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From Responsibility to Irresponsibility:
Tracing the Patterns of (Un)ethical Behavior in Dutch MNCs Across
Diverse Industries

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Abstract

This master's thesis investigates the dual dynamics of Corporate Social Responsibility (CSR) and Corporate Social Irresponsibility (CSiR) within Dutch Multinational Companies (MNCs). The research finds recurrent patterns and differences in the ethical behavior of Heineken, SBM Offshore, and Boskalis across diverse industries by examining their CSR and CSiR practices across a ten-year period (2010-2019). To comprehend the evolution of corporate behavior, the research is based on a process-oriented approach that emphasizes the temporality and sequences of events. This fills a gap in the existing academic literature regarding these matters, as process-oriented, longitudinal research into the parallel existence of CSR and CSiR practices does not yet exist. The results of this research show a prevalent pattern where CSR initiatives often precede CSiR practices, highlighting a reactive rather than proactive approach to corporate ethics. The research also shows that CSR and CSiR practices coexist, which raises the possibility of a trade-off mechanism in corporate strategies. This research shows that multiple mechanisms concerning CSR and CSiR practices can occur around the same time within an organization. Theoretical contributions extend the understanding of CSR and CSiR as separate but interconnected phenomena.

Keywords

Corporate Social Responsibility (CSR); Corporate Social Irresponsibility (CSiR); Process-oriented research; Dutch Multinational Companies (MNCs); Business Ethics; Organizational Behavior

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1. Introduction

In today's interconnected world, the actions of Multinational Corporations (MNCs) are scrutinized more than ever. These prominent 'corporate giants' navigate the fine line between commendable Corporate Social Responsibility (CSR) practices and the controversial Corporate Social Irresponsibility (CSiR) incidents. Spanning a decade of data, this research captures the intriguing patterns and transformative shifts in corporate governance and business ethics. The relevance of CSR and CSiR is impossible to overstate in the current corporate environment. While CSR programs show an organization's dedication to improving society beyond its financial performance, cases of CSiR highlight the potential harm that organizations can do to their stakeholders and the environment. The significance of incorporating ethical principles into fundamental business strategy has been further highlighted by the changing expectations of investors, consumers, and authorities (Gazzola & Colombo, 2014). This research aims to delve into Dutch MNCs' CSR and CSiR activities, viewing them not just as singular entities but as components of a larger story that spans several industries.

For defining Corporate Social Irresponsibility (CSiR) and Corporate Social Responsibility (CSR) the definition of organizational misconduct by Greve et al. (2010) is interpreted as follows: Conduct within or by an organization that a social-control agent determines to cross a boundary defining right from wrong. This boundary can distinguish between actions that are ethical, legally and socially responsible, as well as those that are not. In this research, the role of the social-control agent is filled in by the researcher to identify the line between right and wrong and to identify what is interpreted as CSR or CSiR.

This research contributes to the existing academic literature by filling up the gap on process studies into the parallel existence of CSR and CSiR practices. The foundations of process-oriented research around CSiR are already there like the research of Kuberling-Jost (2021). However, the existing literature does not yet include process-oriented, longitudinal analyses on the patterns and differences in organizational behavior from CSR and CSiR practices. This research focuses on Dutch Multinational Companies for multiple reasons. First, The Netherlands is known for taking a progressive approach to sustainability and corporate governance, as in the past, Dutch organizations have led the way in incorporating CSR into their core business strategies (Asif et al., 2013). Also, earlier research has shown that Dutch MNCs are often engaged in voluntary CSR initiatives and exceed regulatory requirements, providing this research with a rich context for examining the dynamics between

CSR and CSiR practices over time (Kolk, 2010). Furthermore, The Netherlands' high standards on transparency and accountability make it an ideal setting for research on CSR and CSiR practices as this allows for comprehensive data collection and analysis, essential for process-oriented research (Asif et al., 2013). Lastly, as The Netherlands serve as a major gateway to Europe, Dutch MNCs are subject to scrutiny from global stakeholders due to their involvement in global supply chains with this position amplifying the impact of their CSR and CSiR practices, making the findings of this research relevant on a global scale (Berghuis & Den Butter, 2017).

For this study, multiple Dutch MNCs across various industries are selected based on numerous conditions. The organizations involved in this research are Heineken Holding N.V. (food and beverage industry), Koninklijke Boskalis B.V. (construction and materials industry), and SBM Offshore (industrial engineering, oil, and gas industry). According to data provided by RepRisk, all these organizations have been involved with numerous irresponsibility accusations in a period between 2010 and 2019. Also, the fact that these organizations are from various sectors, makes it extremely suitable to research them and is one of the core reasons for selecting them, as it allows for a comparative analysis across distinctly different sectors. All three organizations are active on the world stage with every single one being involved in significant international operations, therefore improving the generalizability of the findings as they are not just relevant in the Dutch context, but also in a broader international setting. Another reason why these companies were selected for this research is that all of them have been incorporating sustainability into their business strategies and practices for a long time, and furthermore they are all stating to be frontrunners in contributing to the United Nations Sustainable Development Goals (SDGs) (Heineken, z.d.; Boskalis, z.d.; SBM Offshore, z.d.)

The primary objective of this research is to contribute to the process view research in the field of business ethics by investigating the patterns and/or differences from the CSR and CSiR practices of Dutch Multinational Corporations that emerge over time across different sectors. The research question that is derived from this objective and is central in this research is the following: *What patterns and/or differences emerge over time from the CSR and CSiR practices of Dutch MNCs across different industries?*

The further structure of this research is as follows: in the next chapter a theoretical framework is discussed to build a basis for the research, after that the methodology chapter is presented, containing explanations on i.e. data collection, and data analysis. Thereafter, the results are presented, followed by the conclusion based on the interpretation of the results, and

lastly the discussion consisting of the theoretical contribution, practical implications, and a section on the limitations of the research with, finally, directions for future research.

2. Theoretical Framework

2.1 The relationship between CSR and CSiR

The relationship between Corporate Social Responsibility (CSR) and Corporate Social Irresponsibility (CSiR) has garnered significant scholarly concern, mostly focused on the differential effect of this phenomenon in stakeholders' perceptions and corporate reputation.

In the literature, the conventional approach of looking at CSR and CSiR is as counterparts, as both concepts are defined by placing them on a single continuum with CSR being on the one extreme and CSiR on the other (Jones et al., 2009). Windsor (2013) stated that a zero point should be placed in the middle of the continuum, stating that when organizations end up on the left side of the zero point, they could be deemed irresponsible, and when they end up on the right side of the zero point, they could be deemed as a responsible company, with the zero point being the minimum requirement of CSR. In most studies that are based on the dialectical view on the construct, CSR is seen as an aggregate concept after subtracting the CSiR of the organization, believing that a company may completely eradicate its CSiR practices by taking part in CSR practices and vice versa (Nguyen et al., 2024). However, this view of the relationship between CSR and CSiR is no longer the prevalent view, as the orthogonal view has gained momentum in the literature. The most important reason for this shift is the disapproval of the assumptions of the dialectical view, among other things stating that the premise that a single good deed can be swiftly undone by a single bad deed is controversial (Kang et al., 2016). The orthogonal view entails CSR and CSiR as two unique dynamics, with the opposite of CSiR not being CSR, but no CSiR, stating they are two different concepts that can co-exist (Clark et al., 2022; Shea & Hawn, 2019). With the orthogonal view becoming the prevailing view in academic literature, multiple researches come up with interesting interpretations of the relationship between CSR and CSiR.

Zhang et al. (2023) state that there is no linear relationship between CSR and CSiR, as the relationship depends on multiple factors, such as the level of CSR practices by the firm prior to the involvement in CSiR practices, as well as the nature of these CSiR practices. According to Zhang et al. (2023), a firm's CSiR practices can be divided into transgressional (intentional) and accidental, and the level of prior CSR practices acts as a 'double-edged sword' in the way stakeholders perceive the irresponsible practices. On one side of the sword, a high level of CSR practices prior to transgressional CSiR aggravates negative stakeholder reactions, because they perceive a higher degree of betrayal and hypocrisy compared to when

the CSiR practices are accidental, as the high level of CSR in this case serves a buffering role, as it mitigates negative reactions by diminishing anger and passing judgment on morality (Zhang et al., 2023).

Further building on the orthogonal view of the relationship between CSR and CSiR, Nguyen et al. (2024) have developed a theoretical framework existing of three mechanisms that are fundamental to this relationship being the insurance mechanism where CSR precedes CSiR, the penance mechanism where CSiR precedes CSR, and the trade-off mechanism where CSR and CSI interact concurrently.

The first mechanism is the interaction mechanism where CSR practices precede CSiR practices. This concept is built around the suggestion that organizations can shield themselves from the negative consequences of their CSiR practices by taking part in CSR practices (Godfrey et al., 2009). As organizations build reputational capital by consistently performing and reporting on CSR practices, this capital may act as a buffer of goodwill that can be drawn upon when CSiR practices by the organization come to light, as an organization with a strong reputation regarding CSR practices is more likely to be forgiven by the stakeholders in case of CSiR events occurring (Vanhamme et al., 2015). Another important aspect in reputational damage by CSiR practices is that organizations that are involved in CSiR practices that end up being liable events certified by court, tend to be more likely to suffer from reputational damage, especially if the organization has been involved with a high amount of CSR practices prior to the verdict of CSiR practices (Nardella et al., 2020). However, according to Nardella et al. (2020) there is a difference between verified culpability and alleged CSiR practices, as the organization with high amounts of CSR practices are deemed ‘innocent until proven guilty’. So, in the end, organizations may benefit strategically from the insurance mechanism of CSR practices as it can shield them from the damaging effects of CSiR practices by creating a ‘reservoir of goodwill and trust’ that serves as a safety net in times of crisis due to CSiR practices (Nguyen et al., 2024).

The second mechanism is the penance mechanism, where CSiR practices precede CSR practices. This mechanism is predicated on the notion that, after a time of misconduct by an organization, the organization can actively engage in socially responsible activities to repair their damaged reputation and earn back the trust of their stakeholders (Kang et al., 2016). According to Krüger (2015), using CSR practices to make up for past CSiR practices has a positive influence on stakeholder perception towards the organization. That being said, the perception of stakeholders is also relevant, as generally stakeholders have less negative reactions when CSiR practices precede an organization’s CSR practices, compared to when

CSR practices precede CSiR practices (Wagner et al., 2009). However, acting reactive from CSiR to CSR practices is not always considered the better option, as Peasley et al. (2021) state that in case of an existing positive relation based on earlier events between stakeholders and the organization, acting proactive builds a stronger connection between both parties.

The third and final mechanism is the trade-off mechanism, where CSR and CSiR practices interact concurrently. According to Nunes et al. (2020), organizations are not likely to be sustainable in all facets of their businesses, so they tend to aim at being sustainable in one (or multiple) facets at the expense of others, meaning they are involved in CSR practices as well as CSiR practices at the same time. Furthermore, stakeholders are more likely to accept the organization being involved in certain CSiR practices if it means the achievement of significant CSR practices, therefore creating a sacrifice to justify irresponsible practices (Nunes et al., 2020).

This framework by Nguyen et al. (2024) is useful for this research as it allows for a comprehensive analysis by linking CSR and CSiR practices, providing a holistic view of an organization's social and responsible performance, helping in explaining how positive and negative actions are interconnected and how they impact each other and the organization. Furthermore, by applying the framework over time it helps in identifying trends and shifts in organizational behavior regarding (ir)responsible activities with an often dynamic nature. Regarding the benefits of the framework on gaining longitudinal insights, it suits this research as it's carried out based on a process view research method.

2.2 Process View Research

In process view research, organizational phenomena are studied by focusing on the inherent dynamics, development, and temporal dimensions of organizations (Langley et al., 2013). This method offers a unique lens to end up understanding the evolution of events and processes happening within organizations, in contradiction to variance-based methods (Pettigrew et al., 2001; Langley et al., 2013). According to Langley et al. (2013), the focus of process view research is mainly on how activities are occurring over a set period of time, where the emphasis lays on the temporal focus of the method. Valuable insights are provided into how the changes can occur and what drives these changes, and how they may end up conflicting with other interest of the organization, possibly destabilizing this organization. A major focus of process view research is the examination of how organizational phenomena

begin, progress, and end across time, including the investigation of development and systematic change within organizations (Gehman et al., 2013).

Process view research is well established by multiple key theories and frameworks, most notably those by Ann Langley which have had a significant impact on how we look at organizational processes nowadays. These contributions are reviewed in more depth below, particularly focused on the importance of temporality and activity sequences, as the narrative aspect is not relevant for this research.

A fundamental principle of process view research is temporality, which is about the significance of time in organizational processes, as the timing, pacing and sequencing of certain activities are affecting the organizational outcomes (Langley, 2007). It is of high importance to acknowledge that the processes of organizational change and stability are influenced by temporal patterns such as cycles or rhythms (Langley, 2007). Temporality offers a dynamic view of organizational change by providing a framework for researching how past events have an impact on present and/or future pathways (Langley, 1999). “Without temporality there is no scope to reveal the dynamics of the process” (Pettigrew, 1997, p.345). According to this statement made by Pettigrew (1997), the definition of the timeframe is the starting mechanism for process research, built on multiple factors like: critical personalities, key transitioning points and key sequences in action, with the last factor being highly relevant in this research.

Another fundamental principle that is of high relevance for this research are sequences. A sequence is a linear pattern of stages that occur one after the other to produce a certain result, with the analysis of these sequences being essential for understanding organizational dynamics in process view research (Langley, 1999). Langley and Abdallah (2011) argue that the sequence in which actions are performed may have a substantial influence on the organization’s outcomes.

There are numerous different research strategies that come forward out of process view research, with the visual mapping strategy being of high relevance for this specific research (Langley, 1999). Visual mapping strategy is a research technique used to create visual representations of complex processes and their sequences, helping to clarify and communicate the temporal and causal relationships within the data (Langley, 1999). Visual graphical representations are especially appealing for the analysis of process data as they make it possible to display several dimensions at once and because they make it straightforward to demonstrate precedence, concurrent processes, and time progression (Langley, 1999). As Langley & Truax (1994) state, the comparison of multiple visual

representations can create a more general understanding of a phenomenon by comparing them and examining whether recurring patterns or specific differences occur in the different sequences. Other than comparison, there are two more tools of analysis that are often used with visual representations, being aggregation and decomposition (Langley & Ravasi, 2019). Aggregation means the finding of patterns from multiple individual visual presentations and merging them into composite representations, while decomposition is about studying a single map's material in detail to identify recurring trends (Langley & Ravasi, 2019). This method facilitates an in-depth examination of how specific actions support more general organizational processes, such as change and decision making. In the context of this research, differences and/or patterns that emerge over time from CSR and CSiR practices by Dutch MNCs are determined by having a detailed look at these sequences, which can help to understand the underlying processes and patterns that drive organizational behavior.

A combination of temporality and activity sequences, making it a cohesive framework allows it to be used as a comprehensive approach for studying organizational dynamics. This integration captures the essence of change and continuity within organizations, allowing for a comprehensive analysis of its complex, and multidimensional character. Ann Langley's work offers a solid theoretical framework for process view research through its advocacy of a methodological approach that values the variety of qualitative data and the wide range of theoretical insight it can provide.

2.3 Application of Process view research to CSR and CSiR

Process research provides a detailed understanding of the dynamic and evolving nature of corporate activities and their societal implications when it comes to CSiR (Kuberling-Jost, 2021). Building upon the seminal work of Kuberling-Jost (2021), this paragraph analyzes how a process-oriented view could shed a spotlight on the evolution, stakeholder responses and cumulative impacts of CSiR practices on organizations' reputation and social welfare.

Process research offers a strong framework for analyzing the intricacies of CSR and CSiR since it places a strong emphasis on comprehending how phenomena change over time and the sequences of events that result in particular outcomes (Langley et al., 2013). Kuberling-Jost (2021) posits that both researchers and practitioners can understand the fluid and emergent nature of corporate actions and their repercussions by approaching corporate social practices from a process perspective.

A process view facilitates the examination of the development, transformation, and maturation of CSiR practices and, according to Kuberling-Jost (2021), this perspective emphasizes the importance of historical contexts and the iterative learning processes that guide the evolution of social strategies over time. Moreover, it permits the exploration of the interaction between intrinsic incentives and extrinsic influences in shaping organizations' social agendas (Basu & Palazzo, 2008). Also, the temporal dimension of process research illuminates the dynamic relationships that exist between organizations and their stakeholders in relation to CSiR practices. As they take in new information and reevaluate the organization's social performance and intentions, stakeholders' opinions and responses may change (Morsing & Schultz, 2006). This development can significantly impact the course of CSiR activities, as well as their authenticity (Bhattacharya & Sen, 2004).

