© June 2022 | IJIRT | Volume 9 Issue 1 | ISSN: 2349-6002

A Review of the Literature on Corporate Sustainability Reporting and its Effect on Financial Performance

Pragati Singh[1], Dr. S.P. Agrawal[2]
[1]*Doctoral Scholar, Faculty of Commerce, BHU*
[2]*Professor, Faculty of Commerce, BHU*

Abstract-**In recent years, stakeholder pressure on firms to implement sustainable practices has become a hot topic. This can be due to an increasing knowledge of the environment's implications and a desire to safeguard the world. Based on a review of prior research, this study explored the influence of corporate sustainability reporting systems on business performance. Even though many studies have studied this link in the past, there seems to be an absence of uniformity in the conclusions. The study's findings have been unpredictable and conflicting, ranging from favourable to unfavourable associations, to statistically irrelevant or combined results, depending on a variety of factors such as value higher than expected gains, shareholders viewing sustainability efforts as a cost item, investors not acknowledging disclosure, companies that use reporting as a validation tool for reputation, inadequate regulatory action, sustainability reporting metrics selection, and financial reporting metrics. We did note, however, that most data indicated a favourable association. This study attempts to critically review existing research to focus future research and provide more consistent and trustworthy results. This inquiry looked at 35 pieces of literature and revealed 13 studies that had beneficial results, eight studies that had strong negative impacts, five studies that had no significant association, and nine articles that had mixed findings. Sustainability reporting requirements, legislation, and standards are likewise anticipated to grow more stringent and compulsory in the not-too-distant future. Consequently, corporations should begin reporting on sustainability as soon as practicable to prevent regulatory action in the future. The credibility of sustainability reporting is another key challenge that must be addressed. To overcome this problem, organizations should have their sustainability reports independently assessed by renowned assurance firms such as KPMG, EY, and others, to create a reputation among stakeholders as trusted reporters. Without the trust and confidence of its stakeholders, a business will not be able to operate.**

Index Terms: **Stakeholder Engagement, Sustainability Reporting, Global Reporting Initiative (GRI), Corporate Financial Performance, Corporate Governance, Corporate Social Responsibility (CSR), Environmental Responsibility.**

INTRODUCTION

The most severe difficulty that a corporation confronts today is sustainability. Corporate sustainability, as defined by the World Business Council for Sustainable Development (2002), is "a company's commitment to contribute to long-term economic development and collaborate with employees, their families, the local community, and society at large to improve their quality of life." Firms should bear responsibility for the repercussions of their activities on society and the environment in today's world and report on them. Therefore, the concept of sustainability reporting has grown in popularity. According to the Global Reporting Initiative (2011), "sustainability reporting" is "the process of measuring, revealing, and holding internal and external stakeholders accountable for organizational performance toward the aim of sustainable development."

Stakeholder pressure on companies to embrace sustainable practices has been a hot topic lately. The reasons might be attributed to a growing understanding of environmental consequences and a desire to protect the environment. Furthermore, excessive levels of greenhouse gases (GHGs) in theatmosphere are causing climate change, which has resulted in disease outbreaks, extinctions of animal and aquatic species, and loss of life and property, among other things. Stakeholders want things to change because corporate transparency andaccountability are critical (Chithambo, Tingbani, Agyapong, Gyapong, &Damoah, 2020). Companies started recording the environmental effects of their actions (both good and bad) in sustainability reports in response to mounting demand, either voluntarily or as a legal requirement in certain countries.

Furthermore, since it encompasses both financial and non-financial elements, sustainability reporting is a key component of integrated reporting. According to the Brundtland Report of 1987, sustainability is defined as development that

satisfies present objectives while not compromising future generations' capacity to satisfy their own (World Commission on Environment and Development, 1987). This is the most generally accepted definition of sustainability, as it takes into consideration the demands of both current and future generations. As businesses and global investors began to use ESG data by looking more than a firm's profitability when trying to make investment and development decisions, corporate sustainability transformed from a simplified view of supporting environmental, social, and governance (ESG) success to a consideration that could generate income growth and increased financial performance (Rezaee, 2016).

Many standards and guidelines have been developed regarding the requirement for businesses to embrace this kind of reporting and ensure uniform disclosure. The Dow Jones Sustainability Index (DJSI), the Carbon Disclosure Project (CDP), the Sustainability Accounting Standards Board (SASB), the Global Initiative for Sustainability Ratings (GISR), the International Integrated Reporting Council (IIRC), the Global Reporting Initiative (GRI), and others are just a few examples. The GRI is the most extensively used set of strategic tools for monitoring, measuring, and reporting on an organization's economic, social, and environmental performance (KPMG, 2017). It is assumed that integrating non-financial aspects of sustainability into business strategies and organizational practices will pave the way for the stated objectives of wealth generation, which can be accomplished if companies consider not only stockholders' interests (i.e., profitability), but also interested parties' concerns.

Another way to describe sustainability reporting is a firm's exercise of officially disclosing its financial, ecological, and societal implications and the company's favourable or unfavourable efforts to accomplish the sustainable development goal, according to the GRI Guidelines (2016). This perspective is associated with the triple-bottom-line idea of people, profit, and the environment, which says that corporate actions may deliver financial, social, and environmental rewards all at the same time (Henriques & Richardson, 2004). To achieve this objective, the GRI requires enterprises to establish a balance between economic, environmental, and social demands to avoid jeopardizing future development. As a result, sustainability reporting is widely regarded as laying the groundwork for maintaining and improving value of the company through business strategy resulting in enhanced stakeholder involvement or interaction, strong client access, customer retention, product innovation industry recognition, and efficient operations (Furlan,Alves, Lopes de Sousa Jabbour, &Barberio Mariano, 2019), enhanced public image (Hoejmose, Roehrich, &Grosvold, 2014), achieving employees' commitment (Kwaghfan, 2015), minimizing risk, acquire access to financing (Schmidt, Foerstl, &Schaltenbrand, 2017), cost reductions, production efficiency, etc. (Aggarwal, 2013).

The KPMG Survey of Sustainability Reporting 2020 revealed that 80 percent of the 5,200 firms asked to report on sustainability. In their corporate reporting, most businesses now link their economic activities to the SDGs. In addition, the GRI is still the most extensively used international standard for sustainability reporting.

Sustainability reporting (SR) in India started with the United Nations Global Compact (UNGC) in 2001, when some of the country's biggest corporations began producing sustainability reports. The United Nations 2030 agenda calls on all nations and stakeholders to work together to accomplish 17 Sustainable Development Objectives (SDGs) and 169 associated goals, and it needs considerable government and commercial commitment.

The Ministry of Corporate Affairs (MCA) of India published "National Voluntary Guidelines (NVG) on Social, Environmental, and Economic Responsibilities of Business" in July 2011. The ideas and framework for corporate social responsibility reporting for all Indian enterprises, including giant enterprises and microenterprises, are clearly spelled out in these rules. On August 13, 2012, the Securities and Exchange Board of India (SEBI) announced a Circular on Business Responsibility Reports, requiring listed companies to comply with the NVG and universally disclose their responsibility efforts in Business Responsibility Reports (BRRs), which are part of their annual reports. The provisions of the circular are necessary for the top 100 listed corporations on the BSE and NSE as of March 31,2012 and apply to financial years ending on or after December 31, 2012. SEBI (Securities and Exchange Commission, 2012). The SEBI ordered the publishing of Business Responsibility Reports (BRRs) by India's top 1000 listed businesses in March 2019.

Even though the number of firms adopting and reporting on sustainability concerns is on the rise,

stakeholders, notably investors, are now eager to invest in companies that are perceived as socially responsible. However, according to a 2017 KPMG international study on corporate responsibility reporting, just 28% of firms globally state that climate change represents a financial risk in their annual reports (KPMG, 2017), indicating that the road ahead is still lengthy.

