups. The private companies had expectations from stakeholders, e.g. owners and investors to give a complete disclosure of the company, since it is getting more and more important when assessing a company. The expectations were not as pressing for the public companies and they had to adapt later as it became mandatory. These adaptions can be linked to the institutional theory. As Yang (2009, p. 56) stated, the expectations from society sets pressure on companies to act in a certain way. Both private and public companies adapted to the reporting due to coercive isomorphism since it was different external factors that pushed and motivated them to start (DiMaggio & Powell, 1983, p.150). Even though almost all the companies talk about the value and importance of a sustainability report and disclosing the information, the motivation to actually establish one came out of external factors and the coercive isomorphism (DiMaggio & Powell, 1983, p.150). Since private companies were earlier in adopting and having a certain structure in their reporting on sustainability they also have a bit more experience than the public companies. Overall, the new regulation has a great effect since it creates a substantive change within the companies. This could also be seen through the interviews as the participants sees this as a great development. The new regulation has made them look over their sustainability strategies and work, which in a positively way have affected their reporting.

6.2 Reporting as a Mandatory Element
The extension of the law (1995:1554) was the main foundation for the companies and the requirements that they had to relate to when establishing the report for 2017. The extension of the law meant a new structure to conduct the report according to, and some new aspects that had not been considered before. Many of the issues that were to be included in order to meet the requirements were already a part of their previous reporting or existing within the company. Many of the companies already had existing policies and assessed their risks every year or had it made for their business plan that lasted for a few years. The process did therefore not change too much, and the only difference was that
they had to review their policies and risk assessments and ensure that they cover what the law demands.

Although most of the companies stated that there have not been any major changes in their reporting process, however, an interpretation from the interviews is that it has been some modifications. With the new regulation, new aspects have been included which has to be analyzed and ensured against the law. It becomes an extension of an already existing part of the process and could therefore not be seen as a major change for the companies. The biggest challenge for the companies when considering the new regulation was the aspects of human right and corruption. Companies from both sides said that it was aspects that had not been on their agenda before and needed some efforts in order to sort out what it really meant for a company in their business. Something that could be seen among some of the public companies was that they thought the law was a bit defuse and hard to interpret. The law gave an outline on what to report, but the public companies thought that it was not very clear exactly what to include and what was enough and therefore had to interpret. Therefore, some of the public companies had to invest a little more in process of reviewing and understanding the law in order to fulfill the requirements. As GRI’s principle for defining content it is important to make sure that the content is reasonable.

As a step, GRI (Larsson & Ljungdahl, 2008, p. 72) highlight the importance to put the issue in a sustainability context from the company’s perspective. For example, some companies thought it to be difficult to put human rights into their perspective as a real estate company in Sweden. For that reason, Upssalahem and ÖBO took help from their auditors to understand and interpret the new regulation. Hufvudstaden, from the private sector, expressed some concerns on the law that it was too open and hazy. Although, Hufvudstaden had no problem with how to interpret the law.

The difference between the two groups could have two possible explanations. The experience that private companies have gained in previous years, could have made it easier for them to interpret and understand the law. Since many of the companies had been reporting by the GRI for several years and some of them for around 10 years, they have good knowledge on the procedures when changes are coming. Many of the companies had for example changed from the G4 framework to the new GRI Standards which also helps to get an understanding on how to conduct the process when there is changes and something new might be asked for. There are also similarities between how to disclose a report according to the GRI and the new regulation. The private companies experience, might have made them more familiar with the way of reporting on sustainability, even though it might not have been disclosed in the same way. The other explanation could be that the public companies that are for the public good needs to think and consider sustainability in a more comprehensive way. They have to consider their owners that also are a public authority as well as the society that they operate in. They have another demand on being transparent and open than the private companies. Their reporting should therefore comply with the GRI’s principles for defining content and quality. For example, sustainability context and completeness for defining content, while balance and reliability for defining quality, are good guidelines and steps to make sure of a balanced content. For the private companies it is a good thing to be open and transparent and it can be a comparative advantage in order to fulfil their main purpose, satisfy their stakeholders. For the public companies it is more of an expectation since it goes along with their purpose of acting for the public good. Which could have been the reason why they consider and had more difficulties to interpret the law since they want it to be absolute and without any doubt for the reader.
Except the human rights and anti-corruption aspects, the companies should connect to environmental, social conditions and personnel. None of the aspects were particularly difficult for either of the sectors. Those aspects had been on the agenda in some form and included in their previous reports. It was however interesting to see that there were some differences in the focus of the two groups. Through the empirical data that was collected, it could be seen that private companies focused and talked more about the environmental aspect and public companies put more focus on the social aspect. The private companies were concerned about the energy consumption in the facilities and the omission that they had. Meanwhile public companies talked more about their social projects and social responsibility. The extension of the law seemed to fulfill the purpose of increasing transparency and comparability since it from the interviews appeared that many of the companies worked towards a more holistic report. Reporting under the new standards helped develop the overall work with sustainability for the companies and to add parts like environmental or social aspect in a greater extent.

