



# Assessment Framework of Corporate Social Responsibility Disclosure

Tai Ming Wut<sup>a</sup> and Wai-man Ester Ip<sup>b</sup> <sup>a</sup>School of Professional Education and Executive Development, The Hong Kong Polytechnic University, <sup>b</sup>Crowe (HK) CPA Limited. Email: <sup>a</sup>edmund.wut@cpce-polyu.edu.hk, <sup>b</sup>esterip@yahoo.co.uk

The purpose of this paper is to propose a new assessment framework on corporate social responsibility (CSR) disclosure. The study examines existing CSR disclosure standards and literature. The new assessment on CSR disclosure contains user-specific qualities; primary decision-specific qualities like relevance and reliability (verifiability); secondary and interactive quality like comparability and reliability (neutrality) and; the threshold for recognition like materiality and conservatism. This is one of the first studies to examine the quality of CSR/ESG disclosure rather than the quantity of CSR/ESG information provided.

**Keywords:** *Quality of Disclosure, Corporate Social Responsibility; Assessment Framework*

## 1. Introduction

Listed companies need to publish their annual reports regularly. Their ESG performance will be assessed by its sustainability/CSR/ESG reports or sections. It is tempting for some companies to only satisfy the minimum disclosure requirement without any true ESG commitment. We would regard this phenomenon as CSR washing. CSR washing refers to cases where organisations claim to be more socially responsible than they really are (Coombs and Halladay, 2012).

The effects of CSR initiatives are likely to be moderated by the attribution stakeholders they make regarding company's motivation (Jahn & Bruhl, 2019; Ellen et al., 2006; Bhattacharya, 2006; Webb and Mohr, 1998). When stakeholders observe companies reporting what they have done on CSR, they may want to know whether it is internally or externally driven (other-centred or self-centred) (Coombs & Holladay, 2012). More CSR scepticism or being self-centred probably imposes a negative impact on Organisational Citizenship Behaviour (Vizcaino et al., 2021). Employees doubt their company is not really a socially responsible company and may not commit fully to their job duties. On the other hand, if employees believe that their company is socially responsible, they tend to have a positive mood and are willing to contribute.

Previous research on measurement relating to CSR disclosure focused on the amount of information provided (Pham & Tran, 2020). Existing disclosure framework is not enough to guide the publishing of a sustainability report (Lasker & Maji, 2016). The motivation of the study comes with an urgent need to develop a framework in order to assess the quality of ESG/CSR initiatives. This is to fill the literature gap to avoid CSR washing or green washing. We propose to establish a new CSR disclosure quality assessment framework.

## 2. Literature Review

### 2.1 Corporate Social Responsibility

CSR carries different definitions, among which Naylor (1999) and Douglas et al. (2004) define it as the managers' responsibilities to plan and take appropriate action of business and other activities for the benefit and interests of both the company and the community. While the definition suggested by the European Commission is that a company can act in a way contributing to a better society and a clean and green environment on a voluntary basis (European Commission, 2010). To behave and to fulfill a corporation's duty of social responsibilities is already more than compliance, the companies have to invest more in their human assets, protecting the environment and to engage their stakeholders and maintain desirable relationships. Fraser (2005) also suggested that companies should focus on other stakeholders including customers, vendors, employees and so forth; and not only act solely for the benefits of the shareholders. Besides, CSR is also viewed as critical to the business sustainability of listed companies. Nowadays the term ESG (Environmental, Social and Governance) is used more frequently. This paper will use these two terms interchangeably.

Almost every organisation is being engaged in Corporate Social Responsibility (CSR) in various ways. For example, some companies might consider environmental concerns when they operate their business. Fast food companies accept customers using their own bottles and give discounts to them. Some other organisations might merely donate money to charitable organisations without engaging in any form of CSR practices. It is easy to make an explanation to investors why corporations put a lot of resources in CSR initiatives. Engaging in CSR can improve the corporate image, it might attract talents to join the company and to retain staff and customers (Coombs and Holladay, 2012).

For secondary stakeholders like media, government, non-government organisations, activists, trade associations and competitors, who do not have direct financial transactions with the company, maintaining good relationships with them is also important. For instance, the company needs to get a licence to operate (Blowfield & Murray, 2019).

