

## Stakeholder engagement in corporate social responsibility reporting. The case of mining companies

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*Despite the increase of corporate social responsibility (CSR) reporting worldwide, the practices still lack accountability and credibility. In the paper, the authors highlight the issue of undervalued stakeholder involvement in the process of improving the quality of CSR reporting. Thus, this paper aims to answer the question of how stakeholders engage in the process of CSR reporting within the mining industry, and if the mining companies use the stakeholder's feedback to improve this process? The data in the study was analyzed using content analysis of corporate social responsibility reports of coal mining enterprises. The reports were collected from the sustainability report database of the Global Reporting Initiative (GRI). The results indicate that stakeholder communication in the studied reports is more focused on providing than obtaining information from stakeholders. All of the studied companies declare that they engage in dialogue with stakeholders but with different groups. Feedback mechanisms are not very well developed and need more attention from reporting companies.*

**Keywords:** corporate social responsibility, stakeholders, CSR report, communication, mining industry

### Introduction

Corporate social responsibility (CSR) reporting is becoming more and more popular practice nowadays (Peters, 2015; Hąbek, Wolniak, 2016; Ryszko, 2017) also among mining companies (Jonek-Kowalska, 2016b). It is, among other things, the result of increasing expectations about the transparency of the organization's activities. CSR reporting can be defined as the practice of providing information to external and internal stakeholders on the economic, environmental, and social results achieved by an organization in a specific period of time. Companies have been paying growing attention to the importance of showing their CSR commitment through clear and verifiable data and information, similar to more traditional financial documents (Harmoni, 2013; Kołodziej, Maruszczyńska, 2015; Hąbek, Brodny, 2017). In order to fulfill the growing information requirements of the users, organizations tend to report on the broader economic, social and environmental performance in the form of the annual report (with a section dedicated to CSR issues), separate CSR report or integrated report. A CSR report is one of many forms of communication with both external and internal stakeholders. To fulfill its role, the report should include information which is expected by the interested parties. If stakeholders are involved in the reporting process, the report is likely to include suitable indicators, the data disclosed is authenticated and presented in a way which is understandable for the recipients of the report. The recipients of reports feel satisfied if they find the required information in them. Therefore, we can assume that taking into consideration the expectations of stakeholders in the reporting process influences the quality of the reports developed. In an international study carried out due to the development of the guidelines of the Global Reporting Initiative, stakeholder engagement is mentioned as one of the main motivations making companies reporting: 67 % of respondents indicated confidence-building among key stakeholders, 62 % indicated the involvement of investors, employees, and other stakeholders, and 23 % communicate risks, opportunities, and performance to investors (GRI, 2012). Stakeholder dialogue is a basis for the implementation of the CSR concept in practice. A socially responsible organization identifies the requirements and expectations of its stakeholders and considers them when making business decisions. A company desiring to learn from its stakeholders would ask for feedback or carry out a dialog with stakeholders to understand their expectations (Grunig, Hunt 1984; Morsing, Schultz, 2006; Bowen et al., 2010). Companies should collaborate with stakeholders to understand their views and concerns on various environmental, social, corporate governance and economic issues and to incorporate and address those views and concerns in their business decisions (Hąbek, Molenda, 2017; Kozlova et al., 2016). CSR report, in turn, should inform stakeholders how a company has addressed those stakeholders' interests and expectations in its activities.

Because there is a strong interdependence between mining companies and well-being of local communities where they operate and because mining activities also affect other actors and vice versa, it is important to build positive relationships with their stakeholders (Zasadzień, 2014; Midor, Zasadzień, 2015; Jonek-Kowalska,

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2016a). Therefore, the responsible management of a mining enterprise requires stakeholder engagement and building lasting relationships to meet their needs and expectations (Bluszcz, Kijewska, 2014). Stakeholder engagement can be understood as practices the organization undertakes to involve stakeholders positively in organizational activities (Greenwood, 2007). This paper aims to answer the question of how stakeholders are engaged in CSR reporting process within the mining industry and if the mining companies use the stakeholder's feedback to improve this process. Hence, the remainder of the paper is organized as follows. First, the stakeholder theory and CSR reporting are outlined with particular reference. Secondly, we describe the method used and data sources. Thirdly, the findings from the study of CSR reports of mining companies are presented. The paper ends with a discussion and relevant concluding reflection.

