

Sustainability Reporting and Company Financial Performance: Evidence from an Emerging Market

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Abstract

The main objective of this study is to examine the level of compliance to the sustainability practices and investigate the impact of sustainability reporting on the financial performance of Public Listed Companies in Sri Lanka. Sustainability disclosures were measured using social, economic, and environmental sustainability initiatives, and the company performance was measured through Return on Equity (ROE), Return on Assets (ROA), and Return on Sales (ROS). The study becomes original by applying an appropriate index to measure the sustainability reporting compared to the existing indexes used in Sri Lanka and applying the latest GRI 20 guidelines. In addition, the panel data regression model was employed to analyse the data from 2012 to 2019. The results suggest that social sustainability reporting has a significant positive impact on company performance measured through ROE. Henceforth, company managers, directors, and investors should focus more on fulfilling and considering the Social Sustainability Guidelines.

Keywords: *Global reporting initiatives, company financial performance, sustainability reporting, Sri Lanka.*

Introduction

Sustainability report is a report published by a company or organization about the economic, environmental, and social impacts caused by its everyday activities. The sustainability report also presents the organization's values, governance model and demonstrates the link between its strategy and its commitment to a sustainable global economy (Global Reporting Initiatives, 2020). Sustainability reporting can be considered as synonymous with other terms for non-financial reporting; triple bottom line reporting, corporate social responsibility (CSR) reporting, and more. It is also an intrinsic element of integrated reporting, a more recent development that combines financial and non-financial performance analysis. (Global Reporting Initiatives, 2020)

The annual financial and non-financial disclosures of most listed companies disrespect multiple dimensions of corporate value or corporate social responsibility to the stakeholders. However, civil society pressure group, non-government organization group, government regulations, and corporate governance codes, green consumer pressure, and other similar pressure groups make it imperative for a corporate body that needs to survive and create wealth to consider corporate sustainability reporting disclosure to take care of the needs of various stakeholders (Olanrewaju, 2016).

However, investigating the impact of sustainability reporting in emerging markets is still scarce, and it is still in its early stages compared to developed countries (Nur, *et al.*, 2016). When considering the Sri Lankan context, studies on sustainability reporting have limited to the banking, finance, and insurance sectors (Silva, 2018; Athukorala & Tilakasiri, 2018)

The evidence on sustainability reporting and financial performance appears to be inconsistent, and it's an unresolved argument as it provides contradictory findings. For example, in the previous studies, there has been a positive impact (Bayoud, 2012) negative impact (Brammer, 2006) and sometimes there has been no significant impact (Jones, 2005). Thus, it appears that the conclusions arrived at are mixed and often contradictory (Margolis, 2003).

With this backdrop, this study attempts to investigate the impact of Sustainability Reporting on Financial Performances of top sixty market capitalized Sri Lankan Listed Companies, including thirteen different sectors which represent the Sri Lankan stock market. Furthermore, this study effort to develop an index to identify the sustainability reporting practices used to assess the compliance level of the sustainability reporting practices in the Sri Lankan context. This form of index development has been widely accepted by other studies such as Social responsibility reporting (Nur, *et al.*, 2016); Tilakasiri, 2012; Burhan & Rahmanti, 2012).

Henceforth, the significance of the study is threefold. Firstly, the study uses the latest GRI 4, 2020 guidelines, and secondly, the dichotomous process is applied to measure the sustainability reporting in the Sri Lankan context¹. Thirdly, employed a sample that represents the entire listed companies in Sri Lanka. Hence, these newest consequences could be helpful for both financial statement users deal with socially responsible companies and policymakers in defining corporate social responsibility incentives.

In rejoinder to the recognized disputes, the current study aimed to investigate the level of compliance to the sustainability practices and investigate the impact of sustainability reporting on company financial performance in the Sri Lankan context. Furthermore, an index for measuring the compliance with GRI guidelines was developed for companies listed on the CSE under guidelines issued by GRI 2020.

