

Paper#: K269

Building CSR Reporting Practice in China: Evidence from China's Mining and Minerals Industry

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ABSTRACT

Corporate Social Responsibility (CSR) reporting has been developing at unprecedented rate in China since the mid-2000s. However, little systematic research is available about the achievements and problems of Chinese companies in adopting CSR reporting practice, particularly in highly sensitive industries such as mining and mineral industry. We analyzed 352 annual and CSR reports produced by all mining and minerals companies listed on Shanghai and Shenzhen Stock Exchanges during 2007 and 2010, and benchmarked the quality of CSR information against 'Chinese CSR Report Preparation Guide (CASS-CSR 1.0)', a Chinese version of CSR guidelines equivalent to Global Reporting Initiative. The study identifies a dramatic increase since 2008 in the number of mining companies disclosing CSR information and the quantity of CSR information disclosed. The evidence obtained shows that annual reports are the most commonly used means for reporting on CSR issues, but the increase of quantity and quality of disclosure in annual reports is slower than in standalone CSR reports since 2008. This suggests CSR reports have increasing potential as the future key information source. The paper concludes that current CSR practice in China's mining and minerals industry is characterized as demonstrating a high level of concern with the form of CSR reporting practice but a low level of engagement with improving the substance.

Keywords: China, Mining, CSR Reporting, Content Analysis, Benchmarking