

IMPACTS OF MEGA-EVENTS ON SUSTAINABILITY REPORTING PRACTICES: THE CHINESE BANKING SECTOR

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Abstract

Purpose: The purpose of this paper is to identify and determine how the mega-events in 2008 (Global Financial Crisis, Beijing Summer Olympic Games and Sichuan Earthquake) influenced the contents of a Chinese banks' sustainability reporting and the impact of this on their legitimacy.

Design/methodology/approach: Content analysis is used to analyze the disclosed sustainability indicators of ten banks operating in China, including: state-owned banks, joint-stock commercial banks, Chinese subsidiaries of foreign owned banks and policy banks. The theoretical framework is informed by legitimacy theory.

Findings: The results indicate that a unified disclosure model cannot be identified in Chinese bank's sustainability reports. To date, disclosure of mega-event related issues and other sustainability performance issues differs across institutions. This paper suggests that different levels of disclosure output in relation to mega-events, especially the Sichuan Earthquake, can potentially gain legitimacy or, in-contrast, constitute a legitimacy gap, depending on the contents disclosed.

Originality/value: This research contributes to the literature on sustainability management and disclosure by providing case based evidence to comprehend the understanding of sustainability reporting practices within the Chinese banking sector.

Keywords

Legitimacy, Sustainability, Sustainability Reporting, Chinese Banks
