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