Several academics and researchers examined the relationship between sustainability reporting and firm success based on a variety of parameters (Borges Junior, 2019; Buallay, 2019; Zhao et al., 2018), but their findings were mixed. Some studies found positive associations (Ameer & Othman, 2012; Borges Junior, 2019; Buallay, 2019), while others found negative associations (Dincer&Altnay, 2020; Fatemi, Glaum, & Kaiser, 2018; Rajesh & Rajendran, 2020), mixed associations (Akbulut& Kaya, 2019; Sampong, Song, Boahene, &Wadie, 2018), or no significant associations (Gunarsih&Ismawati, 2018; Yilmaz, Aksoy, &Tatoglu, 2020). The goal of this study, which is based on a comprehensive evaluation of the literature, is to provide a nomenclature for earlier studies to generate a better knowledge of corporate sustainability reporting and to provide guidelines for future research into the issue.

OBJECTIVES OF THE STUDY

The following are the objectives of this paper:

- To introduce the concept of sustainability reporting and the GRI Framework.
- To look at the effects of sustainability reporting on the company's financial performance.
- To provide a theoretical framework for creating a relationship between company financial performance and sustainability reporting.
- To present a review of the existing literature to emphasize the findings, conclusions, and limits of studies on the study issue and set out the scope for future research in this field.

METHODOLOGY

The findings and limitations of previous relevant studies and other research materials relevant to the study purposes are investigated, analysed, and summarized in this review article, which is based on a qualitative and descriptive research approach. A descriptive research approach, according to Borges Junior (2019), is one in which the primary purpose is to characterize the characteristics of a phenomenon or population while simultaneously demonstrating connections between components. We obtained research papers from several databases using Web of Science (WoS), Taylor & Francis, Elsevier's Science Direct, and Google Scholar for this review.

CONCEPTUAL UNDERPINNING

Sustainability Reporting Practice:

Since the first environmental report was issued in the 1980s, the notion of sustainability reporting has evolved. However, legislative authorities, stakeholders, academicians, and organizations have recently given the concept more attention (Shad, Lai, Fatt, Kleme, & Bokhari, 2019). Corporate Responsibility Reporting (CRR), Environmental Reporting (ER), Environmental, Social, and Governance (ESG) reporting, Sustainability Reporting, Corporate ESG Reporting, Integrated Reporting, or the Triple Bottom Line of people, profit, and planet are all terms used interchangeably to describe the concept (Elkington, 1999; Ioannou&Serafeim, 2017; Ng &Rezaee, 2012; Wei, 2020).

Sustainability reporting refers to a company's capacity to use the limited resources at its disposal effectively and efficiently over time by implementing waste-reduction measures and adhering to best corporate practices. Sustainability Reporting considers all three aspects of sustainability: economic, environmental, and social, while Sustainability Practice extends above reporting on such three aspects (Rajesh, 2020). As a result, it provides a framework for creating value, maximizing profits, and meeting the unique requirements of various stakeholder groups (Lopez, Garcia, & Rodriguez, 2007).

It is critical to describe each part of the notion, which has three dimensions: economic, social, and governance (ESG). The economic component, according to GRI (2002), is concerned with a company’s influence on the economic circumstances and economic system of its stakeholders at the regional, national, and worldwide scales. According to Shad et al. (2019), the economic dimension includes financial success, profit-making, gaining a competitive edge, and maintaining the corporation's entire economic worth. The environmental aspect addresses quality of the environment, with a focus on global climate

change, pollutants, depletion of the ozone layer, and discusses how an organization's actions influence both living and non-living natural surroundings The environmental component, according to Delai and Takahashi (2013), goes beyond the ecosphere well-being because the ecosystem preserves biodiversity, resulted in its ability to sustain all creatures and accept change in order to provide potential opportunities. Finally, the social component is concerned with how businesses influence the social framework in which they function. This influence is felt in safety and security, societal well-being, job opportunities, charity, work setting (Aras, Tezcan, &KutluFurtuna, 2018). In some cases, social indicators may have an influence on a company’s intangibles including its identity or trademark.

When businesses embrace sustainability reporting standards, they must balance firm business risk and stakeholder expectations. Assume they, too, want to do business in a socially responsible way. In that case, the organization will need to connect an integrated management structure which might assist in transition of a range of technical notions into political and corporate practices which have a clear correlation to organizational effectiveness (Maleti, &Gomiek, 2018 as cited by Shad et al., 2019).

Global Reporting Initiative (GRI):

The Global Reporting Initiative (GRI) is a non-profit organization with a global network. It’s a collaborative effort with a wide range of stakeholders to develop a complete sustainability reporting framework that can be used by any company anywhere in the globe. The GRI Framework's Sustainability Reporting Guidelines serve as its foundation and spine. They advocate for full disclosure of a company's performance as well as crucial sustainability issues. In June 2000, the GRI committee released the first set of sustainability reporting rules. GRI's 2013 Global Conference, which took place on May 22, 2013, officially announced the fourth-generation version – G4 guidelines. The G4 version is the latest, most complete, and most highly recommended. It is easier to use and understand for novice reporters. It also works well with other critical global frameworks.

The subject matter and integrity of the GRI Integrated Report are characterized by a range of standards. Relevancy, Stakeholder’s integration, Sustainability perspective, Wholeness, Equality, Comparison, Correctness, Responsiveness, Transparency, and Consistency are some of these characteristics. Strategic plan and Assessment, Corporate image, Documentation metrics, Stewardship, Community relations, Managerial practices, and Performance metrics, such as financial, ecological and community performance metrics, are all standard disclosures under the GRI Sustainability Reporting Guidelines. Employment standards and good jobs, Civil dignity, Community, and Product responsibility are the four categories of social indicators.

Other organizations and standards related to sustainability reporting include the United Nations Environment Programme Finance Initiative (UNEP FI), the International Integrated Reporting Council (IIRC) – which was established in August 2010, ISO 14063: 2006 on Environmental management and Environmental communication, AA1000AccountAbility Principles Standard (AA1000APS-2008), AA1000 Assurance Standard (AA1000AS-2008), Social Accountability 8000 (SA8000), and others.

Corporate Performance:

In this case, corporate performance might be defined as a company's capacity to use its resources wisely and execute operations more effectively and efficiently than its competitors. According to Clarkson (1995), corporate performance is concerned with reviewing data on the firm's activities and records regarding the management of specific stakeholder issues and the levels of responsibility that the company has accepted. As a result, this author defines performance as "doing lesser or more than is anticipated," as legally defined or the firm's duties and liabilities code. While there's no one definition for corporate performance, it may be used to describe how a company manages its relationships with its stakeholders through concepts like CSR initiatives and adaptability. To measure organizational performance, studies have employed either a market-based approach or accounting-based measures. Return on asset (ROA), Return on equity (ROE), profit margin, sales growth, Tobin’s Q, cash flow, stock values, and a variety of other metrics are often used.

THEORETICAL EXPLANATIONS

Stakeholders Theory:

Stakeholders are persons, groups, or enterprises who are likely to be affected or impacted by a company's actions and decisions. According to Freeman (1984), enterprises have accountability to a wide range of stakeholders, including creditors, customers, suppliers, workers, government, community, environment, future generations, and so on, in addition to shareholders. The importance of integrated sustainability reporting in enhancing the relationship between the enterprise and the society in which it works was highlighted by King (2002). Ignoring stakeholder interests may damage the company's public image, negatively impacting its financial success.

Legitimacy Theory:

According to Lindblom (1993), legitimacy is "a state that arises when an entity's value system is in agreement with society's value system." This notion states that it is critical to fulfilling society's standards and expectations to secure its long-term existence. Sustainability reporting, according to advocates of legitimacy theory (Patten, 1992; Deegan, 2000), reduces the risk of regulatory changes and stakeholder mass protests, hence enhancing the firm's licensing to exist.

Agency Theory:

The principal-agent relationship between the owners and management is the foundation of the agency theory. Following corporate governance scandals such as the Satyam scam, this argument has gained traction. Conflicts of interest and information asymmetry between corporate executives (insiders) and shareholders and other stakeholders are publicized (outsiders). The level of risk perceived by investors increases dramatically when corporations fail to provide proper public disclosure (de Klerk & de Villiers, 2012). As a result, the market undervalues the stock or demands higher returns from companies that do not disclose their financial information adequately. Sustainability reporting reduces informational asymmetries and shareholder risks, enhances economic growth, and reduces a firm's capital expenses (Dhaliwal et al., 2011; Warren & Thomsen, 2012).

