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**A Study of Environmental Reporting Practices in Listed Companies of Sri Lanka**

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Social and environmental information have become a major concern for accounting field over the past two decades. Especially environmental reporting has attracted the attention of a number of researchers attempting to understand, explain and predict the disclosure of information on the social and environmental implications of business activities. Recent years corporate social responsibility reporting has tremendously increased in corporate entities. However a remarkable trend has recently emerged that is standalone report for environmental reporting instead of environment information under the CSR theme.

The main objective of the research is to investigate the environmental reporting practices of listed companies in Ceylon stock exchange and to identify the factors that inspire the disclosure of environmental information.

This was a case study and 08 listed companies were selected from the main board of Ceylon stock exchange as the sample. Based on annual reports, sustainability reports, corporate web sites, news papers, periodicals and news letters data was collected for the study. Data was analyzed using Global Reporting Initiatives Framework which sets out the principles and indicators that organizations can use to measure and report their economic, environmental and social performance. Criteria given by the above framework were examined with collected data.

Study founded that Sri Lankan listed companies endeavor to disclose their environmental reporting through published documents, especially in annual reports and corporate web sites. Even though companies disclose their environmental involvements, some of them are reluctant to use globally accepted reporting framework. Further study results show that selected companies use own framework and some situation they do not use framework to mitigate the incompliance with them or report only the information favorable to them.



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Therefore the researcher suggests following generally accepted framework whilst reporting environmental matters to diminish nuisance readers as well as to accomplish other objectives for instance image building and control public objections on business activities.

**Keywords:** Environmental reporting, Environmental information, Corporate social responsibility