

SUSTAINABLE REPORTING PRACTICES IN BANKING SECTOR OF SRI LANKA

by

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ABSTRACT

This study has been conducted in order to identify the level of disclosure of sustainable reporting practices in banking sector of Sri Lanka. In Sri Lankan banking sector disclosures their sustainable reporting practices in different levels. The purpose of developing a framework for sustainable reporting practices in Sri Lanka was to answer the following research question: "What is the level of sustainable reporting practices of banking sector in Sri Lanka?"

Based on the GRI G3 guidelines, researcher investigated banks' reporting in all broad areas of sustainability such as environment, labour practices and decent works, product responsibility, human rights and society etc. The independent variables in this research model are economic disclosure practices, environmental disclosure practices and social disclosure practices. All these three variables were measured through checklist with 5 point likert scales. The study was based on secondary data gathered through the annual report of 34 banks in Sri Lanka over the last three years (2012, 2013, and 2014).

Findings of the study overall disclosure level of economic, environmental and social activities related sustainability is low level in Sri Lankan banks. As researchers identified corporate entities report on CSR with the expectations such as to fulfill customer needs, to build the company image and to show that they are socially responsible. Further, they recognize stakeholders' right for information as well. Recognition, awards, enhancement of image, satisfied stakeholders and good relationship with the society is the advantages which they expect through CSR reporting.

Key Words: Sustainability Reporting, Disclosure Level

TABLE OF CONTENTS

Contents	Page No:
Acknowledgement.....	i
Abstract.....	ii
Table of Contents.....	iii
List of Tables.....	vii
List of Figures.....	viii
Abbreviations.....	ix
1. Chapter One: Introduction	
1.1. Background of the Study	01
1.2. Problem Statement	04
1.3. Research Questions	04
1.4. Objectives of the Study	05
1.5. Significance of Study	05
1.6. Scope of Study	06
1.7. Summary	06
2. Chapter Two: Literature Review	
2.1. Introduction	07
2.2. Sustainability Reporting—History and Evolution	07
2.3. Define Sustainability Reporting	09
2.4. Sustainable Report	10
2.5. Sustainability Reporting and Disclosure Practices	12
2.6. CSR Practices in Sri Lanka	13
2.7. CSR Reporting in the Banking Sector	14
2.8. Factors Influencing Social and Environmental Disclosure	15

2.9.	Triple Bottom Line	16
2.10.	The Benefits of Sustainability Reporting	17
2.11.	Challenges of Sustainability Reporting	19
2.12.	Global Reporting Initiative	20
2.13.	Global Reporting Initiative Approach to Sustainability Reporting	21
2.14.	Summary	29
3.	Chapter Three: Conceptualization and Operationalization	
3.1.	Introduction	30
3.2.	Conceptualization	30
3.2.1.	Sustainable Reporting Practices	31
3.2.2.	Economic Disclosure Practices	32
3.2.3.	Environmental Disclosure Practices	33
3.2.4.	Social Disclosure Practices	34
3.3.	Operationalization	35
3.4.	Summary	39
4.	Chapter Four: Methodology	
4.1.	Introduction	40
4.2.	Study Setting, Design and Method of Survey	40
4.3.	Population	40
4.4.	Data Collection	41
4.5.	Methods of Measurements	41
4.6.	Method of Data Presentation and Analysis	42
4.6.1.	Univariate Analysis	43
4.7.	Evaluation Method	43
4.8.	Summary	44
5.	Chapter Five: Data Presentation and Analysis	
5.1.	Introduction	45
5.2.	Category of Banks	45
5.3.	Disclosure of Economic Activities	46
5.3.1.	Disclosure Level of Economic Activities by Bank Wise	50

5.4.1. Disclosure Level of Environmental Activities by Bank Wise	57
5.5. Disclosure Level of Social Activities	60
5.5.1. Disclosure Level of Social Activities by Bank Wise	67
5.6. Sustainability Disclosure Level in Sri Lankan Banks	69
5.7. Summary	71
6. Chapter Six: Discussion	
6.1. Introduction	72
6.2. Disclosure level of Economic Activities Related Sustainability in Sri Lankan Banks	72
6.2.1. Disclosure Level of Economic Performance	72
6.2.2. Disclosure level of Market Presence	73
6.2.3. Disclosure Level of Indirect Economic Impacts	73
6.3. Disclosure Level of Economic Activities Related Sustainability by Banks Wise	74
6.4. Disclosure Level of Environmental Activities Related Sustainability in Sri Lankan Banks	75
6.4.1. Disclosure Level of Material	75
6.4.2. Disclosure Level of Energy	75
6.4.3. Disclosure Level of Water	76
6.4.4. Disclosure Level of Biodiversity	76
6.4.5. Disclosure Level of Emissions, Effluents, and Waste	77
6.4.6. Disclosure Level of Products and Services	79
6.4.7. Disclosure Level of Compliance	79
6.4.8. Disclosure Level of Transport	79
6.4.9. Disclosure Level of Overall	79
6.5. Disclosure Level of Environmental Activities Related Sustainability by Banks Wise	80
6.6. Disclosure Level of Social Activities Related Sustainability in Sri Lankan Banks	81
6.6.1. Disclosure Level of Labor Practices and Decent Work Performance	81
6.6.2. Disclosure Level of Human Rights Performance	83
6.6.3. Disclosure Level of Society Performance	84

6.7. Disclosure Level of Social Activities Related Sustainability by Banks Wise	87
6.7.1. Summary	88
7. Chapter Seven: Conclusions and Recommendations	
7.1. Introduction	89
7.2. Conclusion and Recommendations	89
7.3. Limitations of the Study and Suggestions for Future Studies	92

References

Appendix

Appendix - 1: The Output of the Analysis