The difference in focus between private and public companies were however pretty natural. As mentioned it could be explained by their differences in main purposes. For private companies that has to satisfy shareholders and owners it is easy to measure and follow up on environmental issues. How environmental issues affect their business and where is it possible to cut back. Some of the private companies mentioned that they have internal objectives to decrease their energy consumption and omission. The ratios that they use have helped them to streamline their profits, but also valuable for the reporting. For the public companies, the social responsibility comes naturally since it is the backbone of their organizations. All the way from the top, represented by their owners and down to their tenants, they have a responsibility to create housing opportunities as well as a safe and secure city. It is therefore in their interest to highlight the projects and work they do in order to fulfill that purpose. The different aspects are something that GRI highlights in their guidelines of standard disclosures (Frostenson et al., 2015, p. 53). The Environmental, Economic and Social aspects are all important in order to get a holistic report. The regulation has helped with the progress and to get a substantial change towards a more holistic and transparent report which was noticed during the interviews. This is also something that Boiral and Gendron (2011, p. 342) discuss and highlight that the change that comes from coercive isomorphism, like a new regulation, should create a fundamental change. The companies show awareness of a balanced sustainability report, which indicates that they in the future will include all the aspects in a transparent way.

As Holgaard et al. (2005, p. 362, 371) discussed in their article the first version of an implemented law needs improvement over time. Most of the companies also said that the law was a good first step to set the direction towards a developed sustainability reporting. Furthermore, there was similar opinions amongst the companies that the law could be developed and probably will be over time. Svenska Bostäder for example talked about the external review as one of the parts that probably needs to be mandatory in order for the report to take the next step and maintain a high quality. It is understandable that the review is not mandatory today since it is so new, and enough effort and time is allocated in conducting the report and meeting the requirements as it is. A progress will come in accordance with that the companies get a better knowledge about the reporting.

6.3 Difference in Process

In order to compare the processes between the companies, the GRI’s five phases was used as a guideline. The five phases are a recommendation and a step-by-step method that
companies could use in order to structure and work with the report in a good and easy way. From the empirical data that was collected, it could be seen that the process of establishing the report was not as structured as the five phases from GRI. The overall process for the companies were more of a continuous process that was conducted simultaneously as the annual report. The companies did not have a step-by-step process, although you could distinguish and classify some form of structured process. The “phases” clustered together into the continuous process were the different steps that GRI has identified, did not necessarily come in the same order or had to be done every year.

Prepare
The initial phase looked fairly similar between the two groups. Almost all the companies initiated the work at the same time as they started working on their annual report. The majority of companies had some sort of group that was responsible for the process, but the main responsibility differed among the companies. It was a variation between personnel from the sustainability-, communication-, and finance department that had the overall responsibility and led the process. In the first phase it was about creating an outline for the work that was supposed to be done. None of the companies spoke about a particular action plan on how the process was conducted. The closest was deadlines that was set and gave a rough frame that the companies had to adjust to. A pervading trend that did not differ between the sectors was that a materiality analysis or business plan was governing how the material aspects would be decided. A difference in the process was that the private companies already had a material analysis that was complemented meanwhile most of the public companies made a new one since it was their first year of structured reporting. Another difference was that for the public companies the owner, the municipality, was quite involved and supportive in the process of structuring the outline of the report. Since they shared target group, society, and interest of contributing to the community, it also comes naturally that they cooperate. For many of the public companies, the municipality had a sustainability report or had the intention of producing one which also made it important that they aggregate their reports and converge in the same direction. For the private companies the owner was more passive and participated in the material analysis through stakeholder dialogue.

Other elements that were common were that companies chose to report by the GRI framework and that most of them benchmarked other reports for inspiration and examples on how to present relevant information. This is something that could be linked to the institutional theory and the mimetic isomorphism (DiMaggio & Powell, 1983, p.151). The most common reason among the companies for using the GRI framework was that it was the most used one and made it easier to compare the report with other companies. Which is also in line with the principle for defining quality and the comparability, to be able to compare the results between years as well as between companies (Larsson & Ljungdahl, 2008, p. 76). As GRI is the most used framework it is easy to build a structure that is comparable. Benchmarking is instead a way of taking inspiration and imitating other companies. The mimetic isomorphism is therefore used in order to legitimize themselves through finding new ways of reporting that has been proven to be clear and accurate.

Connect
All the companies have had some sort of involvement with stakeholders in the process of conducting the sustainability report. Some companies have put more focus on stakeholders in the process than others. All the companies from both groups have in some
extent involved the stakeholders when deciding their material aspects. A stakeholder dialogue has been a part of the materiality analysis in order to understand and consider the aspects that stakeholders see as important. It is a natural part of business to listen to the stakeholders and it is also in line with GRI’s guidelines on Stakeholder inclusiveness (Frostenson et al., 2015, p. 67; Larsson & Ljungdahl, 2008, p. 117). The content in the report has to be contemplated and balanced between all the material aspects and what the stakeholders see as important and are interested in. Their expectations are therefore important so that the report fulfill its purpose and satisfy the reader.

As the companies conducted the process in a continuous way much of the stakeholder engagement occurred during the year in different forms. Many of the companies collected opinions from tenants through surveys or “satisfy customer index” and had ongoing dialogues with employees and owners that were some of the more important stakeholders. Some companies like Vasakronan and Svenska Bostäder had workshops arranged in order to involve their stakeholders for example, tenants, employees and owners. It was a difference between public and private companies in which stakeholders they saw as more important. It also comes naturally with their different purposes, as public companies highlighted tenants and society more meanwhile private talked more about the finance sector. It is also reflected in the sustainability reports who the companies consider as their main stakeholder as they focus on different aspects.