There are different theories relating to CSR. Social Contract Theory was proposed by Rousseau (1762) and existed for several centuries. The theory starts from the relationship among individuals and the state. It had been applied on the organisational context (Keeley,

1988). The key concept of theory lies on the public acceptance of a company's behaviour in the community (Blowfield and Murray, 2019). This is a virtual licence for the company and represents the support from the wider community of the area for the company to maintain normal operation. The company's behaviour is confined to the stakeholder expectation and the company needs approval from the community members.

Suchman (1995, p. 574) defines legitimacy as "a generalized perception or assumption that the actions of an entity are desirable, proper or appropriate within some socially constructed system of norms, values, beliefs and definitions." According to Trafimow (2013), attributions attempt to explain the causes of behaviours. If there are immoral behaviours of an organisation, people relate to the immoral nature of the organisation. If an organisation performs some moral behaviours, people relate those moral behaviours might be performed by moral or immoral organisation (Trafimow, 2013).

## 2.2 CSR Disclosures

The definitions of CSR and CSR disclosures are not the same. Sutantoputra (2009) has defined CSR reporting (borrowed from Gary et al., 1987) as the communication process between the companies and the interested parties, either by way of distributing annual reports, social notifications, announcements or by other means, regarding their social and environmental activities held and the performance.

Holder-Webb et al. (2009) thought that it is important for corporations to make available to their stakeholders the information about the CSR activities carried out by the organisation. Besides, there is increasing demand by the public in obtaining non-financial information from the companies; since the readers become aware of something missing when they read the companies' financial statements (Adams et al., 2011; Adams, 2002).

CSR disclosures were linked to Signaling theory. It is because outsiders might not know the detailed operations of the company. Investors usually estimated a lower acquisition price when they value the corporation. If they know the corporation involved a lot of CSR initiatives, it is a good sign to the investor. A company with a good image may imply better financial performance in long term (Wut & Ng, 2015).

## 2.3 The Importance of CSR Disclosures to Information Users

Anderson and Frankle (1980) indicated that disclosure of companies' information in social aspects can lead to an increase of stock price. Besides, voluntary disclosure of environmental information is also a factor for firm value increase given the accounting performance is controlled, according to the findings of Plumlee, Brown, Hayes, Marshall (2015) Al-Tuwajri, Christensen, Hughes (2004), Clarkson, Fang, Li, and Richardson (2013). A positive relationship between stock price and voluntary CSR disclosure also resulted from the study of

Griffin and Sun (2013). Analyst and investor behaviour could be affected by CSR disclosures. Furthermore, Dhaliwal, Li, Tsang, and Yang (2011), Dhaliwal, Radhakrishnan, Tsang, and Yang (2012) found that CSR information disclosures are associated with more accurate forecasts and lower cost of capital. Better information transparency could also lead to less chance of tax avoidance (Lanis and Richardson, 2012)

CSR disclosures are for the interest of the company's stakeholders and not solely for shareholders (Moser & Martin, 2012; Muslu et al., 2016). Therefore, the CSR report users may rely on the disclosures to understand the issues material to the company and also how the company may address their concerns. Besides, the non-financial information disclosed by the company is not only related to one year but is more on longer term nature (Muslu et al., 2016).

## **2.4 CSR Disclosure Standards**

In making CSR disclosures, the extent, depth and content of information needs careful consideration. Currently, there are two recognisable standard setters, including GRI (The Global Reporting Initiative) and SASB (Sustainability Accounting Standards Board). The prior one is globally focused and the latter one is for the United States only.

### **2.4.1 Global Reporting Initiative Sustainability Reporting Standards (GRI Standards)**

GRI was founded in 1997 and the first version of GRI Guidelines was published in 2000. This is the first global framework for preparing sustainability reporting. The GRI guidelines were subsequently transitioned to setting the first global standards for sustainability reporting in 2016, and were issued by the Global Sustainability Standards Board (GSSB) and became the GRI Standards. A company may either use the GRI Standards to compile a sustainability report or use them as a guideline for making disclosures about their business on economic, environmental, and/or social issues (Global Reporting Initiatives, 2020).

The GRI Standards facilitate communications between the companies and their stakeholders. They also enable organisations to practice under increased transparency and accountability. Since different companies are using the same standards for preparing their CSR disclosures, global comparability and information quality by topic is enhanced. Companies have to disclose both positive and negative contributions on different aspects relating to sustainable development in sustainability reports according to the GRI standards so as to achieve the aim of providing a balanced and reasonable representation of the reporting entity. The stakeholders / sustainability report readers can form opinions and make decision based on the organisation's disclosed information.

