PRME
an initiative of the
United Nations Global Compact

2025 Sharing Information on Progress **(SIP) Report**

Stockholm School of Economics

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About the Principles for Responsible Management Education (PRME)

The Principles for Responsible Management Education (PRME) is a United Nations-supported initiative founded in 2007 that aims to raise the profile of sustainability in their classrooms through Seven Principles focused on serving society and safeguarding our planet.

PRME engages business and management schools to ensure they provide future leaders with the skills needed to balance economic and sustainability goals, while drawing attention to the Sustainable Development Goals (SDGs) and aligning academic institutions with the work of the UN Global Compact. Driven by its mission to transform management education, PRME equips today's business students with the understanding and ability to deliver change tomorrow. As a voluntary initiative with over 800 signatories worldwide, PRME has become the largest organized relationship between the United Nations and management-related higher education institutions.



> *The PRME initiative was launched to nurture responsible leaders of the future. Never has this task been more important. Bold leadership and innovative thinking are needed to achieve the Sustainable Development Goals (SDGs).*

Antonio Guterres

Secretary-General (2017 - Present)

United Nations

Principles of PRME



Purpose

We advance responsible management education to foster inclusive prosperity in a world of thriving ecosystems.



Values

We place organizational responsibility and accountability to society and the planet at the core of what we do.



Teach

We transform our learning environments by integrating responsible management concepts and practices into our curriculum and pedagogy.



Research

We study people, organizations, institutions, and the state of the world to inspire responsible management and education practice.



Partner

We engage people from business, government, civil society, and academia to advance responsible and accountable management education and practice.



Practice

We adopt responsible and accountable management principles in our own governance and operations.



Share

We share our successes and failures with each other to enable our collective learning and best live our common values and purpose.

The Sustainable Development Goals (SDGs)

In September 2015, all 193 Member States of the United Nations adopted a plan for achieving a better future for all – laying out a path over the next 15 years to end extreme poverty, fight inequality and injustice, and protect our planet. At the heart of Agenda 2030 are 17 Sustainable Development Goals (SDGs) and 169 related targets that address the most important economic, social, environmental and governance challenges of our time. The SDGs clearly define the world we want – applying to all nations and leaving no one behind. Successful implementation of the SDGs will require all players to champion this agenda; the role of higher education is critical to this.



Getting Started

This section provides foundational information about Stockholm School of Economics, including key details and basic institutional data.

Mission

The activities of the Stockholm School of Economics rest upon a clear mission and vision.

Mission: Strengthen Sweden's competitiveness through research and science-based education.

Vision: A world-class international business school based in Sweden.

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Strategy

SSE Strategy_PRME Report View document Download document

Strategy Alignment

Strategic priorities advancing sustainable development, the common good, and quality education

Because SSE has a broad strategy in comparison to most other business schools, its strategic priorities align in several ways with these three objectives, advancing sustainable development, the common good, and high-quality education. SSE’s current strategy is to strengthen the four foundational pillars of its operations. These are: top-class research that is both rigorous and relevant; research-based educational programs that meet the needs of students and their future employers; collaboration with industry and society that sets an international benchmark for such collaboration; and to develop and maintain a campus that is inspiring and sustainable. These priorities correspond to the four pillars used to organize, execute, and evaluate all that work that supports our work as PRME signatory.

To help focus on these strategic priorities, SSE has a number of sub-strategies, one of which is devoted to Sustainability (alongside Gender Equality and Internationalization). The four components of th sub-strategy align with the foundational priorities identified above, and four senior managers each direct and assess progress in one of these areas: research, education, campus, and outreach (which combines impactful outreach activity with equally impactful "inreach" from partners in the public, private, and not-for-profit sectors).

SSE's Mistra Center for Sustainable Markets (Misum) is the operational hub for the School's sustainability research. It coordinates and in part finances research in four areas: sustainable finance; accounting frameworks; human capital and sustainable development; and innovation and entrepreneurship for sustainable development. This work is carried out by faculty from across all departments and by a number of international collaborators from academia and other sectors of society.