Define

All the companies did a material analysis in order to define the material aspects that was included in the report. Many of the companies had carried out a materiality analysis that lasted over a longer period. For example, Wallenstam AB connected the analysis to their business plan which lasted for five years. Since the real estate business is a steady and non-fluctuating industry the material aspects do not change dramatically between the years and it is therefore possible to have the same analysis for several years. Many of the private companies had a materiality analysis that they updated so it was in line with the regulations. Among the public companies there were however more that had to conduct a new materiality analysis. Most of the public companies had some sort of materiality analysis but did not report in the same manner as the private companies before 2017, and therefore puts some effort into the materiality analysis. As earlier discussed, public companies thought it to be more difficult to interpret the law, which could be the reason for the thorough groundwork. This in order to ensure their acquaintance with the law and context. The public companies often worked with the municipality in order to define the correct material aspects. In order to give the sustainability, the right legitimacy both sectors were careful with ensuring that the material aspects and content corresponded with the extension of the law. The legitimacy was in line with the coercive isomorphism since it was an external factor that initiated the action (DiMaggio & Powell, 1983, p.150). Many of the companies talked about the importance of finding a balance between the direct material aspects that the company affected or were affected by and the aspects that stakeholders were interested in reading about. The report was thereafter designed so that it contained the aspects most necessary and the ones most important for stakeholders in order to fulfill the purpose and make it as balanced and reasonable as possible. This is also important and highlighted in the GRI’s principles of defining content and completeness to make sure that the information reflects the companies status in a reasonable way (Larsson & Ljungdahl, 2008, p. 73-74).
Many of the companies also considered the GRI standards and index when deciding the proper indicators. It was important to be able to equate the indicators with the material aspects and what the company actually wanted to measure. Some of the companies said that it sometimes was hard to translate the exact indicator and that they had to interpret and adjust so that they fitted together. It was also found on GRI’s website and in their database that only six of the participating companies was GRI certified. Five out of those were private companies and only one a public company.

**Monitor**

Collecting the data was a process that was already existing within the companies and the phase that was most natural. Many of the companies had internal targets that needed to be measured or policies and initiatives that had to be followed up. The companies already had existing system that stored different data that could be retrieved and used in the report. Many of the companies also spoke with and interviewed different departments regarding the issue that it concerned. Many of the companies had the responsibility of collecting data spread throughout the company and the workgroup. Wallenstam AB had a different process of collecting data in that one person maintained all the contact with different departments and obtained the data. Other companies had a working group were individuals had different areas of responsibility. Another similarity between the companies was that they had internal targets and that the data collection therefore was an important internal tool. Many of the companies talked about environmental targets like decreasing their omission and energy consumption in their facilities. The indicators and collected data helped them keep track on the targets during the year and see if they reached their targets. Since this is a function that already existed in the companies there were no real differences between how they are collecting their data. Most companies work with systems that collect data or has an implemented structure in their daily operations on how to obtain data. It is therefore natural that it also is applied on in the sustainability reporting process and hence there were no difference between the companies. Frostenson et al. (2015, p 71-72) talks about a harmonization were several systems are developed into one single sustainability system. Neither of the companies had a system that was especially developed for the sustainability reporting. Instead they used the resources and already existing systems within the company. To build a sustainability system and reach harmonization could take long time and it is therefore not strange that the companies to not have one this close to the extension of the law being introduced. Over time there will probably be a development so that the companies have a part of system focusing solely on the sustainability issues.

However, as this phase is more related and focused on the organizations internal process and its impact on gathering data rather than the theory stated in the chapter four. This phase is therefore analyzed more from their internal perspective.

**Report**

The end product and the sustainability report were from the majority of the companies integrated in the annual report. Much of the sustainability aspects were described in the management report and complemented with diagrams and tables in the appendix. The process of completing the report looked similar among the companies. The work group was responsible for compiling the text, diagrams and tables. The person responsible and often the department of communications did the last editing and touches on the report before it was done. Almost all of the companies took external help for the actual printing and layout. Since this part of the process is fairly structured and the companies needs help
from external parts with printing there were not any differences between the two sectors. This phase is not a major part of the process and since it is not too many ways to compile the report on it is quite natural that there are not any differences in this phase.

The publishing of the report can be linked to the institutional theory and the mimetic isomorphism as the companies tries to legitimize the report. Many of the companies benchmarked others to find inspiration and how to present the information. What can be seen today is that integrating the information into the annual report is a trend in how many of the companies present their information. As the companies’ benchmark and work close to each other it has become the legitimized way of publishing the report (DiMaggio & Powell, 1983, p. 151). It could also be connected to normative isomorphism as the industry becomes homogeneous from professional networks as the companies develop the same norms regarding how to publish the report (DiMaggio & Powell, 1983, p. 151). Another trend is that many of the companies put the report on their web page and some of the companies even talked about removing the printed version and only have an online version. This could also be connected to the normative isomorphism as the companies adapt to the digitalization and societal norms to make it accessible (DiMaggio & Powell, 1983, p. 151).

One thing that was also similar between the companies was that they did not get the report externally reviewed. The auditors reviewed in accordance with the law and was included in their statement that it existed, but the actual content was never reviewed. The external review was seen as an unnecessary cost or that the auditors did not have the knowledge to reliably review it. Many of the companies believed that they possessed the same knowledge and therefore could ensure the quality of the report. It was interesting though that none of the interviewed companies talked or reflected over the possibility to get the report externally reviewed by someone else besides an audit firm. The actions could be linked to normative isomorphism, were norms and values create a homogenization among companies (DiMaggio & Powell, 1983, p.151). The companies saw the value in getting the report externally reviewed but did not think it was worth it at the moment as it is such a new subject and sort of undiscovered field. This is something that could be changed in the future, from the companies actively search for external assurance of quality and content. The legislation could be updated to further help development and transparency in making it mandatory with external review.
Chapter 7 - Conclusion

The last chapter will go through the derived conclusions of this thesis. The general conclusions will be explained and then the theoretical, practical implications and social implications will be discussed. The last subjects to be discussed are the possible limitations, quality criteria and future research.

