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SUSTAINABILITY REPORT OF FINANCIAL SERVICES INDUSTRY IN SAARC COUNTRIES: SPECIAL REFERENCE TO BANGLADESH[1]

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ABSTRACT

Global warming and climate change have become important considerations for all types of entities in doing their regular activities and financial services industry is not exception to that. Only a good financial indicator may not ensure sustainability of an entity. Therefore, various legislations bind financial services industry for thinking about profit, people and planet all together. At the same time, it is crucial for stakeholders to have sufficient, accurate and timely information regarding organizational stance in these aspects for proper evaluation. An annual sustainability report may serve the purpose. The main objective of the study is to reveal the practice of annual sustainability reporting by the financial services industry of Bangladesh. The study is based on banks and non-bank financial institutions of Bangladesh as other financial organizations do publish sustainability report. Both primary and secondary data have been used to achieve the objectives of the study. Besides, interviews have been conducted to compile perceptions of reporting entities and regulatory bodies. It is observed that only four financial services firms are now preparing and publishing such reports following guidelines given by Global Reporting Initiative. Regulatory driven like intensive monitoring by the regulators may promote financial services sector to publish the report regularly.

Keywords: Sustainability Report, Financial Services Sector, Bangladesh, Disclosure

INTRODUCTION

The main goal of an entity is to make future development more sustainable. Short-term financial performance does not ensure sustainability of an organization. Besides, financial development of an isolate company may not be sustainable for an economy or for the company itself. Therefore, sustainable development is considered as an integrated concept with three aspects: economic, social and environmental (Habib et al., 2017). Moreover, the Millennium Development Goals (MDGs) were declared at the United Nations (UN) Millennium Summit in 2000 where ensuring environmental sustainability (Goal 7) was one of the eight goals. Subsequently, countries adopted a set of goals to end poverty, protect the planet, and ensure prosperity for all as part of a new sustainable development agenda at an historic UN Summit held on September 25, 2015 (www.un.org). Each of the 17 goals has specific targets to be achieved where everyone needs to

[1] Previous version of the paper was presented in Annual Banking Conference organized by Bangladesh Institute of Bank Management held during November 26-27, 2017 and recommendations of the conference have been accommodated in this version.

do their part: governments, the private sector, civil society and people. Accordingly, national level policies and strategies have been formulated by individual country including Bangladesh. In response to these legislative and regulatory bindings and incentives to promote good citizenship, a good number of financial institutions have been demonstrating their commitment to the earth through incorporating environmental risk in financing; using recycling programs; focusing on energy efficiency, purchase of carbon offsets; and sponsoring environmental events (Habib, Ullah & Rahman, 2011). For building up a greener future, it is obvious to start today with every small green step (Hossain & Rahman, 2013). A reporting framework accommodating all these aspects is known as sustainability reporting. It is beyond of financial reporting. Stakeholders are now very much concerned about more issues beside financial aspect while evaluating performance and predicting prospects of the entity. In this context, global warming and climate change have become important considerations for all types of entities in doing their regular activities and financial services industry is not exception to that. Therefore, financial services industry is to think about profit, people and planet all together in conducting business operations and reporting thereof. At the same time, stakeholders are expecting to have sufficient, accurate and timely information regarding organizational stance in these aspects for proper evaluation. An annual sustainability report may serve the purpose.

Commonly it is blamed that merchandising and manufacturing companies are responsible for global climate change. As a result, a significant number of sustainability reporting activities have been done in manufacturing sectors of developed and developing countries (Banerjee, Mustafa, Hossain & Ahmed, 2017). However, importance of sustainability reporting by financial services industry is gaining lots of focus even in developing countries. Hossain et al. (2016) highlights the importance of sustainability reporting in financial institutions which are funding organizations and projects that are responsible for contamination of social as well as global environment. Besides, banking and non-banking financial institutions are using electricity, fuel, gas, water, energy, etc. for operating their daily activities. In this context, sustainability reporting by financial service industry is necessity. For that purpose, sustainability is associated with the use of natural resources and issues related to environmental concerns. Chandler & Werther (2014) define sustainability as meeting the needs of the present without compromising the ability of future generations to meet own needs. Originally sustainability reporting focused solely on the environment but its scope has been broadened to include ethical/ social issues, employee treatment, community involvement, and the organizational structure in place to control all these aspects (Kolk, 2008). In this perspective, it is important to observe the status of sustainability reporting by Bangladeshi financial services industry and that of other neighboring countries; and to know the perceptions of reporting entities and regulatory authorities regarding the issue. The current study covers these issues.

OBJECTIVES AND METHODOLOGY

Objectives

The financial services industry (FSI) may make disclosure on sustainability issues either in the corporate annual report or in a separate annual sustainability report (ASR). The overall objective of the study is to observe status of ASR published by FSI of SAARC countries. The specific objectives are:

- to depict status of ASR of FSI in SAARC countries;
- to compile perceptions of stakeholders of Bangladesh in this regard; and
- to formulate some recommendations for enhancing sustainability reporting by FSI.

Methodology

Both secondary and primary data have been used in the research paper. Secondary data have collected from ASR of selected organizations, GRI website and other relevant publications. Though, there are several regulatory frameworks for framing sustainability report, GRI guidelines have been considered as a base-document. Among SAARC countries, FSIs of 3 countries (Bangladesh, India and Sri Lanka) publish sustainability report. In Bangladesh, only 3 banks and 1 non-bank financial institution (NBFI) are now preparing ASR. Therefore, these 4 institutions have been studied under FSI. However, FSI includes some other organizations like insurance company. Among other SAARC countries, only 7 financial services organizations of India and 4 of Sri Lanka have published ASR in 2015. All of Sri Lankan organizations have been covered in the study. However, 4 Indian organizations have been selected purposively based on availability of ASR on website and consistency of format of the report with others. As all of these organizations did not complete ASR for the year 2016, analysis has been done based on ASR of 2015. Besides, there are two options for preparing ASR in accordance with GRI – Core and Comprehensive. However, none of the Bangladeshi companies follows comprehensive option, therefore, compliance status has been presented based on core option.

Contents analysis technique has been applied as a method data collection. For this purpose, a disclosure checklist has been prepared based on GRI requirements. If specific item is reported in the ASR, then it is given ‘1’ and ‘0’ (zero) if not. Score is obtained by adding all reported items by a specific organization. Primary data have been collected through conducting interview and sharing with concerned personnel including executives working in regulatory agencies, executives are assigned for preparing ASR, executives of other institutions not-publishing ASR at present and few academics. For this purpose, the researcher has shared views with executive director, general manager and joint directors of BB; member, and deputy directors of BSEC; managing directors, deputy managing directors, chief financial officers, research officers of scheduled banks; professional chartered accountants; and professors of different school of business of universities. For analysis, most of the data have been presented in tabular form.

LITERATURE REVIEW

Market value typically differs from book value because traditional financial statements do not necessarily capture all of the factors that contribute to a company's long-term ability to create value (SASB, 2016). In this context, SASB (2016) believes that corporate reporting must extend beyond financial statements to facilitate the measurement and reporting of sustainability information that will enhance a decision makers' understanding of all material risks and opportunities. Therefore, a number studies have undertaken by researchers of different countries. The study of Alonso-Almeida, Llach and Marimon (2014) analyses the worldwide diffusion of the Global Reporting Initiative's (GRI) Sustainability Report in all economic sectors from 1999 to 2011. They found that close attention has been paid to the two leading sectors worldwide: the financial and energy sectors. They opine that the energy sector has adopted GRI reporting in an effort to be more sustainable as it is more visible, polluting, and international whereas the financial sector could regain market credibility and attract new investors, and GRI reporting could help it to construct a new identity defined by legitimate behaviors and an improved image. Elkington (1997) thinks that the GRI builds upon the foundations of triple bottom line to provide a framework for reporting and social accounting and provides a comprehensive sustainability reporting framework based on a global, multi-stakeholder process. Similarly, Hohnen (2012) opines that GRI is now the most popular international framework for reporting the triple bottom line of sustainable development – economic, social and environmental performance. Barkemeyer, Preuss and Lee (2014) found that the GRI has been successful in terms of output effectiveness by promoting the dissemination of sustainability reporting, in particular among Asian and South American companies. According to Halder (2015), GRI provides the worlds most widely used standards on sustainability reporting and disclosure in over 90 countries where about 80% companies use GRI's Standards.

Amran and Ooi (2014) found that, for businesses to ascertain their governance, efficiency, accountability and transparency through corporate sustainability disclosure, stakeholders' steps are vital where collaboration with targeted stakeholders will help the business meet stakeholders' demands and increase the organization's future sustainability goals. Burritt and Schaltegger (2010) said that assessment of recent literature leads to the conclusion that both management decision making, through problem solving and scorekeeping, and a critical approach, through awareness raising, contribute to the development of sustainability accounting and reporting; however, the development of sustainability accounting and reporting should be orientated more towards improving management decision making. Adams and Frost (2008) examined the process of developing key performance indicators (KPIs) for measuring sustainability performance and the way in which sustainability KPIs are used in decision-making, planning and performance management. The findings of the study indicate that the organizations are integrating environmental indicators, and increasingly also social indicators, into strategic planning, performance measurement and decision-making including risk management. Smith et al. (2007) show that the disclosure of environmental information is not a priority for companies in Malaysia.

Yadav (2016) observes that the sustainability reporting scenario is still in primary stage in Indian commercial banks. He pronounces that there is lack of policy support and guideline. Dissanayake et al. (2016) examine sustainability reporting in publicly listed companies in Sri Lanka and found that there is a major focus on social indicators, despite the poor environmental record in the country. Generally, companies make environmental disclosures to build a good corporate citizen image (Alrazi et al., 2009). The quantity and quality of environmental disclosures are low with larger companies and companies operating in environmentally sensitive industries disclosing more and better environmental information (Buniamin, 2010).