The GRI Standards lay out clearly the disclosure requirements, both mandatory and voluntary, together with guidance in the form of explanations and examples to assist the organisations in

using the Standards. It is divided into Universal Standards (covering the reporting principles, general disclosures and management approach in managing material topics) and Topic-specific Standards (including economic, environmental and social topics). In particular, GRI has established 79 indicators for the companies to disclose their economic, environment and social performance. The reporting companies need to go through their own materiality test or other process to select applicable indicators for making disclosure; and the information disclosure should meet different principles, like materiality, completeness, accuracy, balance, clarity, comparability, reliability and timeliness (Global Reporting Initiatives, 2020).

#### **2.4.2 Sustainability Accounting Standards Board Standards (SASB Standards)**

The Sustainability Accounting Standards Board Foundation was founded in 2011 as a non-profit making and independent standards-setting organisation (SASB, 2018) with a mission of establishing and maintaining industry-specific standards that stipulates the requirement on companies' disclosure of financial material and decision-useful sustainability information to investors. After gathering the further market views on the provisional standards, a total of 77 industry standards (across 11 sectors) have been codified in October 2018 following the SASB's Sustainable Industry Classification Systems (SICS).

Each set of industry standards covers a description of the subject industry, assumptions on the prescribed business model, a list of minimum industry-specific disclosure topics and a brief explanation as to how management's disclosure by topic may impact on value creation. Other than disclosure topics, the standard also set out the requirements of quantitative and/or qualitative accounting and activity metrics for measuring the company's performance under each particular topic, and to facilitate data normalisation and comparison. To assist the companies in making disclosure following the SASB standards, technical protocol guidance is provided, with an aim of constituting suitable criteria for independent assurance by third-party professionals.

A company uses the SASB standards specific to its primary industry to disclose the financial material information covering a range of industry-specific sustainability areas, including environmental and social topics and the related governance of those topics, to its investors via different channels like sustainability reports, integrated reports, annual reports or company website, with associated metrics, to facilitate communications and, at the same, achieving regulatory compliance for some of the markets depending on the local statutory and regulatory requirements (SASB, 2018). Besides, companies may also use the SASB standards to respond to the recommendations of the Task Force on Climate-related Financial Disclosures.

## 2.5 CSR Disclosure Quality Assessment

Apart from using CSR disclosure standards for preparing sustainability reports, there is an increasing trend of external assurance for enhanced quality of CSR disclosures (GRESB, 2020). KPMG has conducted surveys on the largest 250 companies worldwide and found that 71% of the companies has obtained assurance from independent third party on their CSR information (KPMG, 2020); increased from 59% in 2013 (KPMG, 2020).

So, does report assurance guarantee high quality CSR disclosures? There are research findings that indicate assurance of CSR reports has no relationship with disclosure quality; and assurance could be viewed as symbolic practice for the purpose of influencing stakeholders' perceptions of the companies' commitment to CSR reporting (Owen, 2007; Michelon et al., 2015). That means, the perceived credibility of CSR reports would largely depend on whether the companies have genuinely fulfilled their CSR commitments (Lock & Seele, 2016). Enhancement of understandability and the CSR report content quality could increase credibility of the CSR reports; and facilitate credible and valid communication with stakeholders (Lock & Seele, 2016).

Disclosure quality is defined as whether companies are likely to communicate their effective commitment by recognising and discussing environmental and social challenges and problems (Michelon et al., 2015). The disclosed information should be relevant and credible (Habek et al., 2015). Researchers have used different criteria to evaluate CSR report quality. Muslu et al. (2016) made the assessment by assigning disclosure score based on the tone, readability, length, and the numerical and horizon content of CSR report narratives. Tone is measured by optimistic or pessimistic sentences. Given that managers like to present positive things, firms that disclose negative things could be more transparent (Muslu et al., 2016). Besides, firms hiding negative results may violate the principle of neutrality (de la Cuesta & Valor, 2013). When readers find the disclosed information difficult to understand or ambiguous words are used, the firm may tend to hide poor CSR performance (Muslu et al., 2016). Lock & Seele (2016) found that credible CSR reports should be understandable to their readers under the principles of truth, sincerity, and appropriateness.

There was not much coverage in the past research relating to CSR disclosure quality assessment, two of the CSR disclosure quality assessment framework are selected and detailed in the sub-sections 2.5.1 and 2.5.2.