Responsibility for educational excellence rests upon all of SSE's academic departments and upon the professional services units that support them. To provide unity and operational focus, SSE has adopted an educational mission that is expressed through the acronym FREE. The initials stand for four attributes that all SSE graduates are expected to embody. They are mindsets guided by **FACTS**, **REFLECTION**, **EMPATHY,** and **ENTREPRUENURIAL** thinking. This approach to higher education is holistic and aspires to types of knowledge and personal development that go beyond market driven skills and competence. As with SSE's research, the educational programs are subject to continuous assessment as guided by the SSE Educational Improvement System.

SSE's understanding of a stimulating and sustainable campus encompasses both the physical and social dimensions of sustainability. Alongside an ambitious program of facility upgrades and improved tracking of the School's environmental impact, there is ongoing work to ensure that the campus is experienced by all students and staff as an arena shaped by fairness and inclusion and driven by sensual and intellectual stimulation.

Social collaboration, SSE's mix of outreach and inreach, like educational excellence, takes place across many of the School's operational units. Unifying this work is the strategic objective to become a global benchmark in this area. All departments and major research centers carry out outreach activities for academics, practitioners, and other interested stakeholders. Likewise, the host external experts, who contribute to SSE's research and to our educational programs. In addition, SSE organizes three initiatives that are optional for students and can nevertheless contribute to their development of the FREE attributes mentioned above. One is the SSE Art Initiative, which uses aesthetic experiences to highlight questions of sustainability and responsible global citizenship. This includes the SSE Literary Agenda, which facilitates students reading and discussing current books, fiction and memoirs, that drive reflection. Another is the SSE Sports Agenda, which opens gateways for students to participate actively or passively in a wide range of sporting activities. A third is the SSE Tech Agenda,

which highlights student engagement with new technologies and the innovation that drives them. As an umbrella function, SSE marketing and communications units play an important role in delivering SSE's message to the public and in maintaining relationships with a wide range of external stakeholders.

Graduates & Enrollment

2024 Statistics	Number
Graduates	763
Faculty & Staff at the University	286
Student Enrollment at the University	2186
Undergraduate Attendance	1185
Masters-Level Postgraduate Attendance	829
Doctoral Student Attendance	129

Degrees Offered

Bachelor Programs

- Bachelor of Science (B.Sc. or B.S.)

Masters Programs

- Master of Science (M.Sc. or M.S.)

Doctoral Programs

- Doctor of Philosophy (Ph.D.)

Additional

- Executive MBA



Purpose

We advance responsible management education to foster inclusive prosperity in a world of thriving ecosystems.

Letter of Commitment

A WORD FROM THE PRESIDENT: SSE'S COMMITMENT TO PRME

The Stockholm School of Economics (SSE) hereby submits its Sharing Information on Progress (SIP) report.

SSE has been an active and dedicated signatory since our initial commitment in 2013. This dedication is evident in the role SSE has taken in Chapter Nordic and in our proud membership among the PRME Champions since 2018.

Since submitting our most recent report for 2021-2023 SSE has continued to make strides in realizing the goals established for PRME signatories. As our SIP shows, this progress manifests in each of the six pillars of responsible management education.

Foundational for all work with responsible education is clarity of **Purpose** and **Values**. At SSE this begins with our mission, a mission we have executed since 1909; that is to make Sweden more competitive. In this century, truly competitive organizations, nations, and alliances are those that acknowledge their responsibility as global citizens and act accordingly.

One vehicle for carrying out this mission is the framing of SSE's values and educational objectives. The acronym FREE represents four attributes we expect our graduates to demonstrate. They should be *Factual* in their personal and professional decision making. They should be *Reflective* and demonstrate a self-awareness of their values, their impact on other, and their personal aspirations in light of current global conditions. They should be *Empathetic*, with an empathy that is grounded in tolerance and awareness of cultural differences. Finally, they should be *Entrepreneurial*, not necessarily in the sense of launching new enterprises, but rather by being alert to new opportunities in all aspects of their lives and by then pursuing those opportunities through hard work and by questioning the status quo.

In 2024 SSE has expanded its efforts to leverage FREE as a central part of our global positioning. By working to ensure that we have FREE graduates, we highlight our commitment to social responsibility and to the innovative pedagogies necessary to support students as they grow into FREE individuals.

