

Northeast Asian Firms' Social Responsibility Reporting Practice: Case of Automobile Makers

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Abstract

Corporate Social Responsibility (CSR) already became a critical issue in Northeast Asia three countries, Korea, China and Japan. There exist the differences of CSR practices among three countries due to the difference of historical, cultural background and growth process. This study tried to review the difference of CSR practices among them by looking into the CSR development process and the structural features of major CSR standards of each country. Further this study examined CSR reports of major automobile makers in three countries in order to reduce the gap between the literature review and actual cases for CSR. However globally the environment and labor practices including human rights are key issues of CSR, and the GRI guideline, G4, is more and more influential as the global standard. Most of the automobile makers of three countries also turned out to use GRI G4 or ISO 26000 as the CSR standard rather than the local standards. In addition this study investigated twenty automobile makers' social responsibility websites and reports, and analyzed how much each report covered the performance indexes of environment and labor practices of GRI G4.

Key Words

**CSR (Corporate Social Responsibility), CSR Reporting Practice, CSR of Northeast Asia,
GRI G4, CSR of Automobile Makers**

1. Introduction

After Foxconn employees' suicide accidents in China, the management software like managerial ethics or corporate social responsibility (CSR) is more and more important. Since early 2000s, Chinese government has released its own CSR standards differing from the global standards like GRI (Global Reporting Initiative) G4, UN Global Compact (UNGC) or ISO 26000 because it has put an emphasis on Chinese characteristics in CSR practices. As a result a 'defense mechanism' for local firms of China against the global CSR standards has been created (Choi 2014). The CASS CSR 3.0 made by Chinese Academy of Social Science (CASS), a public research institute under the State Council of China became a representative standard in China. On the contrary, both Korean and Japanese firms mostly have followed the global standards rather than local CSR standards. The government involvement for CSR in Korea and Japan has not been so strong as Chinese government. There has existed the difference of CSR practices among Korea, China, Japan due to the difference of history, cultural background and development process. In fact each country has taken a unique experience for economic growth since 1950s, and developed its own political system. Therefore it is very natural that the CSR approaches of three countries differ from each other.

This study paid attention to the difference of CSR practices among three countries. The reason to pick up three countries is that they shared a similar cultural context under the Confucian influence while leading the regional economy of East Asia. In addition the leading companies of three countries already became the global level of firms being members of the FORTUNE 500. The positions for the automobile makers and ICT (Information & Communications Technologies) companies have been relatively higher than other industries' firms of three countries. This study traced the CSR practices and reports of major automobile makers of Korea, China, Japan because traditionally automobile making business has been at the center of environment or labor practices issues. At present, the environment conservation, labor practices and human rights are core issues of CSR. As the most influential global standard for CSR, this study took notice of a strong popularity of GRI guidelines because they are most widely used in over 60 countries. Therefore to look into the CSR practices of three countries through the GRI guidelines is definitely a meaningful attempt.

Major research topics of this study include the following four questions. First, how about the CSR development process of Korea, China and Japan, and what are the main characteristics of each country? Second, how about the CSR reporting condition of automobile makers of three countries from the global standard perspective? Third, what is the implication of difference among the reporting conditions of automobile makers? At the next chapter, former studies regarding the CSR trend of three countries were reviewed. Also the methodology of this study was suggested. At the chapter three, this study examined the CSR development process and practices of each country. At chapter four, this study looked into the SR (Social Responsibility) reports or Sustainability reports of major automobile makers of three countries by comparing the performance indexes of environment and labor practice of GRI G4. Finally key findings and implication were presented at the chapter five.

2. Previous Studies and Methodology

2.1 Previous Studies

There are not a few former studies for CSR practices, standards or reporting of China or Japan but the CSR studies for Korea are relatively few. Furthermore there are very few studies for taking a comparative approach for CSR practices or standards in North East Asia. Regarding the comparative researches for CSR among countries, Park *et al.* (2015) explored the CSR programs of two Korean and two Japanese electronics makers in Indonesia. They did a case study for MNEs' CSR activities in Indonesia for comparing the CSR strategies of two countries. Kim & Choi (2013) compared how young people of South Korea and the United States perceive differently the CSR practices of

multinational corporations. They found that young participants of the United States mostly evaluated the CSR practices of multinational firms more favorably than young Korean participants did due to the relationship difference among CSR practices and social, cultural meanings. Byun & Kim (2011) accessed the correlation between the strategic CSR and financial performances through the survey for Korean and Japanese firms. As a result they argued that Japanese firms showed a more positive relationship between the CSR and performance rather than Korean companies. Kim (2012) compared the social contribution of Korean and Japanese corporates from three points; contribution size, type and the internal supportive system. As for the comparative study for CSR guidelines, Tschopp & Nastanski (2014) approached the harmonization and convergence of four global standards for CSR; GRI G3, AA1000 Principles, UN Global Compact, ISO 26000 by analyzing the convergence case of financial reporting standards. They suggested that GRI G3 turned out to be the best guideline for CSR report in comparability, consistency and relevance.

As for CSR studies for Korea, Kim *et al.* (2013) did a qualitative study for CSR practices of Korea, which having very unique social values and different governance structures. They pointed out that Korean firms turned out to be more oriented for a short term CSR result rather than the sustainability, and to prefer the normative approach to a strategic consideration in the institutionalization of CSR. Jun (2013) examined the CSR approaches of Korean companies by classifying them into two types, long-term & sustainable approach and legitimacy seeking & decoupling one. Jun (2013) argued that firm size and reputation, CEO's commitment were key factors in determining the CSR approach in Korea. Kang & Lee (2010) presented the CSR development context and priority issues of Korea, and explained five models for CSR trend of Korea; individual philanthropy, corporate community involvement, ethical management, cross-sector alliance, sustainability manageability. In addition Lee (2016) traced the historical background of CSR development of Korea with following the political leadership change since early 1950. Lee (2016) mainly used the Korean newspaper articles in order to cover the lack of academic researches for Korean CSR. Park & Kim (2015) tried to access what kind of CSR activities general Korean want through the survey for two groups, the positive attitude group and negative attitude group for firm. They found that there existed a clear difference of CSR expectation between two groups. However Park (2015) tried to identify the primary stakeholders affecting Japanese subsidiaries' SR activities in Korea. Park (2015) pointed out the importance of employee and government among stakeholders in enforcing Japanese subsidiaries to effectively conduct SR activities in Korea.

Among the CSR studies for China, Levine (2008) analyzed the CSR standards of Shenzhen Stock Exchange (SZSE), Shanghai Stock Exchange (SSE), China Banking Regulatory Commission (CBRC), State Assets Supervision and Administration Commission (SASAC). Darigan & Post (2009) examined the CSR issue changes and accessed the contemporary corporate citizenship in China. They argued that the CSR issues in China have been deeply concerned with the 'harmonious society' resulted from Confucian community as a 'big family.' Lin (2010) reviewed major CSR initiatives of China and summarized Chinese CSR development process from three perspectives; the historical & ideological foundations, the instrumental motivations, the institutional constraints for CSR disclosures & guidelines. Lee (2013) analyzed the CSR development process of China from the institutionalization perspective. Lee (2013) suggested key features for Chinese CSR evaluation system and organizations. Noronha *et al.* (2013) reviewed seventeen local CSR standards of China since 2001 and picked up key points for each standard. Choi (2013) managed the employee suicide cases of Foxconn from a perspective of CSR type change. Choi (2013) reviewed SR report of Foxconn through the GRI G3.1 and picked up the discordance of labor practices from GRI G3.1 point of view. Choi (2014) traced the gap between Chinese CSR standard and global standard by comparing the CSR reports of Chinese automobile makers with the reports of global makers like GM or Toyota. Also Choi (2016) accessed the difference through the structural analysis for the CASS CSR 3.0 and GRI G4. Choi (2016) argued that CASS CSR 3.0 might not be free from the government influence because the CASS has been controlled by State Council of China.