LITERATURE REVIEW:

Previous study has explored the correlation between sustainability reporting and company success, with an emphasis on social performance, financial performance of firms, and sustainability reporting. Margolis and Walsh (2003) looked at how organizational theory and empirical research handled the tension between company engagement in more meaningful social life and the dispute regarding corporate participation in more meaningful social life. They looked at 127 studies published between 1972 and 2002 to see if there was a bi-directional relationship. Of the 109 studies that looked at sustainability performance as an independent variable, 54 found a positive relationship, seven found a negative relationship, 28 found no significant relationship, and 20 found mixed results. In sixteen of the research that included company sustainability as a dependent variable, a positive connection was discovered. Al-Tuwaijri, Christensen, and Hughes (2004) used simultaneous equations models to provide an integrated analysis of the interconnections among environmental disclosure, environmental performance, and economic performance, based on the claim that company's strategy will affect each element of a company's obligations. They discovered a strong correlation between high ecological efficiency and improved financial outlook, as well as thorough parameter combinations disclosures of pollutant signals and incidences.

Muhmad and Muhamad (2020) identified themes and issues presented in previous research concerning the link among sustainability and financial success when examining sustainable corporate practices and financial performance before to and after implementing the SDGs. The author employed content analysis to examine 56 studies published in the web of science (WoS) and Scopus, the majority of which were from industrialized nations, and found that virtually all of them showed a positive relationship between sustainable practices and financial performance. Some writers used accounting-based metrics including return on asset (ROA), return on equity (ROE), sales growth, profit before tax (PBT), and cash flow from operations (CFO) to estimate success. Others, on the other hand, use market-based indicators such as capital asset pricing model (CAPM), market value added (MVA), share prices, stock returns, Tobin's Q, and others.

There is no obvious and exact relationship between sustainability reporting and financial performance, according to prior research. At best, the results are mixed, and they are usually contradictory. We split the literature analysis into parts that reveal positive, negative, nonsignificant, or mixed associations to

explain and make it simpler to comprehend the nature of the link between sustainability reporting and corporate financial performance

Positive Relationship:

Because of multiple synergies and benefits, most research studies show that sustainability disclosures have a positive and significant relationship with financial success. According to Baumunk (2009), the key benefits of sustainability reporting are 1) increased demand for a company's goods; and 2) increased stock prices.

Table 1: shows studies that indicate a favourable link between sustainability reporting and company performance.

S.No.	Literature	The measure of Sustainability Reporting	The measure of Financial Performance	Methodology and Data Sources	Key Findings and Conclusions	Remarks and Limitations (if any)
1	Bullay (2019)	Environmental, social, and governance (ESG) disclosure	GDP, governance (GOV), total assets, and financial leverage are the control variables for the return on assets (ROA), return on equity (ROE), and Tobin's Q.	For ten years,2,350 observations were collected from 235 banks that were listed on the European Union (EU) stock exchange. Bloomberg provided the data.	The study looked at the link between sustainability reporting and performance for European stock exchange-listed banks. ESG has a considerable favourable influence on performance, according to the findings.	The author recommends that EU banks focus more on sustainability reporting for long-term economic Transparency and non-financial data, as well as those financial authorities have clear and mandatory sustainability reporting regulations because present rules are insufficient. Meanwhile, the study focused primarily on banks listed on the European Union's stock exchange.
2	Emeka-Nwokeji & Okeke (2019)	Every qualita environmental disclosure quantitative v provided by '1' '0' dur variables.has	Return on Assets (ROA), and Firm size,Age, and leverage arecontrol variables.	Based on ordinary least square regression, an ex-post facto research was designed and content analysis of annual reports for 93 non-financial listed firms on the Nigerian Stock Exchange from 2006 to 2015. The results of theinvestigation wasanalysed using STATA.	The research looked into the impact of environmental sustainability disclosures on company performance in Nigeria. Overall, environmental disclosures had a substantial beneficial impact on business performance. When the results were examined separately, only environmental compliance policy and environmental donation disclosure had significant positive effects, whereas energy consumption had a significant negative effect; environmentally sensitive products and conservative environmental disclosure had a negligible positive effect on firm performance.	According to the author, businesses should implement and publish environmentally beneficial practices such as contributing to environmental protection, preventing pollution and disposing of hazardous materials in the environment as a matter of importance. They felt that the businesses would achieve social legitimacyby doing so, which would lead to increased customers and income. Research weakness was the performance proxyemployed, just ROA, an accounting based measure that may not reflect actual performance.

3	Jan, Marimuthu, bin Mohd, and Isa (2019)	The four independent factors are general standards sustainability disclosers, economic sustainability, environmental sustainability, and social sustainability.	Tobin's Q and Principal Component Analysis (PCA); Return on average assets (ROAA); Return on average equity (ROAE).	Weighted content analysis was used to sample all 16 Islamic banks operating inMalaysia, and data was acquired from annual reports between 2009 and 2017.	The study looked at the link between Islamic banks' sustainability measures and their financial success in Malaysia. Financial performance was found to have a substantial positive correlation.	market profile. Despite this, the study's shortcoming was its concentration onsolelyMalaysian Islamic banks. As a result, the findings cannot be applied to all banks.
4	Zhao et al. (2018)	The notion of Pressure State Response (PSR) was used to construct ESG indicators.	Return on capital employed (ROCE), debt to-equity ratio (D/E), and the logarithm of total assets (Log TA) for Size.	Twenty significant publicly traded power generation firms from five major ChinaResources Power Holdings Companies were included in the sample. For 10 years, data was obtained from the CSMAR.	The influence of ESG on performance was explored in the study, and it was discovered that solid ESG performance improves financial performance. According to the author, increasing CSR standards will have a long-term and significant impact on the company's financial success.	The approach employed was a research limitation. The sustainability reporting proxy was too unclear and complicated, and it only looked at publicly traded Chinese power producing businesses.
5	Garcia, MendesDa-Silva, and Orsato (2017)	Thomson Reuters ESG ratings for Economic, Social, and Governance, as well as Overall ESG scores.	Financial leverage index, Free cash flow, Market capitalization, Return on assets (ROA), company size, and sector dummy, Systematic risk index.	A linear regression panel data analysis was used to collect data for 365 BRICS non-financial firms from Thomson Reuters and DataStream from 2010 to 2012.	The research looked into the risk of a company and its environmental, social, and governance (ESG) performance. The outcome was an inverted U-shaped curve, indicating that the firm's systematic risk level has a maximum value for ESG performance. The findings also showed that businesses in hazardousindustries exceed others in terms of environmental performance since their operations are more susceptible to causing social harm.	The study's limitations were that it only looked at firms from the BRICS countries, and the econometric approach utilized might be biased.