A number of studies (e.g. Banerjee et al., 2017; Mahmud, Biswas & Islam, 2017; Hossain et al., 2016; Islam, 2016; Khan, 2015; Khan et al., 2011; Belal, 2000) have been conducted for examining level of sustainability reporting in Bangladesh. Belal (2000) covers 30 annual reports of Bangladeshi companies relating to the year 1996 and shows that very limited environmental disclosure has been made. Khan, Islam, Fatima and Ahmed (2011) conducted study on the annual reports of banks for the year 2008-2009 and show that sustainability reporting by major banks based on GRI indicators in Bangladesh is relatively scanty. Khan (2015) finds that banking sector in Bangladesh responds relatively late in case of sustainability reporting. He believes that a focus on sustainability helps organizations manage their social and environmental impacts and improve operating efficiency and natural resource stewardship, and it remains a vital component of shareholder, employee, and stakeholder relations. Islam (2016) conducted a study titled Green & Sustainability Reporting and Legitimacy in the Banking Industry: Bangladesh Perspective following content analysis of annual report. He did not consider annual sustainability reports of banks. Hossain, Bir, Tarique and Momen (2016) completed a study on Disclosure of Green Banking Issues in the Annual Reports: A Study on Bangladeshi Banks. As per their opinion, there is a lack of consistency in reporting due to absence of standardized reporting guidelines. Similarly, Mahmud, Biswas and Islam (2017) show the current practices of sustainability reporting in annual report of the banking sector of Bangladesh according to GRI guideline without considering separate sustainability report. Banerjee, Mustafa, Hossain and Ahmed (2017) conducted a study on sustainability reporting practices in banks of Bangladesh. They studied annual sustainability reports along with corporate financial report, however, they do not cover other types of financial institutions. The current study coves annual sustainability reports of banks and other types of financial institutions. It also shows some global status on sustainability reporting based on GRI guidelines.

REGULATORY FRAMEWORK FOR SUSTAINABILITY REPORTING

Sustainability reporting cycle includes a regular program of data collection, communication, and responses to different stakeholders and events. Sustainability reporting indicates organization's practice of public disclosure on its economic, environmental and social impacts of daily activities. Due to its importance, several initiatives have been undertaken at national and international level for promoting sustainability reporting. There are several internationally

accepted sustainability reporting frameworks, which are summarized in the following sub-sections.

Global Regulatory Framework

Global Reporting Initiative (GRI) is an international independent organization that has pioneered corporate sustainability reporting since 1997 (www.globalreporting.org). It helps businesses, governments and other organizations understand and communicate the impact of business on critical sustainability issues such as climate change, human rights, corruption and many others. The first version of GRI guidelines was issued in 2000 and the second generation of guidelines (G2) was unveiled in 2002. GRI G3 was issued in 2006 and in 2011 G3.1 was launched with updates on gender, community and human rights. GRI issued its G4 Sustainability Reporting Guidelines in 2013 in two parts – Reporting Principles and Standard Disclosures, and Implementation Manual. Besides, a set of standards has been issued in 2016 by the Global Sustainability Standards Board (GSSB) of GRI including foundation (GRI 101), general disclosures (GRI 102), management approach (GRI 103) and topic-specific standards (GRI 200: Economic; GRI 300: Environmental; and GRI 400: Social). Moreover, GRI issued G4 Sector Disclosure Guidelines for financial services sector (FSS). GRI has global strategic partnerships with the Organisation (Organization) for Economic Co-operation and Development (OECD), the United Nations Environment Programme (Program) (UNEP) and the United Nations Global Compact (UNGC). GRI reporting framework enjoys synergies with the guidance of the International Finance Corporation (IFC), the International Organization for Standardization's ISO 26000, the United Nations Conference on Trade and Development (UNCTAD), and the Earth Charter Initiative (ECI).

The OECD works to promote policies that will improve the economic and social well-being of people around the world. It provides a forum in which governments can work together to share experiences and seek solutions to common problems like economic, social and environmental change. The OECD has issued guidelines for multinational enterprises which provide recommendations for responsible business conduct in areas such as employment and industrial relations, human rights, environment, information disclosure, combating bribery, consumer interests, science and technology, competition, and taxation. Its guidelines recognized international norms and normative frameworks on sustainability such as the United Nations Guiding Principles on Business and Human Rights, the International Labour (Labor) Organization (ILO) Conventions, the UN Global Compact (www.oecd.org).

The United Nations Global Compact (UNGC) is the largest policy initiative for businesses that are committed to aligning their operations and strategies with ten universally accepted principles in the areas of human rights, labor, environment and anti-corruption. These principles are derived from: the universal declaration of human rights, the ILO's declaration on fundamental principles and rights at work, the Rio declaration on environment and development, and the UN convention

against corruption (www.unglobalcompact.org). The UNGC signatories are required to issue an annual Communication on Progress (COP), a public disclosure to stakeholders on progress made in implementing the ten principles. The UNGC's multi-year strategy is to drive business awareness and action in support of achieving the sustainable development goals (SDG) by 2030.

The Sustainability Accounting Standards Board (SASB) was established in 2011 as an independent standards-setting organization to meet the needs of investors by fostering high-quality disclosure of material sustainability information including environmental, social and governance (www.sasb.org). The SASB standards are intended for voluntary use by public companies in making disclosures which are market-driven responses to the need for sustainability information (SASB, 2016). A conceptual framework was issued by SASB in 2013 while an exposure draft of conceptual framework has been in 2016. The SASB has developed industry specific standards for Health Care, Technology & Communications, Non-Renewable Resources, Renewable Resources & Alternative Energy, Transportation, Services, Resource Transformation, Consumption, Infrastructure and Financials. Under financials industry, there are 7 types of organizations – (i) Commercial banks, (ii) Investment banking & brokerage, (iii) Asset management & custody activities, (iv) Consumer finance, (v) Mortgage finance, (vi) Security & commodity exchange, and (vii) Insurance. In February 2014, a provisional version of commercial banks sustainability accounting standard has been issued.

International Organization for Standardization (ISO) is an independent, non-governmental international organization with a membership of 162 national standards bodies (www.iso.org). ISO 26000 is a guidance standard on how business and organizations can operate in a socially responsible way. The standard states that an organization should, at appropriate intervals, report about its performance on social responsibility to the stakeholders affected. ISO 26000 defines 7 core subjects: (i) organizational governance, (ii) human rights, (iii) labor practices, (iv) the environment, (v) fair operating practices, (vi) consumer issues, and (vii) community involvement and development.

The International Integrated Reporting Council (IIRC) is a global coalition of regulators, investors, companies, standard setters, the accounting profession and NGOs (www.theiirc.org). In 2014, the IIRC published an international integrated reporting framework spelled as <IR> aimed primarily at producing information for long-term investors. The <IR> framework offers guiding principles and content elements that govern the content of an integrated report. An integrated report is a concise communication about how an organization's strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value in the short, medium and long term.

Carbon Disclosure Project (CDP) wants to see a thriving economy that works for people and planet in the long term (www.cdp.net). To do this it focusses investors, companies and cities on taking urgent action to build a truly sustainable economy by measuring and understanding their

environmental impact. For this purpose, CDP asks companies, cities, states and regions for disclosure on their environmental performance. It provides a global reporting system that collects information from the world's largest organizations on their climate change risks, opportunities, strategies and performance, and the way in which they consume and affect natural resources including water and forests.

The Greenhouse Gas Protocol (GHG Protocol) provides standards, guidance, tools, and trainings for business and government leaders to quantify and manage GHG emissions and become more efficient, resilient, and prosperous (www.ghgprotocol.org). The GHG Protocol, a decade-long partnership between the World Resources Institute (WRI) and the World Business Council for Sustainable Development (WBCSD), is working with businesses, governments, and environmental groups around the world to build a new generation of credible and effective programs for tackling climate change. It establishes comprehensive, global, standardized frameworks for measuring and managing emissions from private and public-sector operations, value chains, products, cities, and policies. The GHG Protocol also offers developing countries an internationally-accepted management tool to help their businesses compete in the global marketplace and governments to make informed decisions about climate change. Likewise, the unique tripartite structure of the ILO gives an equal voice to workers, employers and governments to ensure that the views of the social partners are closely reflected in labor standards and in shaping policies and programs (www.ilo.org). The principles laid down in this universal instrument offer guidelines to multi-national enterprises, governments, and employers' and workers' organizations in such areas as employment, training, conditions of work and life, and industrial relations. Equally, the Office of the United Nations High Commissioner for Human Rights (OHCHR) represents the world's commitment to universal ideals of human dignity and it has a unique mandate from the international community to promote and protect all human rights (www.ohchr.org). Furthermore, the United Nations-supported Principles for Responsible Investment (PRI) Initiative is an international network of investors working together to put some principles for responsible investment into practice (www.unpri.org). Its goal is to understand the implications of sustainability for investors and support signatories to incorporate these issues into their investment decision making and ownership practices. There are some mandatory indicators which represent the minimum set of public information that signatories are required to report and disclose. In the same way, the Climate Disclosure Standards Board (CDSB) is an international consortium of business and environmental NGOs (www.cdsb.net). The CDSB framework for reporting environmental information & natural capital is designed to help organizations prepare and present environmental information in mainstream reports for the benefit of investors. It allows investors to assess the relationship between specific environmental matters and the organization's strategy, performance and prospects.