### Literature Review

Social responsibility requires building a clear relationship with the internal and external environment. Responsible enterprise is one that cares about the interests of its employees, the local community, and the environment in which it operates (Gaweł, 2015). This means running a business based on building lasting, transparent relationships with its stakeholders (Adamczyk, 2009). In the initial model of Freeman as stakeholders are mentioned: owners, customers, suppliers, employees, competitors, government-administration, and community (Freeman, 1984). The concept of doing business based on building transparent, long-term, and lasting relationships with all stakeholders is called the stakeholder theory. The basic assumptions of the theory are as follows (Berman, Jones, Wick, 1999):

1. The company has relationships with various groups, which are called stakeholders of the organization. Stakeholders influence the organization's activities and are influenced by its activities.
2. This theory analyzes the nature of these relationships from the point of view of the benefits that they can bring to both the organization and its stakeholders.
3. Each stakeholder presents and strives for inner value expects certain expectations. At the same time, he tries to make his expectations dominate the expectations of other stakeholders.
4. This theory focuses on the strategic decision-making process.

In the literature of the subject, we meet different stakeholder classifications. Rogers and Wright (Rogers, Wright, 1998) identified four stakeholder groups based on the types of pressures that are exerted on companies through their relationships: capital market stakeholders (mainly debt and equity holders), product market or consumer stakeholders (mainly those associated with primary business operations), internal organizational or labor stakeholders (such as current and potential employees), and political and social markets (in terms of compliance to society's demands and expectations). There is also another typology in which internal and external stakeholders are identified. Internal stakeholders (insiders) are those who control the business of a company, either by ownership (shareholders) or by virtue of their position in the company (board members, managers, employees). External stakeholders (outsiders) include customers, suppliers, and other groups outside the company interested in doing business. The environment is also a party entering into relationships with the company. It is often called a silent stakeholder. Unlike man, he is unable to convey his demands and expectations directly. Companies, by their activities, violate the balance of natural environment and are therefore obliged to take measures to prevent its degradation (Rybak, 2004).

Stakeholder theory is a fundamental element of corporate social responsibility and building stable relationships with stakeholders will not be possible without effective communication with them. Morsing and Schultz (2006) suggest that organizations develop three distinct communication strategies with stakeholders: informing, responding, and involving. The first strategy refers to a one-way communication process where the organization "informs" the target audience. This strategy is controlled by top management without the intent to learn or change. Sharing information in this model is done by developing and distributing media, news, and press releases. Companies engage with stakeholders to minimize their production and transaction costs by reducing uncertainty (Thorelli, 1986; Williamson, 1991; Herremans et al., 2016). The "response" to stakeholders is based on two-way communication. However, the flow is asymmetrical, suggesting that more information is transferred from the organization to the stakeholder than vice versa. Strong lines of communication, often not face-to-face, exist from the organization to the stakeholders. The organization does not change based on the information it receives from stakeholders but rather aims to change the behavior and views of the public (Herremans, Nazari, Mahmoudian, 2016). The "involve" strategy, is two-way communication in the form of a dialogue in which both participants are demanding change from one another. The most expected situation is when both participants change in response to the information exchanged. Meetings are often face-to-face, involving joint decision making or joint management of a project. Stakeholders may suggest corporate actions (Morsing, Schultz, 2006), and the process can result in capacity building. Dialogue often results in ideas and increased knowledge for all parties regarding continuous improvement (van Huijstee, Glasbergen, 2008). If engagement is face-to-face, the

organization conveys the information, and the stakeholder responds, provides feedback or asks questions enabling organizational learning (Herremans, Nazari, Mahmoudian, 2016).