7.1 General Conclusion

Considering the new law and the fact that it makes sustainability reporting mandatory for companies that exceeds the criteria, this thesis was made in order to examine the process of the establishment of the report. The purpose was to compare the processes between private and public companies and identify the existing difference between the two groups. Through the thesis, practical knowledge has been gained on how individual companies in the real estate industry conduct their process of reporting and been able to identify some difference between the two groups.

The research question was designed in order to have an essential problem to investigate. It was formulated as followed: What are the differences in the process of establishing a sustainability report between privately and publicly owned real estate companies? GRI’s five phases, the extension of the law (1995:1554) and the institutional theory was then used to analyze the process and adaptation. GRI’s five phases and the extension of the law was used to look at the structure and how the companies managed the requirements and was expected to be in the report. The institutional theory was used to analyze the motivation and how the company legitimized themselves.

In the analysis it becomes clear that there were not so many differences between the groups and the processes were in fact quite similar. The process was continuous and connected to the annual report process. However, the differences that was evident between the two groups was that the main purpose for the organization affected the process of the report. The public purpose characterizes the public companies process and report to focus on a holistic and social oriented report. The private companies see the value in monitoring and reducing the environmental aspects and the effect it has on the economic side.

Another difference was the difference in experience between the two groups. Private companies had reported for a longer period which gave them more confident in the process and the reporting when the extension of the law was implemented. The public companies were new to reporting with a structure and following both the law and a framework and therefore had more problem in getting a clear picture of how it should be done. The lack of experience was however compensated with help and involvement from the owners that assisted with expertise and resources. The public companies also had a great network in SABO their branch organization that helped them in different ways to ease the process.
7.2 Theoretical and Practical Implications

7.2.1 Theoretical Implication
Since a lot of previous studies has been focusing on the motivation behind sustainability reporting or different factors that affect why companies report, this study contributes new knowledge on the process and how companies report. This study gives insight on the development of the sustainability reporting and the differences that exists within an industry. Through the company's perspective a better understanding on how the process is carried out and the how they think throughout the process. With help from the GRI framework and the five phases the processes have been dissected in order to see how the companies structured their work. This thesis is also connected with the institutional theory and the effect that the mandatory reporting has on the process. The institutional theory helped explain motivation between different choices the company's does. This thesis could be helpful for further studies in order to compare between different industries or as a foundation for deeper research within real estate companies and their sustainability report.

7.2.2 Practical Implication
Since society is in a period were sustainability reporting is going from voluntary to mandatory this thesis and the processes that are described could help to give inspiration to other companies. The differences and issues that companies highlight and see as difficult can function as guidance for other companies. It can be good to look on how others do, and as highlighted by the companies, benchmarking is a tool that is used quite a lot.

Since it is focused on the real estate industry, this thesis could give good insight and different perspectives on the process of sustainability reporting. The private and the public companies can see how the other group conduct and highlights in their process and learn from that. It is a good tool in order to evaluate and develop the process since it is a complex field were inspiration is important.

7.3 Social Implications
As this research covers an area of a much-debated topic, sustainability, and is a very important issue for many individuals, organizations and society’s development. Through interviews with several individuals with essential knowledge about sustainability reporting, that have given valuable knowledge and insight to this research. Gaining further knowledge and understanding of sustainability reporting and its process may help other companies how to report and what to include, as well as increasing the transparency in society.

As this study intends to present and compare the sustainability process between two sectors it is important that the gathered information is not distorted or misinterpreted. A misinterpretation could lead to incorrect findings and therefore drawing invalid results and conclusions. Thus, becoming an obstacle instead of the guidance as it was aimed for. The participants would then be portrayed incorrect and the thesis represent wrongful information of the process of sustainability reporting among real estate companies. Which could then affect the overall appearance of sustainability reporting and impede the development of sustainability reporting. Which in turn can have a negative effect on society with not properly functioning sustainability departments amongst large organizations. Either way, this study was conducted with high caution to ensure the
accuracy and not to distort any information. This through providing first-hand insight from practitioners, in other words companies within the population.

7.4 Limitations

By addressing the limitation of this study, it can help develop the future studies within sustainability reporting by informing what limits and issues that was countered during this study. As stated in a previous chapter, introduction, when it was discussed about previous knowledge and research gap. It was concluded that there were a lot of research on “why” companies disclose their sustainability report, it was however very limited on “how” companies do it. This was a limitation that the authors had to overcome and could only find guidance through the GRI framework and interpreting the process of disclosing a sustainability report.

As this study was limited to one specific industry, the findings are also very limited to the same industry. Some parts of the participants process, and procedures can however be used as guidance and inspiration on how to disclose a sustainability report in general, but otherwise the findings are very industry specific. Furthermore, as the thesis is written in English and the interviews were held in Swedish to ensure the comfortability of the interviewee’s. Thus, an unavoidable language bias was created when translating the empirical data to English. All the interviews, transcriptions and citations have been approved by the interviewee’s and thus reducing all risks of interpretation errors.