As Kuberling-Jost (2021) solely focused on CSiR practices in their research, it leaves room for this research to include CSR practices into the equation and focus on the parallel existence of both phenomena. Process research, with its focus on understanding the flow of events over time, offers a robust framework for exploring the intricacies of both CSR and CSiR. This methodology allows researchers to capture the dynamic interactions between corporations and stakeholders, providing a detailed view of how CSR and CSiR practices emerge, evolve, and ultimately affect societal perceptions and corporate reputation, mainly focused on the temporality and sequences in the cases (Langley et al., 2013).

3. Methodology

3.1 Research Design

For this research, qualitative research is pivotal since it enables deeper investigation of CSR and CsiR issues beyond what is possible through quantitative measures alone. Bleijenbergh (2016) defines qualitative research as all forms of research aimed at collecting and interpreting linguistic material to make statements about social phenomenon. Gioia et al. (2013) advocates the use of a qualitative approach in research as it emphasizes the ability to generate rich, detailed data to reveal the nuances of complex social systems. A qualitative research approach is chosen for this research because it is conducted with the aim to explain a social phenomenon. In addition, it is an approach in which abundant and useful information emerges from data collection, in this research mainly through document analysis (Bleijenbergh, 2016).

Building on the qualitative nature of this research, a multiple case study approach is used. A case study is an in-depth examination of a particular phenomenon or a phenomenon in its natural and familiar environment (Yin, 2018). There are various kinds of case study research approaches, but as stated, this research is conducted as a multiple case study, meaning numerous cases have been investigated, allowing for the exploration of variations in various contexts and the uncovering of deeper insights through cross-case analysis (Yin, 2018). This method works well for examining the industry-specific impacts of CSR and CsiR, allowing for a comparative analysis that can show shared and diverging patterns across different sectors.

This research is conducted in an inductive manner, as this approach suits this study the best. The rationale behind selecting inductive research is its capacity to generate theory from data, allowing for the emergence of theoretical frameworks and insights from empirical data collected via qualitative investigation (Gioia et al., 2013). This approach has the flexibility to adjust to the data as it becomes available and to build a solid understanding of the phenomenon being studied, which makes it suitable for investigating the iterative and evolving nature of CSR and/or CsiR impacts.

3.2 Data Collection

One of the primary sources of data for this research are the CSR reports of the selected Dutch MNCs. Organizations release these publicly accessible reports on an annual basis to share information about their environmental, social, and governance (ESG) activities and results

and provide this to numerous stakeholders in an appropriate manner (Moravcikova et al., 2015). The reports from the timespan of 2010-2019 are gathered to examine developments, particular changes, and/or patterns in CSR and CsiR practices and reporting over time. Not every organization issues a separate sustainability report, as some include them in their annual reports. In those cases, the annual report is used as a primary data source.

Another primary data source is the data derived from the RepRisk ESG Risk Platform; a database on ESG risks and breaches of international standards that may affect an organization's finances, compliance, and reputation covering over 255.000 public and private organizations (RepRisk, z.d.). RepRisk has always approached ESG risks from the outside in, examining data from stakeholders and the public while purposefully leaving out organizations self-disclosures, as they assume that these self-disclosures are not reliable, particularly regarding risks (RepRisk, z.d.). Regarding this research, the Dutch MNCs' CsiR accusations and their long-term effects on stakeholders, society, and own organization, this data is relevant and helpful in identifying possible patterns and/or differences. Using the database's sophisticated search features, incidences involving the chosen organizations for this research are filtered.

News articles offer an outside viewpoint on Dutch MNCs' CSR and CsiR initiatives. With the names of the chosen organizations and keywords associated with CSR and CsiR (e.g. controversy, wrongdoing, misconduct, irresponsibility), a thorough research of web news archives was carried out using LexisNexis as a useful tool, with it giving access to hundreds of local, national, and international newspapers, magazines, news agencies and publications (Nexis Uni, n.d.). This strategy makes it possible to gather information about public opinion, media attention, and the effects the practices have on the organizations and society. To ensure coherence in the longitudinal analysis, the news article collecting timeline aligns with the CSR reports and CsiR data timeline, being 2010-2019.

3.3 Data Analysis

As stated earlier, this research is following a multiple case study approach, consisting of a content analysis. A content analysis is defined by Krippendorff (2018, p.24) as: *“a research technique for making replicable and valid inferences from texts (or other meaningful manner) to the contexts of their use.”* The first step of the content analysis is to arrange the news articles, CSR reports, CsiR RepRisk data and other retrieved, relevant documents that have been gathered for each case. to make sure that all pertinent information is accessible and

organized in a methodical manner, the data is catalogued and prepared for analysis (Elo & Kyngäs, 2008). Step two of the process is to create a set of coding categories in accordance with the theoretical framework and research objectives (Mayring, 2000). Krippendorff (1980) states that the definition of categories is an art, and it is not crystal clear how they end up being defined. The codes are initially derived from the theory section of this research, with overarching concepts broken down into multiple keywords that help to analyze the different areas of the concepts. The operationalization of the codes can be found in appendix A. After that, each case's data is coded using the predefined categories. The procedure entails identifying and labeling parts of the texts (from CSR reports, news articles etc.) that fit into the different categories using a qualitative data analysis software to improve efficiency and consistency (Tesch, 2013). For this research, the Atlas.TI software will be used for coding, providing a well-organized system to code all documents. Following the coding process, first the data is analyzed on the organizational level per case, followed by a cross-case analysis of the data. To identify patterns, similarities, or differences, the results from several cases must be compared, and contrasted (Yin, 1994). Eventually the cross-case analysis can help to facilitate comprehension of the reasons behind possible variations in CSR and CsiR practices throughout the organizations. Through iterative review and comparing of the coded data, themes are developed. These themes are more general conclusions and patterns that come from the data and go beyond individual cases (Krippendorff, 2018). This step is essential for combining data and drawing conclusions regarding the impact of CSR and CsiR practices across Dutch MNCs. At last, visual representations of the derived results from the analysis are drawn, giving an insightful and organized look into the patterns and differences regarding the impact of CSR and CsiR practices across Dutch MNCs.

3.4 Research Ethics

The American Psychological Association's (APA) principles for research ethics are closely followed in this research. The first principle is the one on beneficence and nonmaleficence, which comes to the fact that personal, financial, organizational, social, or political factors cannot be misused or deliberately affect the lives of others, just for the benefit of the research (APA, 2002). For this research, there is no benefit for the researcher regarding the outcomes of the investigation, whether they turn out to be positive or negative answers to the research question. This way, this principle is strictly adhered. The next principle is in line with the first one, being the principle of fidelity and responsibility, meaning that the researcher should be aware of their obligations to society and the area of concern they are investigating in his

professional and scientific responsibilities (APA, 2002). Being transparent in communication during and after the process and being open to eventual questions arising by organizations involved in the research is how this principle will be adhered during this research, with (again) the sidenote that personal benefits play no role, also regarding the next principle. The principle of integrity directs the truthful reporting of research findings, guaranteeing objectivity and preventing prejudice in the gathering, processing, and interpretation of data, protecting the data from being fabricated, falsified, or misrepresented (APA, 2002). Privacy is one of the key pillars in modern day society, and that's not for no reason. It is valued as highly important and makes sure people involved remain safe, in this research no individual is there to be protected, and as all documents are publicly released by the organizations themselves, no confidentiality regarding any sensitive information has to be accounted for, meaning no privacy principles are breached (APA, 2002). Finally, the principle of justice is of high importance. This principle ensures that the benefits and burdens that come forward in the research are distributed in a fair way (APA, 2002). For this research, this is put into practice by selecting Dutch MNCs from a diverse range of industries to ensure that the findings are not biased towards one single sector, aiming for a fair representation of different sectors. Also, the use of data sources that are publicly available (in almost all cases) or are obtained in an ethical manner respects the rights of the organizations and makes sure the results of this research are not biased based on undisclosed sources.

4. Results

4.1 Organizational Level

In this chapter, the findings from each individual organization are presented, as well as on the cross-organizational level. These findings are supported by a visualization per organization, indicating the sequence of events that occurred and how these events indicate the relationship between CSR and CsiR practices. The findings are structured chronologically, as the sequence of events acts as a red line throughout the chapter. Detailed timelines of the sequences of events per organization can be found in the appendices, with all available news articles and CSR reports included.

4.1.1 Heineken

In April 2011, Heineken issued their new sustainability strategy called ‘Brewing a Better Future’, a new step in Heineken’s pursues of becoming as sustainable as possible (Heineken, 2011). The report highlights their new strategy, focusing on the improvement of the brands’ and businesses’ environmental effects on a constant basis, positively impacting the role beer plays in society, and providing the people and the communities they operate in with more power (Heineken, 2011). However, shortly after the organization issued their sustainability report, accusations arose following a publication by SOMO (2011) on controversial business practices by Heineken in Mexico. The accusations were based on Heineken’s involvement in the building of a stadium in Mexico, as one of their subsidiaries called Femsa oversaw the construction that accounted for environmental damage such as the destruction of 12 hectares of forest, and damaging the natural reserve (SOMO, 2011). By being involved in these practices, Heineken discredited their own sustainability strategy, as they state that community engagement is one of their core values, yet this accusation states they do the opposite, meaning the CSR practices by the organization are followed by CsiR practices (1). Heineken reacted to the controversy by crediting Femsa for their positive involvement in social development in Mexico, as they believe the organization makes the right decisions regarding environmental challenges, and thereafter denying any involvement in the building themselves (SOMO, 2011).

Another accusation made in the publication by SOMO (2011) stated that the human rights of employees working at Mexican production plants were in danger to be breached following the involvement of fake unions, according to Mexican NGOs. Heineken violates

their own code of conduct and CSR strategy in this case, as they state to support fundamental human rights of their employees across their facilities worldwide, making this another situation where CSR precedes CsiR (2) (Heineken, 2011). According to SOMO (2011), Heineken responded to the accusations by denying them, stating that after an internal due diligence investigation before shipping their businesses to Mexico, there were no signs of violations of these specific human rights.

In September 2012, controversy arose as a picture circulated on the internet of a dogfighting match being held, allegedly sponsored by Heineken as there were banners surrounding the facility (Mikkelson, 2012). Heineken responded to the matter by stating they did not know anything about a dogfighting event being held at the facility and deny any involvement as their banners were there from a previous event that was hosted at the facility. Heineken reacted to the matter in their sustainability report, mentioning they ceased the relationship with the location and ensured they'd do everything in their power to keep it from happening in the future (Mikkelson, 2012; Heineken, 2013). In this case, CsiR preceded CSR practices, as Heineken acted upon the accusations by stating they'd do everything in their power to prevent it from happening again in the future (3).

In April 2013, Dutch newspaper De Volkskrant (2013) wrote about allegations towards Heineken on dominating the Dutch market by pressuring competitors by spying on them and their customers, sending 'broad-shouldered gorillas' off on pub bosses and suing unwilling workers to death. Among those malpractices was the firing of 70 employees, to immediately hire them back for a lot less compensation, violating their employees' rights (De Volkskrant, 2013). Those employees that filed a lawsuit accompanied by the union, ended up in a stranglehold of a lawsuit that continued for 8 years after Heineken did everything in their power to stall the process (De Volkskrant, 2013). Heineken never responded to the allegations made on this matter, yet they are accused of the violation of human rights, going in against their own CSR strategy and code of conduct, so CSR practices precede CsiR practices in this case (4).

In their sustainability reports, Heineken tend to speak on CsiR practices that the company has been involved in, even when they were not mentioned in the media. In the 2013 sustainability report, they mention that multiple fatalities over the year came from crime-related violence in Mexico (Heineken, 2014). As Heineken (2014) believes they can prevent these fatalities in the future, they initiated and implemented improvement plans and new protocols to mitigate the risks. Furthermore, Heineken did not meet the government legislation criteria to prevent underage drinking, so the organization acted upon it by working

on developing educational programs and advocating for stricter regulations in countries like Vietnam, Haiti, and Greece (Heineken, 2014). These instances indicate that CsiR practices precede CSR practices for these matters (5).

In November 2015, a book was released that accused Heineken of dubious business practices in Africa, with the author accusing the organization of having ties with dictatorial regimes in Africa, violating human rights, and using Africa to siphon off profits through tax opportunities (NH Nieuws, 2015). The author states that Heineken funds the regime of Burundi, who are violating human rights on a large scale (NH Nieuws, 2015). Heineken reacted to the accusations made by stating that if they leave these countries, it will become much worse and that they believe that companies should be able to operate in countries with a challenging political climate (NH Nieuws, 2015). Heineken not only justifies its own dubious practices with this statement, also they violate their own code of conduct concerning human rights. Furthermore, they stated in the 2014 sustainability report, released just a few months before the release of the controversial book, that one of their key pillars in their sustainability strategy is to help local communities, however violating human rights tends to do the opposite, meaning this is another example of CSR practices preceding CsiR (6) (Heineken, 2015).

In June 2016, the National Contact Point (NCP) of the Dutch Ministry of Foreign Affairs released an issue on a specific instance of former employees that worked for Bralima in Democratic Republic of Congo, a company that's for 95% owned by Heineken. Three former employees notified the Dutch government on behalf of in total 168 former employees of malpractices by the company in the period 1999-2003, with the complaints varying from violations of human rights and cooperation with a rebel movement, to illegitimate dismissals (Ministry of Foreign Affairs, 2016). The employees were forced to sign agreements on parting ways that enclosed arrangements on not receiving any compensation that was legally required, also not reporting those agreements to the Congolese government agencies but cooperating with a rebel group to authorize the signed conventions, all going against the OECD guidelines for multinational enterprises¹ (Ministry of Foreign Affairs, 2016). Heineken stated that the dismissals were all based on a reorganization to improve the productivity of the plant, and that all procedures were followed with care (Ministry of Foreign Affairs, 2016). Heineken (2017) came back on the matter in their 2016 annual report by acknowledging the issues that were

¹ OECD Guidelines are recommendations by governments that seek to minimize negative effects on issues that may be connected to an organization's businesses, products, or services, as well as to promote the organizations to make social, economic, and environmental advancement (OECD, 2023).

raised and accepting the offer of the Dutch National Contact Point (NCP) into a mediation process, therefore welcoming the opportunity to understand the issues raised. This is another example of an issue where CSR practices precede CsiR practices, as Heineken is again accused of violating human rights, while incorporating the protection of human rights in their CSR strategies and code of conduct in earlier stages (7).

In February 2017, Heineken was accused of killing almost 3.000 fish by the pollution of water after dumping a container of contaminated water into the wrong drain (Miles, 2017). Heineken admitted their mistake and offered a positive contribution to the county's environment while also promising investments to prevent it from happening again in the future (Miles, 2017). Heineken responded to the incident stating that they were pleased to report that it supports two local community organizations financially, also stating that the incident goes against all their standard policies and making sure it doesn't happen again by giving training to their workers and accepted all the conclusions of the agency's inquiry (Miles, 2017). This matter shows once more how Heineken's CsiR practices precede CSR practices (8).

Another accusation regarding CsiR practices was made in March 2018, as Heineken allegedly aired a racist advertisement because of the involvement of multiple black people while the catchphrase "Sometimes, lighter is better" was shown (The Guardian, 2018). Heineken responded to the accusations by taking the ad down, stating that they take the feedback to heart and will let it influence their future advertising, however they also stated that they have had a long positive track record of using marketing to foster unity (Chokshi, 2018). This is a prime example of the insurance mechanism where CSR practices precede CsiR practices and the organization falls back on earlier CSR practices to cover for their CsiR practices (9).

In April 2018, another book was released about the malpractices by Heineken in Africa by the same author as the last one, Olivier van Beemen. Multiple different reports of misconduct were mentioned in the book, from the usage of promotion girls that are sexually assaulted by superiors, to still brewing beer during the mass murders in Rwanda with the Hutu-killers all drinking their beer during the killing, with Heineken acknowledging that their beer had a role in the killing of 800.000 (Bremmer, 2018). Another malpractice mentioned is the selling of bottles beer filled with 75 centiliters, stimulating to drink as much as possible, and Heineken is even involved in the writing of national alcohol policies, making up their own rules (Bremmer, 2018). Also, top executive Nico Vervelde became involved in a large-scale corruption case in Nigeria last year, risking three to seven years in prison for abuse of

power, but eventually avoiding punishment with Heineken settling the case and offering Vervelde a new job in Singapore (Bremmer, 2018). Heineken responded to the accusations made in the book by blaming the author of the fact that Heineken can do no good in his eyes and only being focused on the negatives, taking most things out of context, however still admitting that they made some mistakes in the past, but that is unavoidable for such a large company (Bremmer, 2018). The accusations that are made in the book are diametrically opposed by the CSR practices that Heineken incorporated in their CSR strategy, as they claim to support human rights and local communities, and most importantly their slogan ‘Drink Responsibly’, contradicting the selling of large bottles of beer in Africa that decreases responsible consumption, making this another example of CSR preceding CsiR practices (10).