In terms of the principle of **Teach**, the SIP will also show that SSE has made progress in further focusing our programs on developing the next generation of responsible leaders. One indicator of that progress is the introduction of a Sustainability Track open to MSc students in all programs, where sustainability is defined broadly and in alignment with the 17 SDGs. A student completes and documents the focus on sustainability in two steps. The first is to select as their electives at least two courses identified as having strong sustainability content and clear sustainability-related

Stockholm School of Economics. Sveavägen 65. Box 6501. SE-113 83 Stockholm. Sweden. Phone +46 8 736 90 00. www.hhs.se

intended learning outcomes. Crossing disciplines, these courses include, for instance, Corporate Sustainability and Responsibility, Sustainable Finance, Development Economics and Social Entrepreneurship. The next step is to propose a topic within the area of sustainability for the master's thesis, have that topic approved, and then complete a satisfactory thesis. Students graduating in 2024 were the first eligible to complete the sustainability track.

A second indicator is the introduction of greater transparency regarding the faculty's work with the SDGs. This includes information for each course on which of the SDGs are covered within the course's disciplinary purview and how that coverage will be managed. This information is published in each course description in SSE's learning-management system. SSE's Pedagogy Team, especially our PRME coordinator, provides support for any faculty member wanting to learn more about the SDGs and how to cover them in courses.

A third indicator follows from SSE's role as a PRME Champion. In that capacity, we participate in a project that develops teaching material, such as slides, exercises, and teaching notes to support faculty worldwide who teach sustainability reporting frameworks.

Because all education at SSE rests upon current **Research**, our commitment to responsible education requires major investments in sustainability research. While researchers across all departments study sustainability issues, five organizational hubs play leading roles in this work. The first and largest of these is Misum, SSE center for sustainable markets, a research hub that links SSE faculty and leading figures in three fields: accounting practices, human capital and sustainable development, and sustainable business development through entrepreneurship and innovation.

Working closely with Misum, SSE's Swedish House of Finance is a second hub for sustainability research. Here the focal point is of course sustainable finance.

A third hub for sustainability research is the Center for Responsible Leadership, where the current primary focus is on the integration of migrants into domestic labor markets.

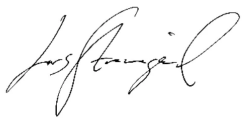
The fourth and fifth hubs are relatively new research centers at SSE, having been established in 2023 and 2024 respectively. One is the House of Governance and Public Policy. In this context, it is the role of institutions in setting and pursuing sustainability goals that stands in focus. The other is the Center of Wellbeing, Welfare, and Happiness, where the focus is on understanding and bringing about the condition necessary for more people to achieve SDG 3.

SSE's commitment to responsible management education is also clearly manifest in our **Partnerships**. Our most important academic partner organizations all express commitments to responsible management. CEMS, the Global Alliance in Management Education, has the vision to deliver "the leading international Master's in International Management (MIM) that prepares responsible leaders contributing to a more open,

sustainable and inclusive world". CIVICA, an alliance within the European Universities Initiative, "tackles pressing societal challenges through interdisciplinary research, and serves as a model for transnational cooperation in higher education". SSE also regularly partners with UN Global Compact Sweden to organize seminars for engaged practitioners, for example during 2024 a seminar on living wages. As an educational institution, SSE's most important partnership is with its students. This takes many forms, but here the most relevant form is the School's close relationship to the Student Association's Student Sustainability Group.

In **Practice**, SSE operationalizes its sustainability work into four pillars: education, research, campus operations, and outreach. This approach is specified in our Sub-strategy for Sustainability, which has been approved by the SSE Board of Directors and lauded by both national and international accreditation agencies.

Given the centrality of sustainability and responsible management education in SSE's mission and strategy, our communication with stakeholders and the public at large regularly **Shares** insights, tools and experiences in these areas. In addition, SSE contributes to international dialogues through its participation in PRME Champions and Nordic networks. Finally, the Misum Annual Forum is one of the Nordics' leading platforms for actors from academia, industry, and policy formation to discuss sustainability and social responsibility from their diverse perspectives.



Lars Strannegård, President

Stockholm School of Economics

Definition of Purpose

SSE's understanding of Purpose is grounded in its values and educational mission FREE (Fact-based, Reflective, Empathetic, Entrepreneurial) and centers on preparing students to be responsible leaders who actively contribute to sustainable development by equipping them with the ability to understand systemic challenges and make decisions considering ethical and societal implications.



Values

We place organizational responsibility and accountability to society and the planet at the core of what we do.

