

Study of Sustainability Reporting Practices of Listed Companies in Colombo Stock Exchange

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Abstract

Sustainability reporting is now accepted as a widespread measurement of corporate performance among large, global corporates which signify the commitment toward economic, environmental and social aspects caused by its everyday activities. It is an effective policy mechanism that is utilized as a strategic initiative among many corporates. In this regard the Global Reporting Initiative (GRI) guidelines provide a set of reporting principles, standards disclosures, and implementation manuals for sustainability reporting that should be publicly disclosed. Since it is still not mandatory but voluntary, few corporates in Sri Lanka have adopted so far and it is therefore required to raise the attention of corporate world in order to proceed reporting practices transparent and accountable. This study investigates the current state of sustainability reporting in Sri Lanka and identify the firm characteristics affecting to adaptation of Sustainability Reporting. The sample comprised of 72 companies from the 285 of listed in companies Colombo Stock Exchange covering 5 years (2015- 2019). The state of sustainability reporting for each company for each year was computed and both a graphical analysis using line charts were utilized and used trend analysis to achieve the study objective. Finally, multiple regressions were conducted to identify the relationships between firm characteristics and the state of sustainability reporting. The findings of the study will useful for listed companies and other interested parties about sustainability reporting to gain a understand about the current state of sustainability reporting and trends in Sri Lanka. Furthermore, they can identify the factors that affect to the sustainability reporting.

Keywords: Sustainability Reporting, GRI, Firm Characteristics