In April 2018, reports in the media started to arise of Heineken staff being accused of unacceptable behavior with own employees in Africa, as top management staff allegedly forced women to have sex with them, even if they physically resisted (Van Beemen, 2018). Furthermore, these ‘promotional girls’ were not only being harassed by Heineken’s own staff, they had to work in very poor conditions and were intimidated on a large scale (EUCAM, 2018). Heineken released an internal investigation into the matter in July 2018, stating that in almost all African countries where the organization hosts their promotional girls, they were victim of physical, sexual or verbal intimidation, pressured to wear short skirts, unpaid overtimes, and the absence of contracts in some cases (EUCAM, 2018). In Egypt, an agency working for Heineken even took the women’s passports to make sure they were restricted in their spare time, which is seen as a modern type of slavery (EUCAM, 2018). Heineken has responded to their own investigation by drafting new policies to make sure the malpractices won’t happen again, guaranteeing that when their conditions can’t be met in a specific country, they will pull back their promotional activities immediately, giving yet another example of CsiR practices that precede CSR practices by the organization (11) (EUCAM, 2018).

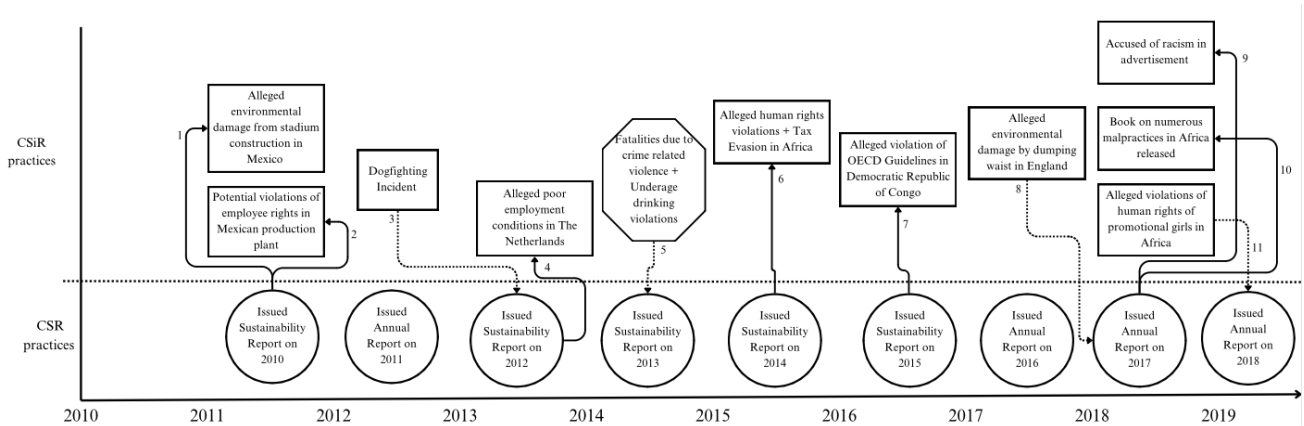


Figure 1: Visualization Heineken

4.1.2 SBM Offshore

In April 2010, the Centre for Research on Multinational Companies (SOMO) issued a report on controversial business practices by SBM Offshore in 2009. They state that, since SBM Offshore has set up a joint venture together with GEPetrol, the national state-owned oil company of Equatorial-Guinea, they are in high risk to be involved in corruption scandals as the reputation of GEPetrol and the Equatorial-Guinean government is poor (SOMO, 2010). There has been no proof of SBM being directly involved in corruption practices at this point, however the organization does not follow the OECD guidelines on corporate conduct by engaging themselves with a dubious business partner (SOMO, 2010). This case of alleged corruption practices is an example of CSR preceding CSiR practices (1), as SBM has a clear policy focusing on ethical business practices, enforcing a strict Code of Conduct that prohibits corruption and bribery, while promoting fair competition and compliance with international laws, yet they get in business with an organization renowned for their corruption practices (SBM Offshore, 2010).

Despite extensively emphasizing the importance of anti-corruption in their 2011 Annual Report to reinforce their ethical standards, stating that they are dedicated to conducting its business in an honest, ethical, and legal manner and that they have acknowledged the significance of adhering to ethical standards globally, SBM Offshore issued a press release on an internal investigation into potentially questionable sales practices, shortly after the release of their 2011 Annual Report (SBM Offshore, 2012a; SBM Offshore, 2012b). This is another example of CSR preceding CSiR practices (2), as SBM has yet again emphasized the importance of anti-corruption for them, while shortly after acknowledging potential involvement in questionable sales practices.

In February 2013, SBM Offshore comes back to the internal investigation into the improper sales activities in their annual report by looking at their anti-corruption policies and how they were put into practice (SBM Offshore, 2013). The company discovered certain potentially inappropriate third-party sales activities, leading to several measures being taken, such as the hiring of a Chief Governance and Compliance Officer to oversee the company's compliance program's development and execution and to guarantee the methodical integration of compliance-related elements into the company's business operations, while also improving their procedures in their compliance program and standards, and notifying relevant authorities of its internal inquiry (SBM Offshore, 2013). As the organization puts more effort into the prevention of these corruption practices, it can be said that CsiR precedes CSR practices (3), as the alleged improper sales activities made SBM invest more into their anti-corruption program and procedures.

A year later, in February 2014, numerous news articles were written on SBM Offshore's involvement in corruption scandals, as these reports state that SBM allegedly paid between 170.000.000 and 250.000.000 euros in bribes in Angola, Brazil, and Malaysia, among others between 2005 and 2011 (Kosters, 2014; Follow the Money, 2014a). Also, an investigation was launched in Brazil into possible bribery practices by SBM as they were alleged to have paid 139.000.000 dollars in bribes to Brazilian state oil company Petrobrás to obtain contracts for floating oil platforms, according to an anonymous former employee of the company following a publication in the Brazilian newspaper Valor Economico (Follow the Money, 2014a). These allegations yet again indicate that CSR practices precede CsiR practices (4). However, SBM states in their 2013 Annual Report that was released shortly after the accusations arose in the media, that it was yet to be proven that there have been any improper payments made and that there were no signs of substantial payments being made in the past to intermediaries with the intention to end up at government officials, yet the organization made a provision of 240.000.000 dollars for possible settlements in the kickback affair of subsidiaries in Africa (SBM Offshore, 2014; De Vlieger, 2014). The company carries on improving their anti-corruption initiatives, such as internal training sessions regarding the matter, enhancing the Code of Conduct around corruption and the increase of internal controls, building forward on their CSR practices that followed the CsiR practices indicated in relation 3 (SBM Offshore, 2014).

In November 2014, the Dutch Public Prosecutor released their agreement with SBM Offshore on a 240.000.000 dollar transaction consisting of a 40.000.000 dollar fine and a 200.000.000 deprivation of illegally obtained benefits with the transaction relating to

unauthorized payments made to commercial agents and foreign government officials in Equatorial Guinea, Angola and Brazil during the period from 2007 to 2011 with those payments, in the opinion of the Public Prosecutor's Office, constituting the criminal offenses of official and non-official bribery as well as forgery (Openbaar Ministerie, 2014). In the opinion of the Public Prosecutor, payments were made with the knowledge of SBM Offshore employees at the time, including a former member of the Executive Board for both Equatorial Guinea and Angola (Openbaar Ministerie, 2014). However, the new Executive Board of SBM has taken many (remedial) measures aimed at preventing a recurrence, such as the curtailing of commercial agents, setting up a Validation Committee that reviewed reviewed all trading agents and determined in each individual case whether the relationship with the relevant trading agent should be continued or terminated, with all commercial agents still used by the company being subjected to this strict procedure (Openbaar Ministerie, 2014). In addition to measures imposed on trading agents, disciplinary action was taken against employees who were involved in or had knowledge of the payments in question (Openbaar Ministerie, 2014). Furthermore, all employees in compliance-sensitive positions, approximately 2,540 employees annually over the past four years, have attended updated training sessions on anti-corruption, while continuing to be informed annually through additional training sessions (Openbaar Ministerie, 2014). To further ensure employee integrity also in the future, the company has further tightened its HR procedures, with employees being screened even more rigorously and them having to commit to 'compliance commitments' of the organization (Openbaar Ministerie, 2014). Once again, this indicates a relationship where CsiR precedes CSR practices (5), as the confirmed bribery and corruption case acts as another starting point to improve their anti-corruption program and procedures, educating their employees (and themselves) on these instances.

A few months after the out-of-court settlement was released, it came under fire for being perceived as a calculated attempt to hide most of the wrongdoing from the shareholders and public (Exelby & Botje, 2015). Former head of SBM's legal affairs and sales and marketing department Jonathan Taylor exposed the company's bribery activities by giving authorities access to documents and recordings that showed how SBM's business model heavily relied on paying bribes to gain contracts worldwide (Exelby & Botje, 2015). Despite these concrete indications of corruption, the depth of the wrongdoing was concealed from shareholders, and SBM's calculated containment enabled the business to keep getting new contracts and funding (Exelby & Botje, 2015). The corruption scandal involved officials in Brazil, the US, and other nations in addition to the Netherlands but despite this, SBM was

able to escape heavy fines and carried on with business as usual, albeit under surveillance (Exelby & Botje, 2015). This shows that despite the CSR practices by SBM to improve their anti-corruption program and procedures, they still fall back into CsiR practices as they are alleged to have covered up their corruption practices from the past, even after they stated to improve their anti-corruption practices, making this another example of CSR preceding CsiR practices (6). In contradiction to the allegations of the cover-up of their corruption practices, SBM stated in their 2014 Annual Report that was released shortly after that it will not tolerate any of the purportedly previous behaviors, therefore including a more robust corporate governance framework and compliance program into their structure and culture (SBM Offshore, 2015). Furthermore, they mentioned yet again that they are improving procedures to mitigate integrity risks related to sales intermediaries, business partners, and third parties to ensure that their core values are upheld, as well as compliance with the law by continuously enhancing and improving their ethical and compliance program (SBM Offshore, 2015). This complements relationship 5, as it is about the same CSR practices that followed after the CsiR practices came to light.

After reopening the bribery investigation against SBM Offshore by the US Department of Justice (DOJ) in February 2016, regarding the claims that the organization made unlawful payments to sales representatives and government officials in Angola, Brazil and Equatorial Guinea, a settlement was reached in November 2017 between both parties, with a total of 238.000.000 dollars needed to be paid, consisting of 500.000 dollars in criminal penalties, and 13.200.000 in forfeiture (Jaeger, 2016; Buckley LLP, 2017). According to a statement from the Justice Department, the firms have consented to resolve charges pertaining to over ten-year schemes that involved the bribing of foreign officials in Angola, Brazil, Equatorial Guinea, Kazakhstan, and Iraq, being in violation of the Foreign Corrupt Practices Act (FCPA) (Reuters, 2017). The deal made by the prosecution goes on to describe the corrective actions to enhance SBM Offshore's compliance function, including employing a third party to create and carry out a new compliance program, cutting back on the number of third-party officers the company uses, thereby severing ties with dubious third parties (Buckley LLP, 2017). For The same accounts for this matter, as for relationship 5, because after the CSR practices came to light and a settlement was agreed with the prosecutor, the CsiR practices regarding anti-corruption were improved and considered by the prosecutors (7).

Following the settlement, the US DOJ also convicted two former executives of SBM Offshore for their role in the international bribery scandal, one of them being former chairman

of the board Tony Mace in October 2018 (Roosjendijk, 2018). In accordance with admissions made as a part of his plea deal, Mace admitted that prior to his appointment as CEO, other staff members at SBM Offshore had agreements in place to bribe foreign officials at companies that controlled oil owned by the state in Brazil, Angola and Equatorial Guinea (Offshore Energy, 2018). To enhance the bribery plot, Mace authorized payments and willfully chose not to discover that they were bribes, acknowledging that this was his way into the conspiracy (Offshore Energy, 2018). This shows once more that SBM Offshore was knowingly involved in CsiR practices following CSR practices (8).

Compared to all earlier reports in the media on CsiR practices by SBM Offshore being about corruption and bribery, an article arose which accused SBM of scrapping a ship full of toxic substances that are harmful to the environment and the health of scrapping workers on the beaches of India, despite warnings of deadly health risks (BNNVARA, 2019; FNV, 2019). This goes against the principles that SBM integrated into their sustainability programs, stating to focus on the importance of health and safety, as well as environmental impact (SBM Offshore, 2019). This is another case of CSR practices preceding CsiR activities by the organization (9).

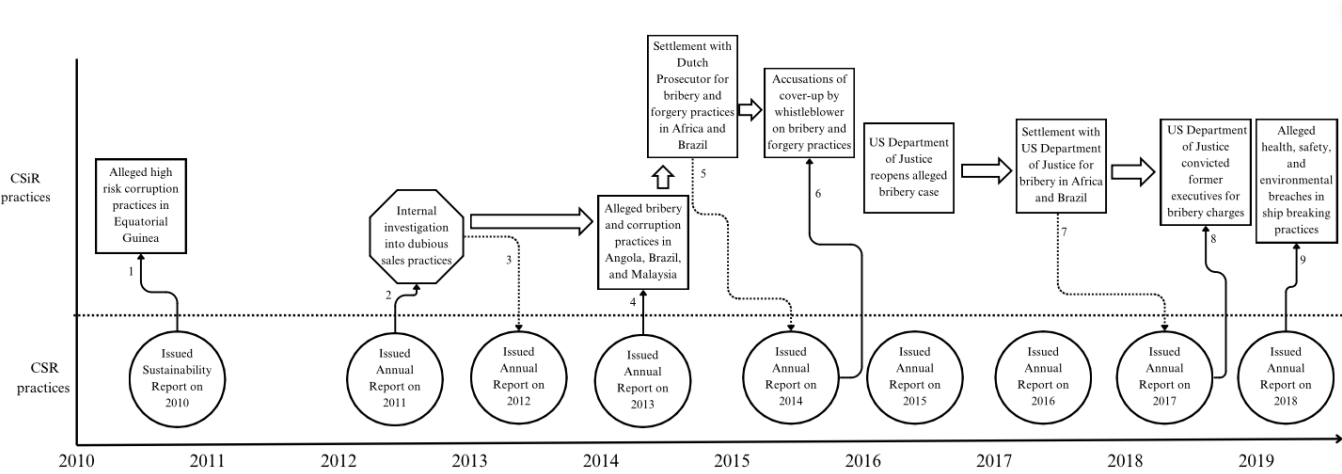


Figure 2: Visualization SBM Offshore

4.1.3 Boskalis

At the end of 2010, reports arose in the news on possible safety breaches concerning cranes owned by Boskalis in Australia, with the maritime union threatening to stop works (The West Australian, 2010; The Australian, 2010). After an assessment revealed several serious problems as authorities ruled that not all cranes on site required high-risk licenses, the thousand workers were ready to stop working if no changes were made (The West Australian, 2010; The Australian, 2010). The secretary of the union claimed that while the project’s scale

and national significance were halted, the union could not stand by when its members were at danger, as multiple reports of people being seriously injured on this project already came up (The West Australian, 2010). Contrary to Boskalis' CSR reports, where safety is one of the core elements that are central in their CSR strategy, the organization did not meet the safety requirements on the cranes and did not think it was important enough to act upon the reports on the safety breaches (Boskalis, 2011a). This makes this case an example of CSR practices preceding CsiR practices (1).

In July 2012, Boskalis was accused of bribery by Mauritian authorities, who considered to take the organization to court for bribing officials at the Mauritius Ports Authority, allegedly paying a large amount of money to be awarded with a contract for dredging work in 2006 (L'Express, 2012). One of the organizations' directors who was under investigation, Pieter Boer, was already accused of money laundering in Mauritius (L'Express, 2012). Almost a year later, in May 2013, Boskalis was found guilty of bribery and conspiracy on the African island of Mauritius as they made a full confession of guilt to the court (Weissink, 2013). Boskalis paid bribes to the chairman of the port authority between 2006 and 2007 to get the contract for dredging work in Port Louis worth 11.000.000 dollars, with the bribes totaling almost 90.000 dollars (Weissink, 2013; Van Weezel, 2013). In their 2013 CSR Report, the organization states that they were penalized by Mauritian courts following unauthorized payments to a civil servant regarding the awarding of a project in 2006 and conducted internal disciplinary actions, while also making the periodical evaluation of its code of conduct stricter because of this incident (Boskalis, 2014). However, in their 2012 CSR Report, that was issued before the court ruling, they stated that bribery and corruption is not accepted within the organization, as they don't take in, pay for, or solicit bribes or other favors to obtain or grant any improper financial, commercial, or personal gain (Boskalis, 2012). In this case, CSR practices precede CsiR practices, as the bribery and corruption were specifically mentioned in the CSR Reports of Boskalis before the court ruling (2).