The remaining part of the paper is organized as follows. The review of literature is discussed in section two and the methodology adopted in the study is presented in

¹ The first version of this paper was presented to the International Conference of Accounting and Finance Association of Australia and New Zealand (AFAANZ -2018), which was held in Auckland, New Zealand. The authors take this opportunity to thank for the valuable comments and suggestions given by the panel and the attendees of the conference. At this time, dichotomous process for the sustainability has not been applied in the Sri Lankan context. However, Silva (2018) has applied this process only for banking sector using the GRI 4, 2016.

section three. The results and findings of the study are explained in section four. Finally, section five concludes the paper.

Review of Literature

Sustainability reporting and sustainability dimensions

There are numerous terms used to define the concept of corporate sustainability reporting contributions to social and environmental and consequences of business activity (Jenkins, 2001). Corporate sustainability, triple bottom line, sustainability, corporate responsibility, sustainability reporting, corporate social opportunity, corporate social responsibility, responsible business, corporate citizenship, Three Ps (profit, planet, people), sustainable development is some of the terms often related with corporate sustainability reporting. According to (GRI, 2013), a sustainability report is similar to financial reporting. Its compliance is voluntary. Sustainability reporting shows that the company takes responsibility for its economic, environmental, and social performance. It is similar to corporate social responsibility (CSR), which is voluntary in terms of compliance. Sustainable growth via sustainability reporting positively impacts a company's financial performance (Kasbun, 2016). Therefore, sustainability reporting may accurately and reasonably reflect a firm's financial performance (European Business Review, 2012).

Various studies over the last decade investigated the relationship between sustainability reporting and its effects on financial performance. Results ranged from positive to negative and even to insignificant relationships (Aggarwal, 2013; Bayoud, 2012; Brammer, 2006; Jones, 2005). Albu, (2011) has highlighted four benefits of sustainability reporting as follows; reduces direct costs (energy, materials, time loss, etc.); improves the productivity of workers (increased motivation, low absenteeism, reduced turnover); reduces management risk (easier access to credit, the increased value of the assets for investors, support by stakeholders, etc.); and improves the competitive image of the firm. Therefore, it can be identified that sustainability principles work throughout the organization by filtering their integration into planning and decision making, leading to improvement in sustainability performance. Hence, sustainability reporting would influence companies' performance and enhance their efficiency (Adams, 2007). Generally, potential investors look for lower risks and higher returns if they want to invest. Thus, sustainability reporting would increase share price in two ways: a) increasing revenue, net profit and thus inspiring better financial performance; b) assuring shareholders of the safety of their investments (Khaveh, 2012). According to Newport *et al.*, (2003), social investors, via their success, have revealed that sustainability is a decent indicator for a company's growth and its financial performance.

Global reporting initiative:

Global Reporting Initiative (GRI) is an international, non-profit, network-based organization. It is a multi-stakeholder effort to provide a comprehensive sustainability reporting framework that can be widely used by all companies

worldwide. The sustainability reporting guidelines are the basis and spine of GRI's Framework. In addition, they promote transparent disclosure of company performance along with key sustainability aspects (GRI, 2020).

Sustainability reporting and company performances:

In the last two decades, there are many studies conducted in sustainability reporting and its impact on financial performance. Margolis, (2003) evaluated 127 published studies between 1972 and 2002 to study this relationship. Out of 127 studies, four studies analysed bi-directional relationships. In addition, 109 studies treated sustainability performance as an independent variable, out of which 54 showed a positive relationship, 7 showed a negative relationship, 28 showed a non-significant relationship, and 20 showed mixed results. Finally, in 22 studies, corporate sustainability was taken as the dependent variable, out of which 16 showed a positive relationship.

Orlitzky, (2003) found that CSR performance measures correlate with accounting-based measures than market-based indicators. Some researchers use accounting-based measures like Return on Assets (ROA), Return on Equity (ROE), Return on Sales (ROS), Profit before Taxation (PBT), Cash Flow from Operations (CFO), etc., to CSR. In contrast, others use market-based measures such as Stock Returns, Share Prices, Market Value Added (MVA), etc. However, prior research provide no clear and precise relationship between sustainability reporting and financial performance. The results are mixed and often contradictory (Aggarwal, 2013).