Stakeholder dialogue is a basis for the implementation of the CSR concept in practice. A socially responsible organization identifies the requirements and expectations of its stakeholders and considers them when making business decisions (Wolniak, Hąbek, 2015; Cierna, Sujova, 2015). A CSR report is a form of communication with both external and internal stakeholders. To fulfill its role, the report should include information which is expected by the interested parties. If stakeholders are involved in the reporting process, the report is likely to include suitable indicators, the data disclosed is authenticated and presented in a way which is understandable for the recipients of the report. The recipients of reports feel satisfied if they find the required information in them. Thus, stakeholder engagement is an important element that should contribute to the process of preparing a CSR report. This is emphasized, for example, in GRI guidelines. The guidelines of the Global Reporting Initiative are widely-used non-financial reporting standard, recognized by companies across the world (Alavi, Hąbek, Cierna, 2016). More than 70 percent of reporting enterprises and organizations use the GRI Guidelines when communicating their impact on sustainable development (Deloitte, n.d.). In the most recent GRI G4 guidelines, the stakeholder inclusiveness principle was transferred to the first position out of four principles for defining report content in order to emphasize its significance and priority compared to the remaining principles and the whole process (Anam, 2013). For example, G4-26 indicator of this guidelines applies to the organization's approach to stakeholder engagement, including frequency of engagement according to the type and stakeholder group, and an indication of whether any of the engagement was undertaken specifically as part of the report preparation process.

Acquiring the knowledge about expectations and interests of stakeholders should be a starting point for the process of preparation of that kind of a report. We have to bear in mind that not all of the organization's stakeholders will use the report. The stakeholder engagement process can help to learn and understand stakeholder expectations and needs. Organizations typically initiate different types of stakeholder engagement, which can be a valuable input into the reporting process. The stakeholder engagements process can take such forms as: one-to-one meetings, interviews, questionnaires and surveys, knowledge exchange groups (including steering groups, advisory panels, multi-stakeholder forums), workshops, focus groups and other types of meetings, including social events, practical demonstrations, including participatory events (for example, training, games). It is important to document the process of stakeholder engagement to make the report more credible. The organization documents its approach for defining which stakeholders it engaged with, how and when it engaged with them, and how engagement has influenced the report content and the organization's CSR activities. Systematic stakeholder engagement enhances the usefulness of the report. Executed properly, it is likely to result in ongoing learning within the organization and by external parties, as well as increase accountability to a range of stakeholders (GRI, n.d.). This paper presents how stakeholder engagement is documented in CSR reports of selected enterprises of the mining industry.

### Methodology

The data in this study were analyzed using content analysis, which is a widely used qualitative research technique. The content analysis was conducted in the following steps:

1. Selection of research material.
2. Repeated reading of texts that entered the sample.
3. Development of a category system.
4. Definition of each category in system.
5. Building tables with quotes.

In the conducted research, the category system was developed before reading the research material, based on the researcher's intuition and expertise of the analyzed problem (Hąbek, 2013; Hąbek, Wolniak, 2016) and then it was compared with the individual reports. As to limit the subjectivity of the analysis, suggested by Szczepaniak (2012), the categorical key in the content analysis was complemented with detailed definitions for each category, and tables with quotes were constructed to provide direct contact with the empirical material. The construction of the categorization scheme is an essential stage of content analysis research. Figure 1 presents the category system developed for the study.