In August 2012, Boskalis was accused of bribery in Uruguay for the first time, as the Argentine Foreign Minister Timerman accused the organization of bribing Uruguayan officials to win a multi-million dollar project, however Boskalis denied any involvement in the bribery case at the time (Follow the Money, 2012). Later on, in March 2014, the accusations arose again, as new information came to light in the media regarding the matter. In 2010, a commercial representative of Riovia (a Boskalis subsidiary) and a senior Argentine official allegedly offered 1.000.000 dollars to an official in Uruguay to win a dredging contract (Van der Heijden & Dohmen, 2014). Boskalis was also under investigation in South

Africa for corruption and bribery, as between 1999 and 2012, several contracts based on kickbacks were allegedly awarded to Boskalis subsidiary Smit Amandla Marina (Follow the Money, 2014b). Research by accounting firm EY was said to have confirmed evidence that contracts were illegally awarded to Smit Amandla Marine between 1999 and 2012, as per South African media (Van der Heijden & Dohmen, 2014). Even though there are multiple claims of evidence, Boskalis denied any involvement in both cases. This is another example of CSR preceding CsiR practices, as Boskalis allegedly handled irresponsibly after stating in their strategies to not accept any form of bribery or corruption yet becoming involved in those allegations (3).

After a long period of no serious CsiR accusations towards Boskalis, multiple reports were made in February 2018 on North Korean forced laborers being involved in the building of Dutch ships, including ships of Boskalis (Wiegman, 2018). According to the researchers, the companies that have their boats build in the shipyard are partly responsible for the poor working conditions in which North Korean workers are employed (Wiegman, 2018). Not only the human rights are violated, also the money that is paid to get the workers here and use them goes directly to the North Korean state, leading to the development of nuclear weapons and long-range missiles (NOS, 2018). Boskalis reacted to the allegations by stating they had no knowledge of North Korean workers building their boats, despite multiple hulls of their dredgers being built in that facility (NL Times, 2018). This is another example of CSR preceding CsiR practices, as one of the key pillars in the CSR strategy of Boskalis is the care for human capital despite being involved in modern slavery practices (4) (Boskalis, 2017).

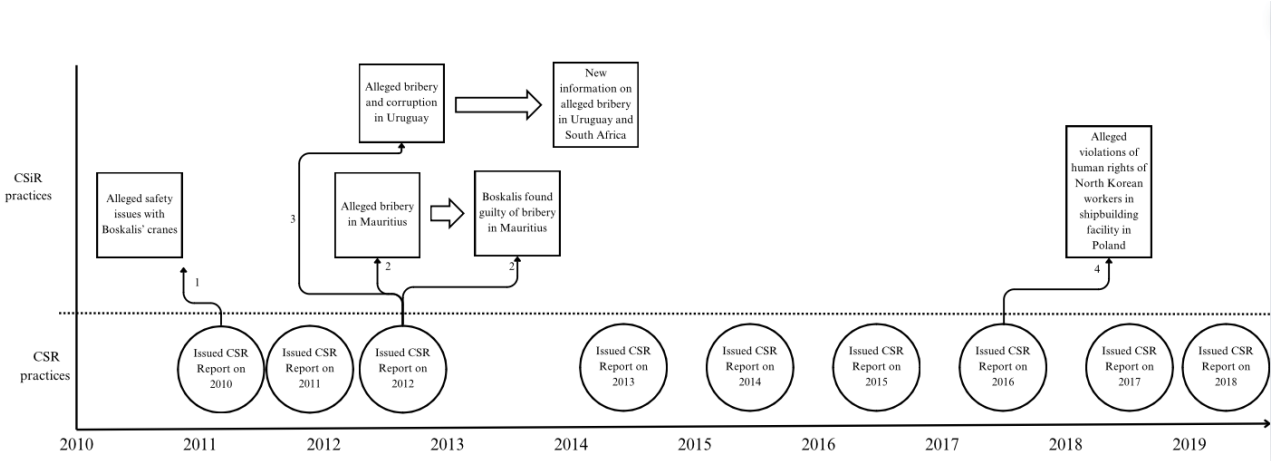


Figure 3: Visualization Boskalis

4.2 Cross-Organizational Level

Heineken, SBM Offshore, and Boskalis show similarities as well as differences when the sequences of events are studied. First, all organizations are involved in cases where CSR practices precede CsiR practices, as all companies are heavily invested in CSR strategies and trying to be as sustainable as possible, yet the irresponsible practices occurred in many instances. The efforts of the organizations are in some way being overshadowed by their CsiR activities by recurring accusations and legal issues that contradict their sustainability and ethical claims. Responses to these accusations often include denial while highlighting past CSR efforts, and pledging future improvements, suggesting a reactive rather than proactive approach to corporate responsibility. The latter only holds for Heineken and SBM Offshore, as they have been involved in multiple occasions where CsiR practices preceded CSR practices and took measures to prevent those incidents from happening again, while Boskalis did not announce a lot of changes in their CSR programs to prevent their corruption practices from happening again in the future. For all organizations can be said that they are subject to the trade-off mechanism, where CSR and CsiR practices interact concurrently over the course of ten years. All organizations have extensive CSR strategies, focusing on multiple facets, but also ending up in controversy with their business practices being irresponsible in some of those facets at the same time.

The differences between the organizations are that while Heineken has been involved in a diverse range of CsiR practices ranging from environmental damage and human rights violations to public relations blunders like their alleged racist advertisements, SBM Offshore and Boskalis mainly faced critique because of their bribery and corruption practices that conflicted with their so-called ethical standards. Furthermore, all organizations dealt different with the accusations of CsiR practices. Heineken often publicly denied allegations or justified their actions, for instance in the case of environmental damage in Mexico where they highlighted the positive role of their subsidiary In social development and denied direct involvement. Boskalis is like Heineken regarding this, as they tend to frequently deny involvement in unethical practices such as the bribery cases in Mauritius and South Africa, even when evidence was present of them being involved. Contrary to Heineken and Boskalis, SBM Offshore often acknowledged the accusations and entered settlements with government bodies, while also issuing public apologies and outlined remedial measures. However, Heineken was the only organization that regularly included mentions of CsiR incidents in their sustainability reports, even if these incidents did not appear in the media, using the

reports to show how they tried to improve practices and mitigate risks, such as implementing educational programs to prevent underage drinking.

5. Conclusion

Through an extensive analysis of the CSR and CsiR activities of Heineken, SBM Offshore, and Boskalis between 2010 and 2019, several key patterns and differences have been identified to provide an answer to the research question: *What patterns and/or differences emerge over time from the CSR and CsiR practices of Dutch MNCs across different industries?*

Across all three organizations, there is a recurrent pattern where CSR practices precede CsiR incidents. Each organization has implemented detailed and robust CSR strategies to improve sustainability and ethical conduct within their business practices. However, these CSR initiatives are often overshadowed by subsequent CsiR practices, highlighting a reactive rather than proactive approach to corporate responsibility. Also, the organizations often respond to CsiR incidents by emphasizing their past CSR efforts and pledging future improvements, indicating a pattern of using CSR as an insurance mechanism for damage control. Another pattern that occurred is on all organizations exhibiting the trade-off mechanism where CSR and CsiR practices coexist, with this mechanism illustrating the conflicts in corporate strategies where efforts to achieve sustainability in certain areas come at the expense of ethical shortcomings in other situations. This also shows that an organization is not limited to just one of the three mechanisms, as they can all occur around the same time.

The key differences between the organizations are that Heineken faced a diverse range of CsiR incidents such as human rights violations, environmental damage, and public relations blunders, while SBM Offshore and Boskalis were mostly involved in bribery and corruption scandals, highlighting the varying nature of CsiR practices across industries. Furthermore, the organizations all have different approaches to handle CsiR allegations. Heineken frequently denies involvement or justifies their own actions, with Boskalis also tending to deny unethical practices, even when evidence was present. However conversely, SBM Offshore often acknowledges allegations made against them, settling with government bodies, and issuing public apologies, indicating a more transparent approach.

6. Discussion

This chapter provides a comprehensive analysis of the findings from the research on CSR and CsiR practices among Dutch MNCs, highlighting their theoretical and practical contributions, limitations of the research, and directions for future research.

6.1 Theoretical Contribution

Through the application of a process-oriented approach to the longitudinal research of corporate behavior of Dutch MNCs, this research extends the theoretical understanding of CSR and CsiR. The integration of CSR and CsiR within a single framework, particularly the orthogonal view which treats both CSR and CsiR as distinct but co-existing phenomena, allows for a nuanced exploration of how these practices evolve over time and influence each other. This method disproves the conventional view that CSR and CsiR are merely diametrically opposed practices on a continuum by presenting evidence that organizations frequently engage in both concurrently, lending credence to the idea of a trade-off mechanism. By identifying specific sequences of CSR practices preceding CsiR practices and vice versa, this research contributes to the understanding of the dynamic and iterative nature of corporate social performance, reinforcing the complexity of ethical business practices. Furthermore, by focusing on a decade-long analysis of CSR and CsiR activities, this research emphasizes the importance of temporality in understanding corporate behavior with process-oriented research highlighting how organizational phenomena transform, develop, and evolve over time, offering insights into the dynamic nature of both CSR and CsiR practices. This research also identified several patterns in the interaction between CSR and CsiR practices, therefore supporting and extending the theoretical framework of Nguyen et al. (2024) which includes the insurance mechanism (CSR precedes CsiR), the penance mechanism (CsiR preceding CSR), and the trade-off mechanism.

6.2 Practical Contribution

From a practical standpoint, this research provides insightful information to legislators and corporate managers who want to improve ethical standards and corporate governance. The results emphasize the importance of maintaining a balance between CSR initiatives and preventing CsiR incidents. Organizations like Heineken, SBM Offshore, and Boskalis show that robust CSR strategies can be undermined by subsequent irresponsible practices, indicating the need for more proactive and integrated approaches to corporate ethics. With the

knowledge gained from this research, managers may create complete CSR programs that not only encourage ethical behavior but also contain safeguards against and mitigation strategies for CsiR. Legislators can leverage these findings to design regulations that encourage transparency and accountability, making sure that organizations adopt CSR as a sincere commitment to ethical behavior rather than as a means of mitigating damage.

6.3 Limitations of the Research

Despite its contributions, this research has several limitations. Firstly, Heineken's 2010 Sustainability Report is not publicly available anymore on the internet, because of which this research had to work with the press release that consisted of the key parts of the report but did not cover all facets of the sustainability report. Furthermore, the research focuses exclusively on Dutch MNCs, which may limit the generalizability of the findings compared to organizations in other countries with different regulations, and cultural and economic contexts. Also, most of the research is based on publicly accessible CSR reports, news articles, and databases like RepRisk, which might not capture all aspects of corporate behavior, particularly those that are underreported or not disclosed. However, the high standards on transparency in The Netherlands compensate for this in some way. Another limitation is that this research is based on a longitudinal analysis covering a decade, but changes in corporate strategies and external environments beyond this period could influence the results. Lastly, the qualitative nature of the research, while providing depth, may lack the statistical rigor of quantitative methods potentially limiting the robustness of the findings.

6.4 Directions for Future Research

Future research can build on this research by expanding the geographical scope, including MNCs from different regions and countries to end up with a comparative analysis of CSR and CsiR practices in diverse cultures with varying regulatory environments. Furthermore, the integration of quantitative techniques alongside qualitative methods may improve the robustness of the results and facilitate the research of correlations and causations between CSR and CsiR activities. Also, it may be possible for future research to observe longer-term trends and changes in organizational behavior by extending the time frame. Moreover, exploring the role of stakeholders, such as employees, consumers, and investors, in influencing CSR and CsiR practices may offer a thorough comprehension of the elements impacting corporate ethics. Finally, what may also be interesting for future research is

investigating the effectiveness of specific regulatory frameworks and corporate governance structures in promoting ethical behavior and preventing CsiR practices, as this could offer practical recommendations for legislators and business managers.

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Appendices

Appendix A – Operationalization of the codes

Concepts:	Key Words:	Color:
Corporate Social Irresponsibility (CSiR) practices	Environmental CSiR	Red
	Social CSiR	
	Governance CSiR	
	Transgressional CSiR	
	Accidental CSiR	
Corporate Social Responsibility (CSR) practices	CSR related to CSiR	Blue
	Freestanding CSR	
Corporate Response to CSiR practices	Denial	Green
	Showing penitence	
	Acknowledgement	
Corporate Governance	Corporate Hypocrisy	Yellow
	Corporate Reputation	
	Corporate Transparency	

Appendix B – Timeline Heineken

April 2011 – Heineken releases press report on 2010 sustainability report

Heineken releases their ‘Brewing a better future’ sustainability report for 2010 by issuing a press report. However, the sustainability report itself is no longer publicly accessible, so the most important components that are listed in the press report are the ones this study considers. The main priorities of the report are that it provides an overview of Heineken’s performance in relation to its stated commitments and the overall advancement of its global sustainability strategy (Heineken, 2011). The three main pillars that their sustainability report is built on are to improve the brands’ and businesses’ environmental effects on a constant basis, have a positive impact on the role beer plays in society, and providing the people and the communities they operate in with more power (Heineken, 2011).

The highlights out of the report state that Heineken are looking at their water footprint that indicates the amount of fresh water being used in the production, processes and services that are necessary in the production of their beer (Heineken, 2011). Also, they initiate to from now on only distribute new Heineken fridges that have a low carbon footprint and energy consumption compared to the older models, mainly because of the use of LED lights, energy management systems integrated in the fridges’ thermostat and, consist of refrigerant of hydrocarbon (Heineken, 2011). Lastly, Heineken adds another 10 million euros into their foundation that focuses on the fight against Aids in Africa, as this has become one of the main communities where they operate in (Heineken, 2011).

April 2011 – Publication of controversial business practices (in 2010) report by SOMO (Centre for Research on Multinational Companies).

Heineken was (in)directly involved in the building of the football stadium La Pastora Park in Monterrey, Mexico. They purchased the beer selling operations of Femsa, one of Mexico’s top beverage companies, in return Femsa received 20% Heineken Holding stock becoming the largest shareholder behind the Heineken family itself (SOMO, 2011). Femsa then arranged the building of the stadium, giving Heineken the exclusive rights to sell their beverages in the stadium (SOMO, 2011).

However, the building of the stadium accounts for environmental damage to the flora and fauna living in the area, also deteriorating 12 hectares of forest which serves as the ‘lungs of

the city', according to environmental groups (SOMO, 2011). Also, the construction infrastructure around the new stadium damages the natural reserve, ignoring the law that only those who live in and around this reserve can undertake or support these activities (SOMO, 2011). Another controversy around this plan is that there are no intentions to provide adequate public transportation infrastructures, meaning visitors all must arrive by car, resulting in the building of even more parking lots and even higher emission levels (SOMO, 2011).

Femsa (and therefore Heineken) discredits their own sustainability scheme, as they state that community engagement is one of their core values, protecting the quality of life around their facilities and preaching environmental care, even mentioning reforestation (SOMO, 2011).

Also, they are violating principles 7 & 8 of the United Nations Global Compact (UNGC), which both Heineken and Femsa are part of. These principles stand for promoting greater environmental responsibility and undertaking precautionary measures to environmental challenges (UNGC, 2011).

Heineken responded in May 2010 in the Dutch newspapers by giving Femsa credit for their positive involvement in social development in Mexico and that they believe Femsa will make the right decisions concerning environmental challenges.

Also, as a response to the report by SOMO (2011), they denied any involvement in the building of the stadium, as it is fully designed, planned, and owned by Femsa.

Another case of CSiR came up in the report by SOMO (2011), stating that the rights of employees in Mexican production plants of Heineken were in danger to be breached because of the involvement of fake unions that are in no way representing the workers according to worldwide principles, according to Mexican NGOs.

Heineken violated another principle of the UNGC with this incident, namely principle 3, as there should always be the right of collective bargaining and freedom of association (UNGC, 2011). Also, as the right to freedom of association is a basic human right, Heineken is violating their own Code of Conduct, stating that they support fundamental human rights of their employees across their facilities (Heineken Holding, 2011).

Heineken responded to the report by SOMO stating that after a due diligence research before shipping their business overseas to Mexico, there were no signs of violations of the principle of trade union freedom or the violation of basic human rights. Therefore, again denying any accusations reported in this publication.