6	Loh, Thomas, and Wang (2017)	Four indicators of Governance, Economic, Environmental and Social.	Control variables: government linked corporations (GLC), family businesses (FB), and high impact sectors (HI); Four months market value.	The sample consists of 502 Listed companies on the Singapore stock exchange, which were chosen using the Ohlson model based on weighted least square regression. Up to 2015, data was gathered from Bloomberg, Osiris, and business disclosure.	The research looked into the link between sustainability reporting and a company's worth. Despite the fact that firm status such as state ownership, family business, and functioning in high-impact sectors were shown to have no correlation with market value, the findings demonstrated that sustainability disclosure is positively related with enterprise market value.	The study's drawback was that it only looked at one nation, and the factors utilized may have impacted the results.
7	Cornett,Tehranian, and Erhemjamts (2016)	35 parameters based on ESG ratings.	ROA, ROE, Tobin's Q, operating profit, size, capital levels, high fees, board composition, external political climate.	The study looked at 235 US banks between 2003 and 2013, using data from the MSCI ESG STATS database using OLS regression.	The study looked at the link between a bank's social and financial performance, and the results revealed a significant positive association between ROE and CSR rankings. According to the findings, the recent financial crisis prompted banks and other stakeholders to increase sustainable practices.	The research has limits because it only looked at the United States, which is a developed market.
8	Tarmuji, Maelah, and Tarmuji(2016)	Three indicators of Environmental, Governance, and Social.	Economic performance	For the period 2010-2014, regression analysis was used to sample 80 enterprises, 35 from Malaysia and 45 from Singapore.	The study looked at the influence of environmental, social, and governance (ESG) practices on economic performance. All of the economic performance indicators had a strong positive connection, according to the findings.	The study's shortcomings were due to the insufficient sample size. As a result, no conclusions should be drawn from the findings.
9	Burhan and Rahmanti (2012)	Based on the GRI framework, an economic, social, and governance performance indicator has been developed.	Return of assets (ROA)	For 2006-2009, a linear regression was used to analyse listed non-financial enterprises in Indonesia.	This author discovered, similar to a previous study that only social performance disclosure affects firm performance favourably. As a result, the author believes that businesses will begin to act appropriately since it will be impossible for firms to exist without stakeholder credibility and confidence.	Over a short period, the research was limited to a small sample of 32 organizations.

10	Ameer and Othman (2012)	The Environment, Diversity, Community, and Ethical standards are all factored into the Sustainability Index rankings. Based on the disclosure in the sustainability report, the item was given a score of 0 to 4.	SRG is for sales revenue growth, ROA stands for return on assets, PBT stands for profit before taxes, and CFO stands for cash flows from operations.	The Top 100 Globally Sustainable Companies were included in the sample from 2006 to 2010. The environmental, social, and governance (ESG) data comes from a content analysis of sustainability reports, while the financial data came from Thomson Financials World scope.	The goal of this study was to examine if companies that use the finest sustainability practices have more financial success and growth than those that don't. Organizations with better sustainability disclosure ratings had significantly greater sales revenue growth, ROA, PBT, and CFO across the study period.	The sample, taken from just the top 100 worldwide sustainable enterprises in the UnitedStates, was a research constraint.
11	Bayoud et al. (2012)	Employee, Community, Consumer, and Environment disclosures constitute the level of Corporate Social Responsibility Disclosure (CSRD).	Corporate Reputation	Quantitative data includes 110 annual reports from 40 Libyan businesses and 149questionnaires filled out by managers and workers to assess company reputation. 2007-2009 was the test period. 31 finance and information managers provide qualitative data on their views on the link between CSRD and business reputation	The findings show that a high degree of CSRD is positively related to stakeholder groups' organizational perceptions. The findings demonstrate that most firms (60%) disclose all four types of CSRD, while only 5% do not provide CSR data in their annual reports.	This research exclusively looks at annual reports and excludes other forms of corporate mass communication. Furthermore, the sample size (40) is small, and subjectivitymight influence content analysis. Future studies should look into the different types of disclosures separately.
12	Reddy and Gordon (2010).	If the sustainability report is of the appropriate kind, the dummy variables D1, D2, and D3 equal 1; otherwise, they equal 0.	Abnormal returns	The sample consisted of 68 Listed businesses from New Zealand and the Australian Stock Exchange throughout 31 days following the market announcement, as determined by event analysis.	There was a statistically significant association with market returns for Australian corporations, while for New Zealand companies, there was a systematic positive relationship.	The study's weakness was that it primarily addressed developed economies after discovering various contextual aspects that can alter the relationship between sustainability reporting and financial performance, such as industry and kind of sustainability report.

13	Lin, Yang, and Liou (2009)	The donation ratio can be used as a proxy for CSR.	Return on Asset (ROA) and rate of stock return	The top 1000 Taiwanese businesses were included in the sample. From 2002 to 2004, the Taiwan Economic Journal Databank was used to obtain financial information about companies.	This study demonstrated the importance of shifting social responsibility research away from bivariate connections and a more context specific approach. The study looked at a company's R&D spending, and the findings revealed a long-term favourable association between corporate sustainability reporting and financial success.	Because the author used survey methodologies, the CSR assessment was non-objective, and the sample only comprised large industrial businesses, the study's findings were restricted. The study also ignored industry influences, which had a significant impact on the relationship between variables.

Negative Relationship:

According to Cormier and Magnan (2007), comprehensive disclosure of information like R&D, product & process innovation, risk management techniques, eco-efficiency, training & development, and so on might result in some costs and hazards. Competitors, regulators, and pressure groups may misuse such information to harm the firm's interests, resulting in a loss of competitive advantage and a drop in financial performance. Sustainability measures initially result in a significant rise in expenses, resulting in a short-term negative financial performance. Table 2: Some studies show a negative link between sustainability reporting and company performance

S. No.	Literature	The measure of Sustainability Reporting	The measure of Financial Performance	Methodology and Data Sources	Key Findings and Conclusions	Remarks and Limitations (If any)
1	Rajesh and Rajendran (2020)	Sustainability performance was based on publicly reported information	ESG scores from Thomson Reuters based on 10 indicators	The structural models were assessed with Smart PLS 3.0, applying a partial least square (PLS) technique. The final sample included data from 1820 businesses collected on a regular basis throughout a five-year period from 2009 to 2018.	ESG performance has a considerable negative moderating influence on sustainability performance, according to this study. As a result, the author urged managers to investigate the moderating impacts of each environmental, social, and governance (ESG) performance indicator in greater depth to see how far the different effects might enhance a company's overall sustainability performance. However, the researchers noted that ESG performance might be influenced by external influences from stakeholders, consumers, rivals, and governments. The explanation for the opposite finding arose from the notion that as stakeholder demand for enhanced visibility grows, businesses' focus and supply chains would improve, resulting in better sustainability performance across several dimensions.	The path adopted to give precedence to environmental, social, and governance related issues in the execution of strategies and the study's failure to investigate the influence of control variables undoubtedly studied limitations.

2	Dinçer and Altınay (2020)	4 Indicators of environment, human resources, product liability, and community involvement.	Return on assets (ROA), Return on equity (ROE), net interest margin (NIM).	Seven banks were chosen using a scoring methodology from the Bursa Istanbul, Turkey (BIST) Sustainability Index between 2010 and 2017. The information was gathered from bank sustainability reports.	The study looked at banks' sustainability report declarations on financial performance and found a negative effect. Banks' standards are constantly revised and require them to remain disciplined is a logical explanation for the contradictory findings. As a result, banks use environmental reporting as an advertisement/ promotiontool for prestige; implementing sustainable practices necessitates changing business tactics. As a result, shareholders view it as a cost item that puts additional expenses on banks.	The study's limitations resulted from the limited sample size and short period.
3	Alcaide Gonzalez, De La Poza Plaza, and Guadalajara Olmeda (2020)	ESG Scores in Reptrak; Global 100, Green ranking; Finance yahoo sustainability; Interbrand; brand finance; Millward brown.	Size, increase in total assets, increase in revenues, leverage, ROE, ROA, and number of employees in each tax year.	For a sample of 13 organizations in the IT industry from the top 100 worldwide rankings from 2000 to 2018, a multivariate linear regression using ordinary least squares was employed.	While the study looked at the relationship between ESG scores and company success, the findings found that while big businesses are more open about sustainability, it has no bearing on their financial behaviour. In general, the findings showed that, in comparison to other industries, achieving greater transparency and specific standards for preparing sustainability initiatives will start to serve as a reward for businesses in the tech industry to raise the value of their brand names, notably the value of their intangibles.	This study has two limitations: the sample size and the time span addressed by the study.
4	Abba, Abdullah, Said, and Mahat (2018)	Environmental disclosure quality (EDQ), Environmental disclosure (ED), and Environmental disclosure level (EDL).	Environmental operational performance Control variable: size, profitability, leverage, regulatory pressure, competitive strategy, and audit quality.	The study looked at the Nigerian Stock Exchange Market manufacturing industry using content analysis (NSE). A total of 53 firms made up the final sample.	There was no statistical evidence to establish the link between performance and disclosure quality in this investigation. The findings revealed that Nigerian manufacturing enterprises utilize disclosure to legitimize their existence in society. Furthermore, they employed the strategies in order to sustain and manipulate public perception of their environmental performance. This research helped to a better understanding of the environmental disclosure issue known as "greenwashing." Firms' non-appreciation of disclosure quality to	The study's limitations stemmed from the fact that it only looked at manufacturing companies and employed a limited sample size.