As for Japanese CSR approach, Wokutch (2014) took a deeply notice on an issue, the worker safety

& health of Japanese vehicle makers. Wokutch (2014) tried to access the uniqueness of Japanese style CSR practices, and analyzed how CSR practices and the thinking have changed over the period and the reasons for the changes. Todeschini (2011) examined the cultural construction of managerial responsibility of Japan and traced the tension between Eastern Asia and Western CSR within Japanese firms. Todeschini (2011) called the Japanese style responsibility as 'web of engagement' while emphasizing a better understanding for a unique responsibility under Asian context. Fukukawa & Moon (2004) analyzed the extent and characteristics of Japanese style CSR by looking into the SR reports released on websites of the top 50 Japanese companies. They found an increasing trend of consolidation for CSR information disclosure in Japan, particularly in environmental responsibility and community involvement. In addition Fukukawa & Teramoto (2009) also accessed how CSR has come to be framed within Japanese management. Through the interviews with SR division managers of thirteen Japanese MNEs, they argued that CSR practices of Japan still have continued to exhibit strong cultural characteristics. Tanimoto (2014) also pointed out the difference between Japanese stakeholder practices like lifelong employment and Western notion of stakeholder model in accessing Japanese approaches for CSR. Kim (2013) traced the CSR development process from Japanese environmental management perspective. Kim (2013) reviewed the historical background, characteristics for environment movements of Japan, and looked into the implication of environment management from Japanese stakeholder position. Kwak (2010) examined Japanese institutionalization process of CSR through the Company Law of Japan. Also Kwak (2010) took notice on the internal monitoring system of Japanese firms in conducting SR activities. Sagong (2006) accessed how Japanese companies moved smoothly to the strategic CSR from the social contribution based SR activities since early 2000s. Finally Poliszczuk & Sakashita (2010) argued the climate change, energy supply, labor practices as priority CSR issues of Japan, and reviewed the environment performance based reporting trend of Japanese corporates.

2.2 Methodology

This study tried to look into CSR approaches of Korea, China, Japan through the literature study and SR reports or sustainability reports analysis. Firstly this study reviewed CSR studies of each country to access respective CSR development process and historical background. Through the literature review, mostly mentioned local standard of each country was selected and the structural analysis for it was made. Secondly in order to access the actual reporting conditions of companies, this study look into SR (Social Responsibility) reports or sustainability reports of major automobile makers of three countries. However it can be controversial that CSR reporting or disclosure through website is not enough indicator of CSR because the website communication is one way of various methods to open the CSR performance. But Mitchell & Ho (1999) did four-country study regarding the CSR disclosures and concluded that more and more firms would put emphasis on website reporting than offline contacts or press release. Besides, Maignan & Ralston (2002) demonstrated a great variety in CSR reporting between companies in France, Netherlands, UK and the US, as did Chambers *et al.* (2003) for companies in seven Asian countries, India, Indonesia, Malaysia, Philippines, Singapore, South Korea and Thailand (Fukukawa & Moon 2004). However the reason for paying attention to automobile makers is closely related with the recent CSR trend which emphasizing on environment and labor practices, human rights issues. Traditionally the automobile manufacturers have been at the center of such issues due to the substantial influences on backward or forward industries.

So this study selected total twenty vehicle makers; five Japanese makers, Toyota, Honda, Nissan, Mazda, Subaru, and four Korean makers, Hyundai (HMC: Hyundai Motor Company), Kia, GM Korea (GMK), Renault-Samsung, and eleven Chinese makers, SAIC (Shanghai Automotive Industry Corporation), FAW (First Automobile Works), DFMC (Dongfeng Motor Corporation), ChangAn, BAG (Beijing Automobile Group), GAC Group (Guangzhou Automobile Group Company), BYD, Geely, JAC (Jianghuai Automobile), Chery, GWM (Great Wall Motors). The reason for looking into

these firms is their dominance position in each domestic market. As of 2015, the market share sum of Japanese five makers was 75%,¹ and the sum of Korean four makers' shares was 81%.² Also the sum of Chinese eleven makers' shares reached 90%.³ As of August 2016, four companies including Kia, Renault-Samsung, Chery, GWM did not officially release any report for social responsibility or sustainability issue. Except these four companies, this study examined sixteen companies' most recent reports by using the environment and labor practice articles of GRI G4. The coverage rate analysis for the reports includes Toyota 'Sustainability Report 2015,' Honda 'Sustainability Report 2016,' Nissan 'Sustainability Report 2016,' Subaru 'SR (Social Responsibility) Report 2016,' Mazda 'Sustainability Report 2015,' Hyundai 'Sustainability Report 2016,' GM Korea 'Sustainability Report 2014,' SAIC 'SR Report 2015,' FAW 'Sustainability Report 2015,' DFMC 'SR Report 2015,' ChangAn 'SR Report 2014,' BAG 'SR Report 2014,' GAC 'SR Report 2015,' Geely 'SR Report 2015,' JAC 'SR Report 2015,' and BYD 'SR Report 2015.'

The reason to use GRI G4 guideline⁴ for analyzing the reports came from its position as a global standard as it is. Currently GRI guidelines are most widely accepted as enough to 2,000 organizations in over 60 countries use them as reporting guideline due to the easiness for comparing the reports and the clearness for setting up the report contents (Tschopp & Nastanski, 2014; Choi, 2016). Actually the GRI have suggested the rule-based standards but other global standards like UN Global Compact or ISO 26000 have taken principle-based approaches.⁵ So the GRI guidelines are mostly quantitative and leave less room for self-interpretation or voluntary application than other ones (Tschopp & Nastanski, 2014: 158). Finally this study pay more attention the environment and labor practice indexes because those became key issues of CSR for automobile makers due to air pollution, energy saving, information technology & working condition changes. The number of evaluation articles (indexes) for environment, labor practices & decent work of GRI G4 is 34, 16 respectively. This study tried to access how much each report accorded with environment and labor practices indexes of GRI G4. In order to get the coverage rate of each report for GRI G4, all the contents of environment and labor part of each report were reorganized for classifying them into three types,⁶ 'full disclosure,' 'partial disclosure,' 'no disclosure.' In fact many companies presented the matching information for GRI indexes at the appendix of reports but some information that designated as 'full disclosure' had few grounds to be classified as it is in the appendix. Therefore the reorganization trial and verification process for the contents of each report have enough value to study.

3. CSR Practices of Korea, China and Japan

¹ In 2015 total automobile sales volume in Japanese market was 5,046 thousand which decreased by 9.3% compared with the sales volume of former year. Market share of Toyota, Honda was 28.7%, 14.4% each, and Nissan, Mazda, Subaru occupied 11.7%, 4.9%, 3.2%. However the market share of Toyota would reach 40.8% if the market share of Daihatsu is added to Toyota's share because Daihatsu is the wholly owned subsidiary of Toyota.

² Hyundai and its subsidiary, Kia of which 38.9% shares owned by Hyundai as of December 2015, possessed 39%, 29% each for Korean vehicle market in 2015. The market share of GMK and Renault-Samsung was 8.7%, 4.4% respectively.

³ Since early 2000s, Chinese Big Six SOEs (State Owned Enterprises) covering SAIC, FAW, DFMC, ChangAn, BAG and GAC have dominated the domestic market. So the sum of Six SOEs' domestic shares was 78% in 2015 but the share of Geely, Chery, BYD was only 2.3%, 2.1%, 1.8% respectively.