August 2011 – Heineken taken to task by Advertising Code Committee (News Article)

Heineken has been fined by the Dutch Advertising Code Committee for posting a tweet containing a message and image that implies that people should drink their alcoholic beverages everyday of the year, therefore encouraging the public to excessively and therefore irresponsibly consume their products (*Hieneken Op De Vingers Getikt*, n.d.; *Stichting Reclame Code*, 2023)

March 2012 – Heineken releases 2011 Annual Report

Heineken released their annual report on the year 2011, in which they devote as many as 4 out of the 172 pages to their sustainability practices. First, they speak about their achievements and actions that contributed to their ‘Brewing a better future’ project that was started in 2010, naming their highest ranking on the UK’s leading voluntary benchmark on CSR, winning an award in Greece based on a local CSR index (Heineken, 2012). Also, their Belgium’ brewery added 6.000 solar panels on top of their production plant, making it the biggest solar energy system installed in a European brewery, while initiating a campaign in the Netherland informing adolescents in a youth camping about responsible alcohol consumption (Heineken, 2012).

On top of these activities, Heineken also engaged in multiple organizations and initiatives that ‘support their aims for both business and society’, listing a dozen of them from European to African initiatives (Heineken, 2012).

In the annual report, Heineken doesn’t mention any of the incidents or publications that were brought up in the media about CSiR practices by the organization, however they did provide a paragraph on their ‘commitment to increased levels of transparency’, listing some external assessments made (Heineken, 2012). Heineken did not end up in the top three of the SAM Dow Jones Sustainability Index for the beverage category, despite their efforts to do so, yet they achieved their highest score compared to previous years (Heineken, 2012). Also, they

only scored 59 and a performance category score of D on the Carbon Disclosure Project (CDP), framing it that ‘there is obviously room for improvement’ (Heineken, 2012).

September 2012 – Heineken Banners in Dogfighting Photo (News Article)

A photo was spread around the internet of a dogfighting match being held in a facility that had Heineken banners hanging around, however Heineken ended up having nothing to do with the dogfight (Mikkelson, 2012). Heineken reacted to the incident by announcing a termination of the relationship with the facility, after hosting an event earlier and finding out the banners with the brand on it remained there and discrediting Heineken’s name and people thinking that they were involved in the illegal dogfight. Also, Heineken responded by stating that they keep making sure that their stringent requirements for marketing and advertising are followed in both text and spirit (Mikkelson, 2012).

December 2012 – Heineken loses final appeal in illegal Dutch beer cartel case (News Articles)

Heineken lost their final appeal in a court case against a European commission for being involved in an illegal Dutch beer cartel, sided by multiple large Dutch beer brewing organizations (beveragedaily.com, 2012). Being involved in a cartel is deemed as highly unethical behavior, and as Heineken has been convicted and given a 200 million euro fine, it doesn’t help their image (Follow the Money, 2020).

March 2013 – Heineken admits to ‘unusual’ digital campaign (News Article)

Controversy around an advertisement brought out by Heineken started after people started asking questions about the way the ad was set up and if the young people involved weren’t traumatized due to the stress they experienced (beveragedaily.com, 2013). Heineken responded to the accusations by stating that all participants didn’t know what was going to happen but were all debriefed afterwards and had consultations therefore being confident they weren’t traumatized in the process, with the campaign being looked at as a positive one from an internal point of view (beveragedaily.com, 2013).

April 2013 – Stop the stranglehold of ruthless Heineken (News Article)

Heineken is being accused of dominating the Dutch market by pressuring competitors by spying on them and their customers, sending ‘broad-shouldered gorillas’ off on pub bosses and suing unwilling workers to death (De Volkskrant, 2013). Heineken fired 70 staff members

working in the cafeteria, thereafter, immediately hiring them back but for a lot less compensation with the employees then filing a lawsuit with the union that carried on for almost 8 years due to Heineken doing everything they could to make sure the employees didn't win (De Volkskrant, 2013).

During a shareholder meeting, they addressed the emotional and financial damage to staff as they stated to resolve the matter nicely, shortly after threatening these same staff members with cassation if they did not still accept the Heineken terms (De Volkskrant, 2013). Only when the terror in the workplace and suicidal tendencies among victims threatened to leak out, a settlement was reached with some of them under secrecy (De Volkskrant, 2013).

July 2013 – Heineken ad banned for condoning illegal drinking (News Article)

An ad published by Heineken was taken down by the Advertising Standards Authority (ASA) as it was deemed socially irresponsible since it supported or promoted actions that were forbidden or illegal, in this case encouraging alcohol consumption in sporting facilities (foodmanufacture.co.uk, 2013). In response, Heineken stated that they believed the viewers would understand that it was a highly unrealistic scenario and that it was produced as a dream of one person rather than it being reality (foodmanufacture.co.uk, 2013).

July 2013 – Heineken releases 2012 Sustainability Report

Heineken released a 304 pages long sustainability report on the year 2012, addressing their sustainability practices and responding to some CSiR incidents and allegations made towards their organization over the course of 2012. Most of the report builds further on their 'Brewing a Better Future' strategy which includes various targets and commitments like responsible consumption, water management, sustainable sourcing, reducing carbon emissions, employee engagement and health, community involvement, and green distribution as their main involvements (Heineken, 2013). These commitments are all supported by initiatives that are trying to ensure the commitments to come off the ground and actually contribute, for example promoting responsible drinking targeting young adults online in order to fulfill the commitment made with 12 other global alcohol producers to reduce harmful drinking over the next five years (Heineken, 2013).

Not only did Heineken speak about their CSR practices, they also spoke up about incidents that were brought up in the media and even about cases of CSiR that were not picked up in the

news. First, the dog fighting incident mentioned earlier is spoken about, as Heineken states that they will never be involved in such events and have ceased its relationship with the venue owner and ensured the removal of the banners from the location (Heineken, 2013).

Also, Heineken recalled some of their products after reports of some bottles being defect and despite no incidents being reported, Heineken didn't want to risk their reputation and consumer's health and recalled all batches of the affected products as a precautionary measure and took steps to prevent it from happening in the future (Heineken, 2013).

Heineken received 115 reports through its whistleblowing hotline, including reports of fraud, discrimination, misconduct and harassment, with the company taking appropriate actions based on the reports received to prevent it from happening in the future (Heineken, 2013).

Also, Heineken is a customer of the Mareña Renovables Wind Farm Project, which was alleged to adversely impact local communities' rights and livelihoods, however Heineken stated that the project met high environmental standards and that it had strong local support while still monitoring the situation and reacting by taking necessary actions if required (Heineken, 2013).

July 2014 – Heineken releases 2013 Sustainability Report

Still building on the 'Brewing a Better Future' strategy, Heineken released their sustainability report on the year 2013. This time, it's a 144 pages long report on their objectives and (ir)responsible practices in the field of sustainability. Their core CSR practices are still based on commitments around responsible consumption, water resource protection, reducing CO2 emissions and sourcing sustainability (Heineken, 2014). All of these commitments are supported by initiatives that Heineken is involved in, for example various projects to reduce CO2 emissions by using rail terminals as stock buffers and developing greener draught equipment (Heineken, 2014).

Heineken also speaks quite openly about CSiR practices that happened in 2013 for the company, even when there were in some cases no reports in the media. They state that there were nine fatalities reported involving Heineken's own employees and contractors, varying from machinery entrapment to a crane incident and crime-related violence in Mexico (Heineken, 2014). Heineken investigated all incidents and implemented improvement plans

such as safety alerts and new protocols to mitigate risks, especially in areas like Mexico where the crime rates are high (Heineken, 2014).

Also, there were several complaints regarding (responsible) consumption in commercials by Heineken, including advertising during children's programs leading to fines and corrections, and some controversies around produced advertisements with younger people in it and alleged illegal drinking (Heineken, 2014). Heineken corrected the mistakes and voluntarily withdrew questionable content, ensuring compliance with their commercial guidelines (Heineken, 2014).

Furthermore, 23 incidents or complaints were reported through Heineken's whistleblowing program, including reports on conflicts of interest, fraud, discrimination, misconduct, and harassment, with Heineken addressing these incidents through formal mechanisms to reflect on their commitment to integrity and compliance (Heineken, 2014).

Despite efforts to prevent underage drinking, there were still gaps in the way government legislation and instructional materials were put into practice to stop and lessen underage purchases and consumption, with Heineken responding to it by working on developing educational programs and advocating for stricter regulations in countries like Vietnam, Haiti, and Greece (Heineken, 2014).

April 2015 – Heineken releases 2014 Sustainability Report

In April 2015 Heineken issues their Sustainability report on the year 2014. It again builds on the 'Brewing a better world' strategy initiated in 2010, focusing on CSR practices concerning the protection of water resources, the reduction of CO₂ emissions, sustainable sourcing, advocating responsible consumption, the promotion of health and safety, and growing with communities (Heineken, 2015).

Without any widespread reports of CSiR practices in the media, Heineken still acknowledges that some CSiR incidents occurred and described how they handled the aftermath in their report. They received 17 complaints about marketing messages connected to different campaigns during the year, resulting in one fine of 30.000 euros for non-compliant advertising during the Rugby World Cup in France, with the other incidents being investigated and resolved (Heineken, 2015).

November 2015 – Heineken accused of dubious business practices in Africa (News Article)

A book was published accusing Heineken of dubious business practices taking place in Africa. The author of the book, Olivier van Beemen, accuses Heineken of the fact that they have ties with dictatorial regimes on the African continent, violating human rights (NH Nieuws, 2015). Also, Heineken would use the continent to siphon off some of the profits through tax opportunities. According to Van Beemen, the regime of Burundi violated human rights on a large scale, arguing that Heineken is responsible according to the UN Global Compact, as the regime can only exist because of fundings coming from Heineken (NH Nieuws, 2015).

Heineken responded to the allegations made by Van Breemen, stating that if they leave, it will become much worse and that everyone has the right to look at the company with a critical eye, but that they have a different view on the fact that companies should not operate in countries with a challenging political climate (NH Nieuws, 2015).

June 2016 – Heineken releases 2015 Sustainability report

In Heineken's 2015 sustainability report, the focus on the CSR practices was again on their business imperative 'Brewing a better world'. Their focus areas being growing with communities, protecting water resources, reducing CO2 emissions, Sourcing Sustainably, advocating responsible consumption and promoting health and safety (Heineken, 2016).

Heineken had some bad publicity in 2015 regarding the book written by Olivier Van Beemen on their irresponsible practices in Africa, however they did not mention it in their sustainability report. They did mention some other CSiR practices that happened during the year 2015, starting of with the rising number of fatalities (Heineken, 2016). The report states 22 people lost their lives while working within Heineken with causes including shootings, traffic accidents, and work-related incidents like falls and drownings (Heineken, 2016). CEO Jean-Francois van Boxmeer states many of the fatalities are the result of violence in Mexico, but it remains unacceptable and putting safety first 'remains the top priority at Heineken, being determined to improve in this area' (Heineken, 2016).

Furthermore, the company failed to achieve targeted reductions in CO2 emissions from distribution due to the productional footprint challenge they face in the Americas, mostly in

Mexico (Heineken, 2016). Heineken (2016) states that they see a positive trend in the reduction of CO2 emissions, with a new plant in Chihuahua, Mexico possibly contributing to the positive change in reductions. Also, the report mentions that out of 330 reports received through the whistleblowing program, 32% are related to fraud with the other reports mainly being about concerned misconduct, inappropriate behavior, discrimination, and harassment (Heineken, 2016). A third of all reports had supporting evidence and where appropriate and practicable, corrective and preventative measures were implemented (Heineken, 2016). These included disciplinary actions, restitution for any financial losses, and improvements to processes and controls (Heineken, 2016).

June 2016 – Heineken accused of alleged violation of OECD guidelines in Democratic Republic of Congo (Government issue)

In June 2016, the National Contact Point (NCP) of the Dutch Ministry of Foreign Affairs issued an initial assessment on a specific instance of former employees that worked for Bralima (95% owned by Heineken) in Democratic Republic of Congo. Three former employees notified the Dutch government on behalf of in total 168 former employees of malpractices by the company in the period 1999-2003 (Ministry of Foreign Affairs, 2016). The complaints were about the violation of human rights, cooperation with a rebel movement in Congo, and illegitimate dismissals, demanding 200 million euros as a compensation fee for the damages done to the former employees (Ministry of Foreign Affairs, 2016). The employees were forced to sign agreements on parting ways that enclosed arrangements on not receiving any compensation that was legally required, also not reporting those agreements to the Congolese government agencies but cooperating with a rebel group to authorize the signed conventions, all going against the OECD guidelines for multinational enterprises (Ministry of Foreign Affairs, 2016).

Heineken responded by stating that the dismissals were all based on a reorganization to improve the productivity of the plant, and that all existing procedures were followed with care (Ministry of Foreign Affairs, 2016). Also, Heineken states that they did not breach the OECD guidelines as the employment relations have ended and the cases are over 15 years old, therefore there is no documentation on all cases. They end their statement by stating that there is a business code of conduct for all companies within the Heineken group and that it is implemented in the Bralima organization (Ministry of Foreign Affairs, 2016).

February 2017 – Heineken releases 2016 Annual Report

Different to earlier years, Heineken did not release an independent sustainability report next to their annual report, this year it is merged. What is not different to earlier years is the fact that the sustainability part of the report is building on the ‘Brewing a better world’ strategy that Heineken has been pursuing since 2010. Almost all the sustainability review of the annual report is based on the six focus areas of Heineken: protecting water resources, reducing CO2 emissions, sourcing sustainably, advocating responsible consumption, promoting health and safety, and growing with communities (Heineken, 2017).

The main CSiR incident that occurred in 2016 was the alleged violation of OECD Guidelines by the Dutch Ministry of Foreign Affairs. Heineken reacts to this incident in their annual report by acknowledging the issues that were raised and accepting the offer of the Dutch National Contact Point (NCP) into a mediation process, therefore welcoming the opportunity to understand the issues raised (Heineken, 2017).

There were no further CSiR incidents that were mentioned in the media in 2016, however Heineken still reflected on some incidents that occurred during the year. They still received 380 reports through their whistleblowing program, increasing with 50 compared to the year before with most of these cases being reports on fraud, misconduct or inappropriate behavior, and discrimination and harassment (Heineken, 2017). Heineken (2017) states that almost two-thirds of these reports were substantiated, which lead to various preventative and corrective actions such as disciplinary actions, payment for monetary losses, and improvements to processes and controls.

February 2017 – Heineken pollutes water and kills fish near their plant (News Article)

Due to the actions in a production plant of Heineken, 2000 to 3000 fish were killed by the pollution of water after dumping a container of contaminated water into the wrong drain (Miles, 2017). However, Heineken cooperated and admitted their mistake, offering a positive contribution to the environment in the county and promising investments to prevent it from happening again (morningadvertiser.co.uk, 2017).

Heineken responded to the incident stating that they were pleased to report that it supports two local community organizations financially, also stating that the incident goes against all

their standard policies and making sure it doesn't happen again by giving training to their workers and accepted all the conclusions of the agency's inquiry (Miles, 2017).

February 2018 – Heineken releases 2017 Annual Report

Following last year, Heineken no longer releases their sustainability report as an independent issue but integrated it into the annual report. Since the release of the 'Brewing a better world' strategy in 2010, Heineken has built their sustainability review on what they did during the year towards the goals set for the future and how they made progress on the six focus areas: Advocating responsible consumption, promoting health and safety, protecting water resources, reducing CO2 emissions, growing with communities, and sourcing sustainably (Heineken, 2018).

Heineken continues to report on CSiR incidents that occurred over the year in their sustainability review, however this time the one incident that made the news is not included, yet they already responded to the incident earlier stating that they would make sure it won't happen again and that it goes against all their standard policies (Heineken, 2018; Miles, 2017). They are still very open about their reports coming from the whistleblowing program, receiving 661 reports mostly related to misconduct or inappropriate behavior, fraud, discrimination, and harassment (Heineken, 2018). More than half of these reports were substantiated and where appropriate and practicable, corrective, and preventive measures were implemented, including process and control enhancements, payment for monetary losses, and disciplinary actions (Heineken, 2018)

March 2018 – Heineken pulls ad after racism accusations (News Article)

Heineken stopped airing an advertisement after it was deemed racist by multiple reports because of the catchphrase "sometimes, lighter is better" and the involvement of multiple black people during the ad and the reading of the phrase (The Guardian, 2018).

Heineken responded to the accusations by taking the ad down, stating that they take the feedback to heart and will let it influence their future advertising, however they also stated that they have had a long positive track record of using marketing to foster unity (Chokshi, 2018).