					obtain selection preference was shown in the study.	
5	Fatemi et al. (2018)	ESG strength and ESG concern are indicators of ESG performance. ESG disclosure is the moderator.	Tobin's Q, Return on Assets, Return on Asset Growth, Firm Size, Asset Intensity, and Leverage are all control factors. Advertising intensity, R&D spending, and asset age are all factors to consider.	For 2006–2011, regression analysis was performed using data from KLD and Bloomberg for 403 US-listed businesses.	This study revealed that ESG strength raises business value while ESG concerns diminish it, and that extensive ESG transparency lessens the good valuation effect of ESG strength. Because the market interpreted the disclosures as the company's attempt to justify its overinvestment in ESG operations, the findings were possibly removed. While it was discovered that reporting diminishes the deleterious share price impacts of ESG issues, it might be because through disclosure of information, enterprises validate their conduct by clarifying to stockholders why their activities are acceptable, or just because enterprises try and convince stockholders that they may have managed to make binding decisions to alter their activities and therefore conquer ESG failings.	The study's restrictio may stem from th fact that it only looke publicly trade companies the Unitec States. at in
6	Joshi, Pandey, and Ross (2017)	Dow Jones Sustainability Index (DJSI)/SAM	Stock Returns	Stock market responses to alterations in the Dow Jones Sustainability Index (DJSI) status of corporations and yearly major announcements by DJSI/SAM about the admission of 196 American businesses and the elimination of 133 American businesses from the DJSI (World and North America) were studied using an event research technique from 2002 to 2011.	Despite the fact that this study differed from the previous in that it used an event study approach, the overall findings showed that being on the DJSI had a detrimental influence. According to the findings, the inclusion of the DJSI was averse to markets, while its removal was unfavourable. Questions regarding probable further restrictions on manufacturing technologies, over-compliance causing in a disadvantageous position, and diverting the management effort and resources far from improving productivity have been overtaken by questions regarding possible areas for expansion.	Because it focused on US companies included on the Dow Jones Sustainability Index, this research overlooked other economies.

7	Detre and Gunderson (2011)	Firm's participation the DJSI announced. in is	Cumulative abnormal returns (CAR) and share values.	The sample comprised 36 publicly listed US agriculture companies' members of DJSI and trade on the NYSE, NASDAQ, or AMEX and was selected using an event research technique.	This study followed in the footsteps of Joshi, Pandey, and Ross (2017), who used an event study technique. Meanwhile, their research revealed that when announcements are made, agribusiness reacts negatively and significantly only in the short term. This might be due to the greater costs of sustainable measures when they are first implemented.	On the other hand, the research did not make a distinction between agricultural enterprises in terms of their commitment to sustainability aspects.
8	Jones, Frost, Van Der Laan, and Loftus (2007)	ESG performance according to the GRI guidelines.	Working capital, Cash flow, Cash position, profitability& earnings performance, market-to-book ratio, capital expenditure, debt servicing capacity, financial structure, size, turnover.	The sample comprised the top 100 publicly traded firms on the Australian Securities Exchange (ASX), with data taken from the most recent annual and sustainability reports from 2004.	According to the study's findings, there is a usually adverse correlation between sustainability disclosure and unexpected returns. It also revealed that business size and industry history had a significant impact. As a result, larger companies will show a higher level of sustainability disclosure than smaller companies. One potential explanation is that notable organizations invest a high level of trust in the wider variety of internal and external stakeholders, each whose actions can have a varied impact on the firm's economic performance. This also meant that other variables besides financial predictors might be influencing the amount of sustainability reporting.	For a specific period, this research exclusively looked at Australian companies.

No Significant Relationship:

Some experts believe any connection between sustainability reporting and financial performance is just random (McWilliams & Siegel, 2000). According to other research, while sustainability disclosures have no immediate impact on company performance, they may have long-term positive effects due to reputational benefits (Adams et al., 2012). Multiple sustainability performance criteria (environmental, social, etc.) are frequently stated to negate and oppose one another, resulting in no significant impact on financial performance (Ullmann, 1985; Ziegler et al., 2002; Statman, 2006; Galema et al., 2008).

Table 3: There is no evidence of a link between sustainability reporting and company performance in studies.

S. No.	Literature	Key Findings and Comment
1	Yilmaz et al. (2020)	Event research that analysed daily stock returns was used to explore the influence of addition and exception from the Bursa Istanbul Sustainability Index (BISTSI) on business stocks. However, there was no meaningful evidence for either the stock returns or the businesses' systematic risk (betas). As per the results, adding companies reduces the absolute risk by shielding them from stock price losses during a severe crisis and increases the robustness when comparison to enterprises is not included. According to the findings, investors in Turkish capital markets place minimal value on corporate sustainability performance when making investment decisions, owing to a rigid belief that imposing massive expenditures will harm the firm's profitability.

2	Gunarsih and Ismawati (2018)	This study looked at the connection between sustainability reporting based on GRI and firm performance using a sample of 60 listed enterprises in the mining, metals, and food processing industries on the Indonesia stock exchange IDX between 2014 and 2017. The studies demonstrated that two factors of SR (financial and societal) affected market price (Tobin's Q) though not on book value (ROA). Overall, there was no relationship between all areas of sustainability reporting and corporate performance, according to the analysis. One probable explanation is that in Indonesia, public understanding of the benefits of sustainability reporting is minimal, and reporting is optional.
3	Ching, Gerab, and Toste (2017)	All firms listed on the Corporate Sustainability Index in Brazil between 2008 and 2014 were included in the study's sample. The research looked at whether the quality of sustainability reporting has an influence on firm financial performance, however there was no clear consensus among the findings. The study discovered no relationship among accounting and market-based characteristics and reporting quality, despite the fact that disclosure quality has improved over time. This is significant since the company's performance has deteriorated over time, and its scores have been low. Due to stakeholders' perceptions of enterprises' use of pricey sustainability initiatives as a legitimization tool to reduce informational asymmetries, profits from socially accountable conduct may have insufficient to compensate for the cost in market equilibrium.
4	Malarvizhiand Matta (2016)	For 85 severely polluting corporations listed on the Bombay Stock Exchange, the study looked into the link between corporate environmental disclosure and firm performance (BSE). The study discovered no meaningful link using regression analysis. However, the findings demonstrated a strong link between company size and environmental disclosure, implying that significant corporations include environmental information in their annual and sustainability reports. The discrepancy might be due to the country's early adoption and implementation of GRI.
5	Atan, Razali, Said, and Zainun (2016)	The study compared the effects of ecological, societal, and governance transparency on firm profitability in Denmark and Malaysia but identified no significant differences. According to the analysis, the absence of legal force in Denmark prompted the quantity of disclosure to be larger and more comprehensive than in Malaysia, which has no specific ESG requirement. As a consequence, the study indicated that the time lag in the influence of transparency on firm profitability as well as the inherent limitations of the EVA substitute used in the study were likely factors. The outcomes of this study highlighted the significance of a country's legislative history and how it influences a company's extent of ESG disclosure.

(Arguments supporting the adoption of a disaggregated methodology) Mixed Relationship:

Sustainability disclosures are made up of several different elements, each of which may have different consequences that balance each other out, making it impossible to draw any accurate or substantial conclusions about the link between sustainability reporting and financial success (Ullmann, 1985; McWilliams & Siegel, 2000). It is better to consider the effect of every aspect of sustainability practices on financial performance separately in order to arrive at more exact results.

Table 4: Studies on the impact of sustainability reporting on company performance have provided mixed results.