### 2.5.1 Assessment Tool Proposed by Habek et al. (2015)

This study evaluates selected EU Members States' sustainability reporting practices, including Denmark, Sweden, France, the United Kingdom, the Netherlands and Poland. A total of 507 CSR reports published in 2012 were assessed. Habek et al. (2015) proposed an evaluation tool in assessing the CSR reports quality or the quality of information provided in

the CSR reports based on its relevance and credibility. The tool is sub-divided into two categories, “relevance” and “credibility” of information.

Relevance is measured using 11 criteria, including: (i) Sustainability strategy: business strategy relating to sustainable development aspects; (ii) Key stakeholders: identification of stakeholders, their expectations and engagement; (iii) Targets: future targets, and level of achievement for targets set out in the previous reporting; (iv) Trends over time: direction of change over several periods; (v) Performance indicators; (vi) quantitative information concerning market place; (vii) workplace; (viii) environment and community; (ix) Improvement actions: improvement activities undertaken; (x) Integration with business processes: information confirming that aspects of sustainability development are included in the decision making process and implemented in business operation; (xi) Executive summary: a concise and balanced overview of key information and indicators (Habek et al., 2015).

Credibility of information is measured by 6 criteria, including: (i) Readability: logical structure, graphical presentation of data, drawings, explanation, tools for navigation; (ii) Basic reporting principles: reporting period, scope, entity; (iii) Quality of data: describes the processes, procedures of collection, aggregation and transformation of data and determines the source of data; (iv) Stakeholder dialogue outcomes: description of the stakeholders’ dialogue, results; (v) Feedback: mechanism that allows feedback process; and (vi) Independent verification: a statement of independent body attesting the authenticity of data presented in the report, proposals for future improvements (Habek et al., 2015).

Furthermore, a 5-point scale (0-4) was used for making the assessment. 0: contained no mention of information concerning individual criteria; 1: there was some, but little mention; 2: most important aspects were included; 3: detailed information included, better than average; and 4: best practices and creative (Habek et al., 2015).

### **2.5.2 Assessment Framework Proposed by Lock & Seele (2016)**

This study focused on evaluation of the credibility of CSR reports based on both human and software-enhanced quantitative content analysis of 237 CSR reports from 11 European countries, including Austria, Belgium, France, Germany, Italy, Netherlands, Poland, Spain, Sweden, Switzerland, and the United Kingdom. 88.2% of the sampled reports were from 2013 and the rest were from 2011, 2012 and 2014. A codebook was developed for the tests, comprised of 11 content, 17 formal, and 62 GRI indicator variables. Different objectives were tested using multiple dimensions: Truth: assurance, completeness, accuracy, standards; Sincerity: materiality, stakeholder-engagement, stakeholder dialogue, management system; Appropriateness: investors, employees; Understandability: style (timeliness), accessibility, tone (balance), readability (Lock & Seele, 2016).

The assessment follows the code rules contained in the codebook, and some of the variables and the corresponding measurement methods are extracted below: Accessibility: table of contents, navigation for PDF, free download, GRI table; Length of report: No. of words; Readability: Felsh-Kincaid Reading Ease Index; 0-100 points; Balance: Amount of positive / negative words in report; scale 0-10; Timeliness: recent data used; Assurance: yes/no; Materiality: Impacts, values, risks, goals, prioritisation of topics, scope and boundary of report; Management system: general CSR, environmental, social, health/safety, no management system; Stakeholder dialogue: existence of stakeholder dialogue section; Stakeholder inclusiveness: stakeholder description, dialogue, issues.

GRI performance indicators: Scale 0-3; 0: not; 1: partial; 2: fully reported; 3: not applicable/not material; Completeness: Scale 0-10; percentage of reported performance indicators (Lock & Seele, 2016).

### **3. Current Status of CSR Disclosures**

According to the KPMG (2016) study, there are about 400 sustainability reporting instruments in 64 countries among which, 65% are mandatory. For example, companies in the United Kingdom are mandated to disclose annual greenhouse gas emissions, diversity and human rights; listed companies in the United States have to make disclosure relating to their environmental compliance expenses although CSR reporting is not mandatory; China has several regulations demanding companies make mandatory disclosure on sustainability matters like annual resource utilisation, pollution levels, generation of wastes, etc.; and India also has multiple instruments requiring companies to prepare mandatory ESG reporting (KPMG, 2016).