Due to the nature of qualitative research, the authors are not able to generalize the findings on a larger population, but instead could be applied to other situations and the smaller population that was studied. Even though all the participants are located in Sweden and in the same industry, there can still be differences in their culture and affecting their reporting, depending on where in Sweden they are located. And lastly, as this is the first time the authors do such large study, degree project, that are very specific and have demands that must be met and rather time consuming and more focus may have been put on structure and ensuring the quality. It becomes double work as the authors are to learn how to write a thesis while they are conducting the research.

7.5 Quality Criteria

Lincoln and Guba (1985) have identified criteria for establishing and assessing the quality of a qualitative research, those are Trustworthiness and Authentication and are equivalent to the quantitative research criteria reliability and validity. Lincoln and Guba (1985, p. 300) then suggests that the Trustworthiness criteria can then be further divided into four sub-criteria: Credibility, Transferability, Dependability, and Confirmability.

Credibility of the research findings ensures that it is carried out correctly and that the submitted results can be accepted amongst others in the social world (Bryman & Bell, 2011, p. 396). It can be seen as a confirmation that the researcher has understood the world correctly. The credibility criteria can be further explained as the criteria where the researchers have to ensure for readers that their empirical findings and analysis is trustworthy. However, as this study is based on the several interviews of participants who have deep knowledge and understanding of this field and that this study will be shared with the participants for their approval and be published. It can thereby be said that the results are credible as it cannot be tampered or changed without the participants knowledge.
Transferability is the second criterion that should reflect the validity of the qualitative research. It is however, according to Lincoln and Guba (1985, p. 316) limited to a specific context and time of a qualitative research. In other words, if the same research and data collection would have been done but on other participants, the results should be similar (Bryman & Bell, 2011, p. 398). To help others interpret the context and if it is transferable, researchers can disclose details about the participants and settings to establish transferability. Bryman and Bell (2011, p. 398) continues to explain when a studying a smaller group of individuals with similar characteristics, in this study working with sustainability reporting, they tend to disclose details of a certain process or culture. These disclosed details will then be used as a database to conclude how they correspond to the reality. Even though this research has been studying one specific industry, the findings and interview information can be used by other companies or industries to find inspiration or guidance for their process of disclosing their sustainability report. Thus, it can more or less be transferred to other context and industries. The findings of differences between the two groups is however not transferable to other industries.

The third criterion is Dependability and can be described as the researchers’ transparency of their study, it has also been discussed that the researcher should adopt an auditing approach on both process and final product to establish the dependability (Lincoln & Guba, 1985, p. 317-318). To establish the dependability in terms of the criterion, researchers must disclose clear phases of the study. In other words, dependability is achieved through clear problem formulation, what methods that has been used, the practical approach of the interviews and transcription, and whether the conclusions are justified or not. As this study have gone through chapter by chapter with the goal of a clear and transparent structure. The study starts with an introduction to the subject and the problem formulation. Then the different choices of methods are discussed, as well as theoretical and practical methods. At the end the findings of this research is presented as well as the conclusions that was drawn from the findings. By presenting every part in a transparent way, this thesis has included what’s necessary to replicate this study and can therefore be classified as dependable.

The last sub-criteria for Trustworthiness is Confirmability were the researchers have to prove that they are impartial and independent. The researchers should therefore act in good faith and verify that their own personal values or opinions are excluded to not sway the study (Bryman & Bell, 2011, p. 398). To ensure the confirmability the researchers can demonstrate examples as well as clarify the data sources. Findings and interpretations must also consist of support to be accepted and to ensure the confirmability (Lincoln & Guba, 1985, p. 317-318). In previous chapters it has been discussed pre-understanding and the authors previous knowledge and background of this subject and how it unconsciously could affect the study. Although this subject was selected due to interest of the authors it has been a key point and every decision and have been argued for, ensuring not being biased. This was especially important during the data collection and analysis, not to include personal values and opinions and angle the results in favor of the authors, as it was fragile part and could easily be tampered. The authors were very careful during those stages, not to interpret the data in their advantage. Which is something that has been considered during the whole study and are assessed by the authors to have been fulfilled.
The other main criterion is *Authentication* and concerns a wider range of political impact research (Bryman & Bell, 2011, p. 398). It addresses how fair image the research provides and how the respondent can with the help of the research come to a better understanding of their social situation. The authentication also covers whether the participants get a clearer picture of how other individuals in the research perceive things as well as whether they can change their situation with the help of the research. Lastly authentication covers whether the research has empowered the participants with the necessary tools to change (Bryman & Bell, 2011, p. 399). It is however difficult during the research process to say whether authentication is reached since these sub criteria only can be measured after the participants have gotten to research and can learn more of their own situation and other participants. Authentication cannot be measured until the participants have left their opinion and feedback about the research, the research question and purpose. Authentication will however be considered during the study, and the participants will receive transcription and citations from their interviews for their approval so that they are portrayed impartially or that any information has not been distorted.

### 7.6 Future Research

As this is the first year of the new extension of the law, there are more to cover and learn from it and the affected companies’ processes. And because this is the first year with this law, it would be interesting to see the development and how the differences have changed over time. For example, in five years, when they have acquitted themselves with the process and implemented law. Are there still any differences in how they conduct their sustainability report, or have they converged and become more similar in their way of conducting their sustainability report.

It would be interesting to study the differences between two different industries but also within another industry. The study can be conducted similarly but mainly looking at a new industry that has a more fluctuating market as many of the interviewee’s said that the real estate industry is fairly stable.