⁴ The GRI (Global Reporting Initiative) published the first guidelines in 1999, and the revised versions were issued in 2000, in 2002, and in 2006 (G3). Also the G3.1 was made on March 2011 which requiring more reporting issues such as labor practices, gender equality, human rights, local community than former version, G3. However GRI suggested a new version, the G4 on May 2013, which encouraging all reports after December 2015 should be accord with the G4 rather than the G3.1.

⁵ The principle-based standard is to give a more voluntary decision right for the reporting organization, so it is able to select the actual indicators while considering its specific condition. But the rule-based standard like GRI has been regarded as too stringent by many organizations preferring to a more flexible and more voluntary domain (Tschopp & Nastanski, 2014: 160).

⁶ The 'full disclosure' means the contents presenting detailed data for at least over 80% of GRI requirements but the contents classified as the 'partial disclosure' generally suggest a broad information or overall condition without specific data.

3.1 CSR Practice of Korea

The interest on CSR of Korean firms has begun since early 1970s. From that time the Third Five-Year Economy Development Plan by government had been actively promoted. However the SR activities of Korean firms generally meant the contribution to national economy while closely cooperating with government policies (Lee, 2016: 114). In fact Korean military government controlled by the president Park, Chung-Hee, had deeply involved in making CSR agenda like ‘firm owner’s national mission,’ ‘key player of national economy development,’ or ‘New Community Movement (*Saemaul Undong*).’ As a result, the CSR could be used as a pressuring tool for Korean conglomerates, so called ‘*Chaebol*’ or ‘*Zaibatsu*’ to follow the government initiative development plan. On the other hand, Korean conglomerates tended to recognize the CSR as an atoning process for their unlawful behaviors or wrongdoings. Therefore it can be argued that CSR played an important role to create a collaborating relation between military government and conglomerates for the rapid economy growth in 1970s.⁷

After that a new military government of Korea under the president, Chun, Doo-Hwan during 1980s had also kept the government initiative position in making CSR agenda as the previous military government did. So the CSR was still more concerned with an inevitable compromise to comply with political intention rather than the spontaneous responsibility from the managerial philosophy. Major responsibilities of firms concentrated on the economic performance like job creation or living condition improvement for general people. However the political motto by a new military government like the ‘Justice Society Realization’ or ‘Anti-Corruption Movement’ became a major CSR agenda for overall society. From the late 1980s a series of labor strikes happened nationwide in Korea. Lots of employees of conglomerates strongly demanded the labor condition improvement, labor rights guarantee, minimum wage increase, so both conglomerates and the military government began to consider the employees as one of key stakeholders.

Since the early 2000s the civilian government under the president, Kim, Young-Sam had tried to keep some distance from the direct involvement in driving the CSR. After the appearance of civilian government, the CSR of Korea substantially changed through a series of big accidents mostly by conglomerates misbehaviors including Seongsu bridge collapse in 1994 and Sampoong department store collapse in 1995. After that not a few conglomerates began to formally announce their own ethic norms, and the interest organization of industries & conglomerates, ‘Federation of Korean Industries (KFI)’ also published the ‘Corporate Ethic Charter’ in 1996 (Lee, 2016: 123). However such ethic management announcements did not necessarily mean that Korean conglomerates truly turned to engage in more ethical behaviors. However the ‘Korea Economic Justice Index (KEJI)’ made by ‘Citizens’ Coalition for Economic Justice (CCEJ)’ had been published in 1991 for the first time in Korea as the NGO initiated CSR standard. Since the KEJI, the internal normalization process for CSR had been more accelerated in Korea. The financial crisis of Korea in 1997 made Korean government request a relief loan from the IMF, and fourteen conglomerates among top 30th conglomerates of Korea had been experienced critical hardships like bankruptcy, legal management or debt settlement.

Through the financial crisis, the anti-conglomerate sentiment in Korea much more increased than before, and many Korean became a very skeptical about the authenticity of conglomerates’ SR activities. Since the late 1990s, a new civilian government under the president, Kim Dae-Jung had driven the industry restructuring policies, so called the ‘Big Deal’ among uncompetitive businesses of conglomerates. Through the government initiative restructuring process, CSR were effectively used again to compel conglomerates follow the restructuring policies. However the industry restructuring based CSR agenda like the ‘Conglomerate Reform’ was close to a punitive measure to comfort the fury of general people for conglomerates’ unlawful behaviors. In result the government initiative

⁷ Since early 1970s the Five Year Economy Development by Korean military government was the outcome of State Capitalism that is usually described as an economic system where commercial economic activity is undertaken by state. Actually Korean conglomerates were significant counterparts of the State Capitalism.

conglomerate reform came to reinforce a tacit collusion mechanism like ‘conglomerate wrongdoings → punitive measure centric CSR → social contribution or donation of conglomerate’ (Lee, 2016: 122). So it can be said that the beginning of Western style CSR was after mid-2000s in Korea. In fact most of Korean firms did not access CSR seriously and still considered it as a social contribution or charity activity before 2007 (Jun, 2013: 241). According to the research of KOSRI, as of 2014 among the 63 listed firms of Korea Exchange Market (KRX), the 39% firms accepted as the GRI G3.1 (G4) as CSR standard, and the 18% firms used the ISO2600, another 18% firms applied the UN Global Compact (KOSRI-MYSC Report 2014, 29).

Overall major characteristics for CSR trend of Korea since 1970 can be summarized as four points. Firstly, Korean government has been a significant stakeholder of CSR rather than any other stakeholders. Not only military governments but also civilian governments have suggested the CSR agenda to accomplish the political objectives or economic goals. The fact that there existed only small number of big companies like Samsung or Hyundai, LG should be monitored by government resulted in a favorable condition for government initiative CSR. Especially there happened diverse types of social movements as a punitive CSR through a tradeoff between government and conglomerates. Since the late 1980s the employee as a key stakeholder emerged abruptly through many labor disputes but it did not cause the actual changes of CSR practices. Secondly, the CSR has been still more concerned with the social contribution or charity, donation rather than the social issues like decent working environment, human rights, environment or governance structure. Besides the target of CSR discussion was mostly concentrated on the conglomerates but middle & small firms stayed out of it. If considering the fact that the proportion of top 30th conglomerates for Korean GDP went up to 90% in 2012 from the level of 50% in 1987 (Park & Kim, 2015: 160), the conglomerate centered CSR trend of Korea can be understandable. But such a high concentration of national economy for a few conglomerates needed to be managed by the governance structure transparency issue.

Thirdly, Korean firms generally have taken a short-term performance oriented CSR approach. Globally CSR already became a core part of public relations or reputation management. However due to the yearly evaluation practices, a long-term planning for CSR has been very hard in Korea. Government organizations as well as local NGOs have tried to evaluate the SR activities of firms, and open the evaluation result mostly once a year. Korean conglomerates tended to get some visible results of social contribution or donation⁸ because of being very sensitive to the reputation or the exposure by mass media (KOSRI-MYSC Report, 2014: 18). Fourthly, local standards of Korea mostly have taken the principle-based approach for SR activities, and put more emphasis on the managerial ethic. They generally aimed for determining the CSR ranking or giving awards for the high scoring firms. After IFM relief loan for Korean economy, many local NGOs, industry associations and the mass media intended to access the CSR issues with their own standards. By the end of 2013, the number of local standards of Korea was about 90 (Chosun Daily, Feb. 26, 2013). The key words of local standards included not only the SR but also ‘sustainable development,’ ‘ethic management,’ or ‘economy justice.’ There have been arguments whether Korean style standard is needed or not, and if so, who should make it has been another important issue. But more and more Korean firms should have accepted the global standards like GRI G4 or ISO 26000 as a key norm from the late 2000s.