The sustainability report survey conducted by KPMG in 2020 regarding a sample of 5,200 companies comprised of the top 100 companies by revenue in each of the 52 countries and jurisdictions revealed that Mexico, the United States and Canada have the highest sustainability reporting rates (100%, 98% and 92% respectively). Brazil, Argentina and Colombia also recorded a reporting rate over the global average of 77%. For Asia Pacific, a growth of 6% since 2017 to 84% in the number of sustainability reports was also recorded. Among those, Japan (100%), Malaysia (99%), India (98%), Taiwan (93%) and Australia (82%) have recorded relatively high sustainability reporting rates. However, there was no significant change for the sustainability reporting rate in Europe, which remains at 77%. The survey has also indicated that the high rates are mostly driven by regulation, either by the government or stock exchange (KPMG, 2020). Furthermore, it was found that GRI remains the dominant global standard used in preparing the sustainability reports (KPMG, 2020).

Regarding the quality of the ESG reports prepared by the Hong Kong listed companies, the Hong Kong Stock Exchange has carried out two rounds of review on the sampled reports

prepared by the issuers during 2016/2017 and 2018; in particular, 400 sampled reports were selected randomly for each round of reviews covering different industries. The purpose of the reviews is to provide guidance to the issuers for improving the quality of the reports in a way to fulfill the expectations of stakeholders. The Hong Kong Stock Exchange has indicated that some of the reports seem to use the “box-ticking” approach, giving simple statements of the company’s situation without detailed explanations, lacking disclosure of the process in materiality determination for selecting issues to cover in the report, and so forth (Hong Kong Stock Exchange, May 2018 and December 2019).

### 3.1 A new CSR disclosure quality assessment framework

Due to limited amount of past research relating to the CSR reporting quality, there should be room for further improvement to the CSR reporting quality assessment frameworks as described in previous section. In order to systematically find out which areas need further improvement to the studied frameworks, the standards being used in assessing quality of accounting information, “Statement of Financial Accounting No. 2” issued by the Financial Accounting Standards Board (FASB) (the “Standards”), is borrowed in this study. The purpose of this Statement is to examine the characteristics that make accounting information useful and allow decision makers to base upon for selecting or evaluating accounting alternatives. Our evaluation criteria is based on the FASB standard.

The Standards have also provided definition of criteria in assessing the quality of information and are extracted as follows:-

- **Comparability:** The quality of information that enables users to identify similarities in and differences between two sets of economic phenomena.
- **Completeness:** The inclusion in reported information of everything material that is necessary for faithful representation of the relevant phenomena.
- **Conservatism:** A prudent reaction to uncertainty to try to ensure that uncertainty and risk inherent in business situations are adequately considered.
- **Consistency:** Conformity from period to period with unchanging policies and procedures.
- **Feedback Value:** The quality of information that enables users to confirm or correct prior expectations.
- **Materiality:** The magnitude of an omission or misstatement of accounting information that, in light of surrounding circumstances, makes it probable that the judgment of a reasonable person relying on the information would have been changed or influenced by the omission or misstatement.
- **Neutrality:** Absence in reported information of bias intended to attain a predetermined result or to induce a particular mode of behaviour.

- **Predictive Value:** The quality of information that helps users to increase the likelihood of correctly forecasting the outcome of past or present events.
- **Relevance:** The capacity of information to make a difference in a decision by helping users to make predictions about the outcomes of past, present, and future events or to confirm or correct prior expectations.
- **Reliability:** The quality of information that assures that information is reasonably free from error and bias and faithfully represents what it purports to represent.
- **Representational Faithfulness:** Correspondence or agreement between a measure or description and the phenomenon that it purports to represent (sometimes called validity).
- **Timeliness:** Having information available to a decision maker before it loses its capacity to influence decisions.
- **Understandability:** The quality of information that enables users to perceive its significance.
- **Verifiability:** The ability through consensus among measurers to ensure that information represents what it purports to represent or that the chosen method of measurement has been used without error or bias (FASB, 2021).

After a comprehensive review of the current CSR disclosure requirement and literature is completed, a new CSR disclosure quality assessment framework was proposed which contains user-specific qualities, primary decision specific qualities, secondary and interactive qualities and threshold for recognition (Table 1). The new assessment on CSR disclosure contains user-specific qualities; primary decision specific qualities like relevance and reliability (verifiability); secondary and interactive quality like comparability and reliability (neutrality) and threshold for recognition like materiality and conservatism.

