

Mohammad Islam

CORPORATE SOCIAL RESPONSIBILITY PRACTICES

Comparative Analysis of Bangladesh and Finland

Master's Thesis

CENTRIA UNIVERSITY OF APPLIED SCIENCES

International Business Management

September 2019

ABSTRACT

Centria University of Applied Sciences	Date September 2019	Author Mohammad Islam
Degree programme International Business Management		
Name of thesis CORPORATE SOCIAL RESPONSIBILITY PRACTICES. Comparative Analysis of Bangladesh and Finland		
Language Instructor Eija Torkinlampi		Pages 52
Supervisor Katarina Broman		
<p>The aim of the thesis was to find out the similarities and dissimilarities of Corporate Social Responsibility practices in Finnish and Bangladeshi banking business. This study could provide the user a clear knowledge on Corporate Social Responsibility practices between banking business of Bangladesh and Finland. The comparative performance of how Corporate Social Responsibility reporting was performed in Finnish and Bangladeshi banking businesses was also revealed by the thesis. This thesis was conducted by using qualitative method.</p> <p>In order to know the Corporate Social Responsibility practices in Finnish and Bangladeshi banking businesses, three banking institutions from both of the countries were chosen and their Corporate Social Responsibility reports have been examined. The objective of the study was to know the distinction between Corporate Social Responsibility practices in Finnish and Bangladeshi banking businesses. The result of the study revealed that, the use of guidelines in Corporate Social Responsibility reporting and responsible authority for Corporate Social Responsibility activities were the main differences in reporting of Corporate Social Responsibility between two countries.</p> <p>Throughout the thesis several issues connected with Corporate Social Responsibility practices and the reporting style of Corporate Social Responsibility were analyzed. For the theoretical part of the study, various books, journals, web sites and publications of different organizations were used as the main source of information. Moreover, the comparison of Corporate Social Responsibility practices in the thesis was done with the help of latest published Corporate Social Responsibility report of selected banking businesses. General information related to Corporate Social Responsibility practices of two countries was also given in this thesis. For preparing the thesis, selected banking businesses website and Corporate Social Responsibility report were only used as a source of information.</p>		

<p>Key words Banking Institutions, Comparative Study, Corporate Social Responsibility, Reporting Style, Source of Information.</p>

CONCEPT DEFINITIONS

BDT- Bangladeshi Taka

3P- People-planet-profit

CEO- Chief Executive Officer

CLC- Climate Leadership Coalition

CR- Corporate Responsibility

CRP- The Centre for the Rehabilitation of the Paralyzed

CSE- Chittagong Stock Exchange

CSR- Corporate Social Responsibility

DBBL- Dutch Bangla Bank Limited

DSE- Dhaka Stock Exchange

GRI- Global Reporting Initiative

ISO- International Organization for Standardization

IT- Information Technology

KPMG- Klynveld Peat Marwick Goerdeler

Ltd.- Limited

OECD- Organization for Economic Co-operation and Development

SDGs- Sustainable Development Goals

SME- Small and Medium-sized Enterprises

TK- Bangladeshi Currency

UN Global Compact- United Nations Global Compact

ABSTRACT
CONCEPT DEFINITIONS
CONTENTS

1 INTRODUCTION.....	1
2 CORPORATE SOCIAL RESPONSIBILITIES	4
2.1 Pyramid of Corporate Social Responsibility	4
2.2 Antiquity and Present Outlook of CSR.....	6
2.3 Benefits of CSR for Banking Industries.....	7
3 CSR REPORTING STANDARD	9
3.1 CSR Reporting Introduction.....	9
3.2 Existing Guidelines and Standards of Reporting.....	10
3.2.1 UN Global Compact.....	10
3.2.2 Global Reporting Initiative	12
3.2.3 ISO 26000.....	13
3.2.4 OECD Guideline.....	13
3.3 Current Issues of CSR Reporting.....	14
4 RESEARCH FRAMEWORK.....	16
5 CSR PRACTICES IN FINLAND.....	18
5.1 Analysis of Finnish Banking Institutions	18
5.1.1 Danske Bank.....	19
5.1.2 Nordea Bank.....	26
5.1.3 Pohjola Bank.....	29
6 CSR PRACTICES IN BANGLADESH	32
6.1 Analysis of Bangladeshi Banking Institutions	32
6.1.1 Dutch Bangla Bank Ltd.....	33
6.1.2 BRAC Bank Ltd.	37
6.1.3 Dhaka Bank Ltd.	41
7 ANALYSIS AND FINDINGS	44
7.1 Comparison of CSR Reporting in Finland and Bangladesh	44
7.2 CSR Reporting Analysis.....	44
8 CONCLUSION	48
REFERENCES.....	50

FIGURES

FIGURE 1. The pyramid of corporate social responsibility	5
FIGURE 2. Ten Principles of UN Global Compact.....	11
FIGURE 3. CSR governance, policies and reporting	24
FIGURE 4. Contribution to educational sector.....	34
FIGURE 5. Contribution to health sector	35
FIGURE 6. CSR initiatives of BRAC Bank Ltd.....	38

FIGURE 7. CSR budget over years	40
FIGURE 8. CSR initiatives of Dhaka Bank Ltd.	42

TABLES

TABLE 1. Core Service Area of Three Financial Institutions.....	19
TABLE 2. Business overview of Danske Bank.....	20
TABLE 3. Resource Consumption by Danske Bank Group.....	21
TABLE 4. Resource used by Danske Bank Group.....	22
TABLE 5. Key achievements of CSR governance	24
TABLE 6. Loans to the public	27
TABLE 7. Promoting Diversity	30
TABLE 8. Information regarding banks	33
TABLE 9. Contribution to social development and environmental beautification	36
TABLE 10. Analysis and findings presented in tabular form.....	45

1 INTRODUCTION

The aim of the thesis is to find out the banking business activities, which were performed as CSR in the financial institutions, while they are performing the financial activities. The focus was given to the activities and the ways through which CSR performance is performed. Corporation creates social problem through their operations, such as using social resources, gas, and electricity. As a result, firms have to bear the responsibilities of their incurred social cost. Therefore, they sanction some amount of fund for their social cost to society.

Every company wants to uphold its brand image. In order to uphold the brand image there are several ways. CSR activity is one of them. Through CSR activity, an organizations can help to improve the culture of the society. Banking businesses generally put emphasis on the underdeveloped sectors to be an improved one. Through CSR activities organization can participate in the social activities by which backward sectors of the society can get the chance to cope with needed service. Through the cooperation of the firm, financial condition of the backward sector of the society can be improved, which will bring the development in the society.

It is quite prestigious in the business world that, organizations participate in the social welfare of the economy. Because of the economic growth in every economy, there are several activities in the CSR function. Although there are differences among the activities of CSR but the main goal of CSR activities, is same. Organizations try several ways to provide CSR activities in a unique way, so that it will add maximum value for the organization. Modern world faces various unique problems, which require various updated solution packs. In the past, organizations tried to focus only its profit making objective. Now the situation is quite different. Organizations also provide their concern in CSR activities. As business operations are performed in the society, as a result organizations have some responsibilities for the society. They also have some social commitment and responsibilities for the society. CSR creates harmony and positive image for the firm. Hence, CSR is a set of simultaneous activities. Through CSR activities, assets are distributed in a proper way among the weakest section of the society. Although CSR activities were changed because of different type of businesses, but its productivity cannot be expressed through some words. (Fatma, Rahman & Khan 2014, 9-20.)

Because of business outlook and nature, banking industry falls into the oligopoly nature. Oligopoly market is a special type of market nature, where a few types of organizations are competing in the in-

dustry. Oligopoly market is very sensitive in nature, where extreme competition is present among the competitors (Mocan, Rus, Draghici, Ivascu & Turi 2015, 713). In any case, a company invents or includes something new then other competitors are ready to copy that. CSR helps to improve the opinion of the customers about the activities of institution.

For whatever reasons, a financial institution performs CSR activities; it adds value to company profile. In modern world, problems are outnumbered. As internet and modern facilities provide their best support to the problems, but it is not an easy task. Financial organizations try to provide a fair image to the public as time goes on. There have been established several indoor legislations for CSR activities within each firm. All of the above, every country must set up some standard legislation to follow up the CSR activities performed by the financial firm. Whether, the activities were performed by the organization in continuous basis, annually or quarterly. (Wu & Shen 2013, 3529-3547.)

This study tries to find out the answer to the questions:

- What is the reason for CSR activities?
- What are the available guidelines for CSR practicing?
- What are the available methods for reporting standard?
- How are the CSR instructions followed in the Finnish banking business?
- How are the CSR instructions followed in the Bangladeshi banking business?
- What kind of similarities and differences are there between two banking business?

The thesis report is mainly categorized into four parts. The first is the introduction, where the background and motivation for research topic is described. Moreover, in the first part description about research objectives is also provided. In second part, there are some description about different subject matter connected to CSR reporting style. This theoretical part is divided into several sub-headings, which includes Corporate Social Responsibility, Pyramid of CSR, Antiquity and Present Outlook of CSR, Benefits of CSR for Banking Industries, CSR reporting Introduction, Existing Guidelines, and Current Issues of CSR reporting. In third part, CSR practices and reporting style of selected banking businesses from Finland and Bangladesh are described in details. In the fourth and last part Analysis and Findings of the study and Conclusion are shown.

The sources or references for this thesis have been collected from different books, journals, web sites, publications of the banking institutions and other organizations. For the explanation of theoretical part, most of the references have been collected from books and publications of different organizations. Moreover, websites also have been used as a major source of information. For the preparation of the thesis, latest CSR reports of the banking businesses are studied.

In this thesis qualitative method has been used, since the main objective of the thesis was to gain deeper understanding about CSR. Information is gathered from the latest annual report of the banking businesses. All the banking institution had published their annual report and CSR report in 2017 & 2018, so it was very easy to obtain the latest information on CSR practices and reporting style. Three banking businesses from Finland and three banking businesses from Bangladesh were chosen for the thesis. The banking institutions used in this thesis were selected based on certain criteria.

The key criteria used in the selection of banking institutions are:

1. Listed on share market,
2. Connected with international business,
3. Publishing CSR reports and
4. Public reputation

The information for the research is mainly acquired from the CSR report and annual report of banking businesses. Information regarding the companies is received from the company official web sites and other official publications.

2 CORPORATE SOCIAL RESPONSIBILITIES

The abbreviation of CSR stands for Corporate Social Responsibilities. CSR may not simply support the profit making view of the organization. It includes the view of society development, fundamental derivation from the standard of living and favourable working nature for the workers. Moreover, it ensures equality and diminishes the discrimination of gender. Nowadays, banking business is committed to help for the betterment of the society. CSR provides the best opportunity while performing the superior function to help the society. CSR tries to improve the quality of living for the people of the society. It also implies great contribution to the economy and the social community. (Krasodomska 2015, 406-423.)

2.1 Pyramid of Corporate Social Responsibility

Corporate Social Responsibility is addressed by various names by number of institutions and authors. Such as, corporate behavior, corporate affairs of development, global citizenship of corporation, global community development are some of the concepts of referring corporate social responsibility. (Kotler, Hessekiel & Lee 2012.)

CSR has the behavior to come forward to offer the best helping hand beyond the general profit making goal of the firm. It is not something, which will obey by the firm as the strict legal restriction imposed by the responsible legal authority. CSR lessens the negative impact of business operations from the society. If businesses only perform the activities that are point out in legal regulation then there will be serious damage. There will be mismatch in the ecosystem because of pollution, depletion of resources, harmful practices of showing excessive power in the industry. There will be the violation of the right of the workers. These affect the society in a negative way. Firms involve in malpractice, as they want to seek attention from investors, stakeholders, and other third parties. As organization wants to seek attention, so this turns into social realization. That is why banking institutions are more sensitive and ensure transparency through proper disclosure. (Pérez & Del 2012, 145-166.)

CSR can be classified into four aspects, such as economic, legal, ethical, and philanthropic. This classification is also known as the “Pyramid of CSR” (FIGURE 1).

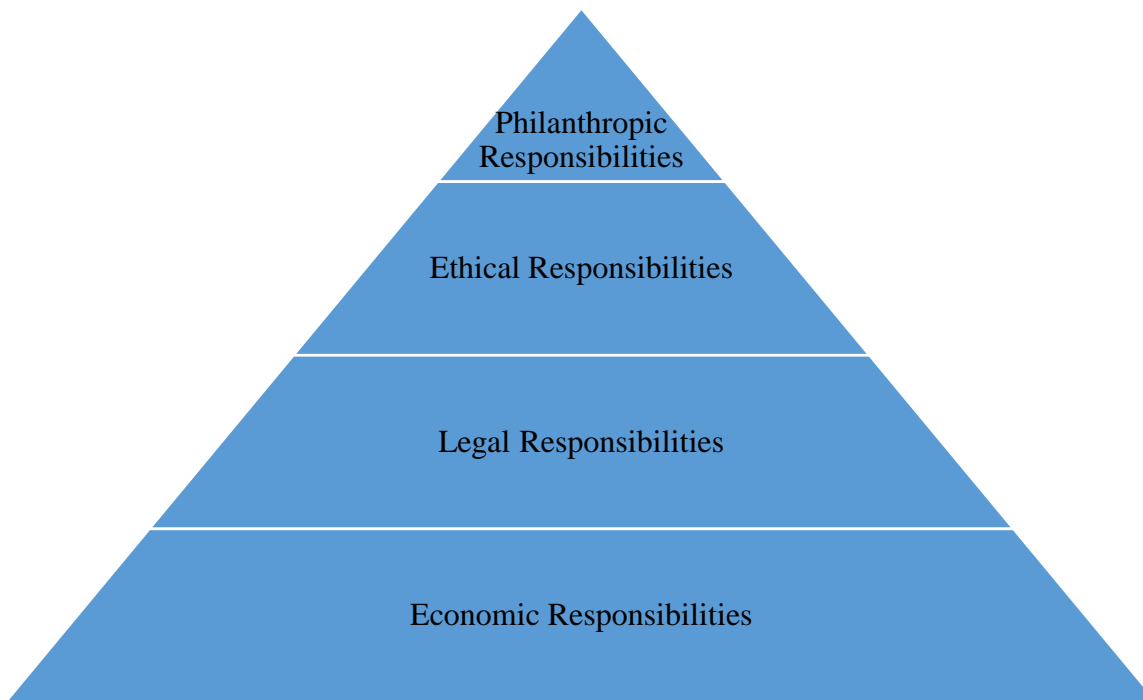


FIGURE 1. The pyramid of corporate social responsibility (adapted from Carroll 2016, 3)

Those four responsibilities are starting with the “Economic Responsibilities” which is the lowest part of the pyramid (FIGURE 1). When “Economic Responsibilities” is fulfilled then “Legal Responsibilities” arises. Through this mechanism after completing one aspect then another aspect arises. On the top of the pyramid, there is “Philanthropic Responsibilities”.