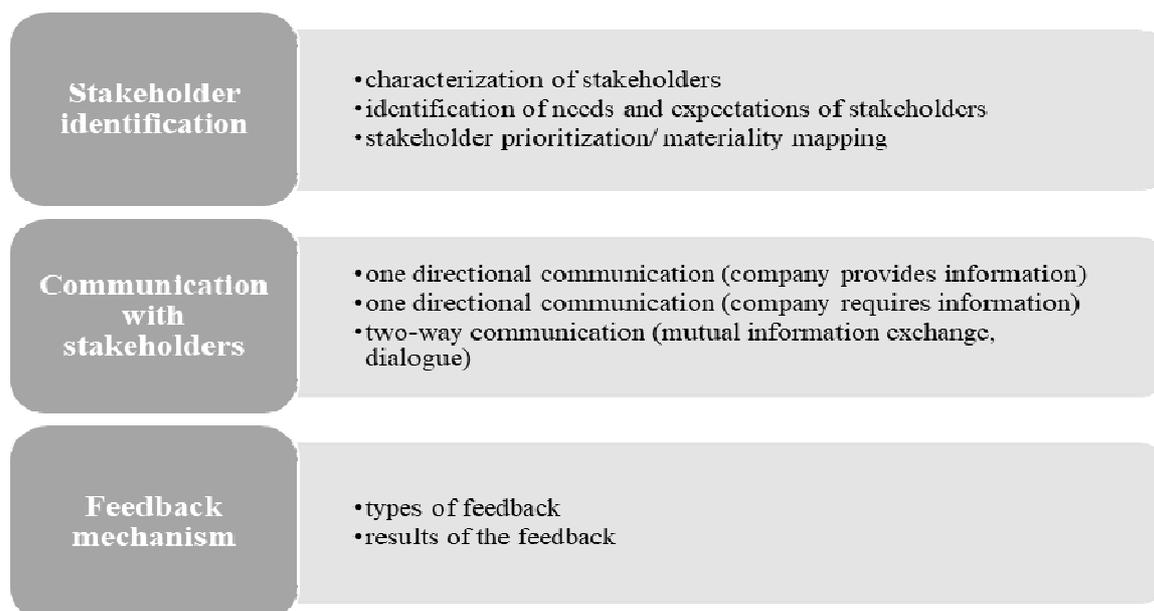


Fig. 1. The category system for the content analysis of CSR reports of mining companies.

A list of detailed definitions for each category in the categorization scheme is presented in Table 1. It contains guidelines on what is included in each category along with how the quotations from the studied reports are attributed.

Tab. 1. Definitions of the categories.

<b>STAKEHOLDER IDENTIFICATION</b>	
Characterization of stakeholder groups	All information about the company's stakeholders, their division into specific groups, ways of identifying them (research, interviews, brainstorming, checklists, lessons learned, etc.)
Identification of needs and expectations of stakeholders	These fragments of the report devoted to presenting the needs and expectations of individual stakeholder groups
Stakeholder prioritization/ determining materiality issues	Those parts of the report where materiality issues are determining. These fragments of the report presenting the stakeholders maps, the methodologies to assess the significance of the organization's impacts, the topics, and indicators raised by the stakeholders. All information on stakeholders prioritization.
<b>COMMUNICATION WITH STAKEHOLDERS</b>	
One-way communication – company provides information	These sections of the report describing ways of providing information to stakeholders. All information about education, stakeholder training, press conferences, open days, publishing reports, newsletters, advertisements
One –way communication – company request information	These sections of the report describing the acquisition of information from stakeholders, such as questionnaires, interviews, focus groups, audits, stakeholder meetings and forums, market research.
Two-way communication – mutual information exchange, dialogue	These sections of the report that describe the mutual information exchange with stakeholders in the form of stakeholder panels and moderated stakeholder dialogues, sessions, the participation of stakeholders in management meetings, etc.
<b>FEEDBACK MECHANISM</b>	
Feedback	These sections of the report that encourages stakeholders to formulate an opinion on the report or CSR policy of the reporting organization. These sections present the types of feedback, feedback forms, etc.
Feedback results	The report presents the results of the feedback. All information regarding taking into account feedback results in the next reporting period.

Building the tables with quotes provides the reader contact with empirical material without having to refer directly to the entire published text. As a result of the conducted analysis tables with quotes related to each category from the categorical key are presented in the results section of this paper.

### Selection of the research material

The content analysis was based on corporate social responsibility reports of coal mining enterprises. The reports for this study was collected from the sustainability report database of the Global Reporting Initiative. Based on criteria such as the 2016 report, region-Europe, sector-mining it was found 33 sustainability reports in the database. Out of the 33 reports, only 3 have been published by coal mining companies, and these reports have been chosen for further analysis. Only publicly available sustainability reports, bilingual, or published in English, was examined in this study.