Another possible area to do future research would be a quantitative research and look at whether the process correlates and gives differences in the quality or outcome. By reviewing the process and quality and if a more comprehensive process gives a higher and better quality. Through deeper analysis of companies and their sustainability process, a future research could be to study what recognizes a great process, in other words through a case study.
Reference list


SFS 2010:879. Law on Public Utilities Housing Companies (Sw.: Lagen om Allmännyttiga Kommunala Bostadsaktiebolag). Stockholm: Department of Industry (Sw.: Näringsdepartementet)


### Appendix 1 – Participating Companies Key Numbers of 2016 (2015)

<table>
<thead>
<tr>
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<tbody>
<tr>
<td>Stockholmshem</td>
<td>307 (306)</td>
<td>2 186 (2 062)</td>
<td>20 260 (18 975)</td>
</tr>
<tr>
<td>Kfast</td>
<td>467 (459)</td>
<td>1 258 (1 222)</td>
<td>3 582 (3 138)</td>
</tr>
<tr>
<td>Skelleftebostäder AB</td>
<td>59 (59)</td>
<td>451 (471)</td>
<td>2 772 (2 835)</td>
</tr>
<tr>
<td>Öbo</td>
<td>250 (239)</td>
<td>1 563 (1 532)</td>
<td>8 661 (7 991)</td>
</tr>
<tr>
<td>Svenska Bostäder</td>
<td>290 (291)</td>
<td>2 337 (2 273)</td>
<td>23 182 (21 357)</td>
</tr>
<tr>
<td>Uppsalahem</td>
<td>266 (248)</td>
<td>1 263 (1 039)</td>
<td>10 622 (9 816)</td>
</tr>
<tr>
<td>Gavlegårdarna AB</td>
<td>185 (183)</td>
<td>1 050 (1 067)</td>
<td>4 428 (4 556)</td>
</tr>
<tr>
<td>Familjebostäder i Göteborg AB</td>
<td>244 (250)</td>
<td>1 295 (1 267)</td>
<td>5 992 (5 786)</td>
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<tbody>
<tr>
<td>Diös</td>
<td>150 (150)</td>
<td>1 323 (1 295)</td>
<td>13 920 (13 505)</td>
</tr>
<tr>
<td>Olov Lindgren</td>
<td>80 (70)</td>
<td>646 (616)</td>
<td>4 571 (4 461)</td>
</tr>
<tr>
<td>Wallenstam AB</td>
<td>227 (216)</td>
<td>1 607 (1 549)</td>
<td>39 402 (34 566)</td>
</tr>
<tr>
<td>Wihlborgs Fastigheter</td>
<td>97 (95)</td>
<td>2 030 (1 910)</td>
<td>33 414 (29 033)</td>
</tr>
<tr>
<td>Akademiska Hus</td>
<td>440 (409)</td>
<td>5 702 (5 749)</td>
<td>51 008 (47 575)</td>
</tr>
<tr>
<td>Willhem AB</td>
<td>199 (164)</td>
<td>1 546 (1 375)</td>
<td>28 103 (18 065)</td>
</tr>
<tr>
<td>Vasakronan</td>
<td>338 (348)</td>
<td>423 (423)</td>
<td>72 441 (67 984)</td>
</tr>
<tr>
<td>Hufvudstaden</td>
<td>110 (102)</td>
<td>1 104 (1 038)</td>
<td>12 539 (11 813)</td>
</tr>
</tbody>
</table>
Appendix 2 – Population filtered from Business Retriever

AB Bostaden i Umeå
AB Eidar, Trollhättans bostadsbolag
AB Gavlegårdarna
AB Helsingborgshem
AB Karlskronahem
AB Ångelholmshem
Akademiska Hus Aktiebolag
Aktiebolaget Bostäder i Borås
Aktiebolaget Botkyrka byggen
Aktiebolaget Familjebostäder
Aktiebolaget Gotlandshem
Aktiebolaget Kristianstadsbyggen
Aktiebolaget SigtunaHem
Aktiebolaget Sollentunahem
Aktiebolaget Stockholmshem
Aktiebolaget Stora Tunabyggen
Aktiebolaget Stångästaden
Aktiebolaget Svenska Bostäder
Aktiebolaget Väbyhem
Ancore Fastigheter AB
Atrium Ljungberg AB
Bodens Kommunföretag Aktiebolag
Boetten Fastigheter AB
Bostads Aktiebolaget VätterHem
Bostadsaktiebolaget Mimer
Botrygg Bygg AB
ByggVesta AB
CA Fastigheter Aktiebolag
Credentia AB
Diöös Fastigheter AB
Einar Mattsson Fastighetsaktiebolag
Erik Selin Fastigheter Aktiebolag
Ernst Rosén AB
Eskilstuna Kommunfastigheter Aktiebolag
Familjebostäder i Göteborg Aktiebolag
Fastighets AB Balder
Fastighets AB L E Lundberg
Fastighets AB Stenvalvet
Fastighetsaktiebolaget Förvaltaren
Futurum Fastigheter i Örebro AB
Förbo Aktiebolag
Gavlefastigheter Gävle kommun AB
Halmstads Fastighetsaktiebolag
Hemfosa Fastigheter AB
Higab AB
Hufvudstaden AB
Humlegården Fastigheter AB
Hyresbostäder i Norrköping Aktiebolag
Järfällahus AB
Karlstads Bostadsaktiebolag
Klövern AB
Kopparstaden Aktiebolag
Kärnhem Bostadsproduktion AB
Lejonfastigheter AB
Lulebo AB
Lunds Kommuns Fastighets AB
Micasa Fastigheter i Stockholm AB
MKB Fastigheter Aktiebolag
OBOS Mark AB
Olov Lindgren AB
Partillebo Aktiebolag
Rikshem AB (publ)
Sandvikenhus Aktiebolag
Skelleftebostäder Aktiebolag
Söderport Fastigheter AB
Telge Bostäder AB
Temporent Aktiebolag
Tornberget Fastighetsförvaltnings AB i Haninge
Uppsalahem Aktiebolag
Varbergs Bostadsaktiebolag
Vasakronan Fastigheter AB
Växjöbostäder Aktiebolag
Wallenstam AB
Wallfast Aktiebolag
Wihlborgs Fastigheter AB
Willhem AB (publ)
Älvstranden Utveckling AB
Örebrobostäder Aktiebolag
Örebroporten Fastigheter AB
Östersundshem AB
Appendix 3 – Interview Guide (Swedish)