In order to run a business effectively, banking firm must try to focus on the profitability of the business. Moreover, banking firm should ensure financial sustainability in the long run. In order to maintain strong financial position, banking firm must address their stockholders properly. Furthermore, they also need to ensure favorable condition of invested capital, return on equity and return of assets (Grankvist 2012, 15). Banking institutions should develop a strong mutual relationship among the competitors. They should provide a helping hand in case of hardship that faced by the competitors through overnight loan facilities. Especially, those selected banking institutions from Bangladesh and Finland addressed their ‘Economic Responsibilities’ properly with care.

Banking business should abide by the rules and regulations that are stated by the legal authority. They should not indulge in any illegal activities that are contradictory with the rules and regulations. Illegal activities such as money laundering, extreme case of competition or corruption in business activities and manipulated reporting are strongly prohibited by law. Banking firm must not involve in any of those ille-

gal activities while operating its business activity. (Choo 2014, 1-26.) Selected six banking institutions from Bangladesh and Finland maintained their ‘Legal Responsibilities’ properly.

It is expected that banking business activities should be followed in an ethical manner. But laws and regulations can hardly ensure a business firm to behave ethically. Moreover, it is said that laws and regulations are essential for business, but it is not enough. Generally, ‘Ethical Responsibilities’ means that, banking firms or other organizations will practice those activities, general norms, standards and policies that are expected by society even though they are not stated into law. So, banking firm will supervise their actions in a fair and clinical manner even in those occasions when laws do not state guidance or edict courses of action. (Bolanle, Adebisi & Muyideen 2012, 6-17.)

Generally philanthropic responsibility comprises all embodiments of business giving. It is also considered a voluntary or discretionary activity. Although, philanthropic business assistance may not be considered responsibility in a precise sense, but it is a normal expectation from the view of businesses and public. Moreover, this philanthropic business assistance is not stated by law and not generally assumed of business in an ethical sense. (Usman & Amran 2015, 749-763.) But banking institutions are providing assistance to the society through some sort of donation, rehabilitation and scholarship. Moreover, selected banking organizations from Bangladesh and Finland are also run those activities as ‘Philanthropic Responsibilities’.

2.2 Antiquity and Present Outlook of CSR

The antiquity of CSR is not a weak one. Year after year firm continuously increase their use of natural resources and social benefits, which negatively affect the society. In the past, the practice of business operations were not so much developed and the operations of business were quite different from now-a-days. As a result, the way of performing social responsibility is quite different compare to modern period. In the past philanthropic activities like charity or distribution of fund to the weakest section of the society were the most popular ones. (Anheier & Leat 2013, 449-472.)

In the past, welfare of the community was ensured by the businesses through promoting religious conduct. As a result, CSR was considered as a business assumption to the society at that time. This business assumption is accepted by most of the businesspersons, as businesses are considered as an unparalleled part of society. That’s why CSR is referred as a requirement of the businessperson to proceed

those policies which help to make proper decisions and to implement those rule of actions (decisions) which share similar terms and goals of business.

In the past, not only from the company side but also from the buyer side CSR was considered as the top most serious matter. So, businesses are dealing their operations with the most responsible manners. Banking firms take into account the employees' relationship and their rights, abuse of resources and several direct and indirect matters those affect the society seriously. Generally, social activities and business operations are setting up the structure of an economy. Economic outcome and social development are reciprocal with the business activities. (Harvey 2014, 7-11.)

Nowadays corporations take responsibilities based on their operational level and the capacity. In order to measure the level of operation and the capacity, corporation elects committee and board to maintain the activities of CSR. The committee maintains the CSR related issue through formulation of the proper method, where they consider social and environmental factors and perform internal modifications. Banking firms provide concern and try to allocate enough funds to minimize their negative operational effect to the environment. The growth rate of CSR disclosure is in an increasing trend. People are more conscious and pay more attention to the performed CSR activities. Related parties of the operating firm provide emphasis about the activity of the banking organizations, which related with the society, customers, environment, employees and other third parties. As there are no universal, strict regulations over the CSR activities, so firms develop their reporting standard based on the issue of the environmental side. Moreover, CSR reporting is quite same process as communicating the organizational effect towards economic activities in the society. While reporting CSR activities, societal value system implies a great impact towards firms' credibility. In many cases, banking organizations start a trend to report their CSR practice, as it creates harmony of banking practice with the customer's expectations. (Matuszak & Róžańska 2017, 522-533.)

2.3 Benefits of CSR for Banking Industries

There are numerous reasons for taking social responsibilities and performing the required task for the welfare of the environment by banking businesses. Banking firms perform initial CSR activities, as it will bring positive pay off in the near future. Moreover, CSR can directly affect the bank revenue earnings through improving the attention of the customers towards the bank. CSR activities also work as a way of advertisement and become a part of marketing strategy or campaign. Especially through CSR,

banking firms can attract people to purchase their products or schemes and it helps to hire top most efficient workers for the firm. CSR also helps to develop entrepreneurial role for the banking organization. Through increasing awareness, CSR can drive more profit from the customers. Through this way corporate social responsibility helps to improve the core condition of the society. (Lee, Singal & Kang 2013, 2-10.)

CSR can uphold the status of a firm and can improve the overall industrial structure of a country. The benefits from CSR have a causal relationship with the banking activities and proper planning. There are some benefits of CSR activities of banking businesses:

Because of global warming and environmental pollution banking industries take proper green initiatives such as green banking. Banking activities attached with load of paper work, which requires number of paper materials to perform the activities. As papers are come from trees so, banking firms convert paper load into computerized system. This 'go green' concept reduces cost for the banking businesses. (Bose, Khan, Rashid & Islam 2018, 503.)

Now-a-days most of the top expert persons are choosing their dream organization on the basis of some crucial factors. In this scenario, CSR poses a great impression to the individuals on behalf of the firm. It is unnecessary to state that how important an efficient employee to an organization. Good working environment, nature of the work place and the decent behavior from the top level working bodies are the sign of systematic CSR activities. Antagonistic working nature, hostile behavior from the top level toward work forces, generates negative reputation for the firm. (Barnett & Salomon 2012, 1304-1309.)

Brand orientation can also turn into a fantastic opportunity to attract the user through proper CSR activities. Successful formulation and implementation of CSR activities can draw the attention of potential user of banking services and it can help to increase the market share. It also helps to achieve positive expression of the stakeholders towards the banking business. It also increases the competition in the society through improving the competitive position of a banking firm among the competitors. (Blombäck & Scandeliuss 2013, 362-382.)

3 CSR REPORTING STANDARD

Quality report stands with transparency, reliability, accuracy and most importantly quality information. Bias information provides biased result. That is why it is tremendously important to ensure the accuracy of the information. Only accurate information can provide the best balanced result, which is mandatory for CSR practice. The CSR report must be free from any kind of default and misrepresentation or bias. The effective policy and reporting standard can ensure the fair judgment and proper evaluation of the prepared CSR report.

3.1 CSR Reporting Introduction

Banking businesses consider various managerial movements to find out the effective business philosophy. Moreover, the main goal of the banking business philosophy is not only doing the betterment for society but also make the world understand about the superiority of CSR activities. Through CSR reporting activities banking firm inform the world about the initiatives they have taken in order for social responsibility. Transparency in CSR activities can bring extra glory and brand image towards the firm. As, there are lack of universal guidelines for CSR reporting, so financial firm like banking institution finds it difficult while preparing CSR report. CSR function provides a helping hand for the development of a society or a country. Moreover, sustainable development of a country depends on the gradual development of that country. Through the help of quality activities of CSR, not only social development can be ensured but also sustainable development can also be able to achieve. By looking CSR statement, stakeholders and third parties will be able to get knowledge about the overall performance of the firm. As a result, CSR reporting is quite influential for decision making to the internal and external parties of the organization. Through CSR reporting, related parties of the organization can get enough knowledge for predicting the performance of the organization in future. Quality statement about CSR activities of the organization can identify the areas where improvement is necessary. (Bučiūnienė & Kazlauskaitė 2012, 5-24.)

CSR reports are equally important for internal users as well. With the help of CSR reports people working in different departments of company can understand how the company is performing in CSR and where they are heading towards. Such reports assist in identifying and managing the CSR activities across all departments and know the impacts they can have from process, products, services and

other activities. CSR reports give useful information for external users and stakeholders on company's social, environmental and economic impacts and the activities that is being undertaken to minimize the effects on environment and society. (Matuszak & Róžańska 2017, 522-533.)

3.2 Existing Guidelines and Standards of Reporting

CSR is an excellent co-operative tool for expansion of capital base and goodwill. CSR reporting works as an eye opener for the stakeholders and other external and internal users for evaluating, disclosing and find out the level of accountability of the banking business. Proper CSR reporting helps to cover the detrimental effect on nature by the firm. Banking institution under the oligopoly industry, tries to maintain the progressive trend of their business. As time goes on banking business gives more attention over the environmental safety and tries to ensure social justice. CSR reporting is a way of documentation through which organization can express their operational activities more easily. It helps to get proper idea about the managing facilities of the organization, and the core mechanism of sustainable improvement. Internal monitoring and auditing helps to make proper disclosure and ensures transparency about the CSR reporting. (Moravcikova, Stefanikova & Rypakova 2015, 332-338.)

There are some popular guidelines or formats of CSR activities reporting, by which banking firm can prepare their report. There are several guidelines on CSR reporting, which are described below.

3.2.1 UN Global Compact

It is a formal code of conduct, which establish rules and regulations focused on general human rights, take initiatives about the labor equality, anticorruption and especially on the welfare of the natural environment. It started its journey in the month of July on the year of 2000. It provides a manifesto for the betterment of the business firm and the environment. It formulates and takes proper step to implement the effective sustainable policies for the business firm. By following the rules and maintaining the restrictions properly, a firm can be able to uphold its dignity with transparency. Moreover, it is a voluntary organization, which offers help in case of CSR reporting. It has more than 13000 participants throughout more than 170 countries in the world (UN Global Compact 2019).

United Nations Global Compact consists of ten principles and two objectives based on four categories (FIGURE 2).

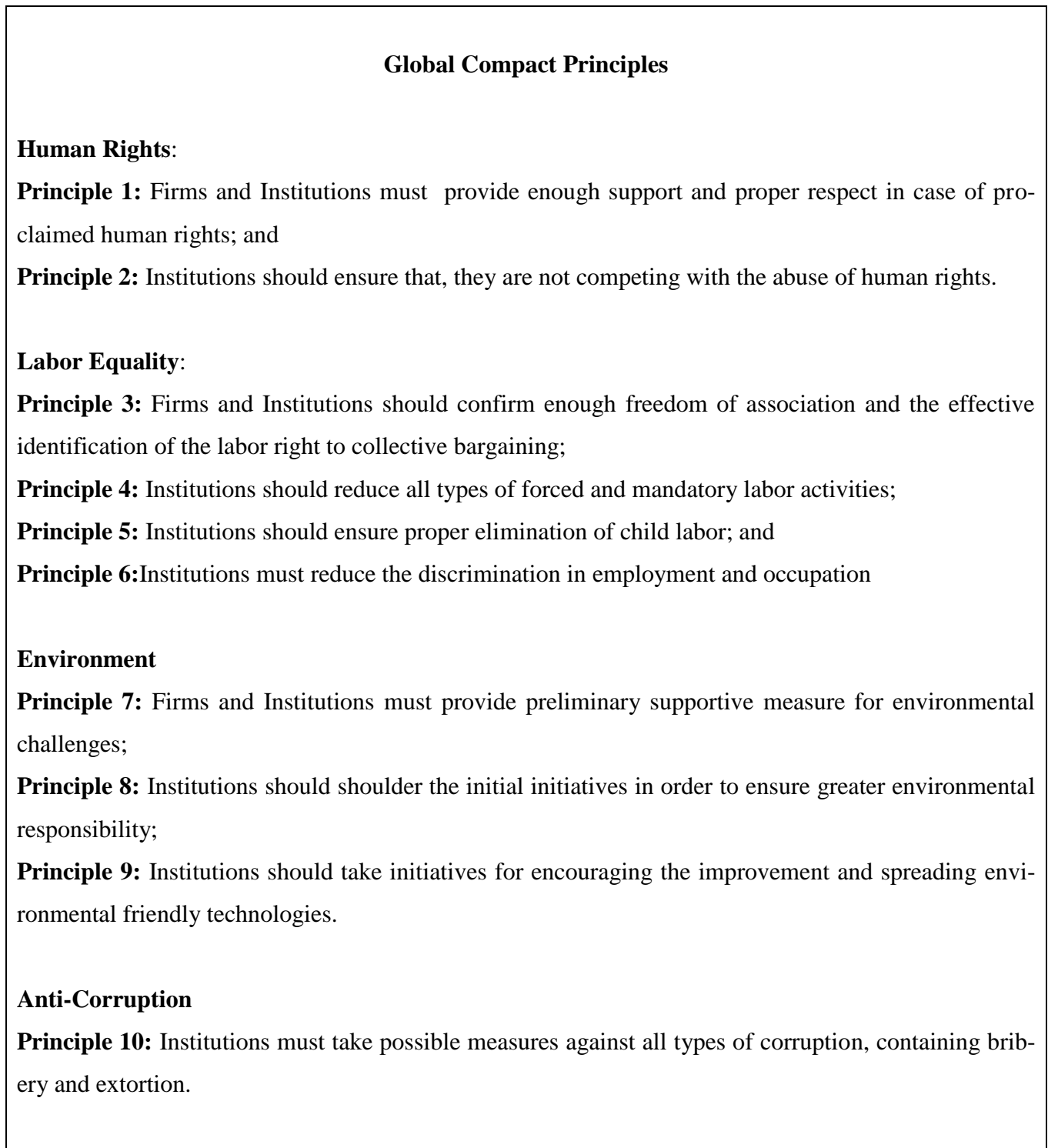


FIGURE 2. Ten Principles of UN Global Compact (adapted from UN Global Compact, 2019)