How We Define Values

Building on its mission to develop FREE individuals, SSE explicitly integrates values of sustainability, social responsibility, and ethical conduct into its institutional culture and educational framework. These values are operationalized not only in course content but also in student life, faculty development, and institutional policies.

Who Champions Responsible Management Education at Our Institution

- Student Association Sustainability Group
- SSE Sustainability Group
- Interdisciplinary efforts across business school
- Research or issue group, society, or club leading sustainability efforts
- Senior leadership office

Student Voices

The following narratives demonstrate how Stockholm School of Economics has influenced students' academic journey and personal growth.

Student Voices: PRME at SSE

On the academic side, PRME has opened up paths I hadn't really considered before. At the Stockholm School of Economics, sustainability is incorporated into many courses, and I still remember the accounting class where we discussed sustainability reporting. That was the first time I realised that business and sustainability don't have to be in conflict, and that I could actually bring my interest in sustainability into a business context.

On a personal level, PRME has given me a real sense of belonging to a wider community. It's been incredibly inspiring to connect with engaged students from around the world who are passionate about responsible education and to feel part of a movement larger than my own school.

I've also had the chance to take on leadership roles through sustainability-related initiatives at SSE. Being on the board of the Student Sustainability Group gave me the opportunity to meet great people, co-organise events, and push sustainability higher on the agenda. The highlight of my journey so far has without a doubt been participating in the PRME Global Students Sustainability Awards and travelling to New York for the 2025 RME Week. Presenting our Sustainable Fashion Show in front of deans, teachers, and faculty from signatory schools worldwide was an experience I'll never forget.

Above all, PRME has shaped the way I think about my future. It has sparked my interest in quality education as a pillar of sustainability, and I know I'll carry these values into my career and beyond.

Sustainability as a Guiding Principle for SSE Students

At the Stockholm School of Economics, all courses are designed to integrate the Sustainable Development Goals, demonstrating how every aspect of business—whether accounting, econometrics, finance, or management—is shaped by sustainability and responsible management. This holistic approach has been central to my academic journey, fueling my curiosity to explore sustainability at a deeper level and inspiring my bachelor thesis on how Swedish SMEs champion sustainable practices. Beyond academics, it has also shaped my personal growth by providing a clearer perspective on how to align my career with sustainability, while strengthening my commitment to making responsible decision-making a guiding principle in both professional and personal contexts.

Teach

We transform our learning environments by integrating responsible management concepts and practices into our curriculum and pedagogy.

How We Define Teach

SSE operationalizes the Principle of Teach by embedding responsible management into teaching practices and course structures across all levels - from bachelor's to executive education. SSE's educational mission FREE guides the development of content and innovative teaching practices that build holistic skills sets and foster responsible, informed decision-making.

Courses that support RME

Stockholm School of Economics reports 3 courses in 2024 that support responsible management education and sustainable development goals.

Global Challenges 1 - Understanding | BE801

Fighting global threats, from climate change to new contagious viruses, often requires large-scale changes in behavior. How can we modify the behavior of billions of people? Clearly, the answer requires an understanding of both human nature and social organization. Sometimes, governments create large-scale improvements in people's behavior without individuals themselves making a conscious decision to act for the common good. For example, even a car-owner who is not worried about the climate will tend to drive less when carbon taxes make petrol more expensive. At other times, governments and other influential actors create large-scale behavioral changes by appealing to people's non-material motives. For example, in the wake of environmental campaigns, many people change their diet and reduce their travel by cars and planes. Their non-material motives take several forms, ranging from pure concern for future generations at the unselfish end of the spectrum to a pure desire for social image at the selfish end. In-between these two extremes is the sense of obligation; for example, many people perceive a social duty to behave in an environmentally friendly way. Prosperous societies share the ability to harness both material and immaterial motives for the common good. An important feature of states is that they use coercion. For example, the payment of taxes is not voluntary. Ultimately, the military service (police) will be used to collect the tax or penalize the tax dodger. A major purpose of social theory is to understand the pros and cons of organized coercion. But the defining characteristic of a global challenge is that it spans many states. Since each state is sovereign, there is no global government that can legitimately use the threat of violence to impose decisions—such as a carbon tax—on the whole world. How, then, can people from different states cooperate to fight global warming? What are the possible roles of individuals? What are the possible roles of commercial organizations? What are the possible roles of non-profit entities and of trans-national organizations such as WTO? And what is the scope for voluntary cooperation between governments? Do we need to build a new mechanism for global coercion?



