

AII 04 Analysis of influential factors to the disclosure decisions of corporate environmental reporting among listed companies

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Environment is a precious gift received by the nature. The protection of environment is our duty since it highly ties with living beings lives. However, most of the activities done by people and organizations harm to the environment and its sustainability. Among all, organizations make the biggest harm to the environment due to its operational and industrial works. As a result, organizations have to disclose how they deal with its environment within their annual reports. However literature evidenced many reasons for managers' to disclose Corporate Environmental Reporting (CER) within annual reports. Therefore this study was conducted to analyze the disclosure of CER made in annual reports of Sri Lankan public listed companies over the period of 2009/2010. The survey selected 123 companies from total of 245 listed companies on Colombo Stock Exchange based on proportionate stratified random sampling method. Researcher administered semi-structured questionnaires to the 123 companies to collect primary data and obtained only completed 90 questionnaires. The collected data were analyzed quantitatively using correlation and regression analysis to identify the relationship between managers' decision to disclose CER and factors influence on it. Mainly six factors have been identified from the literature such as managerial perception, pressure from media, shareholder information demand, employee pressure, consumer pressure and environmental group pressure and tested by the researcher. The researcher found that managerial perception, environmental group pressure and shareholders information demand have significant positive correlation and positive linear relationship with managers' decision to disclose CER. Among them, the managerial perception and shareholders information demand were highly influential factors to the decision to disclose CER within annual reports.

Keywords: corporate environmental reporting (CER), sustainability, environment, annual reports, listed companies