The criteria being used in the two CSR quality assessment frameworks (Habek et al., 2015 and Lock & Seele, 2016) are preliminarily compared with the characteristics as defined under the Standards in the following (Table 1):

Table 1. A new assessment framework on CSR disclosure

	Characteristics per the Standards	Quality assessment framework of Habek et al. (2015)	Quality assessment framework by Lock & Seele (2016)
User-specific qualities	Understandability		✓
Primary decision-specific qualities	Relevance - Timeliness - Predictive Value - Feedback Value	✓ ✓	✓ ✓
Primary decision-specific qualities	Reliability - Verifiability - Representational Faithfulness	✓	✓
Secondary and interactive qualities	Comparability (including consistency)	✓	✓
Secondary and interactive qualities	Reliability - Neutrality		✓
Threshold for recognition	Materiality (including conservatism)		✓

From the above preliminary analysis, the proposed CSR disclosures quality assessment framework seems to have quite good coverage of the characteristics as defined under the Standards. However, the code rules of the Lock & Seele (2016) framework could be further refined to follow the Standards to include also the characteristics not yet covered like predictive value and verifiability. These two criteria are primary decision-specific qualities which are critical and significant to decision makers.

The CSR disclosures quality assessment frameworks as described refer to the CSR/ESG performance disclosed using GRI. Companies or preparers can make their own selection of which indicators to use for making disclosure. The assessment framework of Lock & Seele (2016) used a scale of 0-3 for scoring (0: not; 1: partially; 2: fully reported; 3: not applicable / not material). This scoring method is not desirable as the researchers need not read the content and details of the report; and simply give a rating following the scheme. It may not be able to distinguish and reflect the actual situation since the measurement is not sensitive enough. Therefore, this study proposes to use aggregate Likert scale scores, and should be better differentiate good versus poor disclosure quality.

Assessors will be asked to rate the criteria on a one to seven Likert scale (1: very poor; 4: neutral; 7: very good) following the new assessment framework. The Likert scale has

advantages that facilitates comparison and researchers can carry out this process in an effective manner. Although the characteristics as stipulated by the Standards distinguished Primary decision-specific qualities and Secondary and interactive qualities, we assume equal weighting for each criteria.

#### **4. Conclusion**

This study expects to provide both managerial and theoretical implications.

This is one of the first studies to examine the quality of CSR/ESG disclosure rather than the quantity of CSR/ESG information provided. A new comprehensive model was proposed with more accurate assessment metrics.

The new CSR quality assessment framework serves as a tool to assist the practitioners to review their own work systematically and objectively, instead of using solely a box-ticking approach. Even for the listed companies using their internal resources for making CSR disclosures, the Board and the management of the companies can make use of this quality assessment framework as a supplementary tool to the ESG Guide to ensure full compliance with quality disclosure. Management can make use of the information relevant to the companies' business sustainability initiatives and performance for communicating with their stakeholders and, at the same time, to create value.

Global business changes constantly and becomes more volatile and difficult to predict. With the new CSR quality assessment framework, investors would be able to identify potential investments with better quality disclosures and evaluate the risks relating to business sustainability in different areas, like financial, operational, strategic, security, reputational and compliance; and to make better investment decisions.

Further research is to use a sample of CSR/ESG reports issued by listed companies in various places for a period of time and go through a content analysis of the samples using the new proposed quality assessment framework.