S. No.	Literature	Key Findings and reasons for the inconsistent result
1	Kim and Oh (2019)	This study looked into the relationship between corporate social responsibility (CSR) and financial performance of Indian enterprises, which covered both company groups and standalone companies. The findings revealed a U-shaped relationship between the corporate social responsibility disclosure score and Tobin's Q. The findings also revealed that, while a rise in CSR practices does not always equate to higher company value, it must at the very least exceed a certain level of CSR to have a positive influence on firm value. Furthermore, while the unfavourable link between CSR and Tobin's Q diminishes at a lower rate in group affiliate enterprises, the supplement impact of the business group diminishes at a greater level, reducing the favourable link between CSR and Tobin's Q. As a consequence, the stock markets will be able to comprehend the varying impacts of various company groups on CSR performance. According to the evidence, CSR is only connected to long-term firm performance, not short-term profitability. The contrasting opinions might be explained by the unique qualities of Indian companies with regard to CSR. This is due to the fact that the bulk of Indian firms have strong philanthropic and community development origins.
2	Akbulut and Kaya (2019)	This study provided insight into the link between business success, firm size, leverage, and corporate sustainability reporting (CSR). In the automotive industry, however, the data indicated a substantial favourable link between business size and sustainability reporting, but a hugely unfavourable association among leverage and sustainability reporting. The inconsistencies might be due to the study's restricted focus on the car industry and the metrics used for the factors, notably the inclusion and removal of the GRI database.

3	Miller, Eden, and Li (2018)	The impact of corporate social responsibility (CSR) on business success was investigated in this study. According to the research, changes in the CSR image have predicted uneven and substantial repercussions on business performance. The findings demonstrated that performance effects are based on whether the firm's CSR image is favourable (i.e., if performance surpasses CSR rules), indifferent (if performance meets CSR laws), or unfavourable (if performance doesn't really satisfy CSR laws) in the past and current periods (if performance fails to comply with CSR laws). This means that efforts to improve CSR conformity will have little impact. Nonetheless, efforts to improve CSR conformity will have a negative effect on firm performance, notably profitability.
4	Sampong et al. (2018)	The study looked at the relationship between CSR disclosure and its components, as well as firm value, for South African businesses. Based on the panel data fixed-effect model, the researchers discovered a positive but insignificant association between CSR reporting performance and company worth; a negative but insignificant association between environmental reporting performance and company worth; and a statistically significant positive connection between social disclosure performance and company worth. According to the findings, CSR disclosure has a minor influence on company value. Moreover, despite its apparent advantages, research has demonstrated that CSR disclosure does not necessarily affect business value. Companies utilize transparency to justify their actions and inactions. Various industries actively implement socially responsible initiatives to keep pace with international movements and other external forces, as well as to achieve efficiency in profit and stock price.
5	Nor, Adnan, Bahari, Kamal, and Ali (2016)	The research looked into the financial performance of Malaysia's top 100 firms in terms of environmental transparency. The study found a substantial link between total environmental disclosure and profit margin in the 2011 annual report, although no strong connection among overall environmental disclosures and ROA, ROE, or EPS. One of the causes might be the absence of requisite laws and legislative duties for firms in Malaysia to certify ecological sustainability. Moreover, environmental disclosure is now in its early stages in Malaysia, although it is growing as more firms become conscious of environmental challenges.
6	Garg (2015)	The influence of sustainability reporting on company performance in India was investigated in this study. The short-term effects were detrimental, while the long-term effects were sound. Companies' sustainability reporting methods improved during the study, according to the findings.
7	Bachoo, Tan, and Wilson (2013)	The researchers looked at the relationship between the value of a firm and the quality of its sustainability reporting. Relying on proprietary information taken from a highly specialized active investment research company, the study's findings reveal a strong negative correlation between the quality of sustainability reporting and the cost of equity capital for publicly traded companies between 2003 and 2005, but a strong association between anticipated future performance and the quality of sustainability reporting. The findings are founded on the notion that the best sustainability reporting is valued by markets, and as such, the ecological aspect of sustainability reporting seems to be the most strongly connected to corporate value.
8	MohdTaib and Ameer (2012)	This study looked at the connection between business sustainability practices and financial success and used a cross-sectional sample of US and UK-listed firms. According to the statistics, UK enterprises have a higher level of transparency than US firms. This demonstrates a considerable difference in sales growth between US and UK firms, but no disparities in debt, ROE, or ROA. Moreover, their diversity index was shown to have a significant positive effect on profitability, but not so for their corporate ethics, society, or ecological indices.
9	Faisal, Tower, and Rusmin (2012)	The research looked at how businesses throughout the world report on their sustainability activities. Strong sectors and significant firms, as per the empirical evidence, publish greater sustainability data. As per the results, businesses that provide more optional external certification declarations include more sustainability disclosure than businesses that do not. Despite this, the data failed to show that independent directors lead to improved sustainability disclosure, which is a benefit of strong corporate boards. Companies typically use sustainability reporting as a legitimise tool to decrease societal pressure and disapproval, acquire funding, and build a much more effective business image, according to the findings.

CONCLUSION

The number of organizations publishing sustainability reports has increased over time, and extensive empirical investigations have been carried out to explore the association between corporate sustainability reporting and corporate success. The most commonly employed doctrines are stakeholder theory, institutional theory, legitimacy theory, and agency theory. Our evaluation looked at 35 pieces of research that looked into this link. We discovered concrete evidence that implementing sustainability initiatives helps companies in a variety of ways, including increasing corporate reputation, obtaining access to funds and emerging businesses, and supporting enterprises in achieving competitiveness. Our judgment does not rule out the possibility of major costs for businesses in the near future. In the long term, the benefits of sustainable practices will outweigh the investment costs. However, because the data reveals inconsistent results, varying from positive to negative, relatively irrelevant, or varied results,

there seems to be a divergence of opinion. The disparity might be attributable to a number of things. For example, the opinion that stockholders perceive such an investment as a cost object focused on profitability; investors may not prioritize disclosures; or that corporations use reporting as a legitimized tool for prestige; proxies as a measuring tool; poor legislation, and so on. Future research may do a detailed evaluation to stratify the approaches in order to analyse the numerous aspects of sustainable practice and draw more extensive and unambiguous inferences from our observations. Future research might compare nations from the same region to examine the link.

PROSPECTS FOR FURTHER STUDY

This publication analyses and summarizes the results and conclusions of several sustainability reporting studies. There is a lot more research to be done. To arrive at a more straightforward and accurate association among sustainability reporting techniques and financial performance, future investigations will still need to consider taking a structured stratified strategy to analyse the effect of each aspect of sustainability (economic, social, ecologic, and stewardship) individually. However, the majority of research accessible were done in developed economies such as the United Kingdom, the United States, Europe, and so on. As a result, there is an urgent need to examine this link in the case of developing nations such as India.

REFERENCE

[1] Abba, M., Said, R. M., Abdullah, A., &Mahat, F. (2018). The relationship between environment operational performance and environmental disclosure of Nigerian listed companies. *Journal of Environmental Accounting and Management*, 6(1), 1–15. https://doi.org/10.5890/JEAM.2018.03.001

[2] Aggarwal, P. (2013). Sustainability Reporting and its Impact on Corporate Financial Performance: A Literature Review. *Indian Journal of Commerce and Management Studies,* 4(3), 51–59.