April 2018 – Interview with Olivier van Beemen, author of a book about Heineken’s malpractices in Africa (News Article)

In 2018, a book about the malpractices of Heineken in Africa was released by Olivier van Beemen. Multiple different reports of misconduct were mentioned in the book, from the usage of promotion girls that are sexually assaulted by superiors, to still brewing beer during the mass murders in Rwanda with the Hutu-killers all drinking their beer during the killing, with Heineken acknowledging that their beer had a role in the killing of 800.000 (Bremmer, 2018). Heineken claimed afterwards that they had no control of the production plant as it was confiscated by radicalized personnel, but Van Beemen states no-one told him about this, not even the African director at the time (Bremmer, 2018).

Another malpractice mentioned is the selling of bottles beer filled with 75 centiliters, stimulating to drink as much as possible, and Heineken is even involved in the writing of national alcohol policies, making up their own rules (Bremmer, 2018). Also, top executive Nico Vervelde became involved in a large-scale corruption case in Nigeria last year, risking three to seven years in prison for abuse of power, but eventually avoiding punishment with Heineken settling the case and offering Vervelde a new job in Singapore (Bremmer, 2018).

Heineken responded to the accusations made in the book by blaming the author of the fact that Heineken can do no good in his eyes and only being focused on the negatives, taking most things out of context, however still admitting that they made some mistakes in the past, but that is unavoidable for such a large company (Bremmer, 2018).

The matter got even more (international) media attention after Van Breemen was interviewed by Bright Magazine in May 2019 and wrote a long-read article in The Guardian in February 2019 explaining the malpractices mentioned above to a broader audience.

April 2018 – Heineken staff accused of unacceptable behavior with own employees in Africa (News Article)

Heineken is confronted with unacceptable behavior from employees, including European expats, in Africa as even top executive Van Boxmeer had a relationship with a promotional girl in Congo (Van Beemen, 2018). An old expat stated that in the evenings it was all about dancing and drinking, and later in the evening lots of scantily clad girls arrived, available for

use in the hotel room, with a senior manager saying: “Boys will be boys” (Van Beemen, 2018). Also, the local top management staff were involved in the practices, as an HR-manager in Congo was forcing almost every woman working for Heineken to sleep with him, even if she physically resisted (Van Beemen, 2018).

Heineken responded to these allegations by stating that the alleged misconduct is not representative of the company and will not be tolerated at Heineken, and that as a large company, they are sometimes confronted with unacceptable behavior by employees (Van Beemen, 2018).

July 2018 – Heineken investigation confirms the intimidation of promotional girls (News Article)

Heineken released the results of an investigation into their own promotional girls in Africa being harassed, stating that they had to work in very poor conditions and were being intimidated on a large scale (EUCAM, 2018). In almost all African countries where Heineken hosts their promotional girls, the investigation shows that they were victim of physical, sexual or verbal intimidation, pressured to wear short skirts, unpaid overtimes, and the absence of contracts in some cases (EUCAM, 2018). In Egypt, an agency working for Heineken even took the women’s passports to make sure they were restricted in their spare time, which is seen as a modern type of slavery (EUCAM, 2018).

Heineken has responded to their own investigation by drafting new policies to make sure the malpractices won’t happen again, guaranteeing that when their conditions can’t be met in a specific country, they will pull back their promotional activities immediately (EUCAM, 2018).

February 2019 – Heineken releases 2018 Annual Report

Heineken continues to release their sustainability report integrated into the annual report of the company for the year 2018, while still holding on to the same way they build up the sustainability review as to all previous years since 2010. The six focus areas are all extensively substantiated by multiple pages where they list what they have done to create the positive outcomes that they mention, and how they plan to get to even more positive outcomes in the future (Heineken, 2019).

However, 2018 was a year where Heineken was involved in quite a lot of controversies in the media, mostly because of the release of the book on Heineken's malpractices in Africa by Olivier van Beemen. Yet, Heineken did not react to the allegations of the CSiR practices they were involved in according to Van Beemen, such as top management's unacceptable behavior in Africa, the involvement and support in regions of (civil) war, and the fact that they sell large bottles to stimulate drinking (Bremmer, 2018). The latter is remarkable, as one of the six focus areas of Heineken in their 'brewing a better world' strategy is focused on advocating responsible consumption, but they do not speak about the accusations made by Van Beemen that they tend to advocate the opposite (Heineken, 2019).

Although not reacting to the earlier mentioned accusations, Heineken did respond to the alleged intimidation of brand promoters, especially women. In response to allegations of harassment made in March 2018, Heineken acted as they took the allegations seriously and emphasized that these promotional girls should be able to feel proud of their work and to ensure their safety while working (Heineken, 2019). Heineken defined and created a new Brand Promoters Policy with the help of NGOs and partners 'covering agency contracts, availability of support, working conditions, guidelines on uniforms, and mandatory training' (Heineken, 2019). The company stopped to deploy brand promoters in countries or markets where the new safety principles could not be applied (Heineken, 2019).

Furthermore, as in earlier sustainability reviews published by Heineken, they mentioned some CSiR incidents that did not make the news. Over the year 2018, 1293 reports of suspected misconduct came through, which is almost double the amount of the year before with most of the reports being about fraud, discrimination, and harassment (Heineken, 2019). Half of these reports turned out to be substantiated, with corrective and preventive measures taken, including process and control improvements, payment for monetary losses and disciplinary actions if needed (Heineken, 2019).

April 2019 – Heineken workers prepare to march against 'sex for shifts' (News Article)

Heineken is being accused by the Heineken Workers Forum of maintaining unequal power relations between management and employees with women experiencing extreme violence (Smith, 2019). Also, the brewery's managers and supervisors utilize their position of authority to demand payment for jobs from both men and women, with the Forum trying to speak with

Heineken about the problem, but Heineken being averse to this and instead intimidate, dismiss, and victimize their employees (Smith, 2019).

The director of corporate affairs at Heineken has refuted reports that the organization has ignored complaints of sexual harassment, stating that there are reporting channels where employees can issue their complaints, but no complaints were received (Smith, 2019).

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Appendix C – Timeline SBM Offshore

April 2010 - Publication of controversial business practices (in 2009) report by SOMO (Centre for Research on Multinational Companies).

The Centre for Research on Multinational Companies (SOMO) released a report on the controversial business practices by SBM Offshore in the year 2009. They state that, since SBM Offshore has set up a joint venture together with GEPetrol, the national state-owned oil company of Equatorial-Guinea, they are in high risk to be involved in corruption scandals as the reputation of GEPetrol and the Equatorial-Guinean government is poor (SOMO. 2010).

SBM Offshore nevertheless made the decision to operate in this hazardous environment, worth noting that there is no proof that SBM Offshore has participated in any corrupt activities directly (SOMO, 2010). Companies should, however, ‘encourage, where practicable business partners, including suppliers and sub-contractors, to apply principles of corporate conduct compatible with OECD Guidelines,’ according to the OECD Guidelines (SOMO, 2010). However, SBM Offshore keeps the public in the dark on any actions or correspondence with GEPetrol intended to reduce the possibility of corruption for its activities in Equatorial-Guinea, as there is no mention of mitigating steps for business partners’ illegal use of revenues in the CSR Report of SBM Offshore of the year 2009 (SOMO, 2010).

In a response to SOMO’s draft version of the report on their misconduct, SBM Offshore makes clear that one of its goals is to build a nationwide workforce for its activities in Equatorial-Guinea, also mentioning that other oil and gas corporations are operating there as well (SOMO, 2010). The company did not, however, provide a statement regarding how it has handled the fundamental problems mentioned in the report, such as the potential for corruption (SOMO, 2010).

December 2010 – SBM Offshore release 2010 Sustainability Report

In their 2010 Sustainability report, SBM Offshore highlights a broad range of CSR initiatives that they are focused on. The first area is health, safety, security, and environment, maintaining high health and safety standards with specific initiatives preventing workplace accidents and promoting employee well-being, as well as being committed to minimizing the negative impact of its activities on the environment, promoting the use of renewable energy, and reducing greenhouse gas emissions (SBM Offshore, 2010). Furthermore, the company focuses on ethical business practices, enforcing a strict Code of Conduct that prohibits

corruption, bribery, and insider trading, while promoting fair competition and compliance with international laws (SBM Offshore, 2010). To ensure adherence to ethical standards and continuous improvement, the company conducts regular audits and assessments of its operations (SBM Offshore). Also, the company invests in local communities by creating jobs, providing training, and building infrastructure, particularly in Angola and Brazil, while also maintaining strong relationships with stakeholders, involving them in sustainability initiatives and economic growth projects (SBM Offshore, 2010).

Regarding any CSiR incidents or practices, SBM Offshore did not mention any of these in their 2010 sustainability report.

March 2012 – SBM Offshore releases 2011 Annual Report

For the year 2011, SBM Offshore integrated the sustainability report into their annual report. Their report doesn't differentiate that much compared to the one from the year before, as they still mention all their CSR initiatives and goals based on some focus areas, being: carbon footprint reduction, maintaining high standards for health, safety, security, and Human Resources, high community engagement and the development and promotion of environmentally friendly technology (SBM Offshore, 2012a).

The first sustainable initiative mentioned in the report is their anti-corruption policy and the reinforcement of SBM Offshore's ethical standards, stating that they are dedicated to conducting its business in an honest, ethical, and legal manner and that they have acknowledged the significance of adhering to ethical standards globally (SBM Offshore, 2012). To comply with the UK Bribery Act's requirements, SBM revised their Code of Conduct and additionally, it has released an Anti-Corruption Policy and Compliance Guide that offers specific instructions on how to avoid corruption risks and handle those that do arise to staff members, partners, agents, and subcontractors (SBM Offshore, 2012a). With employees receiving training to avoid corruption practices, 98% of all employees have completed an online training program on these business ethics (SBM Offshore, 2012a).

SBM Offshore emphasizes the importance of anti-corruption in their sustainability plans by quoting the updated version of their ethical standards, being: *"The Company has updated its Code of Conduct to match the requirements of the UK Bribery Act. It has also published an Anti-Corruption Policy & Compliance Guide, which provides SBM Offshore employees,*

partners, agents and subcontractor/suppliers with concrete guidelines on how to prevent corruption risks and deal with those that arise.” (SBM Offshore, 2012a, p.115). Thereafter concluding the chapter by stating that the company makes sure that every transaction is duly authorized and well documented.

As in the sustainability report from the year before, SBM Offshore did not mention any CSiR malpractices or incidents from within the company or within their working environment.

April 2012 – Press release regarding internal investigation by SBM Offshore

SBM Offshore issued a press release regarding the appointment of Sietze Hepkema as their new Chief Governance and Compliance Officer, in reaction to the company becoming aware of certain potentially questionable sales practices involving third parties after initiating a review of the company’s compliance program (SBM Offshore, 2012b). Forensic accountants and outside attorneys have been hired to investigate these activities in detail, with the company already making the required moves to stop any such activities from happening again (SBM Offshore, 2012b).

February 2013 – SBM Offshore releases 2012 Annual Report

Again, SBM Offshore integrated their sustainability report into their annual report, as they did last year. They still remain focused on the same sustainability objectives from their strategic plan as in previous years, namely: minimizing their carbon footprint, maintaining high levels of health, safety, security, and Human Resources, serving communities with local content, and promoting and developing environmentally friendly technologies (SBM Offshore, 2013).

In the report, the potential improper sales practices come to light, as the management board of SBM started a thorough evaluation of the business’s compliance practices in 2011, looking at its anti-corruption policies and how they were put into practice (SBM Offshore, 2013). The company discovered certain potentially inappropriate third-party sales activities throughout this review, which led to SBM hiring forensic accountants and independent attorneys to carry out a comprehensive inquiry (SBM Offshore, 2013). SBM has also notified the relevant authorities of its internal inquiry and taken the required actions to end such activities, with as a result creating a new position in the Management Board: Sietze Hepkema is being instated as Chief Governance and Compliance Officer, reflecting the determination of the company to create a strong culture of compliance (SBM Offshore, 2013).

To oversee the company's compliance program's development and execution and to guarantee the methodical integration of compliance-related elements into the company's business operations, a Compliance Department was formed, with members being employees from different departments, assisting local management in following the compliance program and standards (SBM Offshore, 2013).

Over the course of 2012, SBM started to revise and improve their procedures regarding the risk assessment towards sales intermediaries by including more intense due diligence for new and existing sales intermediaries (SBM Offshore, 2013). As part of its ongoing supplier qualification procedure, they will also perform risk-based due diligence on supply chain partners in the future (SBM Offshore, 2013).

Furthermore, no other CSiR incidents are mentioned in the report by SBM Offshore, not differing from the previous years.

April 2013 – SBM Offshore may have broken Anti-Corruption Laws (News Article)

SBM Offshore started an investigation on whether they have broken any anti-corruption laws, as indications have risen that there have been substantial bribes paid by, in most cases intermediaries, to governmental officials (The Maritime Executive, 2013). In 2012, the organization voluntarily informed the Dutch Public Prosecutor and the US Department of Justice about their investigation, committing to provide them with regular updates (The Maritime Executive, 2013). At this point, the organization is unable to project the full effects of the payments that sparked the investigation, moreover the management of SBM Offshore have implicated in legal or compliance procedure infractions that happened in the same or other jurisdictions (The Maritime Executive, 2013).

February 2014 – KPMG Partner approved bribery SBM Offshore (News Article)

The ex-KPMG partner Jack van Rooijen, suspected of involvement in the bribery affair surrounding Dutch construction company Ballast Nedam, is also turning up as the auditor of SBM Offshore, the company that is alleged to have paid for around 170.000.000 euros in bribes between 2006 and 2011 (Kosters, 2014). SBM Offshore stated later that an internal investigation has been started into possible fraud, but remarkably KPMG also audits in this case (Kosters, 2014). During the period, SBM Offshore paid bribes in West Africa and Brazil,

among other places, and for this period, Van Rooijen appears to have approved the organization's annual figures (Kosters, 2014).

According to the whistleblower's information, internal investigations took place at SBM Offshore from February 2012 to June 2012 (Kosters, 2014). Moreover, recordings of members of the board of directors would show that they knew about the fraud and tried to cover it up (Kosters, 2014).

February 2014 – KPMG appears in Petrobras kickback case (News Article)

An investigation has been launched in Brazil into possible bribery practices by SBM Offshore, the company that is alleged to have paid 139.000.000 dollars in bribes to Brazilian state oil company Petrobrás to obtain contracts for floating oil platforms, according to an anonymous former employee of the company (Follow the Money, 2014). A publication in the Valor Economico newspaper revealed the possible fraud of SBM and Petrobrás, South America's largest oil company until 2012 (Follow the Money, 2014). The news led to political pressure for an investigation, particularly also because Brazilian President Dilma Roussef was a member of Petrobrás' supervisory board from 2007 to 2011, the period during which the suspected bribery took place (Follow the Money, 2014).

Earlier it came out that SBM Offshore had allegedly paid 250.000.000 euros in bribes to various companies between 2005 and 2011 and involved officials in Angola, Brazil and Malaysia, among others (Follow the Money, 2014).

February 2014 – SBM Offshore releases 2013 Annual Report

SBM released their sustainability report integrated into their annual report for 2013, the same as the previous years. However, there is a change in how they address their sustainability practices, as they take another direction compared to their last report. In this report, the sustainability strategy of the company is committed to the Triple P concept of People, Planet, and Profit (SBM Offshore, 2014). People entails making today's life better while also considering the needs of future generations, with a focus on the security, well-being, and education of partners and employees (SBM Offshore, 2014). Planet entails creating cutting-edge, technological solutions to optimize ongoing operations and lessen the environmental effect across the supply chain, and Profit meaning that actions must be carried out in an ethical and financially viable manner (SBM Offshore, 2014).

In the media, SBM Offshore was accused of bribery and corruption practices over the last year, as they initiated an internal investigation into the matter. The company responded to these allegations in the annual report by stating that it is yet to be proven that there have been any improper payments made, and as the investigation is still ongoing, they are not able to make any definitive statements regarding the matter (SBM Offshore, 2014). However, SBM states that there are no signs of substantial payments being made in the past to intermediaries with the intention to end up at government officials (SBM Offshore, 2014).

The company carries on improving their anti-corruption initiatives, such as internal training sessions regarding the matter, enhancing the Code of Conduct around corruption and the increase of internal controls (SBM Offshore, 2014).

Yet again, following the trend of previous years, no other CSiR incidents or practices are spoken about in the report.

August 2014 – Kickback affair continues to haunt SBM Offshore (News Article)

SBM Offshore has made a provision of 240.000.000 dollars for possible settlements in the kickback affair of subsidiaries in Equatorial Guinea and Angola, while also remaining under heavy fire in Brazil (De Vlieger, 2014). The provision is intended to pay any fines to the Dutch and U.S. Authorities, after allegedly paying 250.000.000 dollars in bribes to officials in West Africa and Brazil, among others between 2005 and 2011 (De Vlieger, 2014).