In the Sri Lankan context, Silva (2018) stated no significant difference in sustainability disclosures between listed banks and financial institutes. Therefore, the amount of disclosures has no significant influence on institutes' financial performance. This study has developed an index for the banks and financial institutes based on previous reporting guidelines (G4 guidelines) to perform a comparative analysis between the years 2017/2018 to the year 2016/2017. They have used 56 general standards, 13 economic standards, 23 environment standards and 27 social standards. However, this compilation of sustainability index is limited for the banking and financial sector companies, and they have not considered the GRI guidelines of 2020.

Athukorala and Tilakasiri (2018) investigated the impact of sustainability practices on company performance, and they concluded that there is a significant positive impact on organization financial performance both with and without the effect of company size as a control variable. Nevertheless, their analysis is also limited to the banking, finance, and insurance sector with only one measure of financial performance. Therefore, in Sri Lanka, studies on sustainability reporting and company performance are available only for the banks and financial institutions, which may hinder decision makers' usefulness of such findings.

In summary, at the beginning of the literature review describes the importance of the sustainability concept and its emerging throughout the previous studies. Thereafter, some of the most important theoretical arguments regarding the sustainability concepts are described precisely as the agency, stakeholder, and

legitimacy theories. Global Reporting Initiative (GRI) also discussed a worldwide, non-profit, network-based body that is determined to deliver a complete sustainability reporting basis that can commonly use altogether around the world. However, prior studies provide no clear conclusion on the impact of sustainability on company performance and are an unresolved issue. Especially in Sri Lanka, a limited number of studies are available, and the studies are restricted to investigate only the banking and finance sectors. Moreover, existing indexes to measure sustainability reporting can be enriched by applying a more suitable and well-accepted index to measure the level of compliance to sustainability reporting practices. Henceforth, investigating this unresolved issue is paramount important for economic decision-makers.

Methodology

Sample, data, and data collection

As the sample of the study top, 60 capitalized companies were selected out of the listed companies at the Colombo Stock Exchange (CSE) at the end of 2019. These include companies from thirteen industrial sectors of the CSE, including banks, insurance and finance, plantations, diversified, construction and engineering, beverage, food and tobacco, telecommunications, and trading and manufacturing companies.

This study gathered secondary data from published sustainability reports (within annual reports or stand-alone reports), corporate social responsibility reports (annual reports or stand-alone reports), and company's websites. Company annual reports containing financial statements, financial disclosures, sustainability, and corporate social reports of the selected companies were used for this study. In addition, financial performance data and information were sourced from annual reports.

The data required for the GRI guideline categories (economic, environmental, and social disclosures are given in Appendix A) were measured using the sustainability index developed. The company's financial performance measures used in the study (ROE, ROA, and ROS) were calculated in excel spreadsheets after identifying the company's return, equity funds, total sales, total assets, and profits for the sample period.

Hypothesis of the study

The study's hypothesis has been developed based on the following theoretical arguments which have been referred to in the literature.

Legitimacy theory

Lindblom (1983) defines legitimacy as a condition that exists when an entity's value system is in harmony with society's value system. According to this theory, it is essential to meet the societal norms and expectations to ensure the firm's survival in the long-term. The proponents of legitimacy theory Patten (1992) argue that sustainability reporting tends to reduce the risk of regulatory actions and boycotts by stakeholders and strengthen the firm's license to operate.

Stakeholder theory

According to Freeman, (1984), the stakeholder theory upholds that firms have accountability towards a broad range of stakeholders, apart from shareholders, i.e., creditors, customers, suppliers, employees, government, community, environment, future generations, etc. King, (2002) recognizes the significance of integrated sustainability reporting in strengthening the relationship between a firm and society in which it operates. Ignoring the stakeholder interests may taint firm's public image, which would unfavourably affect its financial performance.

