APPENDICES
## Appendix I: Disclosure Checklist

<table>
<thead>
<tr>
<th>Tasks</th>
<th>General</th>
<th>(Employee)</th>
<th>Community</th>
<th>Products</th>
<th>Environment</th>
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### Total Amount of Measured Pages Disclosure (to the nearest 10%)
APPENDIX II: Checklist of categories of social disclosure

The following is taxonomy of the types of corporate social disclosure that form the substance of the content analysis of annual reports. The list is intended to represent an exhaustive itemization of information with social importance. This list is a direct adaptation of Hackston and Milne (1996)

Environment
1. Environment Pollution
   - Pollution control in the conduct of the business operations; capital, operating research and development expenditures for pollution abatement;
   - Statements indicating that the company's operations are non-polluting or that they are in compliance with pollution laws and regulations;
   - Statements indicating that pollution form operations has been or will be reduced;
   - Prevention or repair of damage to the environment resulting from the processing or natural resources e.g. land reclamation or reforestation;
   - Conservation of natural resources, e.g. recycling glass, metals, oils, water and paper;
   - Using recycled materials;
   - Efficiently using materials resources in the manufacturing process

2. Aesthetics
   - designing facilities harmonious with the environment
   - contributions in terms of cash or art / sculptures to beautify the environment
   - restoring historical building or structures

3. Other
   - undertaking environmental impact studies to monitor the company's impact on the environment;
   - wildlife conservation;
   - protection of the environment e.g. pest control .

Energy
- conservation of energy in the conduct of business operations;
- using energy more efficiently during the manufacturing process;
- utilizing waste materials for energy production;
- disclosing energy savings resulting from product recycling;
- discussing the company's efforts to reduce energy consumption;
- disclosing increased energy efficiency of products;
- research aimed at improving energy efficiency of products;
- receiving an award for an energy conservation programme;
- voicing the company's concern about the energy shortage;
- disclosing the company's energy policies.

Employee health and safety
- reducing or eliminating pollutants, irritants or hazards in the work environment;
- promoting employee safety and physical or mental health;
- disclosing accident statistics;
- complying with health and safety standards and regulations;
- receiving safety award;
- establishing a safety department / committee / policy;
- conducting research to improve work safety;
- providing low cost health care for employees.

**Employee other**

1. **Employment or minorities or women**
   - recruiting or employing racial minorities and / or women;
   - disclosing percentage or number of minority and / or women employees in the workforce and / or in the various managerial level;
   - establishing goals for minority representation in the workplace;
   - employment of other special interest groups, e.g. the handicapped, ex-convicts or former drug addicts;
   - disclosures about internal advancement statistics.

2. **Employee training**
   - training of employees through various in-house programmes;
   - giving financial assistance to employees in educational institutions or continuing education overseas;
   - establishment of training centers.

3. **Employee assistance or benefits**
   - providing assistance or guidance to employees who are in the process of retiring or who have been made redundant;
   - providing staff accommodation / staff home ownership schemes;
   - providing recreational activities or facilities;

4. **Employee remuneration**
   - providing amount and / or percentage figures for salaries, wages, PAYE taxes, superannuation;
   - any policies / objectives / reasons for the company's remunerations schemes.

5. **Employee profiles**
   - providing the number of employees in the firm and / or at each branch / subsidiary;
   - providing the occupation / managerial levels involved;
   - providing the disposition of staff – where the staff are stationed and the number involved;
   - providing statistics on the number of staff, the length of service in the company and their age groups;
   - providing per employee statistics e.g. assets per employee and sales per employee;
   - providing information on the qualifications of employees recruited.

6. **Employee share purchase schemes**
   - providing information on the existence of or amount and value of shares offered to employees under a share purchase scheme or pension programme;
   - providing any other profit sharing schemes.

7. **Employee morale**
- providing information on the company / management 's relationship with the employees in an effort to improve job satisfaction and employee motivation;
- providing information on the stability of the worker's job and the company's future;
- providing information on the availability of a separate employee report;
- providing information about any awards for effective communication with employees;
- providing information about communication with employee on management styles management programmes which may directly affect the employees.

8. **Industrial relations**
   - reporting on the company's relationship with trade unions and / or workers;
   - reporting on any strikes, industrial actions / activities and the resultant losses in terms of time and productivity;
   - providing information on how industrial action was reduced or negotiated.

9. **Other**
   - improvement to the general working conditions – both in the factories and for the office staff;
   - information on the re-organization of the company / discussion / branches which affect the staff in any way;
   - the closing down of any part of the organization, the resultant redundancies created, and any relocation / retraining efforts made by the company to retain staff;
   - information and statistics on employee turnover;
   - information about support for day-care, maternity and paternity leave.

**Products**

1. **Product development**
   - information on development related to the company's products, including its packaging e.g. making the containers reusable;
   - the amount / percentage figures of research and development expenditure and /or its benefits;
   - information on any research projects set up by the company to improve its product in any way.