Local Regulatory Framework

Since 1989 in Bangladesh a separate ministry for forest and environment has been functioning in order to conserve the environment of the country. In 1995, UNDP supported National Environmental Management Action Plan was primed and in the same year Bangladesh Environmental Conversion Act 1995 wad promulgated and amended in 2002. Under this Act, companies may be asked to disclose environmental information as and when required (Rahman and Muttakin, 2005). Besides, there are National Environmental Policy 1992, Environment Pollution Control Ordinance 1977, Environmental Quality Standards for Bangladesh 1991, National Environment Management Action Plan 1995, Environment Conservation Act 1995 (amended in 2002), Environment Conservation Rules 1997 (amended in 2003), EIA Guidelines for Industry 1997, Labour Policy 2012, Bangladesh Labour Act 2006, Labour Welfare Foundation law 2006, Bangladesh Labour (Amended) Law 2013, Labour Relations under Labour Laws 1996, National Child Labour Elimination Policy 2010, Bangladesh Factory Act 1965, Bangladesh Factory Rules 1979, OSH Policy 2011, The Employees State Insurance Act 1948, The Employer's Liability Act 1938, Maternity Benefit Act 1950, Workmen's Compensation Act 1923, The Employment of Children Act 1938, Bangladesh Industrial Act 1974, National 3-R Strategy 2010 (3R: Reduce, Reuse and Recycle), Ship-Breaking and Hazardous Waste Management Rules 2010, Biomedical Waste Management Rules 2008, Draft National Solid Waste Management Rules 2010, Draft National River Conservation Act 2011, Disaster Management Act 2012, Public Health Emergency Provisions Ordinance 1994, Biomedical Waste Management Rules 2008, Climate Change Act 2010, National Plan for Disaster Management 2010-2015, Sound Pollution Law 2006, Ship Breaking and Hazardous Waste Management Rules 2010, Water Supply and Sewerage Authority Ordinance 1963, National Health Policy 2011, National Biodiversity Strategy and Action plan 2004, Bangladesh Wildlife Conservation and Security Act 2012, Bangladesh Wild Life (Preservation) Act 1974, Bio Safety Rules 2012, Forest (Amendment) Act, 2012, Forest Policy 1994, Social Forestry Rules 2004, Draft Tree Conservation Act 2012, The Private Forests Ordinance Act 1959, Forest Transit Rule 2011, Deer Rearing Policy 2009, The Protection and Conservation of Fish Act 1950, Draft Wetland Policy 1998, The Protection and Conservation of Fish Rules 1985, The Protection and Conservation of Fish Act 1950, National Conservation Strategy 1992, Private Fisheries Protection Act 1889, Revised National Conservation Act 2010, Social Forestry Rules 2004[2], etc. The most important policy guidelines related with sustainability reporting by banks and financial institutions are given by Bangladesh Bank (BB).

On February 27, 2011, BB issued Policy Guidelines for Green Banking for all scheduled banks. As per the guidelines, banks should publish independent green annual report following internationally accepted format like Global Reporting Initiatives (GRI) targeting their stakeholders. It is also mentioned here that there should be arrangement for verification of the publication by an independent agency or acceptable third party. Initially, BB instructed that the

[2] SFD Circular # 02/2017, Dated February 8, 2017

time lining for the actions to be taken should not exceed December 31, 2013. By another circular letter[3], BB instructed newly established scheduled banks to comply with the guidelines by June 30, 2015. Subsequently, BB extended this time-frame up to June 30, 2015 for all banks[4]. It is noted that similar type of instruction[5] was given by BB to all financial institutions licensed under Financial Institution Act 1993. Therefore, preparation and publication of annual sustainability report (ASR), following GRI or any other international guidelines, is mandatory for all banks and financial institutions operating is Bangladesh. Besides, verification of ASR is mandatory for them. Moreover, they are to report BB about publication status of ASR on regular basis. Sustainable Finance Unit in a Bank will coordinate sustainability reporting activities in collaboration with Finance and Accounts Department of the bank[6].

STATUS OF SUSTAINABILITY REPORTING ORGANIZATIONS

Among other regulations, GRI framework got priority to the reporting entity for preparing sustainability report (SR). Organizations in the different parts of the world are now preparing SR. Subsequent parts of this section present status of sustainability reporting by different organizations.

Sustainability Reporting Organizations in the World

Table 5.1 depicts a summary of sustainability reporting by organizations in the different regions of the world. As per GRI database, a total number of 37,968 reports have been prepared by 10,031 organizations in the whole world from 1999 to 2016. Out of these, most of the organizations and reports belongs to Europe (14,440 reports by3668 organizations) whereas the least reporting organizations are in Oceania region (1544 reports by376 organizations). It is depicted that about 30% reports have been published by organizations belong to Asia region.

Table 5.1: Sustainability Reporting Organizations in the World (From 1999 to 2016*)

S/N	Region	Reporting Organizations		Published Reports	
		No.	%	No.	%
A.	Africa	452	4.51	2262	5.96
B.	Asia	3018	30.09	10414	27.43
C.	Europe	3668	36.56	14440	38.03
D.	Latin America & the Caribbean	1362	13.58	4647	12.24
E.	Northern America	1155	11.51	4661	12.28
F.	Oceania	376	3.75	1544	4.06
	Total	10031	100	37968	100

**Year of publication of the report, reporting year will be the preceding year*
Source: http://database.globalreporting.org/search/, accessed on January 17, 2017

[3] GBCSRD Circular Letter # 05/2013, Dated September 11, 2013.
[4] GBCSRD Circular # 08/2013, Dated December 24, 2013.
[5] GBCSRD Circular # 04/2013, Dated August 11, 2013.
[6] SFD Circular # 02/2016, Dated December 1, 2016.

Sustainability Reporting Organizations in SAARC Countries

A summary of sustainability reporting organizations in SAARC countries is presented in following Table 5.2. It is found from the table that 215 organizations have prepared 690 reports during 1999-2016. It is depicted that none of the organization of Afghanistan, Bhutan, Maldives, and Nepal has prepared such report in any of the years. The highest reporting organizations have been found in India where a total number of 166 organizations have prepared 525 reports. In Sri Lanka, 74 reports have been published by 18 organizations whereas 66 reports have been published by 21 organizations of Pakistan. A total number of 10 Bangladeshi companies have published 25 sustainability reports from 1999 to 2016. Therefore, about 40% reports and reporting organizations belong to Bangladesh.

Table 5.2: Sustainability Reporting Organizations in SAARC Countries (From 1999 to 2016*)

S/N	Region	Reporting Organizations		Published Reports	
		No.	%	No.	%
A.	Afghanistan	0	0	0	0
B.	Bangladesh	10	4.65	25	3.62
C.	Bhutan	0	0	0	0
D.	India	166	77.21	525	76.09
E.	Maldives	0	0	0	0
F.	Nepal	0	0	0	0
G.	Pakistan	21	9.77	66	9.57
H.	Sri Lanka	18	8.37	74	10.72
	Total	**215**	**100**	**690**	**100**

**Year of publication of the report, reporting year will be the preceding year*
Source: http://database.globalreporting.org/search/, accessed on January 17, 2017

Table 5.3 portrays status of sustainability organizations in SAARC countries in 2016 only. A number of 59 reports of 56 Indian, 5 reports of 5 Pakistani, 5 reports of 5 Sri Lankan and 4 reports of 4 Bangladeshi organizations have been found on the GRI website. In this year, 3720 reports have been published by 3687 in all over the world out of which 1233 reports have been published by 1219 organizations in Asia. In the same way, 73 reports of 70 organizations of SAARC countries have been found in 2016.

Table 5.3: Sustainability Reporting Organizations in SAARC Countries (Only in 2016*)

S/N	Region	No. of Organizations	% of SAARC	No. of Reports	% of SAARC
A.	Afghanistan	0	0	0	0
B.	Bangladesh	4	5.72	4	5.48
C.	Bhutan	0	0	0	0
D.	India	56	80.00	59	80.82
E.	Maldives	0	0	0	0
F.	Nepal	0	0	0	0
G.	Pakistan	5	7.14	5	6.85
H.	Sri Lanka	5	7.14	5	6.85
	Total in SAARC	**70**	**5.74 of Asia**	**73**	**5.92 of Asia**
	Total in Asia	**1219**	**33.06 of Global**	**1233**	**33.15 of Global**

	Total around the World	**3687**		**3720**	

**Year of publication of the report, reporting year will be the preceding year*
Source: http://database.globalreporting.org/search/, accessed on January 17, 2017

Out of all types of industries, financial services industry (FSI) has published about 14% reports in 2016 (Table 5.4). However, 100% of reporting organizations in Bangladesh are belong to FSI which is 80% in case of Sri Lanka. India is maintaining similarity with world trend for publishing sustainability reports where about 13% entities are financial services providing organizations.

Table 5.4: Sustainability Reporting Organizations in SAARC Countries (Only FSI in 2016*)

S/N	Region	No. of Reporting FSI Organizations	Reporting FSI as % of All Types Organizations	No. of FSI Reports	FSI Reports as % of All Types of Organizations
1.	Bangladesh	4	100	4	100
2.	India	7	12.5	8	13.56
3.	Pakistan	0	0	0	0
4.	Sri Lanka	4	80	4	80
	Total in SAARC	**15**	**21.43**	**16**	**21.92**
	Total in Asia	**146**	**11.98**	**148**	**12.00**
	Total around the World	**512**	**13.89**	**517**	**13.90**

**Year of publication of the report, reporting year will be the preceding year*
Source: http://database.globalreporting.org/search/, accessed on January 17, 2017

A list of FSI organizations in SAARC countries prepared annual sustainability reports (ASR) in 2016 is shown in Appendix I. It has been found that 3 banks and 1 non-bank financial institution (NBFI) under FSI of Bangladesh have prepared ASR in 2016[7]. Similarly, 6 banks and 1 non-bank financial institution (NBFI) under FSI of India have prepared such report in 2016. On the contrary, no bank of Sri Lanka has prepared ASR in 2016. A detailed list of financial services organizations in SAARC countries preparing ASR is presented in Appendix II.

