

**The Effect of Corporate Governance Elements on CSR Reporting; Empirical Evidence from Listed Companies of Sri Lanka**

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**ABSTRACT**

**Introduction-** Corporate social responsibility (CSR) is a company's commitment to manage the social, economic and environmental effects of its operations responsibly and in line with public expectations. The purpose of this paper is to investigate the corporate social responsibility (CSR) reporting information of listed companies in Colombo Stock Exchange (CSE) and explores the potential effects of corporate governance (CG) elements on CSR reporting disclosures.

**Design/Methodology/Approach** - This study selected high market capitalized 30 listed companies in CSE for the analysis because of the availability of the annual reports of 2016, 2017 and 2018. The dependent variable is CSR reporting while independent variables are Board size, Independent Directors, Women Directors, Foreign Ownership, and CEO Duality and control variables are Company Size and Profitability.

**Findings-** The study results show that the composition of foreign directors in the board and company size are significantly correlated with Corporate Social Responsibility Disclosure Index (CSRDI), whereas board size, boards with female directors and CEO duality have a negative association with CSR reporting. Composition of independent directors and profitability have positive relationship with CSRDI but it is insignificant.

**Conclusion-** Findings suggested that there is no impact of board size, composition of independent directors, boards with female directors, CEO duality and profitability on the CSR reporting of the Sri Lankan context. This study provides empirical support for agency theory and legitimacy theory perspectives in developing economies and ratifies previous studies' findings from developing economies.

**Keywords:** *Corporate Social responsibility, corporate governance, disclosure, agency theory, fixed Effect Model*