Furthermore, with the specific code of principles (FIGURE 2) UN Global Compact offers promotional activities and gets concentration from their corporate participants. It also helps to achieve and promote millennium development goals. At the end of a particular time, all corporate respondents must report their statement about their performed activities. They developed their guideline in a particular way so that it will help to manage the risk associated with the private sector of a country. (UN Global Compact 2019.)

3.2.2 Global Reporting Initiative

Another reporting standard known as 'Global Reporting Initiative' launched in the year of 1997. It adds value of CSR reporting in the sustainability field. Moreover it was also established as a non-profitable organization in order for the development of the CSR reporting activities and practices. Number of corporate professionals and business firms are involved with this agency. In the initial stage, there was a guideline in the year of 2000. After that, a modified version of the guideline was issued for the betterment of the reporting standard. This is generally known as G4. Now the updated version of GRI 403 is published and it is about ensuring occupational health and safety. (Global Reporting Initiative 2019.)

3.2.2.1 Reporting Principles of GRI

Reporting standard of GRI is categorized by two groups. The first part consists with the reporting style and the second part consists with the principle and the ultimate quality of the report. In the first part, the description of the report content is given. It includes the overview of the topic that a CSR report should cover. CSR Report content also includes about the information of the stakeholders, inclusive sustainability, and the materiality context. Based on the information of the stakeholders, organization can find the expectation of the stakeholders and the interest of them. Reporting just based on the principles cannot make a good report. That is why financial institutions must follow the activities of their operation widely not only with the rules but also with the aspect of responsibilities. The CSR report may contain the movement of the economic activities, aspects of social condition, and transparency. This is known as G4 guidelines for sustainability development. In order for maintaining the lowest level of materiality, CSR report may contain the factors that are influencing the decision making pro-

gress of the organization. The overall principle of the G4 guideline is mainly focus on covering up the default and the misrepresentation in the CSR statement. In other word, CSR report must not be materially presented and it should contain the impacts that affect the environment and social welfare. (Global Reporting Initiative 2019.)

Moreover, report must be presented in a way so that stakeholders or other party will not face any complexities while comparing the performance and trend of the organization. All the information in the stated report must pass the test of authenticity while evaluating. Furthermore, this will help financial institutions to show the real performance indicator. CSR report must be published in a continuous basis with presentable format. (Global Reporting Initiative 2019.)

3.2.3 ISO 26000

International Organization for standardization issues a regulation based on the social responsibility of the business firm. It started its journey in 1947 with the aim of covering various aspect of the business technology. While covering different aspects of the technological element, they found that environmental damages were occurred because of performing the action of business operation. In the year of 2010, ISO initiated a guideline by which an organization can operate its activity through reliable way. This reliability imposes responsibility to operate business activities in a better way. ISO 26000 provides guideline through which business firm can maintain organizational complexities, environmental legislation, internal weakness and business operation. (ISO 2019.)

3.2.4 OECD Guideline

OECD stands for ‘Organization for Economic Co-operation and Development’. It provides supportive advice through which a multinational institution can operate its investment and other facilities by taking responsibilities of its business activity. They provide guideline about business responsibilities toward the environment and society. They structured their guideline in such a way that will help to increase financing performance. Moreover, they provide support to the organizations in social, environmental and economic decision-making. They provide advices for social development and it helps to lessen the negative impact of business activities over the society and environment. OECD guideline addressed various codes of conduct which should be followed by the multinational organization in

order for maintaining the reporting standard. It has total eight codes of conduct containing in the separate chapters covering general disclosure policies and the industry related regulations. (OECD 2019.)

3.3 Current Issues of CSR Reporting

With the help of the modernization, banking sector is developing day by day. That is why, the size and the area of business operation is also in an increasing trend. As days go on, the business is also moving on. With the help of expansionary plan of the business firm, the numbers of stakeholder are also increasing. Furthermore, business area is increasing, which forces to increase business operation. Increased amount of business operation imposes increased level of social responsibility. Because of this business expansion, CSR trend is also increasing. Although the trend of CSR practice is increasing, but there are number of issues, which needs to be performed for improving the CSR reporting process. (Lament 2015.)

The fundamental thing for the CSR statement is target users or audiences. Without selected user or group of users, CSR report will fall in the basket of garbage. However, the problem arises as the groups of target user are remaining unspecified until now. Business firm needs user and wants to provide information about their CSR activities and initiatives to them. Moreover, business firm wants to inform other, how they maintain business and CSR activities simultaneously. (Uyar 2016, 27-30.)

Stakeholder and related party of the business firm can help banking business with their unbiased opinion. Stakeholder opinion adds value to the business firm in case of CSR practice. According to the KPMG survey, 30% business firm adds their stakeholders' opinion while performing their CSR activities. With the opinion of the stakeholders, firm can know the ultimate demand of them, and can initiate those activities, which are not contradictory with the value of the stakeholders. Although the opinions of the stakeholders are crucial but normally business firm are not interested to add their opinion in the CSR report. (Ditlev-Simonsen & Wenstøp 2013, 137-147.)

Advisory institutions might form voluntarily, but the employees will not work in the organization without remuneration. There is a positive relationship between the amount of remuneration and the employee performance. If the remuneration is handsome, then the performance of the employees will also efficient. Moreover, staff remuneration and performance both are important for CSR issues. Employee remuneration and performance ensures the viability of the banking business in the long term.

According to the KPMG, less than 30% of the financial institutions disclose their employee remuneration and performance. (KPMG 2017.)

As there are no universal unique standard for CSR reporting style, every company prepares their CSR statement according to their own ways. This increases the problem of understandability. CSR reporting standard varies from firm to firm. There are no universal financial reporting standards but several CSR guidelines. This raises complexity while understanding CSR report. (Luo, Wang & Zhang 2017, 321-344.)

Maintaining the value chain in CSR reporting is not an easy task. This increases complexity in CSR reporting procedure. Although financial institutions try to ensure effective and efficient value chain but sometimes it is not possible. Sometimes, the value chain increases materiality in CSR report. In order to be efficient, firm should keep detailed information about the suppliers. However, most of the organization avoids the information about their suppliers in CSR report. (KPMG 2017.)

4 RESEARCH FRAMEWORK

Parts of the thesis are divided into various categories such as, heading and sub-headings. In the initial part, detail about the Finland CSR activities are shown and in the next section of the CSR report three Finnish banking businesses are examined. Likewise, in another part detail about CSR practice of three Bangladeshi banking businesses are examined. Empirical part of this thesis is designed with the interview of one governing body of each of the three Bangladeshi banking businesses and analysis of the content in the CSR report or CSR portion in the annual report. After that, I tried to relate the perception that I have developed from the evaluation of interview and analysis of the annual report. In order to remove complexity in CSR report, banking business changes reporting style of their CSR statement. However, financial institutions in the both countries try to follow popular model while preparing CSR report. Therefore, the user can understand the report content easily. The topics that are covered while completing the evaluation of CSR practice of financial business are given below.

The overview of the banking firm is given briefly in the introduction section. This part contains the launching time, area of business operation, name of the company and other general information regarding the institution. Moreover, one can get a brief idea from the introduction about the financial institution. In CSR reporting structure, the style of the CSR report is given. Moreover, information about the followed guideline while preparing the CSR report is also provided in this section. General rules and regulations about the guideline are also briefly discussed here. Content is the lifeblood of any CSR report. That is why, the focus of the CSR practice is given in this part. The important areas of CSR practice, collection of proper information, assumptions and guidelines attached with the CSR are also analyzed. The information related to the content part is large enough. Because, every financial institution has separate ways to describe their CSR practice.

CSR practice will not end with the preparation of the statement. The collected opinion from the related external parties will help in the evaluation process and ranking system. Different grants will issue to the financial institutions based on their CSR performance. That is why the recognitions from the related party are given in the last session of the CSR report. Interview session provides an interactive situation. It is more formal and crucial technique, through which information is collected. Through this process, potential information and insight can be acquired. Moreover, interview provides better understanding which cannot be collected from the analysis of the secondary source. (Baskarada, 2014.)

In this thesis, primary data is mainly collected through the interview session. In case of qualitative research, interview session performs the key role while collecting data. Interview provides best solution while collecting real time data for thesis purpose. Moreover, interview session can be run through face to face interaction or over virtually. In this case, virtual interview session (through WhatsApp and Skype) is used for Bangladeshi banking business.

To collect the opinion from the governing body, I followed a systematic way. Firstly, I went through the company website and contact through helpline. After that, I informed them about the purpose of my research and, requested them an interview session with one of the members of their governing bodies. For this, I introduced and explained my thesis topic and question of interest. Secondly, after ensuring my research purpose they agreed to arrange an interview session with one of the member the governing bodies. Generally, governing bodies hardly get available time for interview session. That is why it was quite tough to reach them in scheduled time and date. Thirdly, they informed me about the time to communicate about the CSR topic. And then, I finally got the chance to contact with them in time. Although interview provides extremely valuable and reliable data, but it also consumes a lot of time for collecting the opinion from the respondents. Sometimes it is quite hard to interpret the collected opinion. However, interview literary performs a significant role in this thesis. Furthermore, interview works as a functionality of comparison among collected data from different sources. Through this way data evaluation tool also works as a validation tool for each other.

5 CSR PRACTICES IN FINLAND

With the help of information technology CSR reporting is so much easier than before. There are number of reporting guidelines for CSR. Moreover, in Finland, CSR is quite recognized with the help of various national rules and regulations. Generally, overall CSR rules and regulations are monitored by the Ministry of Economic Affairs and Employment. They act as an interrelated body for CSR. Moreover, CSR related activates are also monitored by the respective ministries. Human right related activities and tread related activities are monitored by the ‘Ministry of Foreign Affairs’. (Ministry of Economic Affairs and Employment 2019.)

Financial development is the core element of social development. Without social development, it is not possible to initiate proper CSR practice in the country. In modern life, information plays a key role while achieving success. Financial market is depending on the level of the accurate information. Well-functioning financial market can bring the prosperity of the country. Moreover, CSR activities are depending on the financial activities of the banking business. Sound functioning financial market helps CSR practice through functional activities. Effective financial market will reduce unnecessary cost for banking business. Sound financial market helps to find out the opportunities to invest in profitable project or investment issues. The competition in the banking industry is increasing day after day, where monetary policy helps to the bank about performing their banking activities. A committee is launched by the ‘Ministry of Economic Affairs and Employment’ for monitoring the activities of CSR in financial institution. This committee provides help to the financial institution in case of decision making. (Ministry of Economic Affairs and Employment 2019.)

5.1 Analysis of Finnish Banking Institutions

In current period, banking industry is prepared for providing full package of service. Moreover, they tried to offer one stop financial service center. As industrial working culture and the demand from the customers are changing, so the working nature of the financial industry is also changing. For preparing the thesis, three listed banking institutions are selected. The core service area shows some information regarding the selected banking institutions (TABLE 1).

TABLE 1. Core Service Area of Three Financial Institutions (based on Finance Finland 2019)

Sl. No.	Bank Name	Group of Institution	Offering Service	Cooperator
1.	Danske Bank	Danske Bank (Sampo)	Full Range	Ilmarinen
2.	Nordea Bank Finland	Nordea Group	Full Range	Varma
3.	Pohjola Bank	OP-Pohjola Group	Full Range	Varma

From TABLE 1 we can see that, those three banking businesses are providing full range financial service to the customers based on their demand. Those three banking businesses are serving their customers under three separate groups of institutions. Danske Bank is serving their customers under Danske Bank (Sampo) group, Nordea Bank is under Nordea Group and Pohjola Bank is under OP-Pohjola Group.

5.1.1 Danske Bank

This financial institution is under the Danske Bank (formerly known as Sampo) group. This group of institution provides full range of financial service including banking and insurance facilities. It started its operation in the year of 1871. To perform wide range of services, some agency provides their helping hand in order for cooperation. Danske Bank ensures employees' welfare through Ilmarinen. 'Danske Bank' publishes separate CSR report according to the guideline of the "UN Global Compact". 'Danske Bank' also publishes separate CSR Fact-book. The CSR report of the Danske Bank contains specific national figure connected to the CSR activities. The report of Danske Bank is well structured and prepared by maintaining the rules and guidelines of "UN Global Compact".