Sustainability Reporting Organizations in Bangladesh

A total number of 15 organizations of Bangladesh have prepared sustainability reports from 1999 to 2017 as summarized in Table 5.5. Some of them have prepared earlier but discontinued at this moment e.g., British American Tobacco Bangladesh, BEIL, Square Fashions, VIYELLATEX Group and Robi Axiata Limited. On the other hand, some organizations have started recently to published such report either GRI compliant or non-GRI/citing-GRI e.g., BRAC Bank Limited, Eastern Bank Limited, Janata Bank Limited, Olympic and Southeast Bank Limited. At present 4 financial services organizations (Bank Asia, IDLC, Mutual Trust Bank Limited and Prime Bank Limited) and 1 textiles & apparel organization (DBL Group) of Bangladesh are publishing sustainability report on regularly basis.

[7] Recently Janata Bank Limited, BRAC Bank Limited, Eastern Bank Limited, Southeast Bank Limited have published Non-GRI sustainability reports.

Table 5.5: Name of Organizations in Bangladesh Prepared ASR (From 1999 to 2017*)

S/N	Name of Organization	Sector	Size	Reports
1.	Bank Asia	Financial Services	MNE	2016, 2015, 2014 & 2013
2.	BEIL	Financial Services	Large	2013 & 2012
3.	British American Tobacco Bangladesh	Tobacco	Large	2006 & 2003
4.	DBL Group	Textiles and Apparel	Large	2016, 2015 & 2014
5.	IDLC	Financial Services	Large	2017, 2016, 2015, 2014, 2013 & 2012
6.	Mutual Trust Bank Ltd.	Financial Services	Large	2016 & 2015
7.	Prime Bank Limited	Financial Services	Large	2017, 2016, 2015 & 2014
8.	Robi Axiata Limited	Telecommunications	MNE	2015
9.	Square Fashions	Textiles and Apparel	Large	2011
10.	VIYELLATEX Group	Textiles and Apparel	Large	2013, 2011 & 2010
Name of Organizations Recently Published Non-GRI/Citing-GRI Reports				
11.	BRAC Bank Limited	Financial Services	Large	2017 (Non-GRI)
12.	Eastern Bank Limited	Financial Services	Large	2017 (Citing-GRI)
13.	Janata Bank Limited	Financial Services	Large	2016 (Non-GRI) & 2015 (Citing-GRI)
14.	Olympic	Food and Beverage Products	Large	2017 (Non-GRI) & 2016 (Non-GRI)
15.	Southeast Bank Limited	Financial Services	Large	2017 (Non-GRI) & 2016 (Non-GRI)

**Year of publication of the report, reporting year will be the preceding year*
Source: http://database.globalreporting.org/search/, accessed on October 7, 2017

STATUS OF SUSTAINABILITY REPORTING

Status of Sustainability Reporting in Annual Report by Listed Banks of Bangladesh

A study has been conducted by Mahmud, Biswas and Islam (2017) based on corporate annual reports (CARs) of listed banks in Bangladesh for unveiling sustainability reporting practices following GRI framework by listed banks of Bangladesh. Table 6.1.1 presents the status of sustainability reporting in corporate annual reports of listed banks in Bangladesh. As per findings of Mahmud, Biswas and Islam (2017), 15 listed banks have made separate sustainability disclosure in their CARs either following or without following GRI framework. It is also unveiled in the study that remaining 15 banks did not make separate sustainability disclosure in any the year during 2011-2015 (Mahmud, Biswas & Islam 2017). Name of listed banks of Bangladesh who did not disclose sustainability information in their CAR are portrayed in Appendix III.

Table 6.1.1: Status of Sustainability Reporting in CARs of Listed Banks in Bangladesh

S/N	Name Bank	Year-2011	Year-2012	Year-2013	Year-2014	Year-2015
1.	Bank Asia Limited	Disclosed without following GRI Framework	Disclosed according to GRI G-3 framework	Disclosed according to GRI G-3/3.1 framework	Disclosed according to GRI G-3 /3.1 framework	Disclosed according to GRI G-4 framework
2.	Prime Bank Limited	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed according to GRI G-3.1 framework	Disclosed according to GRI G-4 framework	Disclosed without following GRI Framework

3.	Mutual Trust Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed without following GRI Framework
4.	Brac Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed without following GRI Framework
5.	Dhaka Bank Limited	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework
6.	Eastern Bank Limited	Not Disclosed	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Not Disclosed	Disclosed without following GRI Framework
7.	Jamuna Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed without following GRI
8.	Mercantile Bank Limited	Not Disclosed	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework
9.	Rupali Bank Limited	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework
10.	Shahjalal Islami Bank Limited	Not Disclosed	Not Disclosed	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework
11.	Social Islami Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed according to GRI G-4 framework
12.	Southeast Bank Limited	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed without following GRI Framework
13.	United Commercial Bank Limited	Not Disclosed	Not Disclosed	Disclosed without following GRI Framework	Disclosed without following GRI Framework	Disclosed according to GRI G-4 framework
14.	Standard Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed without following GRI Framework	Disclosed as per UN sustainable development goals without following GRI
15.	IFIC Bank Limited	Not Disclosed	Not Disclosed	Not Disclosed	Disclosed without following GRI	Not Disclosed

Source: Mahmud, Biswas and Islam (2017)

Status of Sustainability Reporting in Annual Sustainability Report (ASR)

As stated earlier, a total number of 4 organizations under FSI of Bangladesh publish separate sustainability report annually. The reporting organizations are Bank Asia Limited (BAL), Prime Bank Limited (PBL), Mutual Trust Bank Limited (MTBL) and IDLC Finance Limited (IDLC). As all of 4 organizations did not complete ASR for the year 2016, analysis has been done based on ASR of 2015. Besides, there are two options for preparing ASR in accordance with GRI – Core and Comprehensive. However, none of the Bangladeshi companies follows comprehensive option, therefore, compliance status has been presented based on core option. It is also mentioned earlier that FSI of only 3 countries (Bangladesh, India and Sri Lanka) in SAARC region publish sustainability report. Therefore, relevant data of 4 Indian[8] and 4 Sri Lankan financial institutions have also been presented under each of the parts of Bangladeshi FSI. The Indian organizations are Axis Bank (AB), HDFC Bank (HDFC), Mahindra & Mahindra Financial Services (MMFS) and Yes Bank (YB) whereas Sri Lankan organizations are Union Assurance (UA), Softlogic Insurance (SI), HNB and Mercantile Investment (MI).

General Standard Disclosures in Annual Sustainability Report (ASR) by FSI

G4 guidelines of GRI require to include general standard disclosure in the first part of ASR under 7 arias – (i) Strategy and Analysis, (ii) Organizational Profile, (iii) Identified Material Aspects and Boundaries, (iv) Stakeholder Engagement, (v) Report Profile, (vi) Governance, and (vii) Ethics and Integrity. There are total number of 34 items of disclosure in accordance with core option of G4 guidelines and two organizations of Bangladesh have complied with all requirements whereas other two institutions made 33 disclosures [Appendix IV(a)]. Appendix IV(b) and Appendix IV(c) present status of general standard disclosure made by FSI of India and Sri Lanka, respectively. All organizations of these two countries complied with all requirements of G4.

Disclosures on Management Approach in ASR by FSI

Appendix V presents status of generic disclosure on management approach regarding economic, environmental and social issues. All of the organizations of Bangladesh, India and Sri Lanka have made required disclosure in ASR for the year 2015.

Specific Disclosures on Economic Aspects in ASR by FSI

As per GRI G4 guidelines, entity is required to make specific disclosure on economic aspects. In accordance with core option, a total number of 9 items are to be disclosed under 4 areas – (i) Economic Performance, (ii) Market Presence, (iii) Indirect Economic Impacts and (iv) Procurement Practices. It is found from Appendix VI that BFSI-2 makes disclosure of all items

[8] Selected purposely out of 7 based on availability of reports and considering format of the published report.

whereas BFSI-4 makes 33.33% disclosure. Average disclosure score of BFSI, IFSI and SFSI are 75%, 52.78% and 61.11%, respectively [Appendix VI (a, b & c)].

Specific Disclosures on Environmental Aspects in ASR by FSI

Specific disclosure on different environmental aspects is one of the three important dimensions of a sustainability report. Reporting entity is required to make disclosure on 12 areas related with environmental issue. Under environmental dimension, BFSI-3 has made disclosure of all 34 required items whereas BFSI-4 has made disclosure of only 4 items [Appendix VII(a)]. In this context, average disclosure score of Indian institutions is 44.12% [Appendix VII(b)] and that Sri Lankan institutions is 50% [Appendix VII(c)].

Specific Disclosures on Social Aspects in ASR by FSI

There are 4 sub-categories under social aspects for making disclosure in the sustainability report i.e. (i) Labor Practices and Decent Work, (ii) Human Rights, (iii) Society, and (iv) Product Responsibility. Following sections present status of disclosure made by FSI of Bangladesh, India and Sri Lanka.