3.2 CSR Practice of China

Since the early 2000s, Chinese government has taken a strong initiative in creating the CSR agenda, making the standards and examining the CSR activities while driving the political propaganda like ‘Harmonious Society,’ ‘Sustainable Development,’ or ‘Chinese New Normal.’ As a result, most of local firms of China are required to comply with the government-led CSR guidelines rather than other standards by global NGOs. And it causes the discrepancy among local standards and global standards

⁸ The Federation of Korean Industries (FKI) announced that total amount of CSR investment of its members reached \$3 billion in 2012 from the \$642 million in 2000 (Park & Kim, 2015: 160).

in China (Choi, 2014). Traditionally the CSR discourse of China after ‘Reform and Open Door Policy’ in 1978 can be managed by dividing four periods (Choi, 2016). At the first period from the ‘Reform and Open Door Policy’ in 1978 to early 1990s, the economic responsibility had been a key topic of CSR. The market economy oriented policies of that time were mostly based on the growth ideologies like ‘Socialism with Chinese Characteristics (*zhongguo tese shehuizhuyi*),’ ‘Primary Stage of Socialism (*shehuizhuyi chujijieduanlun*),’ ‘Getting Rich First Theory (*xianfulun*).’ So the CSR agenda generally covered the job creation, profit maximization, export performance, and the economic results were more critically managed than any other issues. For the second period throughout 1990s, the CSR discourse expanded into the laws and regulations compliances, but the economic responsibility was still managed as the most important issue. To do so the governance structure reform of State Owned Enterprises (SOEs), the industry restructuring through mergers & acquisitions, the domestic market development were actively promoted. From the regional development perspective, Yangtze River Delta (YRD) and Great Pearl River Delta (GPRD) emerged as key areas of mega city plan. Ideologically the ‘Socialist Market Economy (*shehuizhuyi shichangjingji*),’ ‘South Tour Speech (*nanxunjianghua*),’ ‘Black Cat and White Cat Argument (*heimiaobaimiaolun*)’ presented the reasons for rapid growth, but the ‘Three Represents Campaign (*sangedaibiaolun*)’ targeted for mitigating the problems came from the rapid growth. In addition the environment issue began to be managed critically in CSR practices as the water pollution or smog became more and more severe.

However the time when CSR issue of China had generally converged on the global trend was the third period after joining WTO in 2001. From that time political leaders, Hujintao and Wenjiabao began to promote actively some reformative actions to relax the side effects caused by the rapid growth for last 20 years. Accordingly Chinese government requested companies make more social contributions or donations than before as well as take more interest in the managerial software like business ethics, trust, fair trade or non-discrimination. In fact such norms were much needed for Chinese firms to go abroad. The political motto such as ‘Balanced Development (*junhengfazhan*)’ or ‘Harmonious Society (*hexieshehui*)’ became major ideology of Eleventh Five Year plan from 2006. Besides, the ‘Sustainable Development (*kechixufazhan*)’ and ‘Scientific Outlook on Development (*kexuefazhanguan*)’ made a significant impact on industrial policies, and emerged as major discourse for CSR (Levine, 2008). Chinese SOEs began to deeply care about the environment, local community and the governance structure, and tried to follow the global guidelines like GRI or ISO 26000. In addition, the consumer rights, migrant employee welfare and labor practices were also tackled as the important topics (Choi, 2016). Historically the government initiative CSR of China was officially advent with the announcement of a new ‘Company Law’ in 2006 (Noronha *et al.*, 2013). After that Labor Contract Law, Consumer Protection Law, Production Safety Law, Trade Union Law, Antimonopoly Law made a big contribution to the normalization of CSR. Further many regulatory bodies like the government agencies, academic research centers, stock exchanges, industry associations or NGOs have release their own CSR standards, and requested Chinese firms publish SR reports in voluntary or in mandatory (Noronha *et al.*, 2013: 31; Levine, 2008: 52).

At around the Beijing Olympic in 2008, the social requests for CSR have been much more than before because of a series of accidents like Sichuan earthquake, the melamine infant milk accident, Foxconn employees’ suicide cases (Choi, 2014). Furthermore the heavy smog made CSR an urgent issue in China. A more proactive stance for CSR being over a window dressing role was needed. At the fourth period of CSR development, Xijiping-Likeqiang leadership suggested somewhat different CSR issues (Choi, 2016). Key assignments of economy policies put on the ecological urbanization, private business support and seven strategic industry development plans. Most of all, Xijiping government intended to be more familiar with a relatively low growth, the target rate for GDP growth, 7% during the Twelfth-Five Year from 2011 to 2015. Also Chinese style ‘New Normal,’⁹

⁹ New Normal is a term in business and economics that refers to financial conditions following the financial crisis in 2008 and aftermath of the 2008-2012 global recessions. The term has since been used in a variety of other contexts to imply that something which were previously abnormal events like low growth, low price, low consumption, zero interest rate or high

Xinchangtai, also requires firms or people to adapt the expected low growth. Since 2012 the *Xinchangtai* has been a new ideology of China in accessing the ‘Sustainable Development.’ The Creating Share Value (CSV)¹⁰ between business and society began to be mentioned as a new agenda of CSR from the fourth period. Specifically it demanded new businesses for the environment friendly new energy, health care & medical services for rural areas, the migrant workers reeducation.

But Chinese government has been more interest in making its own CSR standards while emphasized that CSR approach needs to be closely concerned with the sociocultural context of each country. So every CSR standard should be tailored to the unique situations of China from the Chinese government perspective (Xu & Yang, 2010). In fact most of CSR discourse of China resulted from Chinese government rather than SOEs, private firms or NGOs. But the government-led CSR initiatives to make the ‘Chinese characteristics’ standards caused a significant difference between global standards and Chinese ones. It works as a critical obstacle for Chinese companies to go abroad because they need to follow the global standards for the reputation as a trustable company. Among many local guidelines of China,¹¹ the CASS CSR 3.0 announced in 2013 is the most popular.

3.3 CSR Practice of Japan

As long as the CSR reporting or activities, Japanese companies have been a role model in Asia, particularly for the environment conservation and eco-friendly technology. Currently not a few Japanese firms actively drive their positions as the energy saving & clean technology innovators together with the national image of Japan which transformed itself from a ‘grey’ country to a ‘green’ nation. However it did not exist an agreed opinion when the CSR started in Japan from the global perspective. Most of all there have been different ideas for the definition of CSR in Japan, and it was not easy to find a compromising point among Japanese practices and Western practices. Japanese own practices have been based on the concept, ‘Company is a social organization to create a value’ (Kim, 2013: 238). Since the early 1950s, after the U.S military occupation period finished, Japanese firms had tried to supply better products for daily necessities with a cheap price. Japanese firms regarded it as their basic duty, which generally resulted from a patriotic passion for rebuilding the country as soon as possible. Naturally the economic contribution for society had been managed as top priority of CSR until the early 1970s.

However lots of side effects of rapid growth in the 1960s including air pollution, environment accidents or industrial disasters caused the firms to take a more social responsibility. In particular two environmental accidents, Minamata disease¹² and Itai-Itai disease¹³ made a big impact on Japan. Also the global oil crises of the 1970s required the leading firms of Japan actively apply their technologies to improve the energy efficiency. The voluntary business guidelines for firms had been

unemployment. In addition the mobile technology innovation, online banking and the government role increase are also important features of the New Normal.

¹⁰ Porter & Kramer (2011) proposed a new idea for CSR, the CSV (Creating Shared Value) concept to be able to create a long-term competitive advantage of a firm by simultaneously pursuing both the business performance and the social value.