Business & Sustainable Development Fundamentals

| 2319

The seminal definition of sustainable development (Our Common Future, 1987) broadly interlinks concerns for the environment, economic and social development to the global policy agenda. It brings in an intergenerational perspective in time, and geographic considerations in space. Our transition towards sustainable development involves multistakeholders such as global and national policymakers, investors, businesses, consumers and civil society actors. Challenges caused by climate change, biodiversity loss, population growth, poverty and inequality along with geopolitics and conflict are interlinked and increasingly impacting, or being impacted, by our socioeconomic systems interacting with corporate and human behavior. The salience and complexity of diverse concerns must be understood through the underlying philosophies, levels of analysis and multi-stakeholder perspectives, but also by which dominant logics and theories you apply. Understanding the inevitable tradeoffs and identifying the potential synergies interlinking the many sustainable development concerns requires a basic understanding of the broad theoretical and empirical research to date, but also, though most often unaddressed, a reflective stance underlying philosophies and normative ethics. This is an introductory course on selected sustainability topics and takes a global perspective comparing values and interests, economic systems and markets, tradeoffs and interlinkages to consider the complexities as they relate to business and economics studies.



Sustainable Finance

| 4334

Purpose Firms and their investors face increasing demands from governments and other stakeholders to reduce their negative social and environmental impact. Accordingly, sustainable investments that take into account environmental, social, and governance (ESG) considerations have grown significantly in recent years. This is the field of sustainable finance. The course uses real-world cases to study how firms and their investors address these increasingly pressing demands. The aim is to

provide students with the tools to assess and respond to the resulting challenges for firms and investors. In doing so, the course relates to several important topics in finance. The broader aim of the course is to critically reflect on the role of business and finance in society. Content The course is divided into three parts: (1) sustainable business, (2) responsible investing and sustainable investor engagement, and (3) corporate sustainability reporting and measurement. In the first part, we study the role of sustainability in firms' decision-making. Cases in this part concern trade-offs between profits and sustainability and their impact on stakeholders such as employees, customers, and society. In the second and main part of the course, we study how investors incorporate sustainability considerations into their investment strategies. We compare different responsible investment criteria and different types of direct sustainable investor engagement. In particular, we evaluate the role of different types of investors, such as mutual funds, private equity funds, and individual investors, in sustainable investing. The third part of the course studies the role of sustainability measurement and disclosure. Here, we focus on the way firms report their sustainability efforts and how investors process and use this information.





Research

We study people, organizations, institutions, and the state of the world to inspire responsible management and education practice.

How We Define Research

The Principle of Research at SSE emphasizes generating knowledge that is both academically rigorous and societally relevant. Sustainability is a defined research priority, and the Mistra Center for Sustainable Markets (Misum) leads this effort. Research projects are frequently designed to inform policy or practice, often in collaboration with external partners.

Research vs Research for RME/Sustainable Development

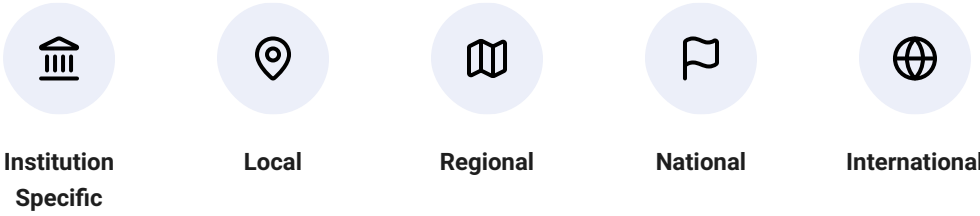
190 Peer-reviewed articles were published by Stockholm School of Economics from this past calendar year.

vs

93 Peer-reviewed articles were published by Stockholm School of Economics from this past calendar year in support of RME.

Research Funding

In 2024, Stockholm School of Economics was awarded funding for research that is:



Socializing Research

In 2024, Stockholm School of Economics contributed research findings to:

- Community organizations
- Government and policy makers
- Industry and business networks
- International media
- Local media
- National media
- Open-access platforms
- Public events and lectures
- Research collaborations
- Social media and digital outreach

Research Awards

In 2024, Stockholm School of Economics was awarded 1 research award for responsibility- and/or sustainability-related research.