Specific Disclosures on Labor Practices & Decent Work in ASR by FSI

Employment, Labor/Management Relations, Occupational Health and Safety, Training & Education, Diversity & Equal Opportunity, Equal Remuneration for Women & Men, Supplier Assessment for Labor Practices and Labor Practices Grievance Mechanisms are 8 areas of disclosure under labor practices and decent work (sub-category of social aspects). As per Appendix VIII(a), BFSI-1 of Bangladesh has provided all 16-required information in its ASR whereas BFSI-4 has provided only 9 information related with labor practices and decent work. The average disclosure score of BFSI is 78.13%. None of the Indian organizations has shown full compliance in this aspect [Appendix VIII(b)]. However, one of the organizations (SFSI-1) of Sri Lanka has made available all 16 required items [Appendix VIII(c)].

Specific Disclosures on Human Rights in ASR by FSI

This section presents the status of FSI regarding specific disclosure on human rights in ASR. Under 10 areas, a total number of 12 items are to be incorporated in the ASR as per GRI guidelines. It is observed from Appendix IX that only 1 financial services providing organization (BFSI-1) of Bangladesh has fulfilled the requirement of such disclosure. It is also observed from the table that average disclosure score of BFSI is 58.33%. None of the 4 organizations of India has fulfilled all disclosure requirements under this sub-category. In this area, disclosure scores of SFSI-1, SFSI-2, SFSI-3 and SFSI-4 are 12, 2, 3 and 8, respectively. Average disclosure scores of India is 45.86% and that of Sri Lanka is 52.08%.

Specific Disclosures on Society in ASR by FSI

The requirement of specific disclosure on society in ASR is necessary as per G4 guidelines of GRI. There are 7 areas of specific disclosures under the issue where an entity should disclose 11 items. Appendix X present the status of specific disclosure on society issue. As depicted in this appendix, two Bangladeshi organizations (BFSI-1 and BFSI-3) have shown their full compliance in this regard. None of the Indian or Sri Lankan organizations discloses all of the required items in ASR as demonstrated in Appendix X(b&c). Average disclosure scores of BFSI, IFSI and SFSI are 72.73%, 56.82% and 61.36%, respectively.

Specific Disclosures on Product Responsibility in ASR by FSI

In 5 areas, a total number of 9 items related with product responsibility have to be disclosed in ASR as prescribed by GRI. In this aspect, Appendix XI depicts the status of Bangladesh, India and Sri Lanka. According to the appendix, BFSI-1, BFSI-3, SFSI-1 and SFSI-4 have disclosed all these information. None of Indian organizations has shown full compliance. Average disclosure score of Bangladesh is 72.22% whereas India and Sri Lanka achieved 66.67% and 77.78%, respectively.

STAKEHOLDERS' PERCEPTIONS ON ASR

For the purpose of getting insight on sustainability reporting practices in FSI of Bangladesh, opinions of different stakeholders have been collected. In line with this, discussions have been conducted with regulators, executives of FSI and academics. A summary of discussions is presented in the following parts.

Discussion with Central Bank (Bangladesh Bank)

Through issuing circulars, central bank of Bangladesh has instructed to all banks and financial institutions to publish sustainability report regularly basis. Therefore, a discussion was held with the executives of Sustainable Finance Department of Bangladesh Bank. Discussion summary is presented in Table 7.1. As per their opinion, banks/NBFIs are required to publish separate sustainability report from annual report and it is mandatory for them to do so annually. Besides, they expect that the report must be verified by third party. Though they feel that sufficient number of qualified agencies are not available in Bangladesh at this moment. However, BB do not maintain any data-base for monitoring publication status. Moreover, BB executives do not evaluate the contents of the ASR submitted by FSI to them. Besides, central bank does not take any action for non-compliance regarding the issue. Because, them think that all financial institutions are not fully ready to publish ASR as per international guidelines like GRI reporting framework. BB has a plan to issue a detail guidelines for helping scheduled banks/NBFIs and afterword regulatory monitoring will enhance for ensuring compliance.

Table 7.1: Opinions of Executives of Bangladesh Bank Regarding ASR

S/N	Issue	Opinion (Most Common)
1.	Is it mandatory for banks/NBFIs to publish ASR in each year?	Yes
2.	Why you are calling the report as "Independent" Green Banking and Sustainability Report?	It must be separated from annual report
3.	Is it mandatory for banks/NBFIs to verify the report by an independent agency or third party?	Yes
4.	Do you have any data-base regarding publishing and non-publishing the reports by banks/NBFIs?	No
5.	Do you have any mechanism to evaluate contents of the published report?	No
6.	Did you take any regulatory action for non-compliance of reporting?	No
7.	Did you take any initiative to ensure publication of the report by banks/NBFIs?	No
8.	Did you reward any bank/NBFI for publishing the report?	No
9.	Do you think that most of the banks/NBFIs are ready to publish the report at this moment?	No
10.	Do you think that qualified verifying agencies are available in Bangladesh?	No
11.	Do you think that publication of the report in electronic form is sufficient?	No
12.	What should be the nature of publication of the report? (Soft / Hard Copy / Both)	Both
13.	Do you have any instruction for banks/NBFIs regarding printing technology and paper of the report for ensuring it environmental friendly?	Yes
14.	Do you have any plan/intention to prescribe a format for banks/NBFIs for publishing the report?	Yes
15.	What is your immediate future plan for ensuring publication of the report?	After prescribing a format, instructing banks/NBFIs to follow and monitoring compliance

Source: Survey Data

Discussion with Bangladesh Securities and Exchange Commission (BSEC)

All of the listed companies, including FSI, are regulated by Bangladesh Securities and Exchange Commission (BSEC). Therefore, the researcher has shared views with the executives of BSEC. Though there is no specific regulations for requiring listed companies to prepare and publish sustainability report, BSEC opines that it has authority to ensure compliance with regulations imposed by BB or any other agency applicable for the listed companies. Executives of BSEC believe that there are some existing regulations which require disclosure of some sustainability information in annual report. BSEC wants to ensure quality of financial disclosure, at first, then it will move for qualitative and other types of disclosure. As per expectations of BSEC, all entities should work jointly for achieving sustainable development goals.

Discussion with Executives of FSI Publishing ASR

As stated earlier, a total number of 4 organizations (Bank Asia Limited, Prime Bank Limited, Mutual Trust Bank Limited and IDLC Finance Limited) under FSI publish separate sustainability report annually. However, this section does not disclose the name of the organizations for showing

their perceptions. Because, primary data have been collected by making commitment of hiding their identities. A summary of primary information is presented in the following parts.

Table 7.2 summarizes information related with preparation of sustainability report by FSI of Bangladesh. It is observed that different units/committees are assigned for preparing ASR in BFSI (e.g., group finance (central accounts department), research & development unit, corporate social responsibility unit, etc.) and the assigned unit chaired by officials in different ranks. Some of the institutions have gathered required knowledge by participating in training programs and some others by self-learning. Subsequently, members of the assigned team got relevant training from different organizations.

Table 7.2: Preparation by FSI of Bangladesh on Sustainability Report

S/N	Issue	BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Name of department prepare the Annual Sustainability Report (ASR)	Group Finance	SR Committee	Group R&D	CSR
2.	No. of members are in the Sustainability Reporting (SR) Team	4	5	3	1
3.	Leader of the Sustainability Reporting (SR) Team	CFO	DMD	Head of Group R&D	Head of CSR
4.	Starting year to publish Sustainability Report either in Annual Report or Separately	2012	2013	2014	2011
5.	Starting year to publish ASR separately	2012	2015	2014	2011
6.	Completion of Sustainability Report 2016 by June	No	No	No	Yes
7.	Way of gathering knowledge by ASR team for preparing the report at the first time	Training	Web-based learning by a dedicated executive	Literature review	Training
8.	Receiving training/education by the team members for preparing ASR	Yes (From NCSR)	Yes (From NCSR)	Yes (From SR Asia)	Yes (From SR Asia)

Source: Survey Data

Perceptions of executives of BFSI publishing ASR on different issues of BB guidelines are depicted in Table 7.3. All of them think that publication of ASR is mandatory for all scheduled banks/NBFIs. However, publication of the report in printed form is not mandatory as opined by most of them. Third party verification is considered as mandatory by two organizations and remaining two are in opposite opinion due to lack of available qualified agencies in Bangladesh. They do not expect to extend time-frame given by BB for publishing the report by BFSI. Nevertheless, some of them expect detail guidelines from BB which may help other institutions. All of them prefer to publish separate sustainability report instead of integrated report. It is notable that in most of the cases CEOs were initiators for publishing their ASRs.

Table 7.3: Perception of Executives of FSI on Different Issues of Concerned Guidelines

S/N	Issue	BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Publication of SR as a mandatory requirement	Yes	Yes	Yes	Yes
2.	Publication of SR in printed form as a mandatory requirement	No	No	No	Yes
3.	Verification of SR as a mandatory requirement	No	Yes	Yes	No
4.	Readiness of bank to publish SR at this moment	Yes	Yes	Yes	Yes
5.	Availability of qualified verifying agencies in Bangladesh	No	No	Yes	Yes
6.	Appropriate nature of publication of the report – Soft Copy/ Hard Copy/ Both	Soft Copy	Both	Both	Both
7.	Publication of SR in electronic form to fulfil regulatory requirement	No	No	Yes	No
8.	Getting instruction from BB regarding printed form of the report for making it environmental friendly	No	No	Yes	No
9.	Expected to extend time frame for publishing SR	No	No	No Comment	No
10.	Submission of the report to the regulators only is sufficient	No	No	No	No
11.	Necessity of providing format by BB for banks/NBFIs for publishing the report	No	Yes	No	Yes
12.	Integrated Reporting Framework is better than separate ASR	No	No	No	No
13.	Suitable disclosure option for Bangladeshi banking industry	Core	Compreh ensive	Any	Core
14.	BFI/NBFI may be penalized by BB for non-publishing the report	No	No	No Comment	Yes
15.	Receiving award from BB for publishing the report	Apprecia tion Letter	No	No	No
16.	First initiator for preparing the report	MD	DMD & CFO	MD & CEO	CEO

Source: Survey Data

Table 7.4 portrays the nature of distribution of ASR by FSI of Bangladesh. All institutions, except BFSI-3, distribute ASR to BB. None of them distribute ASR to general shareholders, borrowers or depositors. Some of them distribute to BSEC, stock exchanges, Registrar Joint Stock Companies and Firms (RJFCF), corporate shareholders, depositors or lenders.