## Results

The study was based on three reports of coal mining enterprises: Evraz, Glencore and Lubelski Węgiel Bogdanka S.A. Evraz is a multinational enterprise which beside coal mining principle activities is manufacturing steel and steel products, iron ore mining and enrichment, manufacturing vanadium products, trading operations, and logistics. EVRAZ coal segment not only supplies its steel mills with necessary raw material but also provides coking coal to major Russian coke and steel producers and serves export markets with its own seaport. Glencore is also a multinational enterprise, commodity producer and trader, operating worldwide. Its business covers over 90 commodities encompassing metals & minerals, energy products, and agricultural products as well as related marketing and logistics activities. Lubelski Węgiel "Bogdanka" S.A. is one of the leaders in the hard coal market in Poland. The energy coal sold by the company is primarily used for the production of electricity, heat, and cement.

Evraz discloses its sustainability data in an annual report. Its report has been prepared on the basis of the International Integrated Reporting Framework and the GRI G4 Sustainability Reporting Guidelines. Lubelski Węgiel „Bogdanka” S.A. (LW Bogdanka) prepared an integrated report in accordance with GRI G4 in ‘core’ option using the International Integrated Reporting (“IR”) Framework. The LW Bogdanka’s report also takes into account indicators specific for the mining sector, which are described in the mining and metals GRI sector supplement. Glencore disclosed CSR data in a separate CSR report. The report complies with the core level of the Global Reporting Initiative (GRI) G4 sustainability reporting guidelines, including the metals and mining sector supplement. Glencore sustainability report as the only one of the analyzed reports has been independently assured.

The content analysis of these reports has been divided into three categories: stakeholder identification, communication with stakeholders, and feedback mechanism. The results of the analysis taking into account the relevant categories are presented in Tables 2, 3, and 4.

Tab. 2. Quotes in the category stakeholder identification.

STAKEHOLDER IDENTIFICATION		
Characterization of stakeholders groups	EVRAZ GLENCORE	Not mentioned
		<p>“We interact with many diverse stakeholders around the world. We are committed to building transparent and constructive relationships with our partners to deliver sustainable, long-term benefits to all of our stakeholders.</p> <p>A key part of our commitment to operating responsibly is to develop, maintain, and strengthen our relationships with all of our stakeholders.</p> <p>We engage with all stakeholder groups to build meaningful relationships and understand their expectations and aspirations.</p> <p>Engagement, both on regulatory matters and with our stakeholders (our people, labor unions, our host governments, our communities, our host governments, NGOs, business partners, investors, customers) is common to all the material topics identified”.</p>
	Lubelski Węgiel Bogdanka S.A.	<p>“The list of stakeholders applicable at the LW Bogdanka Group covers the following groups: Full-time employees of LW Bogdanka S.A., trade unions, potential employees, former employees, subcontractors’ employees working in the mine, State Labour Inspection, Regional Labour Inspectorate in Lublin, Mine Rescue Stations in Jaworzno. State Mining Authority in Lublin and Regional Mining Authority in Lublin and Central Mining Institute, Local Building Supervision Inspectorate in Łęczna. Environmental organizations, Regional Environmental Protection Inspectorate in Lublin, Polesie National Park Management, State Forests (Forest District Office in Świdnik. Institutional customers, individual customers, key suppliers, and subcontractors. Shareholders with a particular focus on the strategic investor, that is, the Enea Group, banks, Warsaw Stock Exchange, Polish Financial Supervision Authority. Media, universities, and academic employees, technical and sector organizations, governmental (central) administration, non-governmental organizations. Local government administration, local residents, social leaders, local non-governmental organization”.</p>
Identification of needs and expectations of stakeholders	EVRAZ	<p>“In 2015, the Hot Line received c.1.000 requests, and all were examined. The most popular enquiries concerned labour management relations (including c.200 regarding contract details), followed by salaries, social services (transportation, conditions in non-production premises, nutrition, conditions at sites) and PPE (periods, volumes, content of supplements, lifecycle, rules of use and washing), which accounted for c.100 requests each”.</p>
	GLENCORE	<p>“Each asset must complete a stakeholder assessment, covering all stakeholder circumstances, needs, and concerns, as well as potential impacts, risks, and opportunities for that asset. From this assessment, the asset must design an engagement strategy, which may include procedures for information sharing, consultation, and collaboration. This strategy is aligned with the asset’s business objectives and changes to its lifecycle, as well as local concerns and the broader socio-economic situation in the region. Senior management at each asset is aware of progress in implementing these strategies, which we also report on to the local communities involved. We require assets to review the strategies at each stage of their lifecycle to ensure that we continue to be aware of stakeholder priorities and needs.</p> <p>Some of our stakeholders have faced economic and social discrimination in the past.</p>