SBM Offshore announced two months later that its own investigation had revealed that subsidiaries in Angola and Equatorial Guinea were guilty of bribery, with the company writing in its annual report that a settlement is expected to have a financial component and it has therefore made a provision (De Vlieger, 2014). Furthermore, several investigations into bribery by subsidiaries of SBM Offshore are also underway in Brazil, as the company allegedly paid 139.000.000 dollars in bribes to Brazilian state-owned oil company Petrobras in order to win contracts for floating oil platforms (De Vlieger, 2014).

September 2014 – Petrobras wants more information from SBM Offshore (News Article)

Before being allowed to bid on new contracts by Brazil's state-run oil major company Petrobras, SBM Offshore needs to clarify and submit additional information on several concerns, as per a top official of Petrobras (The Maritime Executive, 2014). Due to allegations made by a former employee that surfaced in February of 2014, SBM Offshore has been the subject of investigations into bribery in Brazil, the Netherlands, and the United States (The Maritime Executive, 2014).

SBM Offshore's CEO Bruno Chabas spoke earlier in September on the relationship between his organization and Petrobras stating that it was a good relationship and that both organizations had finished their investigations and discovered no misconduct (The Maritime Executive, 2014). Unfortunately, no SBM Offshore officials were available to react on the matter in Brazil.

November 2014 – SBM Offshore pays 240 million dollars transaction because of bribery (Government Issue)

The Dutch Public Prosecution Ministry has offered SBM Offshore a 240.000.000 dollars transaction consisting of a 40.000.000 dollar fine and 200.000.000 deprivation of illegally obtained benefits (Openbaar Ministerie, 2014). The transaction relates to unauthorized payments made to commercial agents and foreign government officials in Equatorial Guinea, Angola and Brazil during the period from 2007 to 2011 with those payments, in the opinion of the Public Prosecutor's Office, constituting the criminal offenses of official and non-official bribery as well as forgery (Openbaar Ministerie, 2014).

SBM Offshore paid approximately 200.000.000 dollars in commissions to commercial agents in respect of services provided with most of those commissions, totaling 180.600.000 dollars, related to Equatorial Guinea, Angola, and Brazil (Openbaar Ministerie, 2014). In the opinion of the Public Prosecutor, payments were made with the knowledge of SBM Offshore employees at the time, including a former member of the Executive Board for both Equatorial Guinea and Angola (Openbaar Ministerie, 2014). SBM Offshore's internal investigation yielded no concrete evidence to suggest that payments were made to one or more government officials in Brazil in the period from 2007 to 2011, however the FIOD investigation led by the Public Prosecutor's Office found, based on a legal assistance request, that payments were made from the offshore companies of the Brazilian trading agent to Brazilian government officials (Openbaar Ministerie, 2014).

Since taking office in 2012, the current Executive Board of SBM Offshore has taken many (remedial) measures aimed at preventing a recurrence. For example, the use of commercial agents within SBM Offshore has been severely curtailed since the beginning of 2012 (Openbaar Ministerie, 2014). First, SBM Offshore suspended all payments to commercial agents until the completion of the compliance assessment of these commercial agents by the Compliance Task Force, composed of representatives of the Internal Audit, Compliance and Group Internal Control departments, has reviewed the commission payments made to agents from 2007 to 2011 (Openbaar Ministerie, 2014) . In addition, SBM Offshore set up a "Validation Committee" consisting of the CEO, the Chief Governance and Compliance Officer, the Group Controller and the Group Sales Director (Openbaar Ministerie, 2014). This Validation Committee reviewed all trading agents and determined in each individual case whether the relationship with the relevant trading agent should be continued or terminated with all commercial agents still used by the company being subjected to this strict procedure (Openbaar Ministerie, 2014). Commercial agents who have not been able to meet the compliance requirements of SBM Offshore are no longer used by the company.

In addition to measures imposed on trading agents, disciplinary action was taken against employees who were involved in or had knowledge of the payments in question (Openbaar Ministerie, 2014). Furthermore, all employees in compliance-sensitive positions, approximately 2,540 employees annually over the past four years, have attended updated training sessions on anti-corruption, while continuing to be informed annually through additional training sessions (Openbaar Ministerie, 2014). To further ensure employee integrity also in the future, the company has further tightened its HR procedures, with employees being screened even more rigorously and them having to commit to ‘compliance commitments’ of the organization (Openbaar Ministerie, 2014).

February 2015 – The Cover-up at Dutch Multinational SBM Offshore (News Article)

SBM Offshore and the Dutch Public Prosecutor (OM) came to an out-of-court settlement of 240.000.000 dollars with respect to allegations of corruption in November 2014, however this settlement came under fire for being perceived as a calculated attempt to hide most of the wrongdoing from the shareholders and public (Exelby & Botje, 2015).

Former head of SBM's legal affairs and sales and marketing department Jonathan Taylor exposed the company's bribery activities by giving authorities access to documents and recordings that showed how SBM's business model heavily relied on paying bribes to gain contracts worldwide (Exelby & Botje, 2015). Payments to government officials and corporate staff in nations like Brazil, Angola, Equatorial Guinea, and others were part of the massive corruption, with cash and opulent goods like cars and apartments being accepted forms of payment (Exelby & Botje, 2015).

Exelby and Botje (2015) emphasize in their article the initiatives by SBM to restrict the breadth of inquiries and information dissemination, and according to reports, senior management—including CEO Bruno Chabas and legal advisor Sietze Hepkema—adopted a containment strategy to reduce the amount of information about their fraudulent practices. The depth of the wrongdoing was concealed from shareholders, and SBM's calculated containment enabled the business to keep getting new contracts and funding (Exelby & Botje, 2015). The company's interests were perceived to be protected at the expense of accountability and openness by the scant disclosure to the market (Exelby & Botje, 2015).

The corruption scandal involved officials in Brazil, the US, and other nations in addition to the Netherlands but despite this, SBM was able to escape heavy fines and carried on with business as usual, albeit under surveillance (Exelby & Botje, 2015).

March 2015 – SBM Offshore releases 2014 Annual Report

As well as in previous years, the sustainability report is merged with the annual report released by SBM. However, the company has integrated a new sustainability framework in their report, building on four themes: Managing environmental impact, therefore optimizing the environmental footprint of their operations by integrating sustainability in their product lifecycle (SBM Offshore, 2015). Also, the shaping of innovative offshore solutions with the client is one of the themes, building on technological innovations to develop their sustainable solutions (SBM Offshore, 2015). Furthermore, the fostering of local development through employee development and local community programs, as well as the last theme of creating a cost-effective supply chain by aiming at the development of sustainable products, services, and business models (SBM Offshore, 2015). In the middle of these four themes are the pillars around ethics, integrity, compliance, safety, health, and quality, all very important for SBM to

be a sustainable and passionate partner by leveraging their technology and operating experience (SBM Offshore, 2015).

SBM Offshore reacts to the multiple accusations made in the media and the recently published issue by the Dutch Prosecutor's Office regarding an out-of-court settlement that was made concerning the investigation into purportedly unlawful sales activities. The settlement stipulates that they must pay 240.000.000 dollars in three installments to Dutch authorities, while the US Department of Justice has decided not to press charges against the company (SBM Offshore, 2015). SBM Offshore (2015) stated unequivocally that it will not tolerate any of the purportedly previous behaviors, therefore including a more robust corporate governance framework and compliance program into their structure and culture. The organization maintains its cooperation with Brazilian authorities, but it believes the settlement with the Dutch Prosecutor is a significant step towards resolving their historical issues and enabling them to move forward and focus on the future of the company (SBM Offshore, 2015).

SBM Offshore keeps mentioning that they are improving procedures to mitigate integrity risks related to sales intermediaries, business partners, and third parties to ensure that their core values are upheld, as well as compliance with the law (SBM Offshore, 2015). Since the incidents came to light, the company aims to go beyond only following rules and laws by continuously enhancing and improving their ethical and compliance program, to in the end create a culture where doing the right thing is motivated by a passion for the organization and its key stakeholders (SBM Offshore, 2015).

No further CSiR practices or incidents are mentioned in this annual report.

February 2016 – SBM Offshore releases 2015 Annual Report

The sustainability report of SBM Offshore has yet again been integrated as a chapter in the annual report. It emphasizes the commitment to integrate sustainability into their business operations, aiming to be an industry leader in sustainability, integrating ethics and integrity, promoting awareness and developing talent (SBM Offshore, 2016). Their strategy on sustainability is built on a framework existing of two main aspects: license to operate and license to grow (SBM Offshore, 2016). License to operate ensures compliance with legal, ethical, safety, health, environmental, and governance standards, while license to grow goes

beyond compliance to create a competitive edge, integrating sustainability into the daily practices and business propositions (SBM Offshore, 2016). Multiple facets are of high importance in SBM Offshore's sustainability program, like Health, Safety, and Security (HSSE), Environmental impact management, innovation and client engagement, local development and social performance, stakeholder engagement, and strategic sourcing and supply chain management (SBM Offshore, 2016).

Regarding CSiR incidents or practices, no new incidents have come to light in the report. However, SBM Offshore (2016) states that they have reserved 245.000.000 dollars for a possible settlement with the Brazilian Public Prosecutor's Office, pending an ongoing investigation into unlawful bribery practices involving Brazilian state-owned company Petrobras. The settlement is subject to court-approval, but SBM expects it to be confirmed soon (SBM Offshore, 2016).

Furthermore, the US Department of Justice notified SBM Offshore that it had reopened their previous investigation into the company and had requested information in relation to that prior investigation (SBM Offshore, 2016). While SBM expected the charges and investigations around the earlier settled incidents to be over, the American Prosecutor now seeks further clarification after reopening the case, with SBM Offshore remaining committed to conclude talks on this historical matter, which it self-reported to the authorities in an earlier stage, and which was resolved with the Dutch Prosecutor in 2014 (SBM Offshore, 2016).

February 2016 – SBM Offshore leaders settle allegations tied to Petrobras Probe in Brazil

In January of the year 2016, the Brazilian Prosecutor entered a settlement with SBM Offshore's CEO and a member of their supervising board addressing criminal charges that are connected to the recent Brazilian Petrobras investigation, with both persons involved getting away with a 60.000 dollar fine and no admission of guilt (Buckley LLP, 2016).

Though SBM Offshore states to believe that with accepting the settlement they 'avoid long and costly legal proceedings', it still maintains its belief that the accusations are baseless and that it supports both individuals involved (Buckley LLP, 2016).

February 2016 – SBM Offshore: Justice Department reopens bribery probe (News Article)

The American Department of Justice has reopened its previous bribery investigation against SBM Offshore, with the inquiry being related to claims that the organization made unlawful payments to sales representatives and government officials in Angola, Brazil and Equatorial Guinea (Jaeger, 2016). SBM Offshore reached a settlement regarding the matter with the Dutch Public Prosecutor in 2014, however the US Justice Department has submitted requests for information related to the inquiry (Jaeger, 2016).

SBM Offshore is looking for further information regarding the investigation's parameters, remaining committed to close-out investigations on this longstanding issue (Jaeger, 2016).

February 2017 – SBM Offshore releases 2016 Annual report

For the year 2016, SBM Offshore has again integrated their sustainability report into their annual report. Sustainability remains a key value driver for SBM Offshore's long term business and operations, building on their framework with two key aspects: license to grow and license to operate (SBM Offshore, 2017). To fulfill the organization's goal to be the industry's leader in sustainability, they work tirelessly to advance sustainability consciousness, cultivate talent inside the organization, and infuse morality, ethics, and integrity into all facets of its operations (SBM Offshore, 2017). The License to Grow principle is built on the ambition of the company to establish a balanced economic, environmental, and social value model in each of the nations where it conducts business and completely integrate sustainability into its commercial offering as this will enable its continued success and grants a license to grow (SBM Offshore, 2017). On the other hand, they promote the License to Operate, describing the criteria necessary to do business in compliance with legal laws and regulations pertaining to ethics, safety, health, quality and so on, while keeping sustainability in mind as a core value (SBM Offshore, 2017).

As the corruption cases from the past keep reappearing in the reports of SBM Offshore, it remains a hot topic, also in the media. Regarding the Brazil case, where SBM Offshore is alleged to have bribed (government) officials, the settlement is yet to be officiated, but it seems like a bureaucratic handling away from being settled, as the Supervisory Board of SBM already affirmed in one of their statements that they were satisfied that the allegations were settled with no admission of guilt (SBM Offshore, 2017).

Regarding the case that was reopened by the US Department of Justice on corruption by SBM Offshore, they state that they are still cooperating with the American Public Prosecutor's Office, yet no further developments can be disclosed as the investigation is still ongoing (SBM Offshore, 2017).

Yet again, no further CSiR practices or incidents are mentioned in the report.

November 2017 – SBM Offshore settles US bribery case to pay 238 million (News Article)

On November 29, SBM Offshore and the American Department of Justice reached a deferred prosecution deal to resolve accusations made against the company for allegedly paying bribes to obtain contracts in multiple foreign nations (Buckley LLP, 2017). SBM committed to paying 238.000.000 dollars in total under the terms of the agreement, which also included 500.000 dollars in criminal penalties and 13.200.000 dollars in forfeiture (Buckley LLP, 2017). According to a statement from the Justice Department, the firms have consented to resolve charges pertaining to over ten-year schemes that involved the bribing of foreign officials in Angola, Brazil, Equatorial Guinea, Kazakhstan, and Iraq, being in violation of the Foreign Corrupt Practices Act (FCPA) (Reuters, 2017).

The deal made by the prosecution goes on to describe the corrective actions to enhance SBM Offshore's compliance function, including employing a third party to create and carry out a new compliance program, cutting back on the number of third party officers the company uses, thereby severing ties with dubious third parties (Buckley LLP, 2017).

February 2018 – SBM Offshore releases 2017 Annual Report

Yet again, the sustainability report of SBM merged with their annual report for the year 2017. And once again, SBM offshore has formed the sustainability chapter around their framework on licensing to operate and licensing to grow (SBM Offshore, 2018). The license to operate describes the criteria necessary to conduct business in compliance with the law and rules pertaining to ethics, safety, health, quality, labor and environmental standards, and meeting customer demands, with the license to grow referring to how SBM Offshore creates value for the company in a sustainable way focusing on four themes: managing environmental impact, creating a cost effective supply chain, shaping innovative offshore solutions, and fostering local development (SBM Offshore, 2018).

As already mentioned in the media, the US Department of Justice and SBM Offshore reached an agreement for a settlement as the organization pleaded guilty on a corruption violation with the company agreeing to pay a settlement fee of 238.000.000 dollars (SBM Offshore, 2018). Furthermore, the settlement case in Brazil is still ongoing, as there is yet to be a signed agreement for the settlement on another corruption case that has been going on for a long period of time, involving corruption practices with Brazilian (government) officials (SBM Offshore, 2018).

No further mentions of CSiR incidents or practices in the year 2017 are included in the report by SBM Offshore.

October 2018 – Former CEO of SBM Offshore gets jail time for paying bribes (News Article)

Two former executives of Netherlands-based SBM Offshore have been sentenced in the United States for their role in an international bribery scandal, being convicted for their roles in an international bribery scandal (Rooijendijk, 2018).

The 66-year-old Tony Mace was chairman of the board at SBM Offshore between 2008 and 2011, and under his reign the company allegedly paid millions in bribes to African and Brazilian politicians and employees (Rooijendijk, 2018). In accordance with admissions made as a part of his plea deal, Mace admitted that prior to his appointment as CEO, other staff members at SBM Offshore had agreements in place to bribe foreign officials at companies that controlled oil owned by the state in Brazil, Angola and Equatorial Guinea (Offshore Energy, 2018). To enhance the bribery plot, Mace authorized payments and willfully chose not to discover that they were bribes, acknowledging that this was his way into the conspiracy (Offshore Energy, 2018).

According to the Department of Justice, Mace said he deliberately tried to conceal the nature of the payments, keeping a separate spreadsheet showing payments of more than 16.000.000 dollars to five people, even though he was aware that those individuals were highly regarded by Equatorial Guinean officials (Rooijendijk, 2018).

February 2019 – SBM Offshore releases 2018 Annual Report

The annual report contains the sustainability report by SBM Offshore, as they integrated both reports for another year. SBM Offshore defines their sustainability approach different compared to previous years, as there is no mention of the framework involving license to grow and license to operate. By contrast, they describe their strategy as one that generates an economic and competitive edge by creating long-term solutions to societal problems that go beyond the bounds of existing laws and policies, with their regular business operations incorporating these solutions (SBM Offshore, 2019). As guidelines to target, SBM Offshore used the United Nations Sustainability Development Goals to match their own goals with the internationally agreed long-term goals, allowing their own stakeholders to be able to view a more comprehensive evaluation of the organization's performance (SBM Offshore, 2019).