[3] Akbulut, D. H., & Kaya, I. (2019). Sustainability reporting and firm performance. *Pressacademia,* 9(9), 81–84. https://doi.org/10.17261/pressacademia.2019.1071

[4] Alcaide González, M. Á., De La Poza Plaza, E., & Guadalajara Olmeda, N. (2020). The impact of corporate social responsibility transparency on the financial performance, brand value, and sustainability level of IT companies. *Corporate Social Responsibility and Environmental Management,* 27(2), 642–654. https://doi.org/10.1002/csr.1829

[5] Al-Tuwaijri, S. A., Christensen, T. E., & Hughes, K. E. (2004). The relations among environmental disclosure, environmental performance, and economic performance: A simultaneous equations approach. *Accounting, Organizations and Society,* 29(5– 6), 447–471.https://doi.org/10.1016/S0361-3682(03)00032-1

[6] Ameer, R., & Othman, R. (2012). Sustainability practices and corporate financial performance: A study based on the top global corporations. *Journal of Business Ethics,* 108(1), 61–79. https://doi.org/10.1007/s10551-011-1063-y

[7] Aras, G., Tezcan, N., &KutluFurtuna, O. (2018). Multidimensional comprehensive corporate sustainability performance evaluation model: Evidence from an emerging market banking sector. *Journal of Cleaner Production,* 185, 600–609. https://doi.org/10.1016/j.jclepro.2018.01.175

[8] Atan, R., Razali, F. A., Said, J., &Zainun, S. (2016). Environmental, social and governance (esg) disclosure and its effect on firm's performance: A comparative study. *International Journal of Economics and Management,* 10(Specialissue2), 355–375. Retrieved from http://www.econ.upm.edu.my/ijem

[9] Bachoo, K., Tan, R., & Wilson, M. (2013). Firm Value and the Quality of Sustainability Reporting in Australia. *Australian Accounting Review,* 23(1), 67–87. https://doi.org/10.1111/j.1835-2561.2012.00187.x

[10] Borges Junior, D. M. (2019). Sustainability report and performance of Brazilian public companies. *RevistaCatarinense Da CiênciaContábil,* 18(2014), 1–12. https://doi.org/10.16930/2237-766220192779

[11] Brown, N., & Deegan, C. (1998). The public disclosure of environmental performance information - A dual test of media agenda setting theory and legitimacy theory. *Accounting and Business Research,* 29(1), 21–41.https://doi.org/10.1080/00014788.1998.9729564

[12] Buallay, A. (2019). Is sustainability reporting (ESG) associated with performance? Evidence from the European banking sector. *Management of Environmental Quality: An International Journal,* 30(1), 98–115. https://doi.org/10.1108/MEQ-12-2017-0149

[13] Ching, H. Y., Gerab, F., & Toste, T. H. (2017). The Quality of Sustainability Reports and Corporate Financial Performance: Evidence from Brazilian Listed Companies. *SAGE Open,* 7(2). https://doi.org/10.1177/2158244017712027

[14] Chithambo, L., Tingbani, I., Agyapong, G. A., Gyapong, E., &Damoah, I. S. (2020). Corporate voluntary greenhouse gas reporting: Stakeholder pressure and the mediating role of the chief executive officer. *Business Strategy and the Environment,* 29(4), 1666– 1683. https://doi.org/10.1002/bse.2460

[15] Clarkson, M. E. (1995). a Stakeholder Framework for Analyzing and Evaluating Corporate Social Performance. *Academy of Management Review,* 20(1), 92–117. https://doi.org/10.5465/amr.1995.9503271994

[16] Cornett, M. M., Erhemjamts, O., &Tehranian, H. (2016). Greed or good deeds: An examination of the relation between corporate social responsibility and the financial performance of U.S. commercial banks around the financial crisis. *Journal of Banking and Finance,* 70, 137–159. https://doi.org/10.1016/j.jbankfin.2016.04.024

[17] Deegan, C. (2002). Introduction: The legitimising effect of social and environmental disclosures – a theoretical foundation. *Accounting, Auditing & Accountability Journal,* 15(3), 282–311. https://doi.org/10.1108/09513570210435852

[18] Delai, I., & Takahashi, S. (2013). Corporate sustainability in emerging markets: Insights from the practices reported by the Brazilian retailers. *Journal of Cleaner Production,* 47, 211–221. https://doi.org/10.1016/j.jclepro.2012.12.029

[19] Detre, J. D., & Gunderson, M. A. (2011). The triple bottom line: What is the impact on the returns to agribusiness? *International Food and Agribusiness Management Review,* 14(4), 165–178.

[20] Dinçer, Ö., &Altınay, A. (2020). The Effect of Declarations of Sustainability Reports on Financial Performances of Banks in Turkey. *(January),* 1–15.https://doi.org/10.20944/preprints202001.0145.v1

[21] Donaldson, T., & Preston, L. E. (1995). Theory the Stakeholder of the Concepts, Evidence, Corporation: and Implications. *Academy of Management Review,* 20(1), 65–91. https://doi.org/10.2307/258887

[22] Elkington, J. (1999). Triple bottom-line reporting: Looking for balance. *AUSTRALIAN CPA,* 69, 18–21.

[23] Emeka-Nwokeji, N. A., & Okeke, P. C. (2019). Evaluating Corporate Environmental Disclosures and Performance of Quoted NonFinancial Firms in Nigeria. *Journal of Accounting, Business and Social Sciences,* 1(2), 119–132.

[24] Faisal, F., Tower, G., &Rusmin, R. (2012). Legitimising Corporate Sustainability Reporting Throughout the World. *Australasian Accounting Business & Finance Journal,* 6(2), 19–34.

[25] Fatemi, A., Glaum, M., & Kaiser, S. (2018). ESG performance and firm value: The moderating role of disclosure. *Global Finance Journal,* 38, 45–64. https://doi.org/10.1016/j.gfj.2017.03.001

[26] Freeman, R. E. (1984). Stakeholder management: framework and philosophy. *Pitman, Mansfield, MA.*

[27] Freeman, R. E., & David, L. R. (1983). Stockholders and Stakeholders: A New Perspective on Corporate Governance. *California Management Review,* 25(3), 88–106. https://doi.org/10.2307/41165018

[28] Freeman, R. E., Harrison, J. S., Wicks, A. C., Parmar, B. L., & De Colle, S. (2010). Stakeholder theory: The state of the art. *Cambridge University Press.*

[29] Furlan Alves, M. B., Lopes de Sousa Jabbour, A. B., &Barberio Mariano, E. (2019). How can we solve the puzzle of strategic climate management and appreciate its longterm effects? *Journal of Organizational Change Management,* 32(7), 687–708. https://doi.org/10.1108/JOCM-01-2018-0013

[30] Garcia, A. S., Mendes-Da-Silva, W., &Orsato, R. (2017). Sensitive industries produce better ESG performance: Evidence from emerging markets. *Journal of Cleaner Production,* 150, 135–147. https://doi.org/10.1016/j.jclepro.2017.02.180

[31] Garg, P. (2015). Impact of Sustainability Reporting on Firm Performance of Companies in India. *International Journal of Marketing and Business Communication,* 4(3). https://doi.org/10.21863/ijmbc/2015.4.3.018

[32] Global Reporting Initiative. (2002). The GRI Standards: the global standards for sustainability reporting. Retrieved from www.globalreporting.org

[33] Global Reporting Initiative. Gri 101: foundation 2016 101., *GRI101 GRI Standards* (2016).

[34] Gold, N. (2021). IMPACT OF CORPORATE SUSTAINABILITY REPORTING PRACTICE ON CORPORATE PERFORMANCE: A REVIEW OF LITERATURE. *December 2020.* https://doi.org/10.15282/ijim.8.0.2020.5760

[35] Gunarsih, T., &Ismawati, Y. (2018). Sustainability Report and Firm Performance: Study in Mining and Metal and Food Processing Industry Indonesia Stock Exchange 2014-2017. *Journal of Governance and Integrity,* 2(1), 9–26.