		These may include indigenous people, women, children, disabled and older people, and victims of conflict. Wherever we operate, we look for these groups during our stakeholder assessments and determine the most appropriate ways to engage with them".
	Lubelski Węgiel Bogdanka S.A.	Not mentioned
Stakeholder prioritization/ determining materiality issues	EVRAZ	Not mentioned
	GLENCORE	<p>"In line with the Global Reporting Initiative (GRI) guidance on materiality, our assessment process begins with a Group-wide review of material topics at global and local levels. This identifies topics raised during structured engagement activities by a broad range of internal and external stakeholders. It considers the issues that affect our peers and the entire sector, assessing media coverage and feedback from local communities.</p> <p>We consider a topic material if senior management determines that it may significantly affect our business operations or have a significant impact on any of our stakeholders".</p>
	Lubelski Węgiel Bogdanka S.A.	<p>"In the course of work to review the earlier strategy of the corporate social responsibility for 2012-2015, comprising the workshop, not only materiality of particular groups was specified but also current and targeted forms of dialogue and involvement of particular stakeholders were identified.</p> <p>The map of stakeholders used for the preparation of the CSR Strategy for 2014-2017 has been considered still valid".</p>

Tab. 3. Quotes in the category communication with stakeholders.

COMMUNICATION WITH STAKEHOLDERS		
One-way communication – company provides information	EVRAZ	"EVRAZ pays great attention to its internal communications processes and constantly seeks to build an efficient system, designed not only for keeping information flowing, but also for increasing employee loyalty and motivation. The Group searches for, evaluates, and implements best communications practices, such as a corporate intranet, bulletins, and internal advertising campaigns. Its goals are to provide up-to-date, full, and transparent information regarding its business and strategies, progress and bottlenecks".
	GLENCORE	"We provide our stakeholders with information in a wide range of ways, tailored to the local context, that varies across the Group. These include radio broadcasts, site publications, regular town hall meetings, and individual meetings with the community".
	Lubelski Węgiel Bogdanka S.A.	"One of the novelties under development since 2015 is a new Intranet platform, which for now offers only the functionality of e-learning, but is eventually to take over the functions of Intranet for the mine and be the electronic "employee zone". All employees of subcontractors who work directly in mining or mechanical processing of coal undergo mandatory training on hazards and accidents prevention. This mandatory training is to familiarise the employees of external entities with the procedures in force at LW Bogdanka S.A., which are of direct and key importance for ensuring safety on its premises".
One-way communication – company request information	EVRAZ	"One key way in which the Group seeks feedback from employees is the EVRAZ Compliance Hot Line".
	GLENCORE	<p>"All our assets must carry out community perception surveys every three years to check on the effectiveness of their engagement strategies.</p> <p>We not only send out information to our supply chains; we also bring learnings from other stakeholders back to our operations and assets. This includes continual improvement of our facilities and procedures to allow for the potential health impacts of production activities. We require our assets to operate grievance mechanisms, to receive and address concerns from external stakeholders. Depending on the location and context of the asset, these mechanisms may range from informal complaints channels to formally dedicated grievance mechanisms. Channels for communication include dedicated phone lines, complaints registers at public places, SMS hotlines and the offices of assets in local towns".</p>
	Lubelski Węgiel Bogdanka S.A.	"In mid-2014, a study of organizational culture and internal communication system took place for the first time in the history of LW Bogdanka. The study included group workshops (FDI) and personal interviews (IDI) with representatives of the Company's various organizational divisions. As a consequence of this study, an internal communication strategy document was developed in 2015, which was then implemented to the greatest extent possible, given all the restrictions that occurred simultaneously in 2015".
Two-way communication – mutual information exchange, dialogue	EVRAZ	<p>"The backbone of the relationship between EVRAZ and trade unions is a social partnership. Regular discussions and formal and informal meetings of the management and unions are conducted at all EVRAZ facilities. EVRAZ seeks an ongoing dialogue with the communities in which it operates.</p> <p>Ongoing engagement with civil society at all levels of the organization, including a fact-finding mission to Colombia to understand and address key NGO concerns".</p>
	GLENCORE	<p>"Wherever we work, we engage in open and continuous dialogue with indigenous communities to understand their culture, views, and aspirations. This helps us work with them to minimize our impact and maximize the benefit we bring to them. Our policy and approach are aligned with the <i>ICMM Position Statement on Indigenous People and Mining</i>.</p> <p>The geographies and markets in which we operate are extremely complex, and we conduct dialogues on local, national, regional and international levels".</p>