Intervjuguide

**Introduktionsfrågor**
1. Vilken sektor tillhör ni, Kommunalt eller privat?
2. Har ditt företag upprättat en hållbarhetsrapport tidigare och i så fall, hur många år?
3. Har ni tagit hjälp under arbetet med hållbarhetsrapporten, eller har ni gjort den själva?
4. Vilket ramverk följer ni när ni upprättar er hållbarhetsrapport?

**Tema Anpassning till Hållbarhetsrapportering**
5. Vad fick er att börja med hållbarhetsrapportering?
6. Hur har branschen ni är verksamma i påverkat er att upprätta en hållbarhetsrapport?
7. Vad anser ni är ett syfte med hållbarhetsrapporten?
8. Tycker du att det är nödvändigt att ha ett lagkrav för hållbarhetsrapportering och varför?

**Tema Lagändring**
9. Det har genomförts en ny lagändring vilket medför ett lagkrav för vissa företag som måste upprätta en hållbarhetsrapport. Visste ni om lagändringen i förväg och har upprättandet av hållbarhetsrapporten på något sätt förändrats under det nya lagkravet?
10. Har något varit utmanande med att rapportera under de nya lagkraven, och i så fall vad?
12. Hur identifierar ni era företagsrisker och konsekvenserna av dessa risker? - *Vad tar ni i beaktning när ni tar fram dessa?*
13. Enligt lagändringen ska även företag rapportera om mångfaldhet, hur arbetar ni med mångfaldhet som en del av er rapportering?

**Tema Arbetsprocess**

**Förberedelser**
14. Hur ser era förberedelser och planering ut inför upprättandet av hållbarhetsrapporteringen?
15. Vem är ansvarig för hållbarhetsrapporteringen och vilka arbetar med rapporten?
16. Är det något som väglett eller inspirerat er med er hållbarhetsrapport? I så fall, vad för något?
17. I förberedelsefasen, sätter ni några mål för er rapportering?

**Engagemang**
18. Vilka grupper av intressenter har ni i åtanke vid upprättandet av hållbarhetsrapporten?
19. Involverar ni era intressenter i upprättandet av hållbarhetsrapporten?
20. Hur kommunicerar ni med era intressenter?
Avgränsning
21. Hur bestämmer ni innehållet som är med i rapporten?
22. Hur avgränsar ni vilka viktiga aspekter som ska vara med i rapporten?
23. Arbetar ni med innehållet och avgränsningar på samma sätt, eller har det skett förändringar över tid?

Datumsamling
24. Hur samlar ni in och bearbetar data som ska vara med i rapporten?
25. Utöver hållbarhetsrapporten, använder ni materialet som ni samlat på er till andra delar av verksamheten? I så fall hur?

Rapportera
26. Hur väljer ni att publicera er hållbarhetsrapport?
27. Väljer ni att få hållbarhetsrapporten externt granskad? Varför/Varför inte?
28. Vem sammanställer rapporten?

Avslutande frågor
29. Har ni några framtidsplaner vad gäller arbetet med hållbarhetsrapporten?
30. Har ni något att tillägga och som inte har diskuterats under intervjun?

Appendix 4 – Interview Guide (English)

Interview Guide

Introductory Question
1. What sector do you belong to, private or public?
2. Have your company disclosed a sustainability report before, if so, for how many years have you disclosed it?
3. Have your company had help disclosing your sustainability report, or have you done it yourselves?
4. What framework do you follow when disclosing your report?

Theme adapting to Sustainability Reporting
5. What got your company to begin with disclose a sustainability report?
6. How has your industry affected you to disclose a sustainability report?
7. What is the purpose of your sustainability report?
8. Do you think it is necessary with a legal requirement of sustainability reporting, and why?

Theme legal amendment
9. A new legal regulation has been implemented that affects certain companies to disclose a sustainability report. Did you and your company know about this amendment and have this new regulation somehow affected your sustainability reporting?
10. Has anything been especially challenging in reporting under new regulation, if so, what?
11. How do you work with sustainability reporting today? What are your sustainability policies and how do you report those?
12. How do you identify your business risks and the possible consequences of these risks? What do you take into account when including them?
13. According to the new regulation, larger companies also have to report on their diversity, especially in their board and management, how do you work with diversity as a part of your reporting?