2. **Product safety**
   - disclosing that the products meet the applicable safety standards;
   - making products safer for consumers;
   - conducting safety research on the company's products;
   - disclosing improved or more sanitary procedures in the processing and the preparation of products;
   - information on the safety of the firm's products.

3. **Product quality**
   - information on the quality of the firm's products as reflected in prizes / awards received;
   - verifiable information that the quality of the firm's product has increased e.g. ISO 9000.
Community Involvement
- donations of cash, products or employee services to support established community activities, events, organizations, educations and the arts;
- summer or part-time employment of students;
- sponsoring public health projects;
- aiding medical research;
- sponsoring educational conferences, seminars or art exhibits;
- funding scholarship programmes or activities;
- other special community related activities, e.g. opening the company facilities to the public;
- supporting national pride / government sponsored campaigns;
- supporting the development or local industries or community programmes or activities.

Others
1. Corporate objectives / policies:
   - general disclosures of corporate objectives/ policies relating to the social responsibility of the company to the various segments of the society
2. Other:
   - disclosing / reporting to groups in the society other than the shareholders and employees e.g. consumers, any other information that relates to the social responsibility of the company.
APPENDIX IV: Sample of Questionnaire

Zarina Zakaria
Faculty of Business and Accountancy
University of Malaya
50603 Kuala Lumpur

To Whom It May Concern

Dear Sir or Madam,

Survey on “The Awareness and Perceptions Towards Social Responsibility Reporting Practices by Accounting Practitioners in Malaysia”

I am currently pursuing my postgraduate degree (MBA Accountancy) in University of Malaya. As part of the requirement for the completion of the course, I am required to do a research project. The title of my research is “Corporate Social Responsibility Reporting of Companies Listed on the KLSE: Empirical Evidence”.

2. It is hoped that you can spend some time to fill in the attached questionnaire, as it is vital for the success of my research. All information given will be treated confidentially and will be used for research purposes only. The result of the research will be useful to your company and other future researchers in this field.

Your valuable time and kind attention is greatly appreciated.

Thank you.

Yours sincerely,

(ZARINA ZAKARIA)
Please tick the appropriate answer(s). Approximate time to finish to complete is 10 minutes.

### Objective: Understanding the concept of social responsibility

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<th>Social responsibility accounting and sustainable development are concerned only with environmental issues</th>
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<td>2</td>
<td>Health care, education and pension are not part of social accounting</td>
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<td>Report on employee composition, training and education are public relations statement made by the firm</td>
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### Objective: Perceptions towards social responsibility

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<th>Business is responsible for helping to solve social problems which business may directly create (e.g. pollution)</th>
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<td>Business should help to solve social problems (a) As long as there is some profit potential (b) Even if there is no profit potential (c) Even though doing so may reduce profit</td>
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<td>Corporate social action program will create a favorable image for the corporation</td>
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<td>Corporate social action program will help to preserve business as a viable institution in the society</td>
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<td>Business have the necessary money and capabilities to engage in social action program</td>
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<td>Solving social problems can be profitable</td>
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<td>Most managers are too busy to worry about social objectives</td>
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<td>In difficult economic period, companies are compelled to cut back on corporate social responsibility areas</td>
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### Objective: Importance of corporate social responsibility areas

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<td>12 Equal opportunity, hiring and promotion</td>
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<td>13 Pollution control / environmental impact</td>
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<td>14 Resource conservation measures</td>
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<td>15 Community involvement (e.g. scholarship and sponsorship)</td>
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<td>16 Employee (Health and safety, training, benefits, remuneration, share purchase scheme and morale)</td>
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<td>17 Product – development, safety and quality</td>
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### Objective: The need for audit and standard

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<td>18 To be of use, information on the firm's contribution to the society should be audited?</td>
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<td>19 Do you think that standard is needed to govern the social reporting practices in Malaysia?</td>
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<td>20 Do you think that government intervention through policies is necessary to encourage the social reporting practices in Malaysia?</td>
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APPENDIX III: Decision rules for social disclosures

- Discussion of directors' activities are not to be included as a discussion on employees;
- All sponsorship activity is to be included no matter how much it is advertising;
- All disclosures must be specifically stated, they cannot be implied;
- Good/neutral/bad classifications must be determined from perspective of the stakeholder group involved;
- If any sentence has more than one possible classification, the sentence should be as to the activity most emphasized in the sentence;
- Tables (monetary or non-monetary) which provide information which is on the checklist should be interpreted as one line equals one sentence and classified accordingly;
- Innovations in products or services should not be included unless they are beyond what is necessary to compete in the marketplace or attract business;
- Any discussion of the pension funds or employee share schemes would be classified as good news unless it was clearly to the contrary e.g. that the scheme had been scrapped.
- Any disclosure that is repeated shall be recorded as a CSD sentence each time it is discussed.
- Discussion relating to the quality of goods and services will not be a CSD unless it contains notice of a verifiable change in quality e.g. accreditation to the International Standards Organization ISO 9000 quality series standard.