	Lubelski Węgiel Bogdanka S.A.	<p>“The topics discussed with the framework of dialogue are diversified and depend on a given partner. For example, talks with unions, which are considered a key partner by the Management Board, are naturally focused on employee-related and social issues in the context of changes in the more and more challenging market. For people living in areas of mining activities mining damage is the crucial aspect. Moreover, more broadly defined local communities are mainly interested in how the mine is going to support local development, which includes local events and investments, but also the creation of new jobs.</p> <p>The monitoring of the objectives of the CSR strategy involves verification of key stakeholder groups and the current and desired forms of dialogue with them. In the case of these key groups, the communication is very regular, direct, and often at the highest level, which enables consultation of relevant matters regularly. In 2015, 22 dialogue sessions with the trade unions were held”.</p>
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Tab. 4. Quotes in the category feedback mechanism.

<b>FEEDBACK MECHANISM</b>		
Feedback	EVRAZ	General contacts to the company
	GLENCORE	<p>We welcome feedback on this report or any other aspect of sustainability at Glencore. You can send general comments to gcp@glencore.com. Otherwise, you can contact:</p> <p>Corporate sustainability Michael Fahrbach Tel: +41 (0) 41 709 2571 michael.fahrbach@glencore.com</p>
	Lubelski Węgiel Bogdanka S.A.	<p>Contact point Marketing, Public Relations and CSR Department Lubelski Węgiel BOGDANKA S.A. marketing@lw.com.pl csr@lw.com.pl Tel. (+48) 81 462 56 38, 81 462 54 36 Fax (+48) 81 462 54 26</p>
Feedback results	EVRAZ	Not mentioned
	GLENCORE	Not mentioned
	Lubelski Węgiel Bogdanka S.A.	<p>The content of the previous Reports and this Report was defined on the basis of the results of a workshop held in connection with the development of the CSR Strategy for 2014-2017 in October 2013.</p> <p>The preparation of the Report itself involved interviews with managers responsible for relationships with individual stakeholders. This approach made it possible to define the content of the Report under observance of materiality, completeness, and stakeholder inclusiveness principles.</p>

### Stakeholder Identification

According to analyzed reports, two of three analyzed companies are identifying their stakeholders. LW Bogdanka presented them very precisely in the report but did not identify their needs and expectations. Glencore mention about its stakeholders in some general statements but identification of needs and expectations in Glencore is done through stakeholder assessment, covering all stakeholder circumstances, needs, and concerns, as well as potential impacts, risks, and opportunities for the company. The results of this assessment serve to design an engagement strategy, which may include procedures for information sharing, consultation, and collaboration. Evraz did not characterize its stakeholders in the report and identification of needs and expectations of stakeholders was executed only via hotline request examination, which is not an active way to recognize stakeholders demands. Unfortunately, also, Evraz did not present information concerning prioritization and materiality issues related to particular groups of its stakeholders. Glencore determines materiality issues according to GRI guidelines. Material topics are raised during engagement activities of Glencore with both internal and external stakeholders. Material issues are determined by senior management. LW Bogdanka presents only a general statement that materiality of particular groups was specified and the stakeholders' map but the results are not included in the report. None of the analyzed company present in the report prioritization of its stakeholders.