In the CSR report, a brief description about the profile of the firm, opinion from the executives based on the CSR issues are given. In the CSR report executives provide their opinion about the CSR activities of the company.

Current CSR report includes the Danske Bank Group's progressive communication with the UN Global Compact and financial information from January 1 to December 31 of 2018. It aims to settle down

the poisonous fluctuation in the financial sector. Improving literacy about the financial terminology is one of the major concerns of Danske Bank. It provides help to the service holder about the financial changes and gives them appropriate advice according to the situation. The business overview of Danske Bank in 2018 is stated here (TABLE 2).

TABLE 2. Business overview of Danske Bank (adapted from CR Report 2018, 9)

Danske Bank in numbers	2018
Countries	16
Branches	237
Customers, end-2018 (million)	3.3
Full-time employees	20,683
Loans issued (DKK billion)	1,769
Assets under management (DKK billion)	1,575
Total income (DKK billion)	44.4
Profit before tax (DKK billion)	19.7
Tax on profit (DKK billion)	4.7
Return on equity (%)	9.8

Danske Bank operates its business in 16 countries through 237 branches (TABLE 2). They have 3.3 million customers and 20683 full time employees. In the year of 2018, they earned 4.7 billion (DKK) profit after tax and 9.8% return on equity. As a result of the financial fluctuation, economic cycle faces vicissitude, which implies increase or decrease of the financial charges. Moreover, financial charges impose a major threat for transaction. CSR activities are directly related with the provided service of the banking business. Danske Bank tries to cope with the situation through ensuring the quality service to the customers. To ensure transparency, Danske Bank provides description about their business in the overview section.

Each of the focus areas have been presented with the company's targets, actions and achievement and its future plan. In the report the different sustainable works and methods developed and used by the

company in different focus areas are presented in a very clear way with examples. Looking at the CSR reports stakeholders can find about the CSR performance of the company in particular time and the impacts of their activities on the targeted sector.

5.1.1.1 Corporate Responsibility Strategy 2015–18

In the year of 2015, Danske Bank started to work with the strategy of corporate responsibility. There are two strategic theme connected with five-focus area. In order to boost up the confidence level of the customers ‘Danske Bank’ develops 4 years strategy. They also provide importance on the five specific focus areas, which are given below:

- Social contribution
- Fostering sensible customer relationship
- Employers’ responsibility
- Lessening environmental footprint and
- Ensuring responsible supplier relationship

Their CSR statement generally includes the consumed amount of the resources while performing financial activities. Here consumed amount of the resources by Danske Bank is given (TABLE 3).

TABLE 3. Resource Consumption by Danske Bank Group (adapted from CR Fact Book 2018, 25)

Energy consumption	Total 2017	Total 2018	Change (%) 2017-2018
Energy consumption in total (MWh)	113,416	111,046	-2.1%
Energy consumption per employee (MWh/FTE)	6.0	5.7	-5.6%
Energy consumption per square meter (kWh/m ²)	201	205	2.0%
Direct energy consumption (MWh)	6,849	5,655	-17.4%
Indirect energy consumption (MWh)	106,567	105,392	-1.1%

(continues)

TABLE 3. (continues)

Electricity consumption — total (MWh)	57,203	59,135	3.4%
Electricity consumption per employee (MWh/FTE)	3.04	3.04	0.0%
Electricity consumption per m ² (kWh/m ²)	101.5	109.1	7.5%
Electricity consumption - head office (MWh)	36,154	38,504	6.5%
Electricity consumption — branches (MWh)	21,049	20,631	-2.0%
Heat consumption — total (MWh)	56,213	51,912	-7.7%
Heat consumption per employee (MWh/FTE)	2.9	3.5	20.7%
Heat consumption per m ² (kWh/m ²)	99	116	17.2%
Heat consumption — head office (MWh)	30,714	29,100	-5.3%
Heat consumption — branches (MWh)	25,499	22,812	-10.5%

Along with those data (TABLE 3), they also prepare periodic ‘Factsheets’ to monitor each and every element related with the CSR activities. Their regular activity includes responsible business operation unit, whose main activities are monitoring day-to-day activities related with CSR. Based on the collected periodic regular data set they have taken their decisions and modified their plans. They take decisions through which business operation is performed by using minimum resources and obtaining maximum benefits. Here resource used by Danske Bank is given (TABLE 4).

TABLE 4. Resource used by Danske Bank Group (adapted from CR Fact Book 2018, 25)

Road, air, paper and water consumption	Total 2017	Total 2018	Change (%) 2017-2018
Floor area — square meters occupied (average)	563,644	541,962	-3.8%

(continues)

TABLE 4. (continues)

Full-time employees (FTEs) (average) ²	18,792	19,473	3.6%
Road transport — total (1,000 km)	12,485	11,660	-6.6%
Road transport per employee (km/FTE)	664	599	-9.8%
Company vehicles (1,000 km)	1,631	1,628	-0.2%
Employees' cars (1,000km)	10,854	10,032	-7.6%
Air transport — total (1,000 km)	72,003	73,013	1.4%
Air transport per employee (km/FTE)	3,832	3,750	-2.1%
Paper consumption — total (tonnes)	870	603	-30.7%
Paper consumption per employee (kg/FTE)	46	31	-32.6%
Water consumption — total (m ³)	84,991	75,823	-10.8%

Within the four-year period, they had performed enough CSR program including the educational and social sectors (TABLE 4). They have initiated several educational program tools for the student, such as pocket money tools, initiating digital educational hubs etc. They have established a fair understanding with the responsible tax authority by ensuring proper transparency in the operational procedure. They are providing a digital solution pack to the homeless people in order to solve their residential problems. Moreover, they have established a foundation to perform CSR role with strategic themes (FIGURE 3). They also let the readers know about their general plans and strategies of CSR in future. This is quite cooperative from readers' perspective to get information about the past and future CSR initiatives of the institutions. (Robertson & Barling 2013, 176-194.) CSR activities can improve the brand image of the banking company. It will help to improve the social bonding among the organizations throughout the country. (Kitzmueller & Shimshack 2012, 51-84.)

With the touch of the financial changing nature, CSR activities are also changing year after year. Moreover, 'Danske Bank' wants to help the society in achieving the SDGs through performing legal banking operation. Prepared CSR report was checked properly by the committee, which was elected by the 'Danske Bank Group'. This four-year strategy is not only defines the program but also the actions that make the strategic plan successful. They perform CSR functions as an offsetting tool of consumed resources

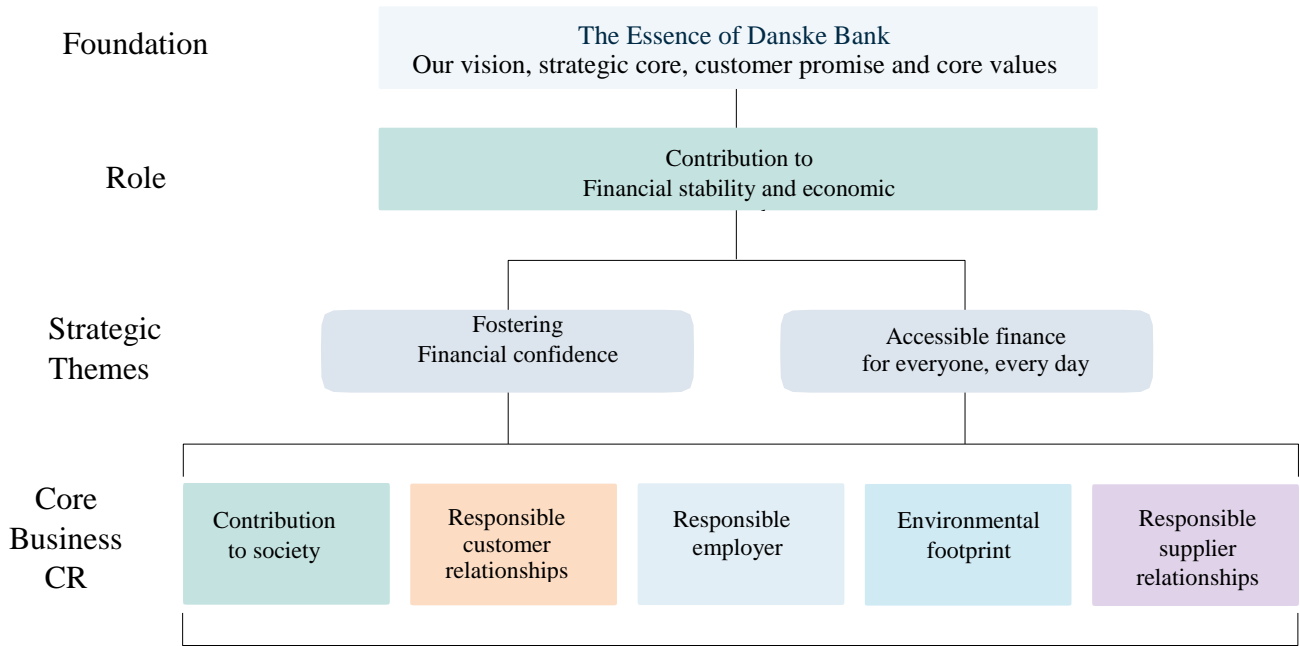


FIGURE 3. CSR governance, policies and reporting (adapted from CR Report 2018, 10)

Corporate responsibility strategy was started in the year of 2015 and ended in 2018 successfully (FIGURE 3). Within this period there are several achievements which were earned by following the strategy. Those achievements are classified into two themes, one is strategic themes and another is core business themes (TABLE 5).

TABLE 5. Key achievements of CSR governance (adapted from CR Report 2018, 11)

Strategic themes	Key achievements 2015-18
Fostering financial confidence Building financial confidence in the next generations as well as in growth companies	<ul style="list-style-type: none"> • Educational programs, tools and free online universes for children, teachers and parents • Pocket Money app for children • Digital hubs and accelerator programs for Nordic start-ups and social entrepreneurs
Accessible finance for everyone,	<ul style="list-style-type: none"> • Customized solutions for people with special requirements, including seniors

(continues)

TABLE 5. (continues)

Core business area	Key achievements 2015-18
Contributing to society Enhancing transparency, creating long-term value and local community engagement	<ul style="list-style-type: none"> • Tax policy to increase transparency and seek a proactive, open and cooperative relationship with the tax authorities • Stakeholder engagement principles to guide our engagement with various stakeholder groups • Public debates and knowledge sharing on responsible growth and financial confidence • Partnership with ISOBRO on fundraising for charities via Mobile Pay • Employee volunteering in local communities
Responsible customer relationships Providing sustainable finance solutions and strengthening our compliance practices	<ul style="list-style-type: none"> • Significant strengthening of sustainable investment and lending strategies, integrating environmental, social and governance (ESG) into core processes • Topic- and sector-specific position statements for investment, lending and procurement • European Corporate Sustainable Bonds fund and impact investment funds on climate and water • Disclosure on active ownership as well as CO₂ footprint of selected funds • Supported the recommendations of the Task Force on Climate-related Financial Disclosures • Established center of anti-money laundering (AML) expertise to further enhance AML service quality and efficiency across the Group • Annual mandatory Code of Conduct e-learning for employees • Data security platform, Keep it safe, for customers and employees • Extensive collaboration within and outside the financial sector on combatting fraud

(continues)

TABLE 5. (continues)

Core business area	Key achievements 2015-18
Responsible employer Fostering an inclusive and diverse culture and providing a healthy and safe work- ing environment	<ul style="list-style-type: none"> • Human rights risk assessment in accordance with the UN Guiding Principles on Business and Human Rights (UNGPs) • Diversity and inclusion initiatives, including focus on gender composition • Core values integration in peoples practices • Human rights guideline and statement on sexual harassment
Environmental footprint Reducing our own car- bon footprint	<ul style="list-style-type: none"> • 100% renewable electricity supply and signatory of RE100 • CO₂ offsets to uphold carbon neutrality • Danske Bank funds invested in green bonds
Responsible supplier rela- tionships Developing and implementing an im- proved responsible sourcing process	<ul style="list-style-type: none"> • Supplier Code of Conduct aligned with UNGPs • Environmental requirements for selected products and services • Assessment of high-risk suppliers as part of responsible sourcing process • Audit program for suppliers

Previous corporate responsibility strategy was started in the year of 2015 and ended in 2018 successfully (TABLE 5). Moreover, with the help of proper CSR reporting activities they have successfully maintained their strong financial strength in order for improving their corporate responsibility. Effective policies for stakeholders are increasing the number of stakeholders in the financial institution. They also keep their promises with the customers through providing the best quality of financial services. They also ensure house facilities for the homeless people.

5.1.2 Nordea Bank

It is one of the strong and efficient banking institutions, which is operating in Finland. After merger and acquisition, 'Nordea Bank' is in its present form now, which took place at the year of 2000. Although, it is one the largest financial institution in Finland, but it does not publish separate CSR report for their own. Their CSR activities are attached with the group annual report. Moreover the description of CSR activities is attached with the message from CEO. Their covered area of operation and the ac-

tivities of the CSR are stated in the message from the CEO. CEO of Nordea Bank provides an overall brief description on the performed CSR activities. He also talked about the relationship they hold with the stakeholders, favored international parties etc. As their financial statements do not cover the proper CSR function they performed, but they put some information about the CSR on it. They provide their collected structured financial data set in the annual report in an understandable way. That is why it seems easier for the users of the report to find out the operations performed by the bank. They performed their CSR function based on the amount of social damages caused by the business operation. They put their data set in the annual report based on country related data. They put a little amount of loan which charges very low rate of interest in every sector or industry. Moreover they sanction a portion of loan amount to the less profitable sectors for social development. They present their business operations such as loans and advances in the report with country specified data and figures which ensures transparency (TABLE 6).