Oskar Sillén Prize

Granter: FEI Parent Association The Association of the Institute of Business Studies

Grantee: Friederike Döbbe

Award Description:

The Oskar Sillén Prize is awarded by the FEI Parent Association The Association of the Institute of Business Studies in memory of Oskar Sillén, who was a pioneer in Swedish business administration research and education and chairman of FEI from 1917 to 1920. This year, the award was for the doctoral thesis titled "Politics of Responsibilization". This research is about the phenomenon of responsibilization – how responsibility for societal and environmental issues is discursively constructed, contested and often shifted onto specific actors. Focusing on sustainable food and climate change, the thesis shows how consumer responsibilization discourses tend to divert responsibilities to the individual, while shared responsibility discourses often diffuse responsibilities to the collective. The research argues that these responsibility redirections can impede transformative responses to socio-ecological crises.

Research Presentations Related to RME and/or Sustainability

In 2024, Stockholm School of Economics gave 3 research presentations related to RME and/or sustainability.

Unlocking Green Breakthrough Potential: The Interplay of Unabsorbed Slack and Board Liberalism

| DOI

Authors: Mirjam Brandl, Johannes Gutenberg U. Mainz, Bjoern C. Mitzinneck, Groningen U. (RuG), Holmer Kok, Stockholm School of Economics

Date of publication: September, 2025

Presented at: National or international academy of management

Department: Business Administration

In times of accelerating environmental crises, firms hold substantial resources that could be used for sustainable transitions through green breakthrough innovation. While scholars agree that resource abundance, such as high unabsorbed slack, fosters risk-taking in managers and thereby leads to increases in R&D investment and resulting innovation output of firms, it is unclear under which

conditions such resources are funneled into socially relevant innovation, such as green breakthrough innovations. Drawing on the behavioral theory of the firm and the concept of slack search in particular, we suggest that unabsorbed slack increases a firm's propensity to engage in high-risk green breakthrough innovation. However, we argue this association will be stronger for firms with a more liberal-leaning compared to a conservative-leaning board. Testing our hypotheses on a sample of S&P500 firms between 2002 and 2014, we find empirical support. Our study reveals an important antecedent of green breakthrough innovation and highlights the role of managerial cognition in directing slack search toward socially beneficial innovation.



The (Mis) Recognition of Migrants' Skills: Identification & Rationalisation Processes in Recruitment

DOI

Authors: Laurence Romani, Stockholm School of Economics, Miguel Morillas, Stockholm School of Economics, Andreas Diedrich, U of Gotherberg, Charlotte Holgersson, KTH

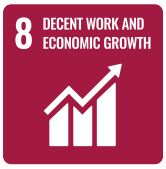
Date of publication: September, 2025

Presented at: National or international academy of management

Department: Management

How does the misrecognition of their skills explain the under-employment of educated migrants in Europe? Our study addresses this question at the level of recruitment. Current research points to the potential limitations of recruitment processes, in particular in the screening of candidates with foreign sounding names, and in the international experience of the hiring team. In contrast to this recruiters' center approach, we opt for a process view. We approach recruitment as a social process of recognition that balances acts of identification and rationalisation of the boundaries established between those seen as worthy of employment, and those who are not. We take the case of an initiative specially designed for the recruitment of skilled migrants in a large Swedish organisation. By focusing on six steps in the recruitment process of skilled migrants -analysis of needs, position advertising, pre-selection, internal screening, speed interviewing, recruitment decision-making- we show how the perceived worth of skilled migrants is weak in early stages of the process, and how sometimes migrants' ethnic capital, rather than their academic education is valued. We elucidate how each step of the recruitment process is about establishing a boundary and rationalizing it, in view of the perceived worth of candidates, itself judged in relation to other groups in society. This study stresses that the earliest phases of the recruitment process, thus before screening, are decisive in the establishment of the recognition of migrants' skills and merit more attention in our theorizing of

inclusive recruitment. Theoretically, the paper suggests the underemployment of skilled migrants is linked to their devaluation in routine recruitment practices that reflect an order of worth between social groups in society, rather than individual biases of evaluators and HR managers.