Table 7.4: Distribution of Printed ASR

S/N	Issue	BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Bangladesh Bank	Yes	Yes	**Publication of soft copy only**	Yes
2.	BSEC	No	Yes		Yes
3.	DSE/CSE	No	No		Yes
4.	RJSCF	No	No		Yes
5.	General Shareholders	No	No		No
6.	Corporate Shareholders	Yes	Yes		Yes
7.	General Borrowers	No	No		No

8.	Corporate Borrowers	Yes	No		Yes
9.	General Depositors	No	No		No
10.	Corporate Depositors	No	Yes		Yes
11.	Corporate Lenders	No	Yes		Yes
12.	Training/Research institutions	Yes	Yes		Yes
13.	Others (mention name):	Other banks, Insurance companies, NGO's, Inter branches, inter divisions/departments	No		CSR partners

Source: Survey Data

Nature and status of BFSI regarding publication of ASR is illustrated in Table 7.5. In 2015, all 4 institutions have published independent sustainability report (ISR), however, some of them had published sustainability report earlier as part of annual report (PAR). All Bangladeshi institutions prepare ASR in accordance with core (CR) option given by GRI. Now-a-days, all of the financial services institutions are going to published ASR in printed form along with soft copy. Generally, they print about 200 to 800 copies for distribution and costing for printing each report vary from Tk. 250 to Tk. 700. On an average, less than 100 pages are used for printing a report. None of the institutions makes arrangement for verification of ASR by third party.

Table 7.5: Status of BFSI regarding Publication of Sustainability Reporting

Year and Name of Bank		Mode of SR (ISR/AR)	Followed Criteria (CR / CH)	Nature of Publication (Soft/Print/Both)	No. of Printed Copies of ASR	Cost per Printed Copy of ASR	No. of Pages used in ASR	3rd Party Verification of ASR
2012	BFSI-1	ISR	CR	Both	200	650	80	No
	BFSI-2	Not prepared						
	BFSI-3	Not prepared						
	BFSI-4	ISR	CR	Both	N/A	N/A	96	No
2013	BFSI-1	ISR	CR	Both	200	670	84	No
	BFSI-2	PAR	CR	Both	Part of Annual Report		65	No
	BFSI-3	Not prepared						
	BFSI-4	ISR	CR	Both	N/A	N/A	134	No
2014	BFSI-1	ISR	CR	Both	200	700	88	No
	BFSI-2	PAR	CR	Both	Part of Annual Report		22	No
	BFSI-3	ISR	CR	Soft	Soft Copy Only		97	No
	BFSI-4	ISR	CR	Both	600	250	60	No
2015	BFSI-1	ISR	CR	Both	200	630	96	No
	BFSI-2	ISR	CR	Both	400	380	98	No
	BFSI-3	ISR	CR	Soft	Soft Copy Only		86	No
	BFSI-4	ISR	CR	Both	800	250	78	No
2016	BFSI-1	Yet to Complete by July 2017						
	BFSI-2	ISR	CR	Both	400	380	112	No

	BFSI-3	Yet to Complete by July 2017						
	BFSI-4	ISR	CR	Both	400	300	55	No

ISR=Independent Sustainability Report, PAR=Sustainability Report as part of Annual Report
CR=In accordance with Core, CH=In accordance with Comprehensive

Source: Survey Data

The ASR publishing banks/NBFIs are preparing the report expecting some competitive advantages over others. Table 7.6 portrays FSI's expectation by publishing ASR. Building up awareness of the stakeholders, ensuing sustainable business operation, enhancing investors' confidence, strengthening brand image and tracking resource consumption are some important objectives of the executives publishing ASR. As per their opinions, BFSI is getting expected benefits by publishing the report. Besides, some additional benefits they are getting from this report like smoothing international trade operation, getting foreign loan with cheaper rate and encouraging others to publish such report.

Table 7.6: Benefits of Publishing ASR

S/N	Particulars	Benefits of ASR	
		Expected	Actual
1.	Building up awareness of the stakeholders	√	√
2.	Ensuring environment friendly and sustainable business operation	√	√
3.	Increasing level of confidence of investors	√	
4.	Strengthening the brand image	√	√
5.	Reducing operational cost by consuming less office stationeries, energy and water	√	√
6.	Reducing NPL	√	√
7.	Stakeholder's engagement by 360 degree	√	√
8.	Tracking resource consumption and carbon emission	√	√
9.	Smoothing international trade operation		√
10.	Getting foreign loan with cheaper rate		√
11.	Encouraging others to publish the report		√

Source: Survey Data

In Bangladesh, only four financial institutions are now publishing ASR by following GRI guideline and others do not. The publishing institutions did not get any award from the regulator for complying with regulations. On the other, none of the institutions has been penalized by regulators for non-publishing the report. However, some financial institutions are continuing their endeavor in publishing ASR as a responsible corporate citizen of the country (Table 7.7). They believe in compliance with regulations whether it is monitored or not by the regulators. They want to be in line with SDGs set by UN. They want to ensure sustainable operations in the future following international standards and best practices of corporate governance. Sometimes, broadening brand image and becoming the best for disclosure are considered as main factors for publishing such report. It seems that non-publishing financial institutions are misusing the lapse of close monitoring and supervision by the regulators in this regard.

Table 7.7: Motivating Factors for Publishing ASR

S/N	Particulars
1.	As a responsible corporate citizen
2.	Compliance with regulatory guidelines
3.	Broaden the brand image of the bank
4.	Act in line with sustainable development goals
5.	To follow international standards and best practices of corporate governance
6.	Sustainable banking operation in the future
7.	To be the best in disclosure

Source: Survey Data

Table 7.8 points out some challenges faced by BFSI in publishing ASR at the initial stage. Generally, pioneers have to take more challenges as compared to the followers. Initiators of ASR in Bangladesh have also faced some difficulties in materializing the report. Among others, collection of relevant data, quantify environmental impacts, understanding international standards for acquiring required knowledge, engaging stakeholders (including directors) and lapses of dedicated units for completing report are some mentionable challenges.

Table 7.8: Major Challenges Faced in Publishing SR for the Initial Stage

S/N	Particulars
1.	Collection of relevant data
2.	Quantify environmental impacts
3.	Understanding international standards and acquiring knowledge
4.	Engaging stakeholders including directors
5.	Lapses of dedicated units for completing report

Source: Survey Data

Discussion with Executives of Other FSI of Bangladesh Not-Publishing ASR

The researcher has shared views with some executives working in such financial services providing organizations who are not publishing ASR at this moment. It is observed that most of the executives are not aware about the publication requirement and contents of the report. Some other issues related with ASR are represented in Table 7.9. Most of the executives do not think that annual publication of sustainability report is mandatory for them. However, some of them are desiring to publish the report in future. They expect that BB will provide detail guidelines and preparatory time for getting ready by FSI of Bangladesh.

Table 7.9: Perception of Executives of BFSI (who do not publish ASR) on Different Issues of Concerned Guidelines

S/N	Issue	Common Perception
1.	Publication of ASR as a mandatory requirement	No
2.	Readiness of bank to publish ASR at this moment	No
3.	Publication of ASR in electronic form to fulfil regulatory requirement	Yes
4.	Expectation to get extend time-frame form BB for publishing ASR	Yes
5.	Expectation to get more detail guidelines from BB for publishing ASR	Yes

Source: Survey Data

Discussion with Academics and Accountancy Professionals

From the discussions with accountancy professionals (FCA/FCMA/ACA/ACMA) and academics (working in business schools of different public and private universities), it is revealed that they are in favor of publishing ASR. However, they opined that it should not be mandatory to publish the report in printed form. They expect that BB will provide a comprehensive guideline helping BFSI in preparing ASR by maintaining consistency.

DISCUSSION ON MAJOR FINDINGS

It is observed that FSIs of Bangladesh, India and Sri Lanka of SAARC countries are now publishing ASR. In case of Bangladesh and India, banking financial institutions are well ahead as compared to other types of financial institutions. However, none of the banks in Sri Lank publishes such report. There are some organizations in these countries who make some disclosures in their corporate annual report without publishing separate report. Considering general standard disclosure and disclosure on management approach, performance of all 3 countries is highly satisfactory. In case of specific disclosure on economic aspects, FSI of Bangladesh is doing better as compared to India and Sri Lanka. Similarly, average disclosure score of Bangladesh in the area of environmental aspects is higher than that of other 2 countries. Sometimes, Sri Lanka is doing better for disclosure of social aspects. However, there is a scope for improvement in disclosure of sustainability information by the financial services industry of SAARC countries. Only a few number of organizations are preparing separate ASR at present. Besides, none of the financial services organizations of Afghanistan, Bhutan, Maldives, Nepal and Pakistan is publishing such report till 2016.