¹¹ After the New Company Law released in 2006, Shenzhen Stock Exchange (SZSE) published the first guideline to request the issuance of voluntary CSR. In 2008 the State Environment Protection Administration of China published a mandatory regulation requiring companies open the environmental information, and Shanghai Stock Exchange (SSE) suggested two mandatory rules, the ‘Guidelines on Listed Companies’ Environmental Information Disclosure,’ and the ‘Notice on Strengthening Listed Companies’ Assumption of Social Responsibility.’ The Sated-owned Asset Supervision and Administration Commission (SASAC) announced a mandatory ‘Notification on Issuance of the Guideline on Social Responsibility’ targeting for central SOEs (Choi, 2014: 345-346).

¹² Minamata disease initially discovered in Minamata city in Kumamoto, Japan in 1956. It was caused by the release of methylmercury in the industrial wastewater from the Chisso corporation’s chemical factory from 1932 to 1968. Until March 2001, 2,265 victims had been officially recognized as having Minamata disease, and among them 1,784 died.

¹³ Itai-Itai disease was the name given to the mass cadmium poisoning of Toyama, Japan starting at around 1912. Cadmium poisoning can cause softening of bones and kidney failure. The cadmium was released into rivers by mining firms in the mountains, and the disease has been known as one of four big pollution diseases of Japan.

made to preserve the ecosystems, conserve natural resources, and protect the health & safety of general people. Accordingly not only the legal and economic responsibility but also the ethical responsibility had been strongly required from the 1970s. In fact the managerial ethic was much more highlighted in Japan after the collapse of bubble economy in the 1980s. Two key agenda for CSR included the environment and managerial ethic throughout the 1980s. In addition the CEOs of Japanese firms treated the employees as a member of family, and tried to guarantee the lifetime employment. There existed a kind of reciprocal coexistence between employee and company, and the collaborative relationship with sub-contractors or parts suppliers, mostly small & medium firms, became deeply concerned with a continuous growth. Therefore the stakeholder approach had been already popular for many Japanese firms in the 1980s. Western style stakeholder model was not introduced yet in Japan, but Japanese style stakeholder approach¹⁴ had been taken elaborately throughout the 1990s (Sagong, 2006: 52-53).

As the export driving policies declined and Japanese economic bubble began to burst from the early 1990s, the Japanese stock market collapsed without fully recovering. After that a more comprehensive social responsibility that covers customer, local community, creditor, government emerged. In order to survive in a low growth period, Japanese companies had to convert the quantity oriented growing pattern to a quality centric growing. Especially the eco-friendly, energy saving, new energy business suggested something new growth potential for Japanese firms as well as government throughout the 1990s. As a result the environment management skill or energy saving technology and international cooperation to tackle the greenhouse gas emission or global warming became favorable topics of Japanese firms trying to differentiate themselves through environmental issues. In fact Japanese firms have long been concerned with the natural environment (Fukukawa and Moon, 2004; Tanimoto, 2009). However the time when Japanese firms began to take a deep interest in global trend and guidelines for CSR was the early of 2000s (Kim, 2013: 245; Kwak, 2010: 231). Before that time there was no common understanding of what comprises global standards or of which policies are the best for CSR activities of Japanese firms. From the mid 2000s, Japanese firms have begun to be influenced by the global CSR standards and apply them into the Japanese context (Fukukawa & Moon, 2004; Tanimoto, 2013). Besides the global pressure has come to embody the notion of the 'triple bottom line' where Japanese firms were expected to take seriously the issues for environmental and social sustainability as well as economic value (Fukukawa & Teramoto, 2009).

It can be said that CSR practices of Japan has been rapidly institutionalized from around the mid-2000s. Regarding the CSR institutionalization, Japanese government made a new 'Companies Act' in 2006, which covers all of the related laws and required a higher level of responsibility of auditors and directors. Also the 'Financial Instruments and Exchange Law' that enacted in 2007 expanded the scope of organizations controlled by the law in order to improve the credibility of disclosures for the listed firms as well as unlisted ones. The Japan Corporate Governance Forum (JCGF), a public organization for the desirable governance structure, released the revised 'Corporate Governance Principles' in 2001. The Global Industrial and Social Progress Research Institute (GISPRI) set up by Minister of International Trade and Industry has studied diverse CSR topics, and suggested its own CSR issues. The Kabunushi (Shareholders') Ombudsman is a nonprofit organization made by voluntary collaboration among accountants, lawyers, consultants, academics and general stakeholders.

The Keidanren,¹⁵ so called the 'Japan Business Federation' is a comprehensive economic

¹⁴ Actually Western 'stakeholder model' has been far from Japanese CSR approaches because Japanese firms have developed their own social responsibility norms and governance traditions as a core of their business culture. Therefore they have adopted many aspects of Western governance codes or CSR concepts, but at the same time they have kept their own ways of thinking and doings with having the 'Japanized' traits (Tanimoto, 2009).

¹⁵ Keidanren was made in August 1946, immediately after the end of World War II, with the aim of reconstruction and recovery of the Japanese economy. Traditionally Keidanren has played a role of representing Japanese big conglomerates' interests, and is generally considered the most conservative of the private business associations together with the Japan Chamber of Commerce and Industry and the Japan Association of Corporate Executives. Keidanren has published the survey result of corporate philanthropic activities in every year since 1991.

organization with 1,340 representative companies' members of Japan and 109 nationwide industrial associations as of June 2016. The objectives of Keidanren include the contribution to the self-sustained economic development and the improvement of general people through the organic collaboration among firms, customers, government and civil societies. Keidanren published the 'Charter of Good Corporate Behavior' in 1991, and revised it five times until 2010.¹⁶ It has been considered as one of influential guidelines for ethic management and CSR in Japan (Wokutch, 2014; Kwak, 2010; Sagong, 2006; Fukukawa & Moon, 2004).

4. Automobile Makers' Social Responsibility Reporting

Key findings of the coverage rate analysis¹⁷ for 'Environment' and 'Labor practice & decent work' articles of GRI G4 can be summarized as three points. Firstly, all of Japanese vehicle makers and Hyundai (HMC) showed higher coverage rates than the rates of GM Korea (GMK) or Chinese makers for Environment articles of GRI G4. Among total 34 environmental articles of GRI G4, the number of full disclosure articles of Toyota report was 18, and the number of partially covered articles was 8, so the coverage rate was 53%, 24% respectively (Table 1). The detailed data for the coverage condition of each maker for every article can be referred to the Appendix (Table 3), (Table 4) and (Table 5).