Leveraging accounting – Sustainability managers' strategic use of accounting and accountants

Authors: Frederik Duus Zachariassen, Aalborg University Business School, Lukas Goretzki, Stockholm School of Economics, Chiara Crovini, Aalborg University Business School

Date of publication: September, 2025

Presented at: National or international discipline-specific conference

Department: Accounting

Accounting scholars have started discussing and exploring how the finance function can or does collaborate with sustainability managers to establish adequate sustainability reporting structures and processes and to ensure that sustainability information is used in organizational decision making and control processes. We focus on sustainability managers and their role in sustainability reporting as well as the company's decision-making and control processes. We furthermore explore how, in their pursuit to promote a proactive environmental strategy, sustainability managers engage with members of the finance function. In doing so, we aim to contribute to prior research on the role of sustainability managers that, on the one hand, can be seen as a staff profession lacking formal authority (see e.g. Daudigeos, 2013) but, on the other hand, as central
actors in driving sustainable development and change in organizations. We propose that in coping with this ambivalent position sustainability managers may try to mobilize accounting information as well as accounting experts to gain influence in their organization. Through exploring those issues, we add to the literature on the interaction between the sustainability and the finance functions, emphasizing how the former can engage with or even instrumentalize the latter to gain a more powerful position in the organization.





Publications Related to RME and/or Sustainability

The untapped health and climate potential of cycling in France: a national assessment from individual travel data

DOI

Authors: Marion Leroutier Misum Stockholm School of Economics

Date of publication: February, 2024

Department: Economics

Promoting active modes of transportation such as cycling may generate important public health, economic, and climate mitigation benefits. We aim to assess the mortality and morbidity impacts of cycling in a country with relatively low levels of cycling, France, along with associated monetary benefits. We further assess the potential additional benefits of shifting a portion of short trips from cars to bikes, including projected greenhouse gas emissions savings. In a country with a low- to moderate-cycling culture, cycling already generates important public health and health-related economic benefits. Further development of active transportation would increase these benefits while also contributing to climate change mitigation targets.



Contesting corporate responsibility in the Bangladesh garment industry: The local factory owner perspective

DOI

Authors: Enrico Fontana Cranfield University, UK Stockholm School of Economics Sasin School of Management, Thailand, Cedric Dawkins York University, Canada, cdawkins@luc.edu

Date of publication: December, 2023

Department: Entrepreneurship

In the developing economy of Bangladesh, local factory owners in the garment industry have felt great pressure to improve factory safety, but the costs for those improvements are not shared by the global apparel firms that wield immense influence over them. Consequently, we examine whether multi-stakeholder initiatives (MSIs), as vehicles of corporate social responsibility (CSR), offer platforms for democratic oversight or merely serve as new arenas to exercise corporate power. Given their role in connecting global and local contexts and their history of safety incidents, local factory owners possess a unique perspective on the impact and contested nature of CSR in global supply chains. This article presents a qualitative study of MSIs in the Bangladesh garment industry, particularly after the Rana Plaza collapse. Through interviews with local factory owners and executive managers, we

explore the reasons behind their opposition to CSR as exercised by global apparel firms, and the contestation of those practices by their local business association. Our findings lead us to conclude that garment industry MSIs are unlikely to be effective without labor procurement practices that harmonize global and local interests to mitigate the competitive pressures on local factory owners



The Effect of Carbon Pricing on Firm Emissions: Evidence from the Swedish CO2 Tax

DOI

Authors: Gustav Martinsson Stockholm University, SHoF, and MISUM, Sweden, László Sajtos Konjunkturinstitutet and SHoF, Sweden, Per Strömberg Stockholm School of Economics, CEPR, ECGI, SHoF, and MISUM, Sweden, Christian Thomann Royal Institute of Technology, SHoF, and MISUM, Sweden

Date of publication: May, 2024

Department: Finance

Sweden was one of the first countries to introduce a carbon tax back in 1991. We assemble a unique data set tracking CO_2 emissions from Swedish manufacturing firms over 26 years to estimate the impact of carbon pricing on firm-level emission intensities. We estimate an emission-to-pricing elasticity of around two, with substantial heterogeneity across subsectors and firms, where higher abatement costs and tighter financial constraints are associated with lower elasticities. A simple calibration suggests that 2015 CO_2 emissions from Swedish manufacturing would have been roughly 30% higher without carbon pricing.