CONCLUSION

The main objective of the study is to observe the status of ASR published by FSI of Bangladesh and showing comparison with some other neighboring countries. In Bangladesh, FSI is ahead of other types of industries for publishing ASR. FSI of Bangladesh is doing better as compared to that of India and Sri Lanka for making disclosure on some specific aspects. Four financial services organizations of Bangladesh are now publishing ASR regularly whereas none of such organization of Afghanistan, Bhutan, Maldives, Nepal and Pakistan is doing so. Bangladesh Bank has only instructed banks/NBFIs to publish ASR following international guidelines. However, it will be better for BFSI if a detail guideline is issued by local regulatory authority. Moreover, issuing circular/guidelines may not be sufficient rather creating awareness among financial institutions and motivating them for publishing the report are essential. Besides, close monitoring of compliance status by the regulators is also important. In this regard, regulators may maintain data-base of publishing and non-publishing ASR. Nevertheless, regulatory bodies may recognize compliant institutions and penalize non-compliant organizations. At the initial stage, catering training and education (in association with other international organizations, like NCSR, SR Asia) may help BFSI in gathering required knowledge. A sufficient number of qualified verifying

agencies should be made available in Bangladesh. At the institution level, formulation of internal policy and assign responsibility to a specific unit for preparing ASR are to be ensured. They may be allowed to publish soft copy without printing any hard copy of the report. Affiliation of Bangladeshi institutions with international organization (like GRI, UNGC, etc.) may motivate them to publish ASR in compliant way.

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APPENDIX I

Name of Organizations in SAARC Countries Prepared ASR (Only FSI in 2016*)

S/N	Name of Organization	Name of Country	Sector	Size
1.	Bank Asia	Bangladesh	Bank	MNE
2.	Mutual Trust Bank Ltd.	Bangladesh	Bank	Large
3.	Prime Bank Limited	Bangladesh	Bank	Large
4.	IDLC	Bangladesh	NBFI	Large
5.	Axis Bank	India	Bank	MNE
6.	HDFC Bank	India	Bank	Large
7.	ICICI Bank	India	Bank	Large
8.	Punjab National Bank	India	Bank	Large
9.	State Bank of India	India	Bank	Large
10.	Yes Bank	India	Bank	Large
11.	Mahindra & Mahindra Financial Services	India	NBFI	Large
12.	HNB Assurance PLC	Sri Lanka	-	Large
13.	Mercantile Investments and Finance PLC	Sri Lanka	NBFI	SME
14.	Softlogic Life Insurance	Sri Lanka	Insurance	Large
15.	Union Assurance	Sri Lanka	-	Large

**Year of publication of the report, reporting year will be the preceding year*

Source: http://database.globalreporting.org/search/, accessed on January 17, 2017

APPENDIX II

Name of Financial Services Organizations in SAARC Countries Prepared ASR

S/N	Name of Country	Name of Organization	Size	Available Reports
1.	Bangladesh	Bank Asia	MNE	2016, 2015, 2014 & 2013
2.	,,	BEIL	Large	2013 & 2012
3.	,,	IDLC	Large	2017, 2016, 2015, 2014, 2013 & 2012
4.	,,	Mutual Trust Bank Ltd.	Large	2016 & 2015
5.	,,	Prime Bank Limited	Large	2017, 2016, 2015 & 2014
6.	,,	Janata Bank Limited	Large	2016 & 2015 (Non-GRI)
7.	,,	BRAC Bank Limited	Large	2017 (Non-GRI)
8.	,,	Eastern Bank Limited	Large	2017 (Non-GRI)
9.	,,	Southeast Bank Limited	Large	2017 & 2016 (Non-GRI)
10.	India	ABN AMRO INDIA	Large	2008
11.	,,	Axis Bank	MNE	2016 & 2015
12.	,,	Bajaj Finance Limited	Large	2016
13.	,,	Bank of Baroda	MNE	2016
14.	,,	Canara Bank	MNE	2016, 2015, 2014 & 2013
15.	,,	HDFC	MNE	2016
16.	,,	HDFC Bank	MNE	2016, 2015 & 2014
17.	,,	ICICI Bank	Large	2016 & 2015
18.	,,	IDFC Limited	Large	2016 & 2015
19.	,,	IndusInd Bank	Large	2016, 2015, 2014, 2013, 2012 & 2011

20.	,,	Kotak Mahindra Bank	Large	2016, 2015, 2014, 2013 & 2012
21.	,,	LIC Housing Finance Limited	MNE	2016
22.	,,	Mahindra & Mahindra Financial Services	Large	2016, 2015, 2014 & 2013
23.	,,	Multi Commodity Exchange of India (MCX)	Large	2011 & 2010
24.	,,	Power Finance Corporation Limited	Large	2016
25.	,,	PTC India Financial Services Ltd	Large	2016
26.	,,	Punjab National Bank	Large	2016
27.	,,	Shriram Transport Finance Company Ltd	Large	2016
28.	,,	Small Industries Development Bank of India (SIDBI)	Large	2010
29.	,,	State Bank of India	Large	2017, 2016 & 2015
30.	,,	Union Bank of India	MNE	2014
31.	,,	Yes Bank	Large	2016, 2015, 2014 & 2013
32.	Pakistan	First Habib Modaraba	Large	2013 & 2012
33.	Sri Lanka	Citizens Development Business Finance	Large	2016, 2015, 2014 & 2013
34.	,,	Commercial Bank of Ceylon PLC	Large	2016, 2015 & 2013
35.	,,	Hatton National Bank (HNB)	Large	2016, 2015, 2014, 2013, 2012 & 2011
36.	,,	HNB Assurance PLC	Large	2016, 2015, 2014, 2013, 2012, 2011, 2010, 2009 & 2008
37.	,,	Mercantile Investments and Finance PLC	SME	2016, 2015, 2014, 2013 & 2012
38.	,,	People's Leasing Co. Ltd.	MNE	2011
39.	,,	Softlogic Life Insurance	Large	2016, 2015 & 2014
40.	,,	Union Assurance	Large	2016, 2015 & 2014

**Year of publication of the report, reporting year will be the preceding year*

Source: http://database.globalreporting.org/search/, accessed on August 17, 2017

APPENDIX III

Name of Listed Banks of Bangladesh without Making Sustainability Disclosure in CAR

S/N	Name of Bank	Year-2011	Year-2012	Year-2013	Year-2014	Year-2015
1.	Pubali Bank Limited	Not Disclosed				
2.	Dutch-Bangla Bank Limited	Not Disclosed				
3.	AB Bank Limited	Not Disclosed				
4.	Al-Arafah Islami Bank Limited	Not Disclosed				
5.	EXIM Bank Limited	Not Disclosed				
6.	First Security Islami Bank Limited	Not Disclosed				
7.	ICB Islami Bank Limited	Not Disclosed				
8.	Islami Bank Bangladesh Limited	Not Disclosed				
9.	National Bank Limited	Not Disclosed				
10.	NCC Bank Limited	Not Disclosed				
11.	One Bank Limited	Not Disclosed				
12.	Premier Bank Limited	Not Disclosed				
13.	The City Bank Limited	Not Disclosed				
14.	Trust Bank Limited	Not Disclosed				
15.	Uttara Bank Limited	Not Disclosed				

Source: Mahmud, Biswas and Islam (2017)

APPENDIX IV(a)

General Standard Disclosures in Annual Sustainability Report (ASR) by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed*			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Strategy and Analysis (Impacts and decision-makers' views)	1	1	1	1	1
2.	Organizational Profile (Overview on internal and external aspect)	14	14	14	14	13
3.	Identified Material Aspects and Boundaries (Materiality within and outside organization)	7	7	7	7	7
4.	Stakeholder Engagement (identification, selection, key topics and organization's response)	4	4	4	4	4
5.	Report Profile (Time, concern and reporting option)	6	6	5	6	6
6.	Governance (Responsible committee and impact)	1	1	1	1	1
7.	Ethics and Integrity (values, principles, standards of behavior)	1	1	1	1	1
	Total	**34**	**34**	**33**	**34**	**33**
	Disclosure Score (%)	**100**	**100**	**97.06**	**100**	**97.06**
	Average Score of BFSI (%)		**98.53**			

**BFSI stands for Bangladeshi Financial Services Industry. Identities of the organizations have been concealed*

Source: Survey Data

APPENDIX IV(b)

General Standard Disclosures in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed*			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Strategy and Analysis	1	1	1	1	1
2.	Organizational Profile	14	14	14	14	14
3.	Identified Material Aspects and Boundaries	7	7	7	7	7
4.	Stakeholder Engagement	4	4	4	4	4
5.	Report Profile	6	6	6	6	6
6.	Governance	1	1	1	1	1
7.	Ethics and Integrity	1	1	1	1	1
	Total	**34**	**34**	**34**	**34**	**34**
	Disclosure Score (%)	**100**	**100**	**100**	**100**	**100**
	Average Score of IFSI (%)		**100**			

**IFSI stands for Indian Financial Services Industry. Identities of the organizations have been concealed*

Source: Survey Data

APPENDIX IV(C)

General Standard Disclosures in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed*			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Strategy and Analysis	1	1	1	1	1
2.	Organizational Profile	14	14	14	14	14
3.	Identified Material Aspects and Boundaries	7	7	7	7	7
4.	Stakeholder Engagement	4	4	4	4	4
5.	Report Profile	6	6	6	6	6
6.	Governance	1	1	1	1	1
7.	Ethics and Integrity	1	1	1	1	1
	Total	**34**	**34**	**34**	**34**	**34**
	Disclosure Score (%)	**100**	**100**	**100**	**100**	**100**
	Average Score of SFSI (%)		**100**			