(Table 1) Coverage Rate Analysis for Each CSR Report by Environment Articles of GRI G4 (%)

| Major Makers | Full Disclosure | | Partial Disclosure | | No Disclosure | | Reporting Standard of Each Maker |
|--------------|-----------------|------|--------------------|------|----------------|------|----------------------------------|
| | No.of Articles | Rate | No.of Articles | Rate | No.of Articles | Rate | |
| Toyota | 18 | 52.9 | 8 | 23.5 | 8 | 23.5 | ISO26000 |
| Honda | 16 | 47.1 | 13 | 38.2 | 5 | 14.7 | GRI G4 |
| Nissan | 21 | 61.8 | 9 | 26.5 | 4 | 11.8 | GRI G4, UNGC |
| Mazda | 19 | 55.9 | 8 | 23.5 | 7 | 20.6 | GRI G3.1, ISO26000 |
| Subaru | 18 | 52.9 | 12 | 35.3 | 4 | 11.8 | ISO26000 |
| Hyundai | 17 | 50.0 | 10 | 29.4 | 7 | 20.6 | GRI G4 |
| GMK | 11 | 32.4 | 8 | 23.5 | 15 | 44.1 | GRI G4 |
| SAIC | 3 | 8.8 | 5 | 14.7 | 26 | 76.5 | CASS CSR3 |
| FAW | 6 | 17.6 | 9 | 26.5 | 19 | 55.9 | GRI G4, ISO26000 |
| DFMC | 2 | 5.9 | 11 | 32.4 | 21 | 61.8 | CASS CSR3, GRI G4 |
| ChangAn | 3 | 8.8 | 5 | 14.7 | 26 | 76.5 | N/A |
| BAG | 4 | 11.8 | 8 | 23.5 | 22 | 64.7 | GRI G4, CASS CSR3 |
| GAC | 1 | 2.9 | 12 | 35.3 | 21 | 61.8 | GRI G4, ISO26000 |
| BYD | 4 | 11.8 | 7 | 20.6 | 23 | 67.6 | GRI G4 |
| Geely | 6 | 17.6 | 12 | 35.3 | 16 | 47.1 | GRI G4, ISO26000 |
| JAC | 5 | 14.7 | 8 | 23.5 | 21 | 61.8 | CASS CSR3, GRI G4 |

Source: Own Research

The coverage rate for full disclosure, partial disclosure articles in Honda report was 47%, 38% each, but the coverage rate of Nissan report for full disclosure reached 61.8% which recorded the highest

¹⁶ The Charter was initially made in 1991, the second version released in 1996 and the third one was presented in 2002. And the fourth, the fifth version was released in 2004, in 2010 respectively.

¹⁷ As mentioned at the methodology of this study, among the twenty automobile makers Kia, Renault-Samsung, Chery, GWM were excluded from the coverage rate analysis because they did not release any reports yet.

among the 16 vehicle makers. In case of five Japanese makers and Hyundai, the sum of coverage rates for full disclosure and partial disclosure went over 76% with recording the highest sum, 88%. It means that these makers substantially come close to the global level of CSR requirements as long as the environment and labor practices. On the other hand, all of the coverage rates of Chinese makers for full disclosure did not go over 20%. The sum of coverage rates of Chinese makers for full disclosure and partial disclosure were mostly below 40% except Geely (53%), FAW (44%). So it can be said that Chinese automobile makers are still far away from the environment articles of GRI G4.

Secondly, Chinese automobile makers showed relatively higher coverage rates for 'Labor practices and decent work' than the coverage rates for environment. On the contrary, the coverage rates of Japanese or Korean vehicle makers for labor practices were generally lower than the coverage rates for environment. The coverage rate for full disclosure of Toyota, Honda, Nissan was 31%, 25%, 31% each, and both Mazda and Hyundai were 38% (Table 2). But the almost half of labor articles were rarely touched by Japanese or Korean makers, so the sum of coverage rates for full disclosure and partial disclosure stayed at the range of 44~56%. Only Honda's coverage rate reached 75% with showing the 50% coverage rate of partial disclosure. Among Chinese makers, the coverage rates of Geely and DFMC were very noticeable. The sum of coverage rate for full disclosure and partial disclosure of Geely, DFMC was 63%, 50% respectively. Geely also recorded the highest coverage rate for environment articles of GRI G4, so it can be argued that among Chinese makers Geely was the most close to the global level of CSR as for environment and labor. However most of SOEs including SAIC, FAW showed the range of 56~63% no-disclosure rates for labor articles, and the no-disclosure rate of BYD, GAC reached 75%, 69% respectively. So it can be argued that the government initiative standards caused such low coverage rates because many Chinese makers followed the 'Four Factors Integrative' structure of the CASS CSR 3.0 in making reports (Choi, 2016).

(Table 2) Coverage Rate Analysis for Each CSR Report by Labor Practices Articles of GRI G4 (%)

| Major Makers | Full Disclosure | | Partial Disclosure | | No Disclosure | |
|--------------|-----------------|------|--------------------|------|----------------|------|
| | No.of Articles | Rate | No.of Articles | Rate | No.of Articles | Rate |
| Toyota | 5 | 31.3 | 3 | 18.8 | 8 | 50.0 |
| Honda | 4 | 25.0 | 8 | 50.0 | 4 | 25.0 |
| Nissan | 5 | 31.3 | 4 | 25.0 | 7 | 43.8 |
| Mazda | 6 | 37.5 | 3 | 18.8 | 7 | 43.8 |
| Subaru | 5 | 31.3 | 2 | 12.5 | 9 | 56.3 |
| Hyundai | 6 | 37.5 | 1 | 6.3 | 9 | 56.3 |
| GMK | 4 | 25.0 | 3 | 18.8 | 9 | 56.3 |
| SAIC | 2 | 12.5 | 5 | 31.3 | 9 | 56.3 |
| FAW | 3 | 18.8 | 4 | 25.0 | 9 | 56.3 |
| DFMC | 6 | 37.5 | 2 | 12.5 | 8 | 50.0 |
| ChangAn | 1 | 6.3 | 5 | 31.3 | 10 | 62.5 |
| BAG | 4 | 25.0 | 2 | 12.5 | 10 | 62.5 |
| GAC | 1 | 6.3 | 4 | 25.0 | 11 | 68.8 |
| BYD | 2 | 12.5 | 2 | 12.5 | 12 | 75.0 |
| Geely | 5 | 31.3 | 5 | 31.3 | 6 | 37.5 |
| JAC | 1 | 6.3 | 6 | 37.5 | 9 | 56.3 |

Source: Own Research

Thirdly, it needs to pay attention to the convergence trend of reporting guidelines among automobile makers. Most of automobile makers mentioned the GRI G4 or G3.1 as the reporting guideline, and ISO 26000 was the secondly more mentioned. Honda, Nissan, Mazda, Hyundai, GMK applied GRI G4 or G3.1 as the report guideline but Toyota and Subaru used ISO 26000. Among Chinese makers, FAW, GAC and Geely mentioned two guidelines, GRI G4 and ISO 26000. Also DFMC, BAG and JAC applied both CASS CSR 3.0 and GRI G4 as the guidelines. But it is hard to say whether such two guidelines approach is better than one guideline or not. SAIC mentioned only CASS CSR 3.0, and BYD used only GRI G4 but ChangAn did not suggest any guideline. Overall the reporting practices of Chinese makers generally did not go beyond the level of public relations like the charity or donation. The reports of Chinese makers were still far away from the CSR objectives or performance indexes of GRI G4. Although there is a clear gap between Chinese makers' reports and global guidelines, it is very meaningful that many Chinese makers already accepted the GRI G4 or ISO 26000 as the CSR guideline. Especially they will face with a higher level of CSR requirements as they more intend to go abroad. At the same time, the government initiative local standards will be rarer outside of China. It means that the converging trend of CSR standards will be more intensified not only in Korea or Japan but also in China.