[36] Henriques, A., & Richardson, J. (2004). The triple bottom line, does it all add up? assessing the sustainability of ... *In The Triple Bottom Line* (p. 186). Retrieved from http://books.google.com/books?id=JIiHcXcLSHAC&pgis=1

[37] Hoejmose, S. U., Roehrich, J. K., &Grosvold, J. (2014). Is doing more doing better? The relationship between responsible supply chain management and corporate reputation. *Industrial Marketing Management,* 43(1), 77–90.https://doi.org/10.1016/j.indmarman.2013.10.002

[38] Ioannou, I., &Serafeim, G. (2017). The Consequences of Mandatory Corporate Sustainability Reporting. Retrieved from https://pdfs.semanticscholar.org/f44a/77e9799017edb8a2a90e00b2c2ba742ea2f2.pdf

[39] Jan, A., Marimuthu, M., bin Mohd, M. P., & Isa, M. (2019). The nexus of sustainability practices and financial performance: From the perspective of Islamic banking. *Journal of Cleaner Production,* 228, 703–717. https://doi.org/10.1016/j.jclepro.2019.04.208

[40] Jones, S., Frost, G., Loftus, J., & Van Der Laan, S. (2007). An Empirical examination of the market returns, and financial performance of entities engaged in sustainability reporting. *Australian Accounting Review,*17(41), 78–87. https://doi.org/10.1111/j.1835- 2561. 2007.tb00456.x

[41] Joshi, S., Pandey, V., & Ross, R. B. (2017). Asymmetry in Stock Market Reactions to Changes in Membership of the Dow Jones Sustainability Index. *The Journal of Business Inquiry,* 16(1), 12–35. Retrieved from http: www.uvu.edu/woodbury/jbi/articles/

[42] Kim, W. S., & Oh, S. (2019). Corporate social responsibility, business groups and financial performance: a study of listed Indian firms. *Economic Research-EkonomskaIstrazivanja,* 32(1), 1777–1793. https://doi.org/10.1080/1331677X.2019.1637764

[43] KPMG. (2017). The road ahead: KPMG International Survey of Corporate Responsibility Reporting. *In KPMG Reporting.* Retrieved from www.kpmg.com/crreporting

[44] Kwaghfan, A. (2015). Impact of Sustainability Reporting on Corporate Performance of Selected Quoted Companies in Nigeria.

[45] Loh, L., Thomas, T., & Wang, Y. (2017). Sustainability reporting and firm value: Evidence from Singapore-listed companies. *Sustainability (Switzerland),* 9(11), 1–12. https://doi.org/10.3390/su9112112

[46] López, M. V., Garcia, A., & Rodriguez, L. (2007). Sustainable development and corporate performance: A study based on the Dow Jones sustainability index. *Journal of Business Ethics,* 75(3), 285–300. https://doi.org/10.1007/s10551-006-9253-8

[47] Malarvizhi, P., & Matta, R. (2016). Link between Corporate Environmental Disclosure and Firm Performance: Perception or Reality? *Review of Integrative Business and Economics Research,*5(3), 1–34. Retrieved from https://search.proquest.com/agricenvironm/docview/1814289754/fulltextPDF/43593F5413684851PQ/8?accountid=48290

[48] Maletič, M., Maletič, D., &Gomišček, B. (2018). The role of contingency factors on the relationship between sustainability practices and organizational performance. *Journal of Cleaner Production,*171, 423–433. https://doi.org/10.1016/j.jclepro.2017.09.172

[49] Margolis, J. D., & Walsh, J. P. (2003). Misery Loves Companies: Rethinking Social Initiatives by Business. *Administrative Science Quarterly,* 48(2). https://doi.org/10.2307/3556659 Miller, S. R., Eden, L., & Li, D. (2018). CSR Reputation and Firm Performance: A Dynamic Approach. *Journal of Business Ethics,* 0(0), 0. https://doi.org/10.1007/s10551-018-4057-1

[50] MohdTaib, E., & Ameer, R. (2012). Relationship between Corporate Sustainability Practices and Financial Performance: Evidence from the GRI Reporting Companies. *SSRN Electronic Journal,* 1–27. https://doi.org/10.2139/ssrn.2152124

[51] Muhmad, S. N., & Muhamad, R. (2020). Sustainable business practices and financial performance during pre- and post-SDG adoption periods: a systematic review. *Journal of Sustainable Finance and Investment.* https://doi.org/10.1080/20430795.2020.1727724

[52] N. Burhan, A. H., &Rahmanti, W. (2012). the Impact of Sustainability Reporting on Company Performance. *Journal of Economics, Business, and Accountancy | Ventura,* 15(2), 257. https://doi.org/10.14414/jebav.v15i2.79

[53] Ng, A. C., &Rezaee, Z. (2012). Sustainability Disclosures and Cost of Capital. *SSRN Electronic Journal,* (852). https://doi.org/10.2139/ssrn.2038654

[54] Nor, N. M., Bahari, N. A. S., Adnan, N. A., Kamal, S. M. Q. A. S., & Ali, I. M. (2016). The Effects of Environmental Disclosure on

Financial Performance in Malaysia. *Procedia Economics and Finance,*35(October 2015), 117–126. https://doi.org/10.1016/s2212-5671(16)00016-2

[55] NSE, N. S. E. (2018). Circular on Sustainability Disclosure Guidelines. *Retrieved from* Circular *NSE/RD/LRD/CIR1/18/12/19* website: http:// www.nse.com.ng/mediacenter/pressreleases/Pages/NSE-Announces-itsSustainability-Disclosure-Guidelines.aspx

[56] Patten, D. M. (1991). Exposure, legitimacy, and social disclosure. *Journal of Accounting and Public Policy,* 10(4), 297–308. https://doi.org/10.1016/02784254(91)90003-3

[57] Rajesh, R. (2020). Exploring the sustainability performances of firms using environmental, social, and governance scores. *Journal of Cleaner Production,* 247, 119600. https://doi.org/10.1016/j.jclepro.2019.119600

[58] Rajesh, R., & Rajendran, C. (2020). Relating Environmental, Social, and Governance scores and sustainability performances of firms: *An empirical analysis. Business Strategy and the Environment,* 29(3), 1247–1267. https://doi.org/10.1002/bse.2429

[59] Reddy, K., & Gordon, L. W. (2010). The effect of sustainability reporting on financial performance: An empirical study using listed companies. *Journal of Asia Entrepreneurship and Sustainability,* 6(2), 19–42.

[60] Rezaee, Z. (2016). Business sustainability research: A theoretical and integrated perspective. *Journal of Accounting Literature,* 36, 48– 64. https://doi.org/10.1016/j.acclit.2016.05.003

[61] Sampong, F., Song, N., Boahene, K. O., &Wadie, K. A. (2018). Disclosure of CSR performance and firm value: new evidence from South Africa on the basis of the GRI guidelines for sustainability disclosure. *Sustainability (Switzerland),* 10(12). https://doi.org/10.3390/su10124518

[62] Schmidt, C. G., Foerstl, K., &Schaltenbrand, B. (2017). The Supply Chain Position Paradox: Green Practices and Firm Performance. *Journal of Supply Chain Management,* 53(1), 3–25. https://doi.org/10.1111/jscm.12113

[63] Shad, M. K., Lai, F. W., Fatt, C. L., Klemeš, J. J., & Bokhari, A. (2019). Integrating sustainability reporting into enterprise risk management and its relationship with business performance: A conceptual framework. *Journal of Cleaner Production,* 208, 415–425. https://doi.org/10.1016/j.jclepro.2018.10.120

[64] Suchman, M. C. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review,*20(3), 571–610. https://doi.org/doi.org/10.5465/amr. 1995. 9508080331

[65] Tarmuji, I., Maelah, R., &Tarmuji, N. H. (2016). The Impact of Environmental, Social and Governance Practices (ESG) on Economic Performance: Evidence from ESG Score. *International Journal of Trade, Economics and Finance,* 7(3), 67–74. https://doi.org/10.18178/ijtef.2016.7.3.501

[66] Wei, J. (2020). Environmental, Social, and Governance Proposals and Shareholder Activism. *The Journal of Portfolio Management,* 46(3), 49–64. https://doi.org/10.3905/jpm.2020.46.3.049

[67] World Commission on Environment and Development. (1987). The Brundtland Report: *In Our Common Future'*. https://doi.org/10.1080/07488008808408783

[68] Yilmaz, M. K., Aksoy, M., &Tatoglu, E. (2020). Does the stock market value inclusion in a sustainability index? Evidence from Borsa Istanbul. *Sustainability (Switzerland),* 12(2). https://doi.org/10.3390/su12020483

[69] Zhao, C., Guo, Y., Yuan, J., Wu, M., Li, D., Zhou, Y., & Kang, J. (2018). ESG and corporate financial performance: Empirical evidence from China's listed power generation companies. *Sustainability (Switzerland),* 10(8), 1–18. https://doi.org/10.3390/su10082607