TABLE 6. Loans to the public (adapted from Nordea Bank 2018, 53)

Industries	Denmark	Finland	Norway	Sweden	Russia	Outside Nordic	Group 2018	Group 2017
Energy (oil, gas, etc.)	469	55	488	414	34	359	1,819	1,867
Metals and mining materials	28	197	136	247	42	0	650	688
Paper and forest materials	274	679	69	317	0	70	1,408	1,301
Other materials (building materials, etc.)	402	1,232	342	1,467	507	30	3,980	3,994
Industrial capital goods	365	547	52	334	2	63	1,363	1,643
Industrial commercial services, etc.	4,416	1,498	2,840	3,315	0	277	12,35	11,189
Construction and engineering	1,089	840	1,898	860	0	71	4,759	4,788
Shipping and offshore	193	188	4,554	120	0	2,581	7,636	8,377
Transportation	560	1,082	619	844	83	111	3,299	3,211
Consumer durables (cars, appliances, etc.)	208	439	265	696	7	42	1,656	1,987
Media and leisure	817	597	198	641	0	1	2,253	2,336
Retail trade	3,294	1,751	839	2,570	5	69	8,529	8,725
Consumer staples (food, agriculture, etc.)	6,935	850	1,580	652	1	52	10,07	9,665
Healthcare and pharmaceuticals	812	333	86	219	0	12	1,463	1,405
Financial institutions	2,982	1,933	1,682	7,983	0	134	14,71	15,376
Real estate	9,851	7,963	9,070	15,41	18	852	43,16	41,95
IT software, hardware and services	786	449	238	406	0	133	2,013	1,946
Telecommunication equipment	7	9	2	3	0	0	20	29

(continues)

TABLE 6. (continues)

Telecommunication operators	122	178	284	371	0	0	954	886
Utilities (distribution and productions)	926	2,061	793	773	176	144	4,874	4,895
Other, public and organisations	2,005	0	340	1,394	0	8	3,747	4,457
Total excl reverse repurchase agreements	36,539	22,880	26,377	39,036	876	5,009	130,717	130,72
Reverse repurchase agreements		16,711					16,711	16,29
Total corporate loans	36,539	39,590	26,377	39,036	876	5,009	147,428	147,01
Household mortgage loans	31,354	29,27	27,89	43,58	0	130	132,2	132,48
Household consumer loans	9,159	8,573	1,802	5,213	0	55	24,80	26,11
Public sector	1,514	843	44	1,447	0	0	3,848	4,565
Total loans to the public	78,566	78,274	56,117	89,277	876	5,194	308,304	310,16
Loans to central banks and credit institutions	3,196	7,328	892	6,537	190	819	18,96	13,39
Total loans	81,762	85,602	57,009	95,814	1,066	6,013	327,266	323,55

Nordea Bank runs their CSR function by providing a specific portion of sector wise total loan to less development sectors with lower interest rate (TABLE 6). Nordea Bank does not prepare particular CSR report but they follow ‘Global Reporting Standard’ as their CSR guideline. Corporate responsibility considered as an unofficial compulsory condition for sustainable operational activities. CSR activities are rising from the day-to-day operational activities in financial organization. CSR activities are connected with the core rules and regulations of the company. ‘Nordea Bank’ provides their focus mostly on the expectation from the customers. Moreover, experiencing from the economic fluctuation over the recent period, ‘Nordea Bank’ provides their concern over advising and serving quality to the customers.

‘Nordea Bank’ initially operates with the service holders as they considered as assets of the financial institution and provides to the employees best working condition with handsome remuneration. Moreover, daily monitoring and reward system was initiated to boosts up the employees. Online banking is initiating a new baking culture like as green banking, which helps to lessen the load of paper work in banking operation and ensuring environmental soundness. This green banking procedure also helps to attract customers through modern banking activities. For ensuring tight banking transaction, they implement the risk management procedures properly in their decision-making process. For every investment decision they implement risk management procedure for ensuring the safety of investment. Now-a-days suppliers are providing more attention in the issue of the investment decision.

‘Nordea Bank’ group launched new program about the environmental footprint for developing the awareness among the people. This program also helps to the customers about improving their behavior towards banking operation. By initiating the green policy ‘Nordea Bank’ will be able to reduce, the pollution level of the environment and can be able to minimize the amount of operational cost. Moreover, through using modernization facilities ‘Nordea Bank’ is able to maintain the use of resources in a minimum level.

Mainly those provisions of CSR activities are selected by the head office. Moreover, the head office of the ‘Nordea Bank’ in Stockholm is responsible for the action of all banking activities of the ‘Nordea Bank’ group in Finland. CSR activities are performed as the compensation of the banking operation performed in the financial institutions. They also perform the draft calculation of their operation through using scrap papers. With the changing trend and the help of the technology, it is possible to overcome the challenges of the economy. Moreover, with the help of the proper planning and efficient management team it is possible to perform the social responsibly properly.

Economic responsibility is not something as vulnerable. It does not only mean the banking operation that performed in financial institution, but implies the responsibilities that a financial firm arises by performing the financial services. ‘Nordea Bank’ takes responsibility of their performed activity while completing the demand of the customers. Sometimes banks need to provide the services that exceed the cost of the related service demanded. In that case, banking institutions provide their concern on the overall value of the benefit that could be gained from the relationship banking. ‘Nordea Bank’ provides some extra facilities on the venture capital project as it creates new opportunities for employment. Creation of new company also helps to increase taxable income towards government. With the help of increased amount of taxable income, government is able to implement several welfare activities for the environment and the society. Through this way, economic responsibility also helps to increase the environmental responsibilities.

5.1.3 Pohjola Bank

With the aim of providing best quality services ‘Pohjola Bank’ was listed in the ‘Helsinki Stock Exchange’ in the year of 1922. Headquarter of the ‘Pohjola Bank’ situated in Helsinki. It is another established banking institution in Finland. Although it is another biggest Finnish financial institution but it

does not publish separate CSR report. Pohjola Bank is a subsidiary of OP-Pohjola Group. Its CSR statement is stated under the group annual report. It published its CSR function under the popular ‘Global Reporting Standard’. It provides its attention especially on the strategy formulation and implementation technique. Moreover, CSR practice of Pohjola Bank also includes economic responsibility, environmental responsibility, and social responsibility. They also provide highlights about risk management procedure in the CSR function. They provide especial attention about the materiality in CSR statement. Moreover Pohjola Bank always tries to improve their CSR performance for the betterment of the society. In case of CSR practice Pohjola Bank develops different lines of group such as business, institution and correspondent parties. Pohjola Bank offers their employee a well-decorated and furnished working condition. They also ensure the employees satisfaction by providing proper reward and enough remuneration. (OP Corporate Bank 2018.)

Pohjola Bank group (OP-Pohjola Group) also takes initiative to promote diversity in the society. Gender inequality is unable to bring prosperity for any institution, or society or even a country. Moreover, gender inequality implies half of the probable workforce will remain idle. This gender discrimination increases the burden in the society. It also increases the unemployment rate in the society. That is why they started to implement the diversity strategy within the organization. They set a portion of diversity facility (TABLE 7).

TABLE 7. Promoting Diversity (adapted from OP Corporate Bank 2018, 21)

Descriptions	Proportion
Managerial Position	At least 40%
Women Accounted	24%
Share	21%

In order for implementing diversity within the organization OP-Pohjola Group has given opportunity to both male and female (TABLE 7). Moreover, they ensured that women in the managerial position were at least 40% of their total work force in managerial position. They also described that at the end of the year of 2018, their women accounted for 24% and proportion of the share was 21%.

Based on the quality of service Pohjola Bank enables their economic sustainability and ensures sustainable growth. Pohjola Bank takes their ultimate actions by applying the 'Pilot Testing' method. Here they initiated the plan as a preparation for implementing the final plan. If the result of the 'Pilot Testing' is not acceptable then they will modify their plan and try to find out the best one. Their management system also includes a strategy based on responsibility. They provide concerns about financial security, customer satisfaction and floating time while service providing. They prepare their financial report based on zero tolerance level of window dressing especially while preparing CSR statement.

'Pohjola Bank' established a strong network throughout the country in Finland. This strong network helps them to keep their customers within hand. Through this ways, customers are happy to get their required services from the financial institution within shortest possible time. With the help of networking and popularity, they can also get the highest level of feedback from the people in any situation. 'OP-Pohjola Group' takes part in different cultural awareness program as a sponsor. They are connected with the literacy improvement program such as providing educative materials to the students. They also arrange seminar about environmental damages and its remedial steps. They also develop environmental code of ethics that must be followed by the employees of the institution.

Online banking transaction has improved the quality of service while serving the customers of 'Pohjola Bank'. They also launched a new type of bond named as 'Green Bond'. The collected fund from 'Green Bond' was invested in renewable investment sectors in order to lessen the damages occurred by the resource consumption. Moreover, they also initiated 'Green Banking' technology for the betterment of the environment. In the month of May in 2017, they became the member of the 'Climate Leadership Coalition (CLC)' with the aim of promoting the 'Finnish Banking' in a new level. (OP Corporate Bank.)

6 CSR PRACTICES IN BANGLADESH

In Bangladesh, both the private and government sectors take proper actions related to the CSR activities especially in financial sector. Moreover, government is eager to help private sectors in case of adopting the CSR policies and practices. CSR practice is also considered a philanthropic activity. This activity is also performed through, donation, arranging something or providing financial assistance to the poor section of the society. With the help of modernization, financial sector is rising. The number of financial institution is increasing and the quality of services is also increasing. There are also some institutions, which are lagging behind. Moreover, they are performing operations as a first generation institution until now. Some of the banking firms have lack of proper policies and control over their expenses. Moreover, SME sectors often fall into the weak management structure. That is why some company provides their attention more into the profit maximization rather than repairing the damages that are happened because of the business operational activities. (Rahman 2017, 44-68.)

CSR practice is a classical global term. CSR is relatively new but not a complex idea. In order to participate in the global market it is hard to avoid the concept of CSR. Although, in Bangladesh, employees right and the rate of gender equality is not quite satisfactory but financial institution preforms CSR activities as much as possible. That is why the result of the CSR practice is quite exceptional. In the global market, CSR practice is turned into a new version of improvement. Several international organizations were developed different reporting standards by focusing several fields. In Bangladesh, banking industry is fall into the ‘Oligopoly Market Structure’. In ‘Oligopoly Market Structure’, markets are becoming more competitive now-a-days. Every institution wants to attract public focus. Banking institutions are trying to improve CSR activities in a continuous process. They also follow popular CSR rules and standards in case of CSR practice.

6.1 Analysis of Bangladeshi Banking Institutions

CSR function works as the best collection of compliments from the stakeholders. It also helps to find out the core opinion from the related parties of the institution. Through this third party users can get an overview of operational activities of the banking firm. For the purpose of comparison of banking activities, three listed banking institutions in Dhaka Stock Exchange and Chittagong Stock Exchange is chosen. Here, some financial information is given (TABLE 8).

TABLE 8. Information regarding banks (based on Dutch Bangla Bank 2017; BRAC Bank 2017; Dhaka Bank 2017)

Sl. No.	Bank Name	Offering Services	Stock Exchange
1	Dutch Bangla Bank Ltd.	Full range	Dhaka Stock Exchange & Chittagong Stock Exchange
2	BRAC Bank Ltd.	Full range	Dhaka Stock Exchange & Chittagong Stock Exchange
3	Dhaka Bank Ltd.	Full range	Dhaka Stock Exchange & Chittagong Stock Exchange

All the selected banks are offering full range of customer service based on the demand of the customers (TABLE 8). Moreover they are listed in DSE and CSE and perform banking operations according to the laws and regulations.

6.1.1 Dutch Bangla Bank Ltd.

Dutch Bangla Bank is one of the largest institutions, in the banking industry of Bangladesh. It was established in the year of 1995 with a joint venture with local Bangladeshi units and a ‘Dutch’ firm named ‘Netherlands Development Finance Company’. It holds the highest market share in the banking industry of Bangladesh. It provides funding facilities to various sectors based on some key point of aspects such as, performance of operational environment, climate change, occupational safety and corporate citizenship. ‘Dutch Bangla Bank’ takes several steps to improve their CSR performance. They provide full range of customer service with no compromization in quality. It has more than 1800 skilled employees who are able to provide customer required services within the shortest possible time. In Bangladesh, ‘Dutch Bangla Bank’ is listed in both ‘Dhaka Stock Exchange’ and ‘Chittagong Stock Exchange’.

According to the CEO, CSR activities of DBBL is monitored and supervised cautiously. They consider CSR as a widespread perception which is present in day to day activities. They co-operate with the government about corporate responsibility and act in a certain way that achieves the best result. With the help of modernization and quick response, they are able to build a strong social community. As business era is going through extreme fluctuations, it is quite hard to pay close attention to every sections of the organization. Business is going through competitive business situations, but DBBL can manage some sort of new CSR activities. ‘Dutch Bangla Bank’ does not publish separate CSR report, and its CSR practice is included in the annual report of the bank. Moreover, they follow ‘Global Reporting Standard (GRI)’ to describe their CSR activities. Annual report provides detail information about the CSR activities based on the operational activities of the institution. They provide financial support to the financially weak meritorious scholars and give a helping hand for the bright future of the scholars. (Shirin 2019.) Here the contribution of DBBL to educational sector is given (FIGURE 4).