According to reports in the media, former CEO Tony Mace was arrested and sentenced to prison in the United States concerning their role in the bribery scandal that the organization has been involved in and agreed a settlement in for themselves. However, no mention of the conviction of their former CEO is made in the report, whereas earlier developments in these cases were all spoken about in a transparent manner, as transparency has become an important aspect, according to the organization (SBM Offshore, 2019).

September 2019 – The toxic ship of SBM Offshore (News Article)

Oil tankers and other marine vessels that are worn out after some 40 years are considered chemical waste as in Europe there are strict rules for scrapping such toxic ships (BNNVARA, 2019). These ships are full of toxic substances that are harmful to the environment and the health of scrapping workers, yet most shipping companies dump their end-of-life ships on the shores of low-wage countries as after all, that is where the steel from the wrecks brings in the most money (BNNVARA, 2019). A reconstruction of the final life of an old gas tanker owned by SBM Offshore is made because whistleblowers claimed that the ship was severely contaminated with mercury, making it extremely dangerous for the workers to dismantle the tanker on the beaches of India with gas burners (BNNVARA, 2019).

The Dutch union FNV stated as a reaction to the article that it is a good thing that there is attention for the serious situation surrounding shipbreaking on beaches in South Asia, as according to the investigators, SBM Offshore had a severely contaminated gas tanker in India scrapped under poor conditions - despite warnings of deadly health risks (FNV, 2019).

Working conditions in this sector are often deplorable: working people are exposed to toxic substances such as asbestos and mercury, as the article highlights, but the workers are also regularly victims of explosions and fires or crushed by falling metal (FNV, 2019).

Furthermore, these people work for wages that are often insufficient for a dignified existence for themselves and their families, as well as the environmental costs because of the working with hazardous materials (FNV, 2019).

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Appendix D – Timeline Boskalis

December 2010 – Union wants safety check on cranes Boskalis (News Article)

The maritime union has threatened to stop works after a report came in that the requirements for safety on cranes owned by Boskalis at Australia's biggest resource development were not met and were waived (The West Australian, 2010; The Australian, 2010).

After a recent equipment assessment revealed several serious problems as authorities had ruled that not all the cranes on site required high-risk licenses, the union's 1.000 members were ready to stop working if no changes were made (The West Australian, 2010; The Australian, 2010).

The secretary of the union claimed that while the project's scale and national significance were halted, the union could not stand by when its members were at danger, as multiple reports of people being seriously injured on this project already came up (The West Australian, 2010).

According to The West Australian (2010), Boskalis could not be contacted to respond to the accusations.

March 2011 – Boskalis releases 2010 CSR Report

Boskalis issued their CSR report on the year 2010 in March 2011, as an outline of their CSR practices and how they are committed to sustainable and responsible business practices. The report is structured in multiple aspects, like the value chain, society, safety, employees, and nature and environment, for each aspect explaining how they contribute to being sustainable in that specific facet (Boskalis, 2011a). One of the newest initiatives by Boskalis is the 'No Injuries, No Accidents' program, also called NINA, aimed at creating a value-based safety culture with an emphasis on improving safety performance (Boskalis, 2011a).

CSiR is not specifically mentioned in the report, and neither are any similar phrases concerning irresponsible practices or incidents. The report primarily emphasizes on the efforts and initiatives made by Boskalis towards Corporate Social Responsibility, focusing on sustainable practices, environmental protection, safety measures and social contributions (Boskalis, 2011a). Although incidents and safety issues are detailed in the report, it does not present these as instances of CSiR as it rather talks about these instances considering their dedication to enhancing safety and minimizing adverse effects (Boskalis, 2011a). Also, no

mention of the incident concerning the safety of their cranes, as mentioned in the media, is spoken about in the report.

December 2011 – Boskalis releases 2011 CSR Report

Boskalis issued their CSR Report on the year 2011 at the end of that year. The report details the commitment to Corporate Social Responsibility, reflecting its non-financial performance in social, environmental, and societal areas, reporting on their goals, challenges, and plans to be as sustainable as possible (Boskalis, 2011b). Key areas they focus on in their corporate strategy are the enhancement of safety, fostering employee development, contributing to local communities, and minimizing environmental impacts (Boskalis, 2011b). Alongside these key areas, Boskalis adheres to a strict code of conduct to ensure responsible business practices in all its operations, including compliance with national laws of the countries where they operate, a commitment to quality and environmental standards, as well as acting in an ethical manner in all instances (Boskalis, 2011b).

For this CSR report, no mention of any CSiR practices or incidents is included. Boskalis has not been mentioned in the media regarding any malpractices, and as stated, they did not report on any irresponsible practices themselves.

July 2012 – Boskalis Affair – Legal proceedings planned against Dutch company (News Article)

The Mauritian authorities are considering whether to take Boskalis to court for bribing officials at the Mauritius Ports Authority following the investigation opened into bribed allegedly paid the firm to be awarded a contract for dredging work in 2006 (L'Express, 2012). One of the company's directors, Pieter Boer, is already among those who allegedly committed the crime of money laundering in favor of Siddick Chady and Prakash Maunthrooa, former director of the MPA and advisor to Boskalis at the time of the alleged acts (L'Express, 2012). However, if Boskalis is being prosecuted in Mauritius for this offence, it saves them from being prosecuted in the Netherlands and being blacklisted and thereby banned from participating in public tenders in OECD-countries (L'Express, 2012).

August 2012 - Dredger Boskalis accused of kickbacks (News Article)

The Dutch dredging company Boskalis allegedly offered Uruguayan officials bribes in hopes of winning a multi-million dollar project, becoming involved in a large-scale kickback affair in South America and therefore risking to miss out on an order worth millions (Follow the Money, 2012). According to Argentine Foreign Minister Hector Timerman, Boskalis undeniably made dirty hands, pleading for a punishment that excludes the organization from the tender battle to deepen and widen the Martin Garcia Canal, a key link between the Uruguay River and the Rio de la Plata (Follow the Money, 2012; Witteman, 2012).

Boskalis is throwing off all accusations, as they state that any form of bribery is non-negotiable for them (Witteman, 2012). According to the dredging group, an Argentine member of the Argentine-Uruguayan administration of the estuary, allegedly made an 'unbecoming' proposal during a dinner, allegedly offering Uruguayan committee members money to get in touch with an agent of Riovia, the local subsidiary of Boskalis (Follow the Money, 2012; Witteman, 2012). By striking a bargain with the Uruguayans, Riovia and therefore Boskalis, could avoid a tender battle (Follow the Money, 2012).

December 2012 – Boskalis releases 2012 CSR Report

At the end of 2012, Boskalis has released their CSR Report for that year. Boskalis focused their report based on four areas, being their social, societal, environmental, and economic performance (Boskalis, 2012). For each of these areas, they emphasize the importance of it and how they are dedicated to be as sustainable as possible, stating which CSR practices they execute to accomplish their objectives (Boskalis, 2012). Some examples of their CSR practices are the 'No Injuries, No Accidents' (NINA) program, the emission reduction taskforce, the investments in sustainable, environmentally friendly equipment, and the distribution of mosquito nets in Nigeria to reduce malaria prevalence and improve community health (Boskalis, 2012).

Boskalis has been mentioned in the media regarding some serious corruption accusations, yet they did not mention any of these incidents in their CSR report. Also, there was no further mention of any CSiR incidents, just like in prior years. In contrast, Boskalis states in their report that bribery and corruption is not accepted within the organization, as they don't take in, pay for, or solicit bribes or other favors in order to obtain or grant any improper financial, commercial, or personal gain (Boskalis, 2012). They give their employees specific information on the dangers and consequences of bribery and corruption, while also covering it

in detail in their Supplier Code of Conduct as well (Boskalis, 2012). The company also appointed a confidential counselor to whom staff members can disclose ‘any alleged irregularities of a general, operational or financial nature within the company’ (Boskalis, 2012. p.35).

July 2013 – Boskalis admits to bribery (News Article)

Boskalis is guilty of bribery and conspiracy on the African island of Mauritius as they made a full confession of guilt to the court in Mauritius in May, without publicizing they did (Weissink, 2013). Boskalis paid bribes to the chairman of the port authority between 2006 and 2007 to get the contract for dredging work in Port Louis worth 11.000.000 dollars, with the bribes totaling almost 90.000 dollars (Weissink, 2013; Van Weezel, 2013). Boskalis states it cooperated with the investigation but continues to oppose the execution of a legal assistance request from Mauritius to the Netherlands after a raid of Boskalis’ headquarters in 2009, seizing documents that could entail information that would not help Boskalis (Weissink, 2013). In return for a reduced sentence, Boskalis is expected to give an incriminating testimony about port chairman Chady, who was bribed (Follow the Money, 2013).

Boskalis is also the subject of corruption scandals in Uruguay and South Africa, but the company says it committed no irregularities there (Weissink, 2013).

March 2014 – Boskalis releases 2013 CSR Report

Boskalis issued their CSR report for the year 2013 in March 2014. The company builds their CSR practices around multiple facets, like social, societal, environmental, and economic responsibilities, focusing on different CSR initiatives to make sure they handle as sustainable as possible in all these facets (Boskalis, 2014). Some examples of the CSR initiatives that Boskalis is involved are the sponsorship of the Beach Clean-up Tour to raise awareness of ocean pollution, the recycling of old dredging pipes and the use of cleaner fuels, as well as the commitment to fair competition and rejection of bribery and corruption (Boskalis, 2014).

Although Boskalis states that their employees are all provided with targeted information regarding bribery and corruption, they were still negatively mentioned in the media concerning a bribery case in Mauritius. They bring this incident up in their CSR Report, stating that they were penalized by Mauritian courts following unauthorized payments to a civil servant regarding the awarding of a project in 2006 (Boskalis, 2014). The company

conducted internal disciplinary actions and collaborated with the investigation, while also making the periodical evaluation of its code of conduct more strict because of this incident (Boskalis, 2014). However, no further mention regarding the CSiR incident is made in the report, also no other CSiR incidents are reported, just like in previous years.

March 2014 – Affairs haunt Boskalis (News Article)

Boskalis is involved in two investigations into possible bribery by subsidiaries in Argentina and South Africa (Van Der Heijden & Dohmen, 2014). In 2010, a commercial representative of Riovia (a Boskalis subsidiary) and a senior Argentine official allegedly offered 1.000.000 dollars to an official in Uruguay to win a dredging contract (Van der Heijden & Dohmen, 2014).

Boskalis is also under investigation in South Africa for corruption and bribery, as between 1999 and 2012, several contracts based on kickbacks were allegedly awarded to Boskalis subsidiary Smit Amandla Marina (Follow the Money, 2014). Research by accounting firm EY is said to have confirmed evidence that contracts were illegally awarded to Smit Amandla Marine between 1999 and 2012, as per South African media (Van der Heijden & Dohmen, 2014).

Boskalis denies all accusations made by the Argentine and South African authorities, stating they are victims of political ‘joust’ and are being accused without evidence, as their own investigations also showed no irregularities (Van der Heijden & Dohmen, 2014). However, a document from the Argentine judiciary states that there is indeed evidence of bribes being offered, as the Uruguayan official is quoted in the document, saying that there had been talk of an attempt to pay bribes of 1.000.000 dollars and that such practices could occur again (Van der Heijden, Dohmen, 2014).

March 2015 – Boskalis releases 2014 CSR Report

The 2014 CSR Report by Boskalis was issued in March 2015, and is built around the same principles as in previous years. The company integrates CSR practices into its corporate strategy, focusing on balancing economic value creation with environmental and societal responsibilities (Boskalis, 2015). Their CSR practices are widespread across different areas, like safety and human resource development, investing in environmental performance, supply chain management, stakeholder engagement, involvement in local communities, and

transparency and integrity, with these practices demonstrating their commitments to sustainable development and responsible corporate behavior across multiple aspects of their operations (Boskalis, 2015).

Yet again, the report does not explicitly mention CSiR practices by Boskalis, compared to the various CSR initiatives and commitments that are obviously mentioned. The organization was accused of multiple corruption and bribery cases across Argentina, Uruguay, and South Africa in the media, but did not feel the need to include this in their CSR report. Despite not responding to the allegations in the report, they state in the 'integrity' paragraph of the report that they 'do not accept, pay, or request bribes or other favors for the purpose of acquiring or bestowing any improper business, financial or personal advantage' (Boskalis, 2015, p.16). Furthermore, stating that all employees are provided with information on how to deal with the regulations and legislations on bribery and corruption (Boskalis, 2015).

March 2016 – Boskalis releases 2015 CSR Report

The CSR report on the year 2015 by Boskalis is built around four main key topics, being: impact on local communities, impact on the environment and the natural surroundings, care for human capital, and responsible business conduct (Boskalis, 2016). With these key areas, they intend to establish common ideals and take steps to prevent, lessen, or resolve any potential negative effects in local communities, be the standout supplier of environmentally friendly solutions, and try to minimize and even completely prevent any potential negative effects from their business practices (Boskalis, 2016). Furthermore, their attention is to draw in and keep talented individuals by offering a secure workplace and ample opportunity for growth, as well as acting as a trustworthy, dependable, and accountable partner to stakeholders concerning integrity and responsibility (Boskalis, 2016).

Boskalis has been in the news quite often regarding (alleged) bribery and corruption scandals, however this did not incite them to drastically change their policies and CSR practices regarding the matter, as they copy-pasted their section on bribery and corruption from last year's report. There are four lines on how Boskalis thinks about corruption and bribery, and what they instruct their employees regarding these malpractices (Boskalis, 2016).

No further mentions of any CSiR incidents or practices by Boskalis are made in the report, following no other mentions in the media regarding any of these sorts of practices.

March 2017 – Boskalis releases 2016 CSR Report

The 2016 CSR Report by Boskalis was released in March 2017. It's structured in the same way as the report from the year before, revolving around four key areas that describe the CSR practices by the organization, being: environmental impact, impact on local communities, care for human capital, and responsible business conduct (Boskalis, 2017). Boskalis emphasizes their involvement in all these four key areas by describing various projects and initiatives they are involved in order to act responsible and sustainable such as their Building with Nature projects and their involvement in the Ocean Cleanup, but they also speak about how their business practices have an impact on being responsible and sustainable, and how they make sure that their business practices are as lenient as possible, for example on their dismantling policies and sustainable fleet management (Boskalis, 2017).

Yet again, no mention of any CSiR practices or incidents is included in the report, following no reports in the media of any misconduct. However, in previous years Boskalis has been accused of bribery and corruption scandals in countries like Argentina, Uruguay, Mauritius, and South Africa, but they did not provide any information or reactions towards these incidents in their CSR report.

February 2018 – North Koreans forced to build Dutch ships (News Article)

North Korean forced laborers were used at a shipyard in Poland to build Dutch ships, as North Korea is forcing thousands of workers to work abroad to obtain income while in the process, their human rights are violated (Wiegman, 2018). According to the researchers, the companies that have their boats build in the shipyard are partly responsible for the poor working conditions in which North Korean workers are employed (Wiegman, 2018). Not only the human rights are violated, also the money that is paid to get the workers here and use them goes directly to the North Korean state, leading to the development of nuclear weapons and long-range missiles (NOS, 2018).

One of these organizations is Boskalis, as three hulls for their dredgers were built in this specific shipyard, however the company says they did not know North Korean workers were working at the site (Wiegman, 2018). The CEO of Boskalis, Peter Berdowski, adds that he was unaware that North Korean laborers were employed in the building of his vessels, as they

worked hard to make sure this would not happen, and nothing indicated that human rights were violated in the process (NL Times, 2018).

March 2018 – Boskalis releases 2017 CSR Report

In March 2018, Boskalis issued their CSR Report on the year 2017. Their CSR strategy did not change compared to previous years, as the report is built around their four key sustainable targets: impacting local communities, impacting the environment, caring for human capital, and responsibly conducting business (Boskalis, 2018). The involvement in these key areas is emphasized by listing the numerous initiatives that Boskalis is involved in to achieve high numbers of sustainability in these specific areas (Boskalis, 2018).

Once again, Boskalis (2018) makes no mention on any CSiR practices that occurred over the course of 2017, therefore also ignoring the accusations of modern slavery, and violating human rights by employing North Korean workers in a Polish shipbuilding site.

March 2019 – Boskalis releases 2018 CSR Report

The CSR Report for the year 2018 was released in March 2019 by Boskalis. Yet again, they structured their report based on the CSR strategy that emphasizes four key areas, namely: managing their impact on the environment, managing their impact on local communities, caring for their people, and conducting responsible business (Boskalis, 2019). Once more, they used the CSR Report to write down in detail the numerous projects that the organization is involved in to be as sustainable as possible, while also conducting their businesses (Boskalis, 2019).

And yet again, the organization did not mention any CSiR practices or incidents in their report, as they only speak on positive initiatives and engagements in their report.

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