APAC Businesses Must Lift CSR Disclosure

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Companies in Asia Pacific still need to lift their level of corporate social responsibility (CSR) disclosure, while Southeast Asia is lagging behind the rest according to an annual survey conducted by CSR Asia.

The Asian Sustainability Rating is CSR Asia's proprietary research, which ranks the 200 largest listed companies in ten markets operating in Asia Pacific on their sustainability disclosure.

Australian companies are leading the way in reporting of CSR activities, followed by India and Japan.

"CSR disclosure reflects the transparency and accountability of companies in Asia Pacific. We have seen a great improvement in corporate disclosure in recent years and this is rapidly becoming an important part of business strategy for responsible companies," Richard Welford, chairman of CSR Asia, said.

ANZ Banking Group (98%) and BHP Billiton (95.1%) from Australia were the top performers in Asia Pacific with close to perfect scores. India's Tata Consultancy Service (90.2%) was close behind in third place.

"Leading companies tend to be the largest companies with recognised brands who clearly see disclosure as an important aspect of their reputation," Welford said.

"Although there is a general upward trend in CSR disclosure among Asia Pacific companies, there is still room for improvement."

While the top 20 companies scored 75% and above, only 60 out of 200 companies scored above 50%. In particular, companies in Southeast Asia lagged behind with Thailand (29.5%) and Singapore (25.5%) ranked low in the ratings.

Of the six areas of disclosure, general reporting on policies, codes of conduct and governance structures had the highest levels of disclosure, followed by environment and CSR strategy and communication. Social indicators linked to workplace and marketplace issues were found to be the least reported.

"We expect disclosure to continue to increase as pressure from governments, stock exchanges and institutional investors mounts. Such pressure is being matched by a recognition that increased disclosure is good for brand development, reputation and trust."

The 10 markets surveyed were Australia, China, Hong Kong, India, Japan, Malaysia, Pakistan, Philippines, Singapore and Thailand.

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