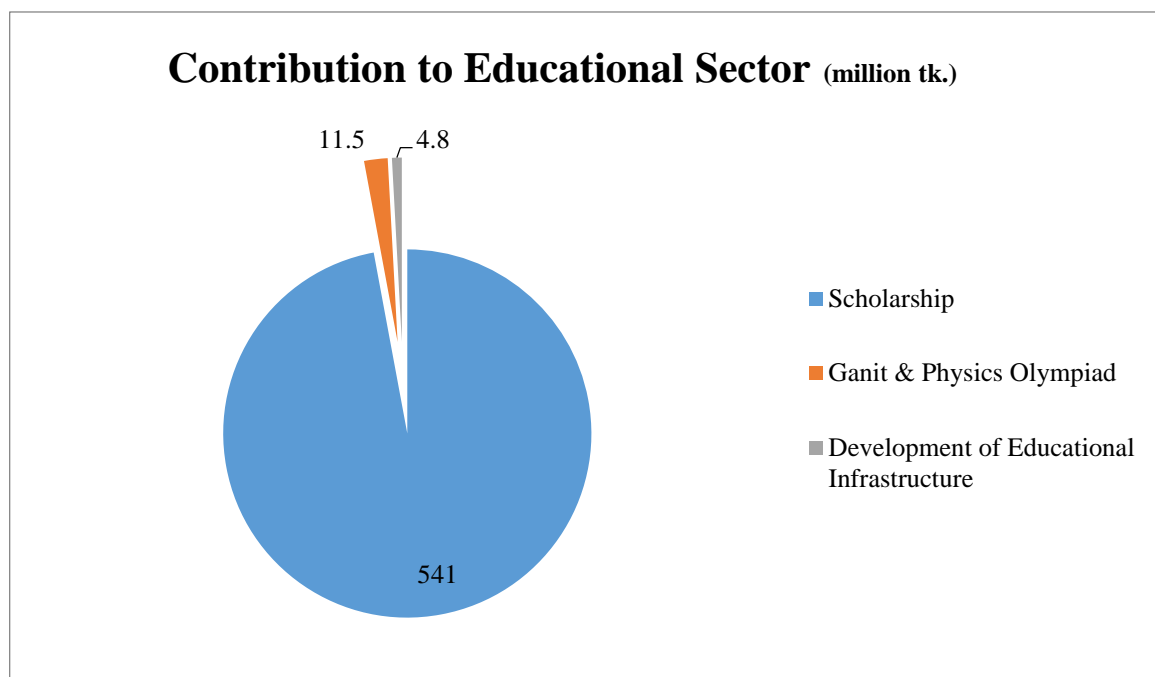


FIGURE 4. Contribution to educational sector (adapted from Dutch Bangla Bank 2017, 51)

They distributed around 541 million BDT for ‘Scholarship’ to the poor meritorious students and 11.5 million BDT for ‘Ganit and Physics Olympiad’ where reward is given to the students who are extraordinary in Mathematics and Physics (FIGURE 4). They also provided 4.8 million BDT for the ‘Development of Educational Structure’ of Bangladesh.

Health is recognized as the highest parameter which indicates improvement of a nation. As a result of large amount of population the necessity for health care is increasing every day. Dutch-Bangla Bank considers health care as an important factor and ensures health care facilities at a lower cost for the poor people. In the year of 2017, DBBL has spent around Tk.43.8 million in order to provide health care facilities and for the improvement of health sector in the country. ‘Dutch Bangla Bank’ also takes several programs for the development of health care in the rural area. Here, the contribution of DBBL to health sector is given (FIGURE 5).

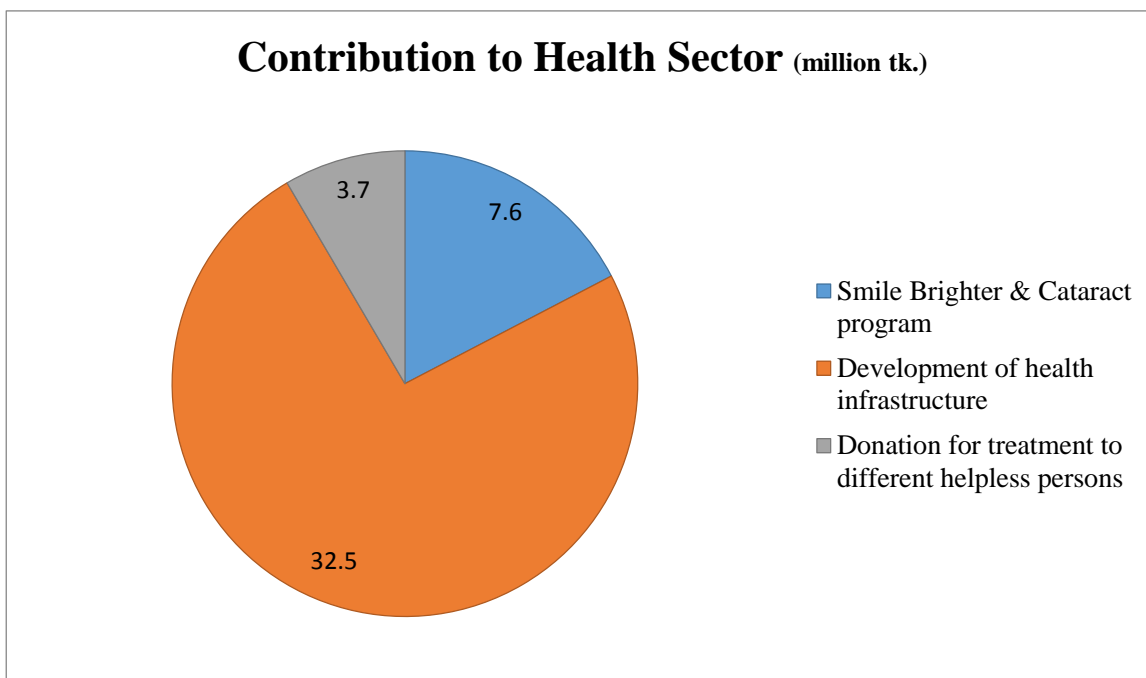


FIGURE 5. Contribution to health sector (adapted from Dutch Bangla Bank 2017, 51)

‘Dutch Bangla Bank’ donated Tk. 7.6 million for ‘Smile Brighter & Cataract program’ where they provided cataract surgery facilities to the poor people (FIGURE 5). They donated Tk. 32.5 million for the development of health infrastructure where they arranged medical camp for ensuring the treatment of distressed people. They also provided Tk. 3.7 million as donation for treatment to different helpless persons.

They work as a pioneer for initiating the CSR activities into a new platform. Their CSR part of the annual report contains the information about taken CSR activities by the bank. Mainly CSR activities performed by the bank in order for reducing the environmental damages that caused by the organiza-

tional activities. They develop a role model for CSR practice and perform it as their regular activities. They also developed a motto for CSR activities such as ‘People-planet-profit’. They provide their first concern to the welfare of the people in the society. Their second concern is to make the planet a favourable one. Finally, they provide their concern on the profit making (Shirin 2019). ‘Dutch Bangla Bank’ donates fund for the development of the society and environment. Here, the social and environmental contributions are given (TABLE 9).

TABLE 9. Contribution to social development and environmental beautification (adapted from Dutch Bangla Bank 2017, 52)

Sector	Description of CSR activities	Total	Sector wise Total
Social development	Donation to Anjuman Mufidul Islam	20,000,000	30,800,000
	Donation for beautification cost of the Mazaar gate of Hazrat Shah Paran (R.), Sylhet .	10,000,000	
	Donation for construction of bituminous carpeting work of the approach road at both sides of the bridge over Bizna Gang river on Kashba- Kuti Road	800,000	
Environment and Others	Beautification and maintenance at the crossing of Hotel Ruposhi Bangla and State Guests House Jamuna.	2,198,800	2,198,800
	Donation to 5 families of martyred army officers killed in BDR carnage in 2009	2,400,000	66,051,162
	Donation to Jatir Janak Bangabandhu Sheikh Mujibur Rahman Memorial Trust & Prime Minister’s Education Assistant Trust	50,000,000	
	Contribution for creating awareness on different social issues.	5,487,16	
	Financial assistance to ‘Legal Assistance to Helpless Prisoners (LAHP)’ through legal assistance	1,500,000	
	Donation of 1(one) unit of Pick-up Van to Motijheel Police Station under Dhaka Metropolitan Police	1,498,000	
	Donation of 02 (two) units of Microbus for the Detective Branch of Dhaka Metropolitan Police.	5,166,000	

‘Dutch Bangla Bank’ sanctioned 30.8 million BDT for social development including philanthropic activities and construction activities (TABLE 9). They allocated around 66.05 million BDT for environmental and other activities including creating awareness for the public.

The CSR practice, which is attached with the annual report of ‘Dutch Bangla Bank’, is also contained the issues related with the ecological imbalance. They also deal with the development of forest harvesting and the people who are depending on it. The CSR part of the annual report is also contains the information about employees’ healthcare and security. They are trying to maintain employees healthcare and safety standard by ensuring modern working condition (Shirin 2019). They are trying to contribute in the society through the value addition procedure. They also tried to ensure the sustainability of financial development. They tried to reduce the omission of carbon dioxide that results from the operational activities of the organization.

6.1.2 BRAC Bank Ltd.

It was 2001 when ‘BRAC Bank’ started its operation. They started their business with the aim of providing banking services to the unbanked people. They are also trying to cover the unbanked people with the umbrella of banking services. They provide continuous focus on the product development, which will directly help to improve the CSR practice of the banking firm. The quality service helps to achieve optimal profit for the financial institutions. They also ensure that, customers will receive their desired service. They provide emphasis on the sustainable development of the organization. They have established a group to follow up the CSR procedures of the institution. The member of the committee was selected from the higher authority of the ‘BRAC Bank’. (Hussain 2019.)

‘BRAC Bank’ does not publish separate CSR report for describing their CSR procedure. They state their CSR report within the annual report of the organization. They also abide by the rules and regulations that are stated by ‘Global Reporting Standard’. They are trying to improve the operating function of the service provider through encouraging them by effective reward and remuneration system (Hussain 2019). Moreover, online banking enables ‘BRAC Bank’ to communicate effectively with the customers in an efficient way. Here, the overall CSR program is given (FIGURE 6).




 Education	500 Poor students realizing dreams to pursue higher studies	1,000 Students inspired in science studies
	40 Students got the opportunity for higher education at Dhaka University	10 Students got the opportunity for higher education at BRAC University
 Health	1,000 Patients receive medical support at CRP	10 Bed burn units set up at Chittagong City Corp. Hospital
 Social Welfare	53,150 Cold-hit people received clothes for warmer nights	5 Former enclave communities get safe water
	4,000 Employees raise fund for humanity	30 persons get artificial limb to walk again Valiant Freedom Fighter gets lifetime support
Art & Culture	3 Writers honored	

FIGURE 6. CSR initiatives of BRAC Bank Ltd. (adapted from BRAC Bank 2017, 257)

‘BRAC Bank - Prothom Alo Trust Adamya Medhabi Scholarship’ was introduced in the year of 2010 with the motto of ‘Unleashing student potential to create the future of the society’ (FIGURE 6). Here, they are trying to help the meritorious students of financially weak families to fulfill their higher education desires. They sanctioned around BDT 41 million to the education sector in order to ensure quality education and develop gender equality.

The Centre for the Rehabilitation of the Paralyzed has emerged with the aim of ‘Providing a new lease of life to the disabled’. It is a renowned international organization which serves and rehabilitates financially distressed people. They donated Tk. 10 lac for medical treatment, rehabilitation and support services focusing on the physical, emotional and social psychological aspects of the financially distressed people. Moreover, CRP helps to promote empowerment of the disabled through community-based services and the empowerment of disabled girls and women. They also established a well-equipped 10-bed burn unit at City Corporation General Hospital located in Sadarghat of Chittagong City Corporation. With the help of new facility, patients with burn injuries will receive quality treatment at lower costs.

Although, Bangladesh is a developing country and suffering from various problems, but they welcomed more than 800,000 Rohingya refugees from neighboring Myanmar. This migration has caused a major crisis especially in the southeastern parts of the country where they took shelter in different camps. In this time, 'BRAC Bank' came forward to help the helpless people. 'BRAC Bank' made donations to the Prime Minister's Relief and Welfare Fund to help the relief projects and construct shelters in Rohingya camps. In winter, they distributed 15,000 blankets to the cold-affected people in Nilphamari, Kurigram, Khulna and Barguna area. BRAC Bank-Samakal Shahitya Puroshkar was launched in 2011 to inspire the writer community to enrich Bangla literature. In 2017 three writers were awarded with Samakal Shahitya Puroshkar (an award for creative work) for their creative works.

'BRAC Bank' sets strategy for the improvement of CSR activities. It was listed in both 'Dhaka Stock Exchange (DSE)' and 'Chittagong Stock Exchange (CSE)'. Mobile and internet banking reached 'BRAC Bank' into a prestigious position. Their CSR strategy is focused on the sustainable development of the company. They have taken several policies and procedures about the society and environment. They were also initiating their business activities based on the 3P philosophy that means considering People, Planet and Profit. They encourage expansion of business that is related with the renewable energy. They also installed solar system in their branches in order to reduce the use of non-renewable resources and for to lessen wastages. They arrange scholarship facilities to the meritorious students. (Hussain 2019.)