Hold your breath! Air pollution and cognitive performance in Colombia

DOI

Authors: Erik Merkus Stockholm School of Economics, Department of Economics, Sweden Misum, Mistra Center for Sustainable Markets, Sweden

Date of publication: December, 2023

Department: Entrepreneurship

Air pollution is a known health hazard, and evidence of negative effects beyond the health dimension is rapidly emerging. This paper studies the effect on one non-health dimension, namely cognitive performance. It exploits exogenous variation in exposure to air pollution during secondary school exams and estimate the contemporaneous effect on students' cognitive performance in Colombia between 2012 and 2018. The results indicate that exposure to air pollution on the day of the exam itself negatively impacts students' performance. Using variation in wind direction as an instrument for air pollution, I find that a one standard deviation increase in air pollution reduces overall test scores by 0.05 standard deviations. For students who continue to tertiary education, there is no evidence that this distorted signal of their cognitive abilities at the secondary school exam translates into differences in college attendance, as proxied by college graduation rates.



Research Barriers

In 2024, Stockholm School of Economics identified the following barrier to conducting research related to sustainability and/or responsibility:

- Data access and management

Additional Evidence

Misum Annual Forum: Flagship Conference on Sustainability

At Stockholm School of Economics, we conduct an annual conference called Misum Annual Forum held by The Mistra Centre for Sustainable Markets (Misum) in which multiple disciplines comes together to discuss a key topic relevant for sustainability. About 250-300 participants from academic, policy, and practice participate in the conference. Keynote speakers from industry such as CXOs, noble prize winning researchers speak at the event on key topics.



Partner

We engage people from business, government, civil society, and academia to advance responsible and accountable management education and practice.

How We Define Partner

SSE engages in partnerships that extend its impact beyond academia. These include global alliances like CEMS, CIVICA, and GNAM, as well as collaborative research and educational projects with NGOs, companies, and government bodies. Our goal is to co-create knowledge and action with stakeholders who can implement change.

Institutional Partnerships

- CEMS (The Global Alliance in Management Education)
- EFMD (European Foundation for Management Development)
- Financial Times
- Graduate Management Admission Council (GMAC)
- AERO
- CIVICA

Student Organization Partnerships

- PRME Global Students



Practice

We adopt responsible and accountable management principles in our own governance and operations.

How We Define Practice

At SSE, the principle of Practice refers to our commitment to embedding values of sustainability and responsible management into our operations and organizational culture. This includes implementing sustainability-focused campus initiatives, such as improved recycling systems, sustainable procurement, and environmental footprint tracking, as well as fostering inclusive governance through cross-functional groups.

Institutional Policies and Practices

- Campus operations guides
- Carbon reduction or offset commitments
- Employee equity, diversity, inclusion
- Sustainability strategy or strategic plan (school or university level)

Policy Documents Related to RME and/or Sustainability

SSE_Guidelines-for-preventing-and-addressing-discrimination-harassment-sexual-harassment-and-bullying	View document	Download document
SSE_Sustainability Report_2024	View document	Download document
SSE_Gender Equality_Plan	View document	Download document



Share

We share our successes and failures with each other to enable our collective learning and best live our common values and purpose.

How We Define Share

The principle of Share at SSE emphasizes transparency and collaboration by actively disseminating insights, tools, and experiences related to responsible management education. For example, SSE contributes to international dialogues through its participation in PRME Champions and Nordic networks and hosts events to engage with academia, industry, and policy actors.

Engagement Opportunities

Stockholm School of Economics offers transparent engagement opportunities for members of our institution and community to contribute to our sustainability and responsibility efforts in the following ways:

- Sustainability-focused research and collaboration Opportunities
- Feedback mechanisms (e.g., surveys, suggestion boxes)
- Community events and consultation forums
- Annual reports
- Boards and advisory committees
- Open faculty and student meetings and town halls
- Public events and panel discussions
- Publicly accessible sustainability data and dashboards
- Student and staff volunteer programs

Communication Audiences

Stockholm School of Economics communicates its policies and progress on sustainable development and responsibility with:

- Boards and advisory committees
- Accreditation bodies
- Faculty and staff
- Prospective and current students

SIGNATORY

Stockholm School of Economics

Address

PO Box 6501, Stockholm, Sweden, SE-113 83

Sweden

Website

https://www.hhs.se/