Agency theory

The agency theory is based on the principal-agent relationship which exists between the owners and managers. It is well known that conflict of interest and information asymmetry exists between company managers (insiders) and shareholders & other stakeholders (outsiders). In the absence of adequate public disclosure by companies, the amount of risk perceived by investors rises significantly (de Klerk, 2012). Sustainability reporting reduces information asymmetry and risk perceived by investors, increases market efficiency, and reduces the cost of capital to the firm (Olanrewaju, 2016). Based on these theories following hypotheses can be identified.

H₁: Economic sustainability reporting positively influences the financial performance of a company.

H₂: Environmental sustainability reporting positively influences the financial performance of a company.

H₃: Social sustainability reporting positively influences the financial performance of a company.

In order to achieve the study's main objectives, the following conceptual framework and the theories identified have been identified through the literature survey.

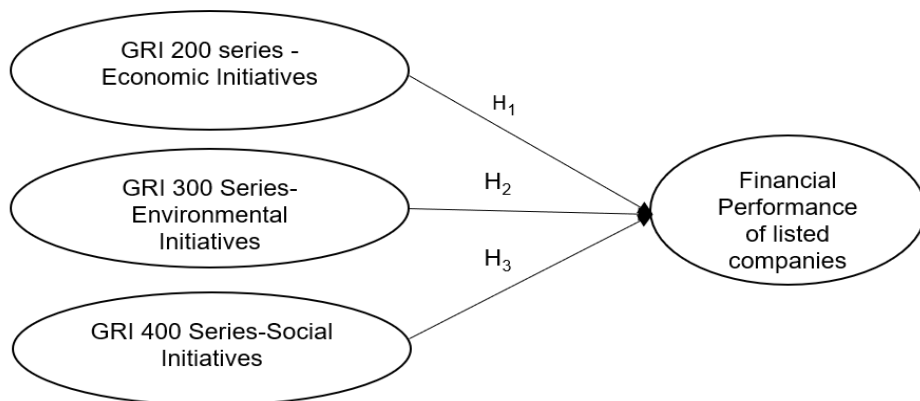


Figure I: Conceptual Framework

Operationalization of the variables

Table I summarized the study's independent, dependent, and control variables, including how it has been calculated. The same variables have been taken by previous studies in numerous countries in several traditions. Mainly we apply the dichotomous approach introduced by Cooke & Wallace (1989) and followed by subsequent scholars (Ngwakwe, 2009; Tilakasiri, 2012; Burhan & Rahmanti, 2012; Nur, *et al.*, 2016; Aggarwal, 2013).

Table I: Summary of the Variables calculation

Dependent Variables	
Return on Equity (ROE)	Net income divided by Total shareholder's equity
Return on Sales (ROS)	Net income divided by Total Sales
Return on Assets (ROA)	Net income divided by Total Assets
Independent Variables	
Economic index	Number of Economic guidelines fulfilled by the company divided by Number of Economic guidelines should be fulfilled by the company as per the GRI
Social index	Number of Social guidelines fulfilled by the company divided by Number of Social guidelines should be fulfilled by the company as per the GRI
Environmental index	Number of Environmental guidelines fulfilled by the company divided by Number of Environmental guidelines should be fulfilled by the company as per the GRI
Control variable	Total Assets of the relevant company

Data analysis and interpretation

The analysis of the study's data for the period 2012 to 2019 has been done, employing the panel data analysis using the E Views. Before analysing the data, the stationarity of the data was checked using Levin, Lin & Chu, Im, Pesaran & Shin W-stat, ADF-Fisher Chi-square and PP-Fisher Chi-square tests. The results indicated that Total Assets, ROA, ROS are stationary at first difference while other variables are stationary at level. Furthermore, multicollinearity, Autocorrelation, and normality were also diagnosed. Finally, as the pre-tests, the appropriate method of analysis was tested using the Houseman test and found that the fixed effect model is suitable. The results of these diagnostic tests are attached with Appendix B.

Results and Discussion

The descriptive statistics have recorded a mean value 48 to 60 percent range, economic environmental and social disclosures suggesting an average level of

disclosures in Sri Lankan listed companies. The results of the descriptive statistics are outlined in Table II.