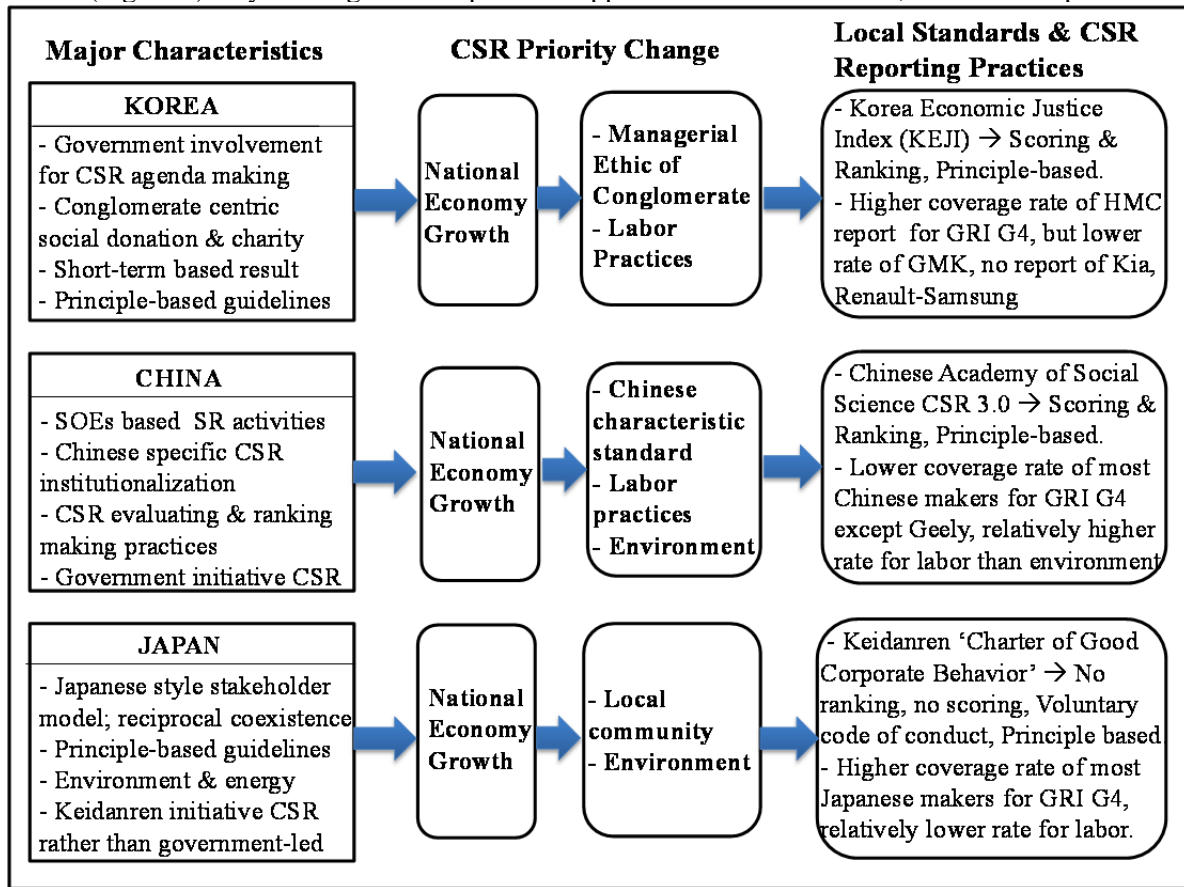
5. Conclusion

There has been the difference of CSR approaches among Korea, China and Japan. But CSR trends of them are converging on global standards like GRI or ISO 26000. This study suggested four questions at the introduction, and key findings can be summarized as below (Figure 1). Firstly, the noticeable commonality of CSR development processes among three countries is the significance of 'economic responsibility' at the initial stage of national economy growth. Every company of three countries should have made some contribution to the national economy development in 1950s~1960s of Japan, 1960s~1970s of Korea, 1980s~1990s of China. But the CSR issues became so diverse as to cover social issues like managerial ethic or labor practices after the global standards began to be introduced from the early 2000s.

Secondly, the responses of government or NGOs among three country to access the side effects of rapid growth were somewhat different each other. In case of Japan, environment issues were managed seriously from the Japanese style stakeholder perspective. However in Korea the managerial ethic of conglomerates and labor practices emerged as the urgent issues. Chinese government put more emphasis on Chinese specific CSR standard while managing the environment as core issues. Among the local standards of three countries, 'Korean Economic Justice Index (KEJI)' pays more attention on the soundness of governance structure, the fair trade and managerial transparency. Japanese Keidanren's 'Charter of Corporate Behavior' shows very well what the Japanese style stakeholder is because it suggests the necessity of reciprocal coexistence among various stakeholders. The CASS CSR 3.0 of China is a meaningful outcome of the government-led CSR initiative but it is more close to a principle-based standard rather than the rule based one. Also one of main purposes is to evaluate the CSR performance and to determine the CSR raking which are uncommon practices globally.

Thirdly, as for the reporting practices of major automobile makers, Japanese makers and Hyundai showed higher coverage rates than Chinese makers as for environment of GRI G4. But Chinese makers showed relatively higher coverage rates for labor practices than the environment of GRI G4. The coverage rates of Japanese and Korean makers for labor practices were mostly lower than the rates for the environment. Overall, most of automobile makers used the GRI G4 (G3.1) as the reporting guideline, and the ISO 26000 was the secondly more used. Therefore the convergence trend of CSR standards toward GRI G4 or ISO 26000 turned out to be very popular in the automobile industry of three countries.

(Figure 1) Key Findings of Comparative Approach for CSR in Korea, China and Japan



Source: Own Research

Finally, the diffusion possibility of GRI G4 or ISO 26000 toward other industries is also very high. It is not necessary to mean that local standards of each country gradually disappear as time goes on. There will be continuous conflicts between the universality and uniqueness for local standards. Especially the human rights and a few labor practices are still too tough to find a matching point between global standard and Chinese perspective. But the integration efforts to make the universal CSR standard for every organization in the world already became an irrevocable trend.

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Appendix (Table 3) Detailed Data of Coverage Rate Analysis for Japanese, Korean Makers: Labor

| Labor Practices and Decent Work Articles of GRI G4 | Toyota | Honda | Nissan | Mazda | Subaru | HMC | Kia |
|---|---------------|--------------|---------------|--------------|---------------|------------|------------|
| LA1. Total number & rate of new employee hires & employee turnover by age group, gender, region | O | O | O | O | O | O | |
| LA2. Benefits provided to full-time employees that are not provided to temporary, part-time employees | X | P | X | X | X | X | |
| LA3. Return to work & retention rates after parental leave, by gender | O | O | O | O | O | O | |
| LA4. Minimum notice periods for operational changes, and whether specified in collective agreements | X | X | X | X | X | X | N |
| LA5. Percentage of total workforce in formal joint management for occupational health & Safety | P | P | P | P | P | X | O |
| LA6. Type of injury & rates of injury, occupational diseases, lost days, absenteeism by region & gender | P | P | P | X | P | P | |
| LA7. Workers with high incidence or high risk of diseases related to their occupation | X | X | X | X | X | X | R |
| LA8. Health, Safety topics covered in formal agreements with trade unions | O | O | O | O | O | O | E |
| LA9. Average hours of training per year per employee by gender, and by employee category | P | P | P | O | X | O | P |
| LA10. Programs for skill management & life-long learning for continued employability of employees | O | P | O | O | O | O | O |
| LA11. Percentage of employees receiving regular performance & career reviews by gender, by category | X | P | P | P | X | X | R |
| LA12. Composition of governance bodies & breakdown of employees by gender, age, minority group | O | O | O | O | O | O | T |
| LA13. Ratio of basic salary & remuneration of women to men by employee category, by locations | X | P | X | P | X | X | |
| LA14. Percentage of new suppliers that were screened using labor practices criteria | X | X | X | X | X | X | |
| LA15. Significant actual & potential negative impacts for labor practices in supply chain & actions | X | P | X | X | X | X | |
| LA16. Number of grievances about labor practices filed, addressed, resolved by grievance mechanisms | X | X | X | X | X | X | |

Source: Own Research (O: Full Disclosure, P: Partial Disclosure, X: No Disclosure)