'BRAC Bank' initiates environmental footprint program in order for increasing awareness among the people which improves the behavior of reducing energy consumption. 'BRAC Bank' performs their CSR activities with great care as it reflects the operational procedures of the bank. They convert most of the document record into online record, which helps to reduce the use of paper load. Through this ways, they are able to lessen the environmental pollution. They use special transportation vehicles which uses less fuel while performing its activities. They take proper initiatives to maintain a balanced health condition of the people in their daily life through health care facilities. CSR practice helps 'BRAC Bank' to compare its condition with other banking institutions in the economy. It also provides a picture about the economic condition of the institution. Moreover, CSR helps to achieve sustainable development and the economic improvement (FIGURE 7).

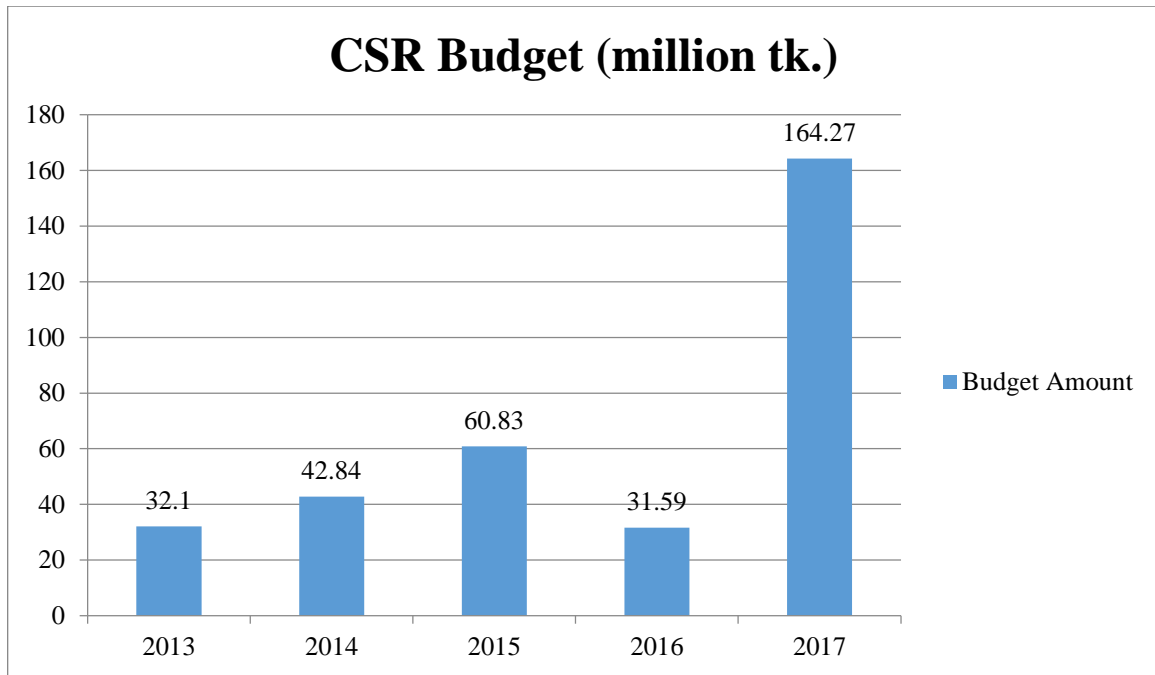


FIGURE 7. CSR budget over years (adapted from BRAC Bank 2017, 257)

They donated approximately 164 million BDT in the fiscal year 2017 (FIGURE 7). They are trying to increase their CSR budget over time. Economic, social and environmental responsibility is important because, it helps banking institution to perform its operational actions properly and in a way, that reduces the negative effect to the society. ‘BRAC Bank’ is responsible for ensuring the desired service to the customers as demand. To use of the scarce resources in an efficient way is top most priority. It is known that, if any action or activity of the firm is harmful for the environment then that activity must not be taken. They put much importance on CSR activities, role of stakeholders and materiality in the financial statements. They organize communication among related parties in a way that helps to ensure transparency in the financial statements and fulfill their desires (Hussain 2019). They highlight their proper-concentration and overall cost leadership strategy in the statement. They point out about the theory of stakeholder, where quality CSR activities help to attract probable stakeholders for the banking institution. This theory also implies that, the stronger the shareholders are, the higher the adaptation quality of the banking institution.

‘BRAC Bank’ tries to maintain the stakeholders delighted along with the best CSR activities. Here, the relationship between CSR activity and organization reputation is fully positive. If there are more CSR activities performed by the firm then the reputation of the firm will increase and it will increase the number of shareholders and make the existing shareholders delighted. The proper disclosure of stake-

holder's opinion depends on how powerful the stakeholders are in the financial institutions (Hussain 2019). The strong the influencing power of the stakeholders is, the little amount of the materiality will find in the statement. Therefore, there are also a direct relationship between the proper reporting and the stakeholder's strength.

6.1.3 Dhaka Bank Ltd.

Operating with the quality service and quick respond of the customers demand is the focus of 'Dhaka Bank'. It started its banking activities in the year of 1995. With the help of quality service and quick response to the customers demand, 'Dhaka Bank' achieves tremendous success in recent years. 'Dhaka Bank' is fascinated to provide financial support to the renewable energy sectors. 'Dhaka Bank' traded its share in the both of the share markets in Bangladesh, which are 'Dhaka Stock Exchange' and 'Chittagong Stock Exchange'. They are operating their banking function through centralized decision-making process. The centralized authority also takes their CSR decision. 'Dhaka Bank' does not prepare separate CSR report for their institution (Rahman 2019). Their CSR report is jointly published under the annual report.

'Dhaka Bank' is looking forward to reducing the pollution from the society by initiating various policies. Those eco-friendly policies are helping 'Dhaka Bank' to reduce social damages that are caused because of operational activities of the firm. It is quite hard to understand corporate social responsibility through operational activities. They are trying to follow 'Global Reporting Standard' as their guideline for CSR activities. By following the rules and regulations, they are trying to maintain social and environmental matters. They selected a committee who tried to follow-up the activities related to CSR. This committee also formulates and implements plans and strategies for decision-making process of CSR activities. (Rahman 2019.)

They engaged with yearlong different activities for giving a helping hand to the society. Their year-long activity includes, raising social awareness about reducing wastage, distribution of scholarship to meritorious students, poverty alleviation program and rehabilitation of the poor people. Those CSR activities are done for the betterment of the society. They are also trying to build up a strong relationship with the customers and make a good impression in the society through CSR activities (Rahman 2019). 'Dhaka Bank' generally designed their CSR activities, especially for the distressed portion of the people. Their yearlong CSR activities are stated (FIGURE 8).

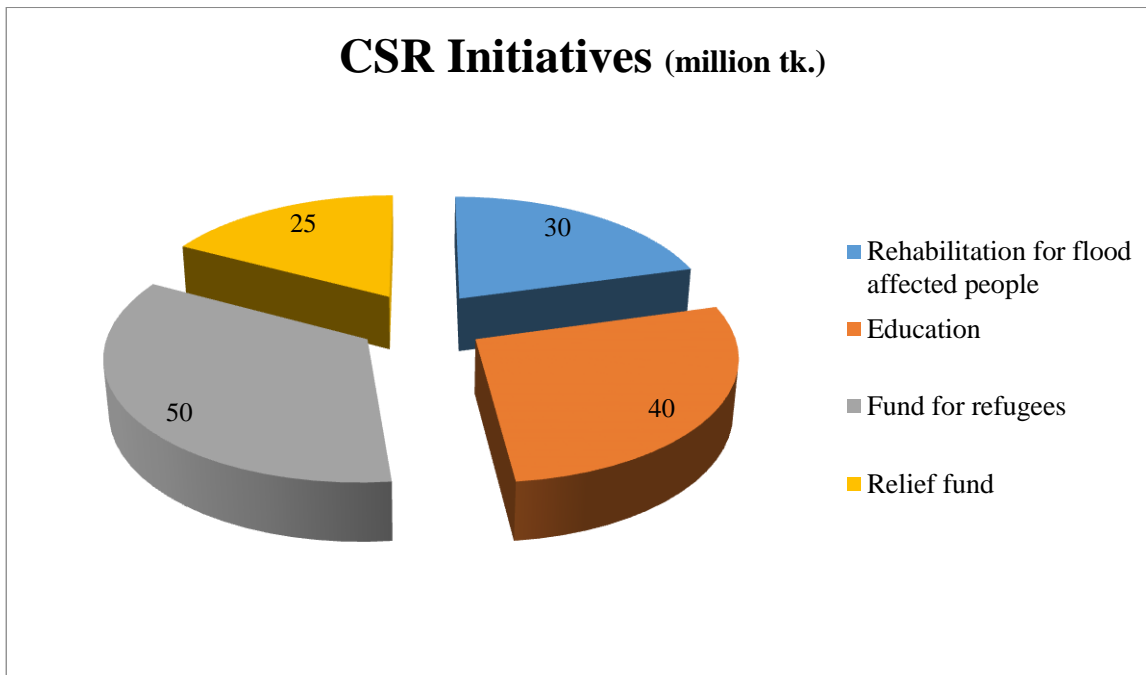


FIGURE 8. CSR initiatives of Dhaka Bank Ltd. (adapted from Dhaka Bank 2017, 81)

For reducing inequality from the society ‘Dhaka Bank’ took some actions through CSR activities (FIGURE 8). They took program for providing financial support to the financially weak students and provide them educational materials. For this, they sanctioned around 40 million BDT, in order for the improvement in educational sector. ‘Dhaka Bank’ helped to cope up with the refugee problem and donated approximately 50 million BDT. They also provide financial support to the poor people by relief and rehabilitation scheme.

They provide more and more importance about the customer satisfaction. They also collect customers opinion over their service quality and improve the quality of services they performed. In order to keep financial sector well-functioning they tolerate zero level of materiality in the financial statements. Actually, banking operations are not harmful, but when performing banking operations it causes some social damages. That is why banking institutions provide attention to minimize the damages. Moreover, energy saving method is applied in order to reduce the consumption of resources. ‘Dhaka Bank’ strictly monitors turning off lights, fans, air-coolers, and shutting down of computers at the end of working hours. Not only these issues reduce wastage of energy but also it reduces the cost for the institution. Moreover, their financial statements are examined by both internal and external auditors. (Rahman 2019.)

The committee takes strategy about the CSR activities by taking customers' opinion. Moreover, they consider their stakeholders advice and suggestion while preparing strategy. That is why there are less complain about the actions taken by the 'Dhaka Bank'. It is quite difficult to decide the amount of donation, whether it is sizeable or scattered into several smaller donations. They motivated and encouraged their employees about the CSR activities. Although GRI guideline is widely used method but companies sometimes, do not feel comfortable by using it (Rahman 2019). They rather use it but do not fulfill all the criteria of it. With modern facilities and development, social and environmental responsibilities are also changing day by day. That is why, it is important to communicate with stakeholders about the CSR initiatives.

7 ANALYSIS AND FINDINGS

After going through several recent CSR reports of the financial institutions of Finland and Bangladesh I found some similarities and variation in those reports. Initially the similarities and dissimilarities are depicted and then they are explained. Those are explained in the following subchapters.

7.1 Comparison of CSR Reporting in Finland and Bangladesh

CSR activities are turned into big issues in recent years. They are directly linked with the firms' operational activities and profit earning mechanism. That is why private and government sector in both of the countries are participated in CSR activities. In case of Finland, 'Ministry of Economic Affairs and Employment' performs as a responsible authority of CSR activities. Furthermore, other related ministries such as 'Environment and Foreign Affairs Ministries' go through the issues related to environment, human rights and rules and regulations of foreign trade. However, in Bangladesh different ministries and separate coordinating bodies examine CSR issues. Such as, 'Ministry of Environment', 'Ministry of Forest' and 'Ministry of Climate Change' monitor the facts that are related with the climate change.

There are no major differences between the CSR practices in the banking industry of both countries. All the banking institutions from both countries perform similar CSR activities in order for the development of the society. But there are some differences in CSR reporting procedures in Finland and Bangladesh. In Finland different financial institutions use different methods while reporting CSR activities. But, in case of Bangladesh GRI guidelines are mainly used by financial institutions. So both reporting rate and assurance rate are high among Finnish banking companies compared to the Bangladeshi banking companies.

7.2 CSR Reporting Analysis

Although there are some similarities among the CSR practices of financial institutions but there are also some differences in the reporting structure and guideline in Finnish and Bangladeshi institutions. Here are some points about the CSR task (TABLE 10). According to the survey of 'KPMG' about

‘Corporate Social Responsibility’ shows that, national rate of CSR, reporting among the big companies in Finland is 82%. Where Bangladeshi financial institutions are hardly cover all of the rules and regulations of GRI guidelines. (KPMG 2017.) That is why CSR reporting rate of Finnish financial institutions are much higher than Bangladeshi financial institutions.