Table II: Descriptive statistics

Sustainability Index	Economic	Environmental	Social
Mean	0.552384	0.488885	0.599717
Median	0.666667	0.500000	0.736842
Maximum	1.000000	1.000000	1.000000
Minimum	0.142857	0.068571	0.052632
Std. Dev.	0.274641	0.280335	0.315346
Skewness	-0.152342	0.109470	-0.673638
Kurtosis	1.648468	1.807736	2.402583
Jarque-Bera	38.38943	29.38855	43.44117
Probability	0.0000***	0.0000***	0.0000***

Note: *** Significant at 1% Level

One of the main objectives of the study is to develop a sustainability Index, and it was developed using the sustainability data obtained from the company’s annual reports. An example of the Sustainability indices calculation process (dichotomous process) is given below. In addition, several guidelines have been taken based on the GRI guidelines.

Table III: Example of Sustainability indices calculation process (Dichotomous process) for XY PLC for five years.

XY PLC	2015	2016	2017	2018	2019
Social:19	18	14	14	17	16
Economic:6	4	5	4	4	3
Environmental:8	4	6	5	4	5
Total: 33	26	25	23	25	24
Social Index	0.947368	0.736842	0.736842	0.894737	0.842105
Economic Index	0.666667	0.833333	0.666667	0.666667	0.5
Environmental Index	0.5	0.75	0.625	0.5	0.625
Total Index	0.787879	0.757576	0.69697	0.757576	0.727273

When considering the impact of sustainability reporting on company performance, only ROE exhibited significant impact among other variables, whereas ROA and

ROS have no significance with sustainability disclosures. The summary of the results is presented in Table IV.

Table IV: Dependent variable: ROE (With Social, Economic and Environmental sustainability variables)

Fixed effect model:	Coef.	P (Sig) Without control variable	Coef.	P (Sig) With control variable
Observation	480	-	480	-
No. of groups	60	-	60	-
Social (-1)	0.020422	0.6673	0.0172	0.7158
Economic (-1)	-0.073153	0.1592	-0.06742	0.1932
Environmental (-1)	0.127977	0.0096***	0.13348	0.0068***
Total Assets (-1)	-	-	-7.94E-07	0.0408
Durbin Watson	-	2.34	-	2.31
R ²	-	0.9017	-	0.9029
Adjusted R ²	-	0.8844	-	0.8854
P-value (F)	-	0.0000***	-	0.0000***

Note: Fixed effect model, *** Significant at 1% Level

The results indicate a significant positive relationship between the environmental index and ROE when with and without the control variable but other than that, there is no significant relationship between other indexes.

However, a correlation between economic and environmental indexes (72%) was noticed, hence it was also tested with omitting less fitted economic variables. The outcome of the multicollinearity results is given in Table V.

Table V: Multicollinearity results

Sustainability Indexes	Economic	Environmental
Environmental	0.72	1
Social	0.58	0.56

Henceforth, the impact of sustainability reporting on company performance was measured, using only Social and Environmental disclosures. The summary of the consequence is presented in Table VI.

Table VI: Dependent variable: ROE (With Social and Environmental sustainability variables)

Fixed effect model:	Coef.	P (Sig) Without control variable	Coef.	P (Sig) With control variable
Observation	480	-	480	-
No. of groups	60	-	60	-
Social (-1)	0.0213	0.0292*	0.0013	0.1707

Environmental (-1)	0.0172	0.1304	-0.001501	0.2119
Total Assets (-1)	-	-	-3.40E-11	0.9998
R ²	-	0.8483	-	0.8562
Adjusted R ²	-	0.8219	-	0.8308
P-value (F)	-	0.0000***	-	0.0000***

Note: Fixed effect model, *** Significant at 1% Level.

Results display a significant positive relationship between Social index and ROE when without the control variable, suggesting that Social and Environmental disclosures impact the company performance.

Given the sector-wise analysis, it can be identified that the diversified sector has recorded a high level of sustainability disclosures. In contrast, investment trust and construction and engineering sectors have given less attention to social disclosures. When seeing the economic disclosures, it indicates a mixed level of compliance by different sectors, whereas social and environmental disclosures stand at an average level in all sectors. The summary of the sector analysis is given below in table VII and figure II displays the company level compliance of overall sustainability disclosures.