### Stakeholder Communication

All of the analyzed reports include information about providing information to stakeholders. EVRAZ pays attention to its internal communications processes. All reports specify types of communication; LW Bogdanka focuses especially on communication with employees. The analyzed reports also disclose information about types of requesting information from stakeholders. In Glencore's report, we can find the most information on acquiring information from stakeholders. It discloses different types of communication, such as perception surveys, grievance mechanism. Channels for communication include dedicated phone lines, complaints registers at public places, SMS hotlines, and the offices of assets in local towns. Report of LW Bogdanka presents

information about surveying internal communication system which results serve as a basis to develop an internal communication strategy document. Evraz also focuses on information feedback from employees in the form of compliance hotline. All of the studied companies declare that they engage in dialogue with stakeholders. Evraz's report includes assertions concerning dialogue with trade unions, employees, and civil society but without specifying the details of the dialogue. Glencore engages in dialogue with indigenous communities. In LW Bogdanka the communication with key stakeholder groups is very regular, direct, and often at the highest level, which enables consultation of relevant matters regularly. Only in the report of LW Bogdanka quantitative information is given regarding the dialogue with stakeholders (22 dialogue sessions with the trade unions).

### ***Feedback***

Little information can be found in the reports on obtaining the feedback from stakeholders which may serve as an input to the next reporting process. Only Glencore has provided information encouraging stakeholders to formulate an opinion on the report and provide full contact details to the person in a company responsible for these issues. Evraz has provided only general contact details to the company. LW Bogdanka gives contacts to the CSR department. Information on taking into account feedback results in the next reporting period can only be found in the report of LW Bogdanka which used the result of the workshop and interview with managers of the company to define the content of the report.

### **Summary**

Business organizations are under many pressures from their internal and external environments. Conducting dialogue with stakeholders is fundamental to the concept of social responsibility. Building stable relationships with stakeholders will not be possible without effective communication with them. CSR report is one of the possible means of that communication.

This paper aims to answer the question of how stakeholders are engaged in CSR reporting process within the mining industry and if the mining companies use the feedback from stakeholders to improve this process. By using sustainability reports as a means of data collection, this study focuses on how stakeholders are identified and engaged in the CSR reporting process. The authors apply content analysis on data from reports of mining companies collected from a Global Reporting Initiative database.

The results revealed that stakeholder engagement in CSR reporting process of the mining companies leaves space for improvements in each analyzed company. The companies are focused especially on internal stakeholder communication, and the process of identification of stakeholder needs and expectations are not yet well developed. The most undervalued element in the analyzed reports is getting feedback. The assessed reports very rarely contain information that would allow readers to contact the person responsible for the development of the report or for the reader to express his or her opinion. This is alarming information because if there is no feedback mechanism, the dialogue with stakeholders is difficult or even completely blocked. It is important first to identify the stakeholders and to know their expectations and then choose how to communicate effectively with them. The appropriate form of communication should be oriented not only on information but above all on dialogue with the broad environment. It is important not only to go in one direction: enterprise - stakeholders but also to receive and process feedback messages. Stakeholder engagement is crucial for conducting successful reporting process because knowing stakeholder needs and expectations should be the starting point in defining materiality and relevance of information disclosed in CSR reports. To increase or enhance the quality of a CSR report, it is important for companies to know what stakeholders demand, and what stakeholders see as acceptable.

CSR reports should be developed for the stakeholders and with their active participation. They should be developed to meet the information needs of both internal and external stakeholders. Therefore no valuable CSR report will be developed without stakeholder engagement in this process, and for stakeholder engagement, two-way communication is essential. Reporting companies cannot forget about using feedback mechanisms that aim to improve the reporting process.

The research methodology used in the study is limited by various factors. The restrictions relate particularly to two issues. The first limitation is related to the lack of available data. We analyzed reports from companies of different types and operating in different countries, which may influence their approach to CSR issues. The second limitation concerns the types of analyzed reports. Each of the studied reports was of different type (separate CSR report, integrated report, and annual report with CSR section); therefore, the amount of text devoted to CSR was different. Possible future directions for research focused on stakeholder engagement may take into account the cultural context of the reporting companies, which may have a considerable impact on stakeholders' attitudes and expectations.

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