## REFERENCES

- Adams, C., & Zutshi, A. (2004). Corporate social responsibility: Why business should act responsibly and be accountable. *Australian Accounting Review*, 14(3), 31–39.
- Bhattacharya, C. B., Sen, S. and Korschun, D. (2006). Using corporate social responsibility to win the war for talent. *MIT Sloan Management Review*, 49 (2), 37-44.
- Blowfield, M. & Murry, A. (2019). *Corporate Responsibility*, 4th edition, Oxford: Oxford University Press.
- Brammer, S. and Pavelin, S. (2006). Voluntary environmental disclosures by large UK companies. *Journal of Business Finance and Accounting*, 33(7/8), 1168-1188.
- Brammer, S. and Pavelin, S. (2008). Factors influencing the quality of corporate environmental disclosure. *Business Strategy and the Environment*, 17(2), 120-136.
- Caroll, A. B. (1979). A Three-dimensional conceptual model of corporate performance. *Academy of Management Review*, 4(4), 492-505.
- Ching, H. Y., Gerab, F., & Toste, T. H. (2014). Scoring sustainability reports using GRI indicators: A study based on ISE and FTSE4Good Price indexes. *Journal of Management Research*, 6(3), 27-48.
- Connelly, B. L., Certo, S. T., Ireland, R. D., & Reutzel, C. R. (2011). Signaling theory: A review and assessment. *Journal of management*, 37(1), 39-67.
- Coombs, W. and Holladay, S. (2012) *Managing Corporate Social Responsibility*, Wiley.
- Dahliwal, D., Radhakrishnan, S., Tsang, A & Yang, Y. (2011). Nonfinancial Disclosure and Analyst Forecast Accuracy: International Evidence on Corporate Social Responsibility Disclosure. *The Accounting Review*, 87(3), 723-759.
- Dando, N., & Swift, T. (2003). Transparency and assurance minding the credibility gap. *Journal of Business Ethics*, 44(2-3), 195-200.
- Dawkins, C. and Ngunjiri, F.W. (2008). Corporate social responsibility reporting in South Africa: a descriptive and comparative analysis. *Journal of Business Communication*, 45, 286-307.
- de la Cuesta, M. and Valor, C. (2004). Fostering corporate social responsibility through public initiative: from the EU to the Spanish Case. *Journal of Business Ethics*, 55(3), 229-275.
- de la Cuesta, M., & Valor, C. (2013). Evaluation of the environmental, social and governance information disclosed by Spanish listed companies. *Social Responsibility Journal*, 9(2), 220-240.
- Dhaliwal, D., Li, O., Tsang, A. & Yang, Y. (2012). Voluntary Nonfinancial Disclosure and the cost of equity capital: The initiation of Corporate Social Responsibility Reporting. *The Accounting Review*, 86(1), 59-100.
- Ellen, P. S., Webb, D. J. and Mohr, L. A. (2006). Building Corporate Associations: Consumer Attributions for Corporate Socially Responsible Programs. *Journal of the Academy of Marketing Science*, 34(2), 147-157.



- European Commission. (2010) Corporate Social Responsibility. [http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index\\_en.html](http://ec.europa.eu/enterprise/policies/sustainable-business/corporate-social-responsibility/index_en.html). Assessed on 2 Feb 2021.
- Financial Accounting Standards Board (FASB). (2021). Standards, <https://www.fasb.org/home>, assessed on 19 Feb 2021.
- Fishman, E. and Husman, J. (2017). Extending Attribution Theory: Considering Students' Perceived Control of the Attribution Process. *Journal of Education Psychology*, 109(4), 559-573.
- Freeman, R. E. (1984) *Strategic Management – A Stakeholder Approach*, Marshfield: Pitman Publishing.
- Global Reporting Initiatives. (2020). RG: Sustainability reporting guidelines. <https://www.globalreporting.org/>, assessed on 19 February, 2021.
- Habek, P., & Wolniak, R. (2015) Assessing the quality of corporate social responsibility reports: the case of reporting practices in selected European Union member states. *Qual. Quant*, 50, 399-420.
- Holder-Webb, L., Cohen, J.R., Nath, L. and Wood, D. (2009). The supply of corporate social responsibility disclosures among US firms. *Journal of Business Ethics*, 84, 497-527. <https://home.kpmg.com/xx/en/home/insights/2016/05/carrots-and-sticks-global-trends-in-sustainability-reportingregulation-and-policy.html>.
- Jahn, J & Bruhl, R. (2019). Can bad news be good? On the positive and negative effects of including moderately negative information in CSR disclosures. *Journal of Business Research*, 97, 117-128.
- Kavitha, W., & Anita. P. (2011) Disclosures about CSR practices: A Literature Review. *IUP Journal of Corporate Governance*, 45-55.
- Keeley, M. (1988) *A Social Contact Theory of Organisations*, Notre Dame: University of Notre Dame Press.
- KPMG. (2016). Carrots Sticks Global trends in sustainability reporting regulation and policy. Retrieved from
- Krut, R., & Munis, K. (1998). Sustainable industrial development benchmarking environmental policies and reports. *Greener Management International*, 21, 87–98.
- Lanis, R. & Richardson, G. (2012). Corporate Social Responsibility and tax aggressiveness: an empirical analysis. *Journal of Accounting Public Policy*, 31, 86-108.
- Laskar, N. & Maji, S. (2016). Corporate sustainability reporting practices in India: myth or reality? *Social Responsibility Journal*, 12(4), 625-641.
- Lock, I., & Seele, P. (2016). The credibility of CSR (corporate social responsibility) reports in Europe. Evidence from a quantitative content analysis in 11 countries. *Journal of Cleaner Production*, 122, 186-200.
- Mahoney, L. S., Thorne, L., Cecil, L., & LaGore, W. (2013). A research note on standalone corporate social responsibility reports: Signaling or greenwashing? *Critical Perspectives on Accounting*, 24, 350-359.
- Martin, D., & Schouten, J. (2012). *Sustainable Marketing*, Prentice Hall.