Table VII: Sector-wise sustainability concerns

Industry categories	Social concerns			Environmental concerns			Economic concerns		
	High	Medium	Low	High	Medium	Low	High	Medium	Low
Construction and Engineering	☹	☺	☺
Beverage, Food and Tobacco	☺	☺	☺
Banks, Finance and Insurance	☺	☺	☺
Telecommunication	☺	☺	☺
Diversified	☺	☺	☺
Healthcare	☺	☺	☹
Manufacturing	☺	☺	☺
Hotels and Travels	☺	☺	☺
Oil palm	☺	☺	☹
Land and property	☺	☺	☹
Trading	☺	☺	☹
Power and Energy	☺	☺	☺
Investment Trust	☹	☹	☹

Note: High - 100% to 70%, Medium - 40% to 70%, Low – below 40%.

☺: High, ☺: Medium, ☹: Low

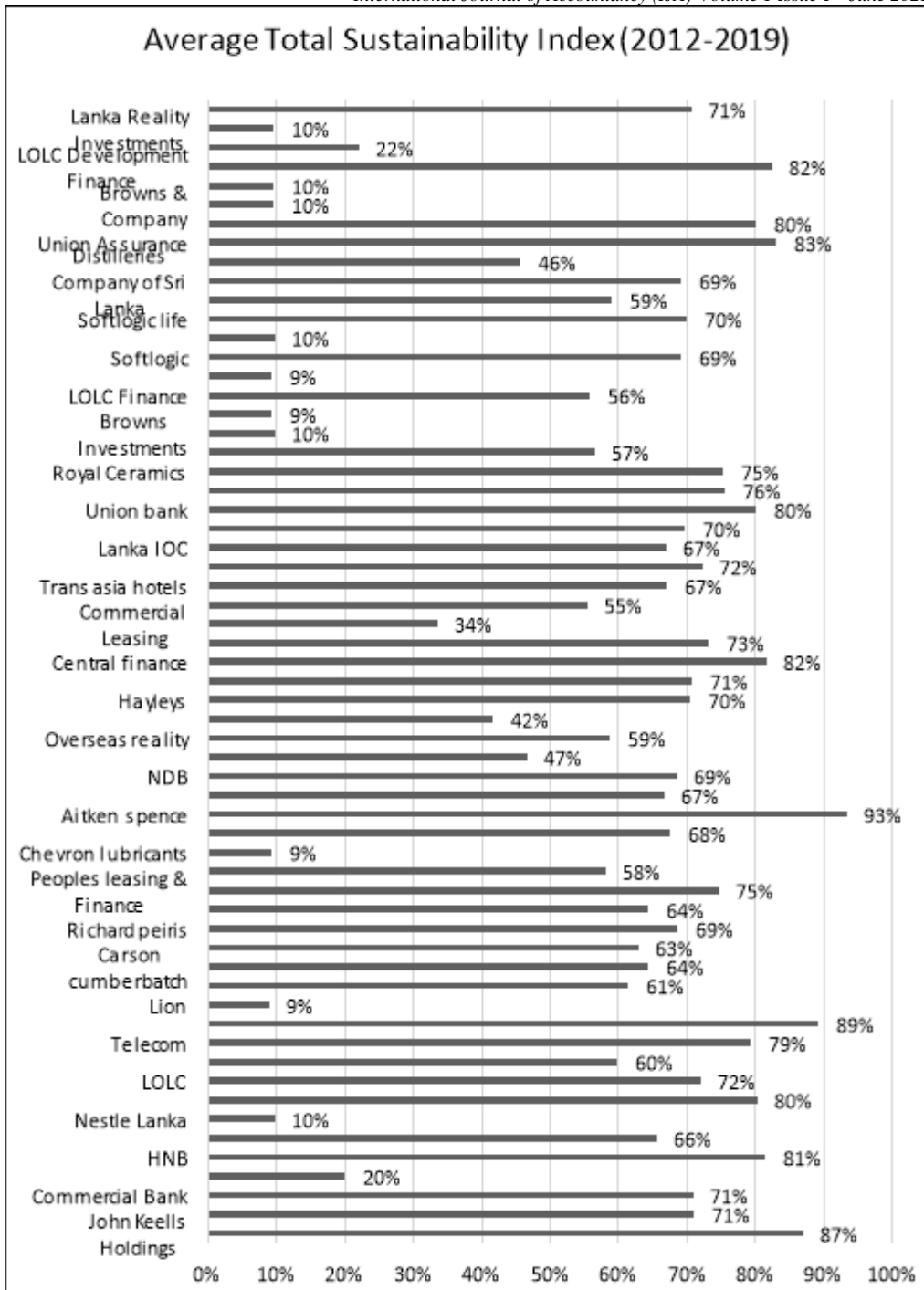


Figure II: Average total sustainability index (2012-2019)

Discussion and Conclusion

Despite the availability of several studies relating to sustainability reporting and its impact on financial performance with mixed and often contradictory results, the present study investigates the same in the Sri Lankan context using GRI 4 guidelines of 2020 for top sixty capitalized listed firms. Furthermore, the study attempts to employ the dichotomous process to measure the sustainability practices in Sri Lankan context.

The findings depicted a mean value of 40 to 60 percent range of sustainability disclosures. Hence, it can be concluded that sustainability disclosers are still prevailing at an average level in Sri Lankan listed companies. Further, the study results revealed no impact from social, economic, environmental indexes on company financial performance measured by ROA and ROS, even though the company size is controlled. Nevertheless, the environmental sustainability index has a significant positive impact on ROE with and without control variable. However, when adjusting the multicollinearity effect, social sustainability index has a significant positive effect on company performance measured by ROE without a control variable. Therefore, it can be concluded that social sustainability disclosures are paramount for deciding the company performance at CSE.