TABLE 10. Analysis and findings presented in tabular form (based on CR Report 2018; Nordea Bank 2018; OP Corporate Bank 2018; Dutch Bangla Bank 2017; BRAC Bank 2017; Dhaka Bank 2017)

Name of Firms	Point of Tasks	Information
Danske Bank	Separate or attached CSR report	CSR report published separately
	Guideline	UN Global Compact
	Focus on stakeholders opinion	Yes
	Separate board for CSR activities	Yes
Nordea Bank Finland	Separate or attached CSR report	CSR report attached with Annual Report
	Guideline	Global Reporting Standard
	Focus on stakeholders opinion	Moderate
	Separate board for CSR activities	No, head office (Stockholm) is responsible for the action.
Pohjola Bank	Separate or attached CSR report	CSR report attached with Annual Report
	Guideline	Global Reporting Standard
	Focus on stakeholders opinion	Yes
	Separate board for CSR activities	No, ‘Board of Directors’ are responsible for the action.
Dutch Bangla Bank Ltd.	Separate or attached CSR report	CSR report attached with Annual Report
	Guideline	Global Reporting Standard
	Focus on stakeholders opinion	Yes
	Separate board for CSR activities	Yes

(continues)

TABLE 10. (continues)

Name of Firms	Point of Tasks	Information
BRAC Bank Ltd.	Separate or attached CSR report	CSR report attached with Annual Report
	Guideline	Global Reporting Standard
	Focus on stakeholders opinion	Yes
	Separate board for CSR activities	Yes
Dhaka Bank Ltd.	Separate or attached CSR report	CSR report attached with Annual Report
	Guideline	Global Reporting Standard
	Focus on stakeholders opinion	Yes
	Separate board for CSR activities	Yes

CSR report of Finnish and Bangladeshi banks are depicted based on reporting and guidelines (TABLE 10). Among the selected three Finnish banking institutions, one of them published (Danske Bank) their CSR report separately and other two of the banking firms are published their CSR report attached with Annual Report. However, in case of Bangladeshi banking institutions all of them published their CSR report attached with Annual Report. It is seen that the CSR reports of Finnish banking companies' are quite stronger than Bangladeshi banking companies' when compared with the publishing of separate CSR report.

Moreover, in the reporting style of CSR, one of the Finnish banking companies (Danske Bank) followed 'UN Global Compact' guideline and the rest two firms used 'Global Reporting Standard' guideline. In case of Bangladeshi banking companies, all of the three firms tried to follow the 'Global Reporting Standard' method for CSR reporting. But their CSR activities were not so vast, that is why sometimes they failed to stick with the guidelines. Therefore, the Finnish banking companies' CSR reports are better than the Bangladeshi banking companies, when compared with the stickiness of guidelines.

While preparing CSR report banking institutions stakeholders' opinion is one of the crucial facts. Therefore, all of the selected financial institutions of Finnish and Bangladeshi banking companies tak-

en stakeholders opinion and provide enough interest while preparing CSR report. Currently CSR function turned into a new concept of development. That is why financial institutions eager to maintain CSR activities cordially. One of the Finnish banking institutions (Danske Bank) maintained their CSR activities through separate board of authorities and the rest of the two Finnish banking institutions did not assign any separate board for CSR activities. 'Nordea Bank' does not have separate authorities for CSR activities, rather than their head office (Stockholm) is responsible for CSR action. Pohjola Bank also does not have separate authorities for CSR activities and their 'Board of Directors' is responsible for CSR action. In case of Bangladeshi banking companies, all of the selected financial institutions keep separate board or committee for CSR activities. Therefore, Bangladeshi banking companies' CSR reports are better than the Finnish banking companies, when compared with having separate board or committee for CSR actions.

8 CONCLUSION

The statement of corporate social responsibility varies significantly from institution to institution. As there are no universal acceptable guideline and framework about CSR activities so, institutions are free to choose any of the procedure and framework. That is why the CSR reporting style of the institutions will also be different within the country as well. Generally CSR reports differ from country to country. After analyzing the latest CSR report of Finnish and Bangladeshi banking institutions, it is found that there are many common criteria under which those banking institutions are completing their CSR reporting. There are several differences in CSR reporting guidelines that banking institutions from both the countries try to follow. Moreover, banking institutions from both countries highlight their CSR achievements in recent years.

This thesis is all about the CSR activities of Finnish and Bangladeshi banking industries. It is the way through which organizations take liability of their harmful acts in the society. Firms use the resources from the society and make ultimate profit through utilizing it. While utilizing the natural resources they also affect the society economically, socially, and mostly environmentally. Organizations publish CSR report so that their stakeholders are assured that the organization takes step to ensure the steady amount of sustainable growth while maximizing wealth. Stakeholders are also informed about the activities through which the organization implements their CSR activities. Each company tries to report their CSR activities in their favorable ways. It adds some complexities while comparing the CSR activities of one firm to another. Although there are several guidelines about CSR activities but 'Global Reporting Initiative' is the most used one. Both globalization and CSR activity is increasing day after day. It accelerates the complexities to the real world. Now-a-days investors and stakeholders are more conscious and they are not profit hunger anymore. They also want to know how their operating firm manages their CSR activities.

As we live in the society, so there are some functions that are needed to be performed by the organizations whether they are financial organization or not. Financial organization works as the heart of the society through providing financial support in terms of money. A country will prosper properly, only when the livelihood of the poorer section of the society is developed. CSR activities provide a helping hand to improve the livelihood of the poorer section of the society. CSR activities can also be performed by providing financial support to the weakest portion of the population parameters.

The main differences in CSR practice are used CSR reporting guidelines and responsible authority for CSR activities between two countries. One of the Finnish banking institutions followed 'UN Global Compact' and rest of the two banking institutions followed 'Global Reporting Standard' as their CSR guideline. In another case, three of the Bangladeshi banking institutions followed 'Global Reporting Standard' as their CSR guideline. But, the strictness to follow the reporting guideline (GRI) while preparing the CSR report is weak in case of Bangladeshi banking institutions compared to Finnish banking institutions. That means, Finnish banking institutions' CSR report is fully on many criteria compared to Bangladeshi banking institutions.

There are many sudden changes in the society as a result of social destructive activities. Social destruction directly or indirectly caused by the activities of the business organization. These social destructive activities bring social destruction to the normal life in society. Different organizations take different initiatives for the social damages that affect the society. Social responsibility is itself a voluntary concept. It may appear as a commercial concept, which can be achieved through voluntary activities. That is why CSR is a paradoxical concept, which may not be treated as voluntarily.

REFERENCES

- Anheier, H. & Leat, D. 2013. Philanthropic foundations: What rationales? *Social research: an international quarterly* 80(2), 449-472.
- Barnett, M. & Salomon, R. 2012. Does it pay to be really good? Addressing the shape of the relationship between social and financial performance. *Strategic Management Journal* 33(11), 1304-1320.
- Baskarada, S. 2014. Qualitative case study guidelines. *The Qualitative Report* 19(40), 1-25.
- Blombäck, A. & Scandeliuss, C. 2013. Corporate heritage in CSR communication: a means to responsible brand image? *Corporate Communications: An International Journal* 18(3), 362-382.
- Bolanle, B., Adebisi, O. & Muyideen, A. 2012. Corporate social responsibility and profitability of Nigeria banks-a causal relationship. *Research journal of finance and accounting* 3(1), 6-17.
- Bose, S., Khan, H., Rashid, A. & Islam, S. 2018. What drives green banking disclosure? An institutional and corporate governance perspective. *Asia Pacific Journal of Management* 35(2), 501-527.
- BRAC Bank. 2017. Annual report. Available at: https://www.bracbank.com/old/financialstatement/annualreport_2017.pdf. Accessed 14 April 2019.
- Bučionienė, I. & Kazlauskaitė, R. 2012. The linkage between HRM, CSR and performance outcomes. *Baltic Journal of Management* 7(1), 5-24.
- Carroll, A. 2016. Carroll's pyramid of CSR: taking another look. *International journal of corporate social responsibility* 1(1), 3.
- Choo, R. 2014. Designated non-financial businesses and professionals: A review and analysis of recent financial action task force on money laundering mutual evaluation reports. *Security Journal* 27(1), 1-26.
- CR Fact Book. 2018. Danske Bank. Available at: <https://danskebank.com/-/media/danske-bank-com/file-cloud/2019/2/cr-factbook-2018.pdf>. Accessed 9 April 2019.
- CR Report. 2018. Danske Bank. Available at: <https://danskebank.com/-/media/danske-bank-com/file-cloud/2019/2/cr-report-2018-.la=en.pdf>. Accessed 22 April 2019.
- Dhaka Bank. 2017. Annual report. Available at: https://dhakabankltd.com/wp-content/uploads/2018/06/DBL-Annual-Report-2017_PDF.pdf. Accessed 14 April 2019.
- Ditlev-Simonsen, C. & Wenstøp, F. 2013. How stakeholders view stakeholders as CSR motivators. *Social responsibility journal* 9(1), 137-147.
- Dutch Bangla Bank. 2017. Annual report. Available at: <https://www.dutchbanglabank.com/investor-relations/Annual-Report-2017/Annual-Report-2017.pdf>. Accessed 14 April 2019.
- Fatma, M., Rahman, Z. & Khan, I. 2014. Multi-item stakeholder based scale to measure CSR in the banking industry. *International Strategic Management Review* 2(1), 9-20.

- Finance Finland. 2019. Highlights of Finnish Financial Services. Available at: <http://www.finanssiala.fi/en/financial-services/banks/Pages/default.aspx>. Accessed 12 April 2019.
- Global Reporting Initiative. 2019. GRI Standards Homepage. Available at: <https://www.globalreporting.org/standards/>. Accessed 10 April 2019.
- Grankvist, P. 2012. CSR i praktiken – Hur företag jobbar med hållbarhet för att tjäna pengar. 2nd ed. Stockholm: Grankvist & Liber AB.
- Harvey, B. 2014. Social development will not deliver social licence to operate for the extractive sector. *The Extractive Industries and Society* 1(1), 7-11.
- Hussain, S. 2019. Interview of Managing Director. 23 April 2019. Brac Bank Ltd.
- ISO. 2019. ISO 26000 Social responsibility. Available at: <https://www.iso.org/iso-26000-social-responsibility.html>. Accessed 9 April 2019.
- Kitzmueller, M. & Shimshack, J. 2012. Economic perspectives on corporate social responsibility. *Journal of Economic Literature* 50(1), 51-84.
- Kotler, P., Hessekiel, D. & Lee, N. 2012. Good works!: Marketing and corporate initiatives that build a better world... and the bottom line. Hoboken: John Wiley & Sons.
- KPMG. 2017. Survey of corporate responsibility reporting. Available at: <https://assets.kpmg/content/dam/kpmg/xx/pdf/2017/10/kpmg-survey-of-corporate-responsibility-reporting-2017.pdf>. Accessed 9 April 2019.
- Krasodomska, J. 2015. CSR disclosures in the banking industry. Empirical evidence from Poland. *Social Responsibility Journal* 11(3), 406-423.
- Lament, M. 2015. Trends in corporate social responsibility (CSR) reporting. *International Journal of Economic Practices and Theories* 5(5), 503-509.
- Lee, S., Singal, M. & Kang, K. 2013. The corporate social responsibility–financial performance link in the US restaurant industry: do economic conditions matter?. *International Journal of Hospitality Management* 32, 2-10.
- Luo, X., Wang, D. & Zhang, J. 2017. Whose call to answer: Institutional complexity and firms' CSR reporting. *Academy of Management Journal* 60(1), 321-344.
- Matuszak, Ł. & Róžańska, E. 2017. An examination of the relationship between CSR disclosure and financial performance: The case of Polish banks. *Journal of Accounting and Management Information Systems* 16(4), 522-533.
- Ministry of Economic Affairs and Employment. 2019. Available at: <https://tem.fi/en/frontpage>. Accessed 20 April 2019.
- Mocan, M., Rus, S., Draghici, A., Ivascu, L. & Turi, A. 2015. Impact of corporate social responsibility practices on the banking industry in Romania. *Procedia economics and finance* 23, 712-716.

- Moravcikova, K., Stefanikova, L. & Rypakova, M. 2015. CSR reporting as an important tool of CSR communication. *Procedia Economics and finance* 26, 332-338.
- Nordea Bank. 2018. Annual Report. Available at: <https://www.nordea.com/Images/33-304448/Annual%20Report%20Nordea%20Bank%20Abp%202018.pdf>. Accessed 19 April 2019.
- OECD. 2019. OECD.org - OECD. Available at: <http://www.oecd.org/>. Accessed 20 April 2019.
- OP Corporate Bank. 2018. Annual Report. Available at: https://www.op-year2018.fi/pdf/OP_Corporate_Bank_2018_EN.pdf. Accessed 19 April 2019.
- Pérez, A. & Del Bosque, I. 2012. The role of CSR in the corporate identity of banking service providers. *Journal of Business Ethics* 108(2), 145-166.
- Rahman, S. 2017. Role of government in the promotion of corporate social responsibility (CSR): The case of Bangladesh banking sector. *Australian Academy of Accounting and Finance Review* 1(1), 44-68.
- Rahman, S. 2019. Interview of Managing Director. 5 May 2019. Dhaka Bank Ltd.
- Robertson, J. & Barling, J. 2013. Greening organizations through leaders' influence on employees' pro-environmental behaviors. *Journal of organizational behavior* 34(2), 176-194.
- Shirin, A. 2019. Interview of Managing Director. 23 April 2019. Dutch Bangla Bank Ltd.
- UN Global Compact. 2019. Available at: <https://www.unglobalcompact.org/library>. Accessed 19 April 2019.
- UN Global Compact. 2019. Ten Principles of UN Global Compact. Available at: <https://www.unglobalcompact.org/what-is-gc/mission/principles>. Accessed 10 April 2019.
- Usman, B. & Amran, B. 2015. Corporate social responsibility practice and corporate financial performance: evidence from Nigeria companies. *Social Responsibility Journal* 11(4), 749-763.
- Uyar, A. 2016. Evolution of corporate reporting and emerging trends. *Journal of Corporate Accounting & Finance* 27(4), 27-30.
- Wu, M.W. & Shen, C. 2013. Corporate social responsibility in the banking industry: Motives and financial performance. *Journal of Banking & Finance* 37(9), 3529-3547.