- Mialon, M., & McCambridge, J. (2018). Alcohol industry corporate social responsibility initiatives and harmful drinking: A systematic review. *The European Journal of Public Health, 28*(4), 664-673.
- Michelon, G., Pilonato, S., & Ricceri, F. (2015). CSR reporting practices and the quality of disclosure: An empirical analysis. *Critical perspectives on accounting, 33*, 59-78.
- Mitchell, R. K., Agle, B. R., & Wood, D. J. (1997). Toward a theory of stakeholder identification and salience: Defining the principle of who and what really counts. *Academy of management review, 22*(4), 853-886.
- Morhardt, J.E. (2001). Scoring corporate environmental reports for comprehensiveness: a comparison of three systems. *Environmental Management, 26*, 881–892.
- Muslu, V., Multu, S., Radhakrishnan, S., & Tsang, A. (2016). Corporate Social Responsibility Report Narratives and Analyst Forecast Accuracy. *Journal of Business Ethics, 154*, 1119-1142.
- Plewa, C., Conduit, J., Quester, P. G., & Johnson, C. (2015). The impact of corporate volunteering on CSR image: a consumer perspective. *Journal of Business Ethics, 127*, 643-659.
- Ramo, H. (2011). Visualizing the Phronetic Organisation: The Case of Photographs in CSR Reports. *Journal of Business Ethics, 104*(3), 371-387.
- Rousseau, J. (1762/1973) *The Social Contract and Other Discourses*, translated by Cole, H., New York: Dutton & Co.
- Seele, P., & Gatti, L. (2015). Greenwashing Revisited: In Search for a Typology and Accusation-based Definition Incorporating Legitimacy Strategies, *Business Strategy and the Environment, 26*(2), 239-252.
- Sethi, S. P., Martell, T. F., & Demir, M. (2017). An evaluation of the quality of corporate social responsibility reports by some of the world's largest financial institutions. *Journal of Business Ethics, 140*(4), 787-805.
- Suchman, M. C. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review, 20*(3), 571-610.
- Trafimow, D. (2013). "Attribution theory" in *Encyclopedia of the Mind*, edited by Harold Pashler, Sage Publications, Inc.
- Vizcaino, F., Martin, S., Cardenas, J. & Cardenas, M. (2021). Employees' attitudes toward corporate social responsibility programs. *Journal of Business Research, 124*, 538-546.
- Vlachos, P. A., Panagopoulos, N.G. and Rapp, A.A. (2013). Feeling Good by Doing Good: Employee CSR-induced Attribution, Job Satisfaction and the role of Charismatic Leadership. *Journal of Business Ethics, 118*: 577-588.
- Webb, D. and Mohr, L. (1998). A Typology of Consumer Responses to Cause-related Marketing: From Skeptics to Socially Concerned. *Journal of Public Policy and Marketing, 17*(2), 226-238.
- Weiner, B. (2010). The Development of an Attribution-Based Theory of Motivation: A History of Ideas. *Educational Psychologist, 45*(1), 28-36.



- Werther, W. B., & Chandler, D. (2011) *Strategic Corporate Social Responsibility: Stakeholders in a global environment*. Thousand Oaks, CA: Sage.
- Wu, S.I., & Wang, W.H. (2014). Impact of CSR perception on brand image, brand attitude and buying willingness: a study of a global café. *International Journal of Marketing Studies*, 6, 43-56.
- Wut, T. M. & Ng, A. W. (2015). CSR practice and sustainable business performance: evidence from the global financial centre of China. *Procedia-Social and Behavioural Science*, 195, 133-141.
- Yadava, R. N., & Sinha, B. (2016). Scoring sustainability reports using GRI 2011 guidelines for assessing environmental, economic, and social dimensions of leading public and private Indian companies. *Journal of Business Ethics*, 138(3), 549-558.