However, Silva (2018) has concluded that there is no significant influence on institutes' financial performance from the sustainability disclosures in the listed banks and financial sector companies in Sri Lanka. With this, it seems that the sustainability practices and disclosures may behave differently in different sectors. Additionally, our findings are in line with the conclusion of Athukorala and Tilakasiri (2018), which investigated the impact of sustainability practices on company performance. Nevertheless, their conclusion is limited to the bank, finance, and insurance sector.

As suggested by the findings, except diversified sector, other sectors appear to have an average level of sustainability disclosures in the selected sectors. This could be due to the inadequacy of awareness among Sri Lankan stakeholders on the importance of sustainability reporting. Moreover, sustainability reporting is also unpredictable in Sri Lanka compared with other established countries due to the absence of adequate application and inconsistent sustainability reporting practices. It was found that some firms reported economic, social, and environmental sustainability in previous years but did not report in the next year.

Therefore, Sri Lankan companies should encourage to improve and upsurge alertness of the reputation of sustainability performance. Along with that, this study fulfills the gap by expanding this topic into various sectors, including banks, insurance and finance, plantations, diversified, construction and engineering, beverage, food and tobacco, telecommunications, and trading and manufacturing companies considering GRI 2020 latest guidelines in Sri Lankan capital market context. Therefore, managers, directors, and investors should focus more on fulfilling and assessing sustainability practices and disclosures to drive the performance of the entities.

The present study reflected only the top 60 companies to the analysis, and therefore, one can extend the future studies covering the whole market for the analysis. Furthermore, there is a possibility of comparing the sustainability practices in different sectors to understand whether any industry-specific factors affect the impact of sustainability practices on company performance.