Appendix (Table 4) Detailed Data of Coverage Rate Analysis for Japanese, Korean Makers: Environment

| Environment Articles of GRI G4 | Toyota | Honda | Nissan | Mazda | Subaru | HMC | Kia |
|--|--------|-------|--------|-------|--------|-----|-----|
| EN1. Material used by weight or volume | O | P | O | O | O | O | |
| EN2. Percentage of Materials used that are recycled input materials | O | P | O | O | P | P | |
| EN3. Direct energy consumption within organization | O | O | O | O | O | O | |
| EN4. Energy consumption outside of organization | O | O | O | O | O | O | |
| EN5. Energy intensity | P | P | O | O | P | O | |
| EN6. Reduction of energy consumption | O | O | O | O | O | O | |
| EN7. Reductions in energy requirements of product & services | O | O | O | O | O | P | |
| EN8 Total water withdrawal by source | O | P | O | O | O | O | |
| EN9. Water sources significantly affected by withdrawal of water | P | P | P | P | P | P | |
| EN10. Percentage & total volume of water recycled and reused | X | X | P | X | X | O | |
| EN11. Operational sited owned, leased, managed areas of high biodiversity value | O | P | P | P | P | X | N |
| EN12. Description of significant impacts of activities on biodiversity in protected areas | P | P | P | P | P | P | O |
| EN13. Habitats protected or restored | P | P | X | X | P | X | |
| EN14. Total number of IUCN Red list species & conservation list species with habitats in operation areas | X | X | X | X | X | X | R |
| EN15. Direct greenhouse gas emissions | O | O | O | O | O | O | E |
| EN16. Energy indirect greenhouse gas emissions | O | O | O | O | P | O | |
| EN17. Other indirect greenhouse gas emissions | P | O | O | P | O | P | P |
| EN18. Greenhouse gas emissions intensity | O | O | O | O | O | O | |
| EN19. Reduction of greenhouse gas emissions | O | O | O | O | O | O | O |
| EN20. Emissions of ozone-depleting substances | P | P | P | P | O | P | |
| EN21. Nox, Sox & other significant air emissions | X | O | O | O | O | O | R |
| EN22. Total water discharged by quality & destination | P | O | O | O | P | O | |
| EN23. Total weight of waste by type & disposal method | O | P | O | O | O | O | T |
| EN24. Total number & volume of significant spills | O | P | P | P | P | P | |
| EN25. Weight of transported, treated waste deemed hazardous under the terms of Basel Convention | X | P | P | P | P | P | |
| EN26. Identity, size & biodiversity value of water bodies & habitats affected by discharges of water | X | X | X | X | X | X | |
| EN27. Extent of impact mitigation of environmental impacts of products & services | O | O | O | O | O | O | |
| EN28. Percentage of products sold & their packaging materials that are recycled by category | O | O | O | P | P | X | |
| EN29. Monetary value of fines, non-monetary sanctions for non-compliance with environmental laws | X | X | P | X | P | O | |
| EN30. Significant environmental impacts of transporting products & materials used for operations | O | O | O | O | O | P | |
| EN31. Total environmental protection expenditures & investments by type | O | O | O | O | O | O | |
| EN32. Percentage of new suppliers that were screened using environmental criteria | X | P | P | X | X | X | |
| EN33. Significant actual & potential negative environmental impacts in supply chain and actions | P | O | O | O | O | P | |
| EN34. Number of grievances about environmental impacts filed, resolved by grievance mechanisms | X | X | X | X | O | X | |

Source: Own Research (O: Full Disclosure, P: Partial Disclosure, X: No Disclosure)

Appendix (Table 5) Detailed Data of Coverage Rate Analysis for Chinese Makers: Environment & Labor

| GRIG4 | GMK | Renault_S | SAIC | FAW | DFMC | ChangAn | BAG | GAC | BYD | Geely | JAC | Chery | GWM |
|-------|-----|-----------|------|-----|------|---------|-----|-----|-----|-------|-----|-------|-----|
| EN1 | X | | X | X | X | X | X | X | X | P | X | | |
| EN2 | P | | X | P | P | X | X | X | X | P | P | | |
| EN3 | O | N | O | O | P | O | O | P | P | O | O | N | N |
| EN4 | X | | X | X | X | X | X | X | P | X | X | | |
| EN5 | P | O | X | O | X | X | P | X | X | X | X | O | O |
| EN6 | O | | O | O | O | O | O | P | P | P | P | | |
| EN7 | O | | P | P | P | O | P | P | P | P | O | | |
| EN8 | O | | X | X | X | X | P | X | X | P | X | | |
| EN9 | X | R | X | X | X | X | X | X | X | X | X | R | R |
| EN10 | O | | X | O | X | X | X | P | X | O | O | | |
| EN11 | X | E | X | X | X | X | X | X | X | X | X | E | E |
| EN12 | X | | X | X | X | X | X | P | X | P | X | | |
| EN13 | P | P | X | X | X | X | X | X | X | X | X | P | P |
| EN14 | X | | X | X | X | X | X | X | X | X | X | | |
| EN15 | O | O | P | O | P | P | P | P | O | P | P | O | O |
| EN16 | O | | P | P | P | X | P | P | P | X | X | | |
| EN17 | X | R | X | P | X | X | X | X | P | X | X | R | R |
| EN18 | O | | X | X | X | X | X | X | X | X | X | | |
| EN19 | O | T | P | P | P | P | P | P | O | P | X | T | T |
| EN20 | P | | X | X | X | X | X | X | X | X | O | | |
| EN21 | O | | X | P | P | X | X | P | O | O | P | | |
| EN22 | P | | X | P | X | X | O | P | X | P | O | | |
| EN23 | P | | P | X | P | P | P | P | X | P | P | | |
| EN24 | P | | X | X | X | X | X | X | X | X | X | | |
| EN25 | X | | X | X | X | X | X | X | X | X | X | | |
| EN26 | X | | X | X | X | X | X | X | X | X | X | | |
| EN27 | O | | O | O | O | P | O | O | O | O | O | | |
| EN28 | X | | X | X | X | X | X | X | X | X | X | | |
| EN29 | X | | X | X | X | X | X | X | X | O | X | | |
| EN30 | X | | X | P | P | X | X | P | P | P | P | | |
| EN31 | X | | X | P | P | X | P | X | X | X | P | | |
| EN32 | P | | X | X | X | X | X | X | X | X | X | | |
| EN33 | X | | X | X | P | P | X | X | X | X | P | | |
| EN34 | X | | X | X | X | X | X | X | X | P | X | | |
| LA1 | O | | P | O | P | P | O | P | P | O | P | | |
| LA2 | X | | X | X | X | X | X | X | X | X | X | | |
| LA3 | X | | X | X | X | X | X | X | X | X | X | | |
| LA4 | P | | X | X | X | X | X | X | X | X | X | | |
| LA5 | P | | P | X | O | P | O | X | P | P | X | | |
| LA6 | P | | P | O | O | X | P | X | X | P | P | | |
| LA7 | X | | P | P | O | X | P | X | X | P | X | | |
| LA8 | O | | O | P | O | O | O | P | O | O | P | | |
| LA9 | X | | X | P | P | X | X | P | X | O | P | | |
| LA10 | O | | O | O | O | P | O | O | O | O | O | | |
| LA11 | X | | X | X | X | P | X | X | X | P | P | | |
| LA12 | O | | X | X | O | X | X | X | X | O | P | | |
| LA13 | X | | X | X | X | X | X | X | X | X | X | | |
| LA14 | X | | X | X | X | X | X | X | X | X | X | | |
| LA15 | X | | X | X | X | X | X | X | X | X | X | | |
| LA16 | X | | P | P | X | P | X | P | X | P | X | | |

Source: Own Research (O: Full Disclosure, P: Partial Disclosure, X: No Disclosure)