**Theme Sustainability Process**

**Preparations**
14. How does your preparation and planning look like when conducting a sustainability report?
15. Who is responsible for the sustainability report and who works with the report?
16. Has your company had any certain inspiration or guidance while disclosing your sustainability report? If so, what sort of inspiration/guidance?
17. In the first phase, preparations, do you have any goals with your reports?

**Connect (Stakeholder Engagement)**
18. What key stakeholders do you have in mind when disclosing your sustainability report?
19. Are the stakeholders involved in the process of disclosing the sustainability report?
20. How do you communicate to your stakeholders?

**Define**
21. How do you decide the content of the report?
22. How does your company decide which aspects are material and should be included in the report?
23. Do you work and update the content and limit it, or has the content evolved over time?

**Data Collection**
24. How do you collect and process the data that are to be included in the report?
25. In addition to the sustainability report, do you use the collected material internally? If so, how?

**Report**
26. How do you choose to disclose your sustainability report? Integrated in the annual report or as a separate report? Why?
27. Do you have external assurance on the content in the report? If so, why? Why not?
28. Who compiles the report?

**Concluding Questions**
29. Does your company have any future plans of your sustainability report?
30. Do you have anything else to add that has not been discussed during the interview?
Appendix 5 – Letter to interviewee (Swedish)
Informationsbrev

Information angående intervjudeltagande

Hej [Insert Name],

Tack så mycket för att du tar dig tid att medverka i vårt examensarbete och bidra med din kunskap och insikt i branschen och ämnet Hållbarhetsrapportering.

Syfte


Innebörd av medverkan

Deltagandet i denna studie är helt frivilligt, detta innebär att deltagaren når som helst under intervjun har rätt att inte behöva svara på frågor. Detta kommer även styrkas i början av intervjun genom en bekräftelse.
Informationshantering
Det inspelade materialet kommer endast att vara tillgängligt för oss (Edwin och Erik). Vi kommer att inkludera det analyserade intervju materialet i uppsatsen. I början av intervjun kommer ni ha möjligheten att välja om ni vill vara anonyma eller inte. Om ni väljer att vara anonyma kommer intervjumaterialet att presenteras så att det inte framgår vem du eller det representerade företaget är. När uppsatsen godkänts av betygskommittén så kommer den att publiceras på det digitala vetenskapliga arkivet (DIVA) vilket också innebär att det kommer att finnas tillgängligt för allmänheten. Har ni några vidare frågor så är det bara att kontakta oss som skriver uppsatsen på email - ____________ eller via telefon - ____________, eller vår handledare Lars Lindbergh - ________.

Tack på förhand.
Med vänliga hälsningar,
Edwin Sundén & Erik Hägvide

Appendix 6 – Letter to interviewee (English)
Informational Letter

Information regarding participating in interview

Dear [Insert Name],

Thank you for taking the time and participating in this study and support our degree project with your knowledge and insight in the industry and the field of Sustainability Reporting.

Purpose
We are two students who are in our last years on the Civilekonomprogrammet at Umeå University. Edwin Sundén has during these four years studied the Civilekonomprogrammet while Erik Hägvide studied the International Business Program. In the fourth year, both chose to take the master’s in accounting and are therefore also writing this degree project towards that subject. The more specific topic is Sustainability Reporting and what differences there can be in the processes of establishing and disclosing a sustainability report. The purpose of the study is to examine if there are any differences between publicly owned and privately owned real estate companies. We have both an interest of sustainability in general and especially reporting as it is in line with our education. With the new regulation that was implemented in the beginning of 2017 (SFS 1995:1554), it felt naturally and as present topic for us to examine the process of disclosing a sustainability report and if there are any differences and changes from before the regulation. It will therefore be held a semi-structured interview to create an understanding of your process of disclosing a sustainability report.

The research question for this degree project is: What are the differences in the process of establishing a sustainability report between privately and publicly owned real estate companies in Sweden? Since one of us is studying the international business program, we are therefore writing this degree project in English, but for simplicity and for your comfortability, the interview will be held in Swedish. The participants in this study are
real estate companies that meets the criteria of the new regulation and will have to disclose a sustainability report for 2017.

Participating in the interview
Since we study in Umeå and the companies are geographically spread in Sweden, for simplicity the interviews will primarily be conducted over the phone. The interviews will approximately take 45-60 minutes and both Edwin and Erik will be present during the interview. However, it will be divided so that just one of us will be asking the questions and the other taking notes. The interview will also be recorded to then be transcribed and used in the thesis. After that the transcription is done and the audio file transferred to writing it will be deleted. If desired, the transcription can be shared for you to go through and approve the content to ensure that no misinterpretations were made.

Participating in this study is completely voluntary, which means that the participants can whenever during the interview decide to not answer any questions. This will also be confirmed in the beginning of the interview.

Data handling
The recorded material will only be available for us (Edwin and Erik). We will include the analyzed material in the thesis. In the beginning of the interview you will have the ability to decide whether you want to be anonymous or not. If you choose to be anonymous, the interview material will be presented in a way that it does not appear who you or your representative company are. When the thesis has been confirmed by the grading committee it will be published on the “Digitala Vetenskapliga Arkivet” (DIVA), which means that it will be available for the public. Feel free to contact anyone of the thesis writers if you have any further questions, via email - ___________________ or telephone - ________________, or our supervisor Lars Lindbergh via email - ___________________.

Thank you for your time.
Kind regards,
Edwin Sundén & Erik Hägvide
Master Students at Umeå University, Sweden