Appendix A: Environmental and Social initiatives

<i>Environmental initiatives</i>	
1. Materials	5. Emissions
2. Energy	6. waste
3. Water and effluents	7. Environmental compliance
4. Bio diversity	8. Supplier environmental assessment

<i>Social Initiatives</i>		
1). Employment	8). Child labour	15). Public policy
2). Labour management relations	9). Forced or compulsory labour	16). Customer health and safety
3). Occupational health and safety	10). Security practices	17). Marketing and labelling
4). Training and education	11). Rights of indigenous people	18). Customer privacy
5). Diversity and equal opportunity	12). Human rights assessment	19). Socio economic compliance
6). Non-discrimination	13). Local communities	-
7). Freedom of association and collective bargaining	14). Supplier social assessment	-

Source: GRI Guidelines (G4)

Appendix B: Pre diagnosis test

Stationary test

Dependent variables

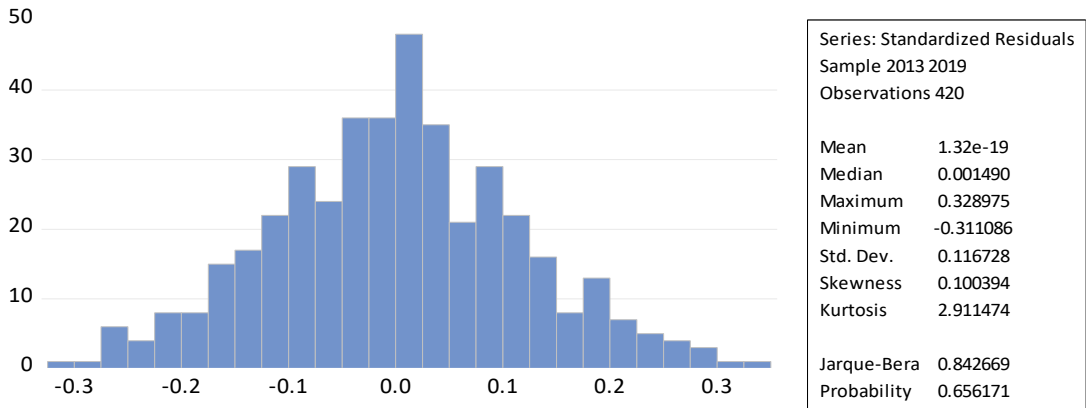
<i>Method</i>	<i>Economic index (At level)</i>		<i>Environmental index (At level)</i>		<i>Social index (At level)</i>		<i>Total assets (At first difference)</i>	
	Stat.	Prob.	Stat.	Prob.	Stat.	Prob.	Stat.	Prob.
Levin, Lin & Chu t*	-13.93	0.0000	-13.05	0.0000	-13.29	0.0000	-34.11	0.0000
Im, Pesaran & Shin W-stat	-10.64	0.0000	-5.45	0.0000	-3.70	0.0001	-3.42	0.0003
ADF-Fisher	333.21	0.0000	194.07	0.0000	181.25	0.0000	174.36	0.0009
Chi-square								
PP-Fisher	289.53	0.0000	224.35	0.0000	210.61	0.0000	215.77	0.0000
Chi-square								

Method	ROA (At first	ROE (At level)	ROS (At first
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	difference)				difference)	
	Stat.	Prob.	Stat	Prob.	Stat.	Prob.
Levin,Lin & Chu t*	-21.70	0.0000	-12.08	0.0000	-33.88	0.0000
Im,Pesaran & Shin	-4.307	0.0000	-3.84	0.0001	-7.334	0.0000
W-stat						
ADF-Fisher Chi-square	205.693	0.0000	207.60	0.0000	249.99	0.0000
PP-Fisher Chi-square	403.985	0.0000	254.30	0.0000	387.398	0.0000

Independent variables

Normality Test



In order to align with normality, this study used first difference of dependent variable while including control variable.

Auto correlation, Heteroscedasticity and Multicollinearity

In order to overcome the autocorrelation issue, study used first difference of the dependent variable. Durbin Watson value closer to two (1.7 - 2.3) was the benchmark while heteroscedasticity issue is not existing in this model. Existing Multicollinearity issue is addressed under table VI.

Hausman Test: Random/Fixed effect model

Cross section random probability value reflected as significant at 1% level, therefore, the study selected fixed effect model over the random effect model.

ROE Model

Test summary	Chi-Sq. Statistic	Chi-Sq. d.f.	Prob.
Cross section random	234.265099	3	0.0000

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