**SFSI stands for Sri Lankan Financial Services Industry. Identities of the organizations have been concealed*

Source: Survey Data

APPENDIX V

Generic Disclosures on Management Approach by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Management Approach	1	1	1	1	1

Source: Survey Data

Generic Disclosures on Management Approach by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Management Approach	1	1	1	1	1

Source: Survey Data

Generic Disclosures on Management Approach by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Management Approach	1	1	1	1	1

Source: Survey Data

APPENDIX VI (a)

Specific Disclosures on Economic Aspects in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Economic Performance (Risks, values and benefit plan)	4	4	4	4	2
2.	Market Presence (wages and senior management' proportion)	2	0	2	2	0

3.	Indirect Economic Impacts (infrastructure and impact extent')	2	2	2	2	1
4.	Procurement Practices (Proportion of spending)	1	1	1	0	0
	Total	**9**	**7**	**9**	**8**	**3**
	Disclosure Score (%)	**100**	**77.78**	**100**	**88.89**	**33.33**
	Average Score of BFSI (%)		**75**			

Source: Survey Data

APPENDIX VI (b)

Specific Disclosures on Economic Aspects in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Item	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Economic Performance	4	3	4	3	4
2.	Market Presence	2	0	0	0	0
3.	Indirect Economic Impacts	2	2	0	1	2
4.	Procurement Practices	1	0	0	0	0
	Total	**9**	**5**	**4**	**4**	**6**
	Disclosure Score (%)	**100**	**55.56**	**44.44**	**44.44**	**66.67**
	Average Score of IFSI (%)		**52.78**			

Source: Survey Data

APPENDIX VI (c)

Specific Disclosures on Economic Aspects in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Item	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Economic Performance	4	4	1	2	4
2.	Market Presence	2	2	0	0	2
3.	Indirect Economic Impacts	2	2	0	1	2
4.	Procurement Practices	1	1	0	0	1
	Total	**9**	**9**	**1**	**3**	**9**
	Disclosure Score (%)	**100**	**100**	**11.11**	**33.33**	**100**
	Average Score of SFSI (%)		**61.11**			

Source: Survey Data

APPENDIX VII (a)

Specific Disclosures on Environmental Aspects in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Materials (weight or volume and percentage of materials)	2	2	0	2	0
2.	Energy (Energy intensity and consumption)	5	5	3	5	1
3.	Water (withdrawal, source and volume of water)	3	2	0	3	0
4.	Biodiversity (Impact, habits and number of IUCN Red List)	4	4	0	4	2
5.	Emissions (Direct, indirect (GHG) and air emissions Intensity and)	7	7	2	7	0

6.	Effluents and Waste (Identity and weight, number and volume of waste)	5	5	1	5	0
7.	Products and Services (Impact and percentage of product sold)	2	2	1	2	0
8.	Compliance (Monetary and non-monetary value for fines)	1	1	1	1	1
9.	Transport (Workforce and products)	1	1	1	1	0
10.	Overall (Total environmental protection)	1	1	1	1	0
11.	Supplier Environmental Assessment (Impact and screening of new suppliers.)	2	2	0	2	0
12.	Environmental Grievances Mechanisms (Impacts and number of grievances)	1	1	1	1	0
	Total	**34**	**33**	**11**	**34**	**4**
	Disclosure Score (%)	**100**	**97.06**	**32.35**	**100**	**11.76**
	Average Score of BFSI (%)		**60.29**			

Source: Survey Data

APPENDIX VII (b)

Specific Disclosures on Environmental Aspects in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Materials	2	1	2	1	0
2.	Energy	5	5	5	3	5
3.	Water	3	0	0	0	0
4.	Biodiversity	4	0	0	0	0
5.	Emissions	7	5	7	3	7
6.	Effluents and Waste	5	1	5	0	0
7.	Products and Services	2	1	0	0	2
8.	Compliance	1	1	1	1	1
9.	Transport	1	1	0	0	0
10.	Overall	1	0	0	0	1
11.	Supplier Environmental Assessment	2	1	0	0	0
12.	Environmental Grievances Mechanisms	1	0	0	0	0
	Total	**34**	**16**	**20**	**8**	**16**
	Disclosure Score (%)	**100**	**47.06**	**58.82**	**23.53**	**47.06**
	Average Score of IFSI (%)		**44.12**			

Source: Survey Data

APPENDIX VII (c)

Specific Disclosures on Environmental Aspects in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Materials	2	0	0	0	2
2.	Energy	5	5	1	1	5
3.	Water	3	3	0	0	3
4.	Biodiversity	4	4	0	0	4
5.	Emissions	7	7	0	0	7
6.	Effluents and Waste	5	5	0	1	5
7.	Products and Services	2	1	0	0	2
8.	Compliance	1	1	0	1	1

9.	Transport	1	1	0	0	1
10.	Overall	1	1	1	0	1
11.	Supplier Environmental Assessment	2	1	0	0	2
12.	Environmental Grievances Mechanisms	1	0	0	0	1
	Total	**34**	**29**	**2**	**3**	**34**
	Disclosure Score (%)	**100**	**85.29**	**5.88**	**8.82**	**100**
	Average Score of SFSI (%)		**50**			

Source: Survey Data

APPENDIX VIII (a)

Specific Disclosures on Labor Practices & Decent Work in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Employment (Number, benefit and retention of employees)	3	3	3	3	3
2.	Labor/Management Relations (Minimum notice periods)	1	1	1	1	1
3.	Occupational Health and Safety (worker health and safety committees with agreements	4	4	2	4	0
4.	Training and Education (Training hours and employee training)	3	3	3	3	3
5.	Diversity and Equal Opportunity (Composition and breakdown of employee and governance bodies)	1	1	1	1	1
6.	Equal Remuneration for Women and Men (Ratio of basic salary and remuneration)	1	1	1	1	1
7.	Supplier Assessment for Labor Practices (Significance and percentage of new suppliers)	2	2	0	0	0
8.	Labor practices Grievance Mechanisms (labor practices filed, through grievance mechanisms)	1	1	1	0	0
	Total	**16**	**16**	**12**	**13**	**9**
	Disclosure Score (%)	**100**	**100**	**75.00**	**81.25**	**56.25**
	Average Score of BFSI (%)		**78.13**			

Source: Survey Data

APPENDIX VIII (b)

Specific Disclosures on Labor Practices & Decent Work in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Employment	3	3	3	3	3
2.	Labor/ Management Relations	1	1	1	0	1
3.	Occupational Health and Safety	4	1	0	0	0
4.	Training and Education	3	3	3	3	3
5.	Diversity and Equal Opportunity	1	1	1	0	1
6.	Equal Remuneration for Women and Men	1	1	0	0	1
7.	Supplier Assessment for Labor Practices	2	1	0	0	0
8.	Labor Practices Grievance Mechanisms	1	1	0	0	0
	Total	**16**	**12**	**8**	**6**	**9**
	Disclosure Score (%)	**100**	**75.00**	**50.00**	**37.50**	**56.25**
	Average Score of IFSI (%)		**54.69**			

Source: Survey Data

APPENDIX VIII (c)

Specific Disclosures on Labor Practices & Decent Work in ASR of FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Employment	3	3	2	2	3
2.	Labor/ Management Relations	1	1	0	0	1
3.	Occupational Health and Safety	4	4	0	0	4
4.	Training and Education	3	3	3	2	3
5.	Diversity and Equal Opportunity	1	1	1	1	1
6.	Equal Remuneration for Women and Men	1	1	1	1	1
7.	Supplier Assessment for Labor Practices	2	2	0	0	0
8.	Labor Practices Grievance Mechanisms	1	1	0	1	1
	Total	**16**	**16**	**7**	**7**	**14**
	Disclosure Score (%)	**100**	**100**	**43.75**	**43.75**	**87.50**
	Average Score of SFSI (%)		**68.75**			

Source: Survey Data

APPENDIX IX (a)

Specific Disclosures on Human Rights in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Investments (Significance and total hours of employee training)	2	2	1	2	0
2.	Non Discrimination (Incidents of discrimination and corrective actions)	1	1	1	1	1
3.	Freedom of Association and Collective Bargaining (Identification and measures to support rights)	1	1	0	1	0
4.	Child Labor (Risk Identification and measures to contribute)	1	1	1	1	0
5.	Forced Or Compulsory Labor (Identification and measures to elimination)	1	1	1	1	0
6.	Security Practices (personnel training for security purpose)	1	1	1	1	0
7.	Indigenous Rights (Identification and action taken)	1	1	1	0	0
8.	Assessment (Operations subject to human rights)	1	1	0	0	0
9.	Supplier Human Rights (Screening of new suppliers)	2	2	0	0	0
10.	Human Rights Grievance Mechanism (Identification and resolve of grievances)	1	1	1	0	0
	Total	**12**	**12**	**8**	**7**	**1**
	Disclosure Score (%)	**100**	**100**	**66.67**	**58.33**	**8.33**
	Average Score of BFSI (%)		**58.33**			

Source: Survey Data

APPENDIX IX (b)

Specific Disclosures on Human Rights in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Investments	2	2	2	2	0
2.	Non Discrimination	1	1	0	1	1
3.	Freedom of Association and Collective Bargaining	1	1	0	1	0
4.	Child Labor	1	1	0	1	1
5.	Forced Or Compulsory Labor	1	1	0	1	0
6.	Security Practices	1	0	0	1	0
7.	Indigenous Rights	1	1	0	1	0
8.	Assessment	1	0	0	1	0
9.	Supplier Human Rights Assessment	2	1	0	0	0
10.	Human Rights Grievance Mechanism	1	1	0	0	0
	Total	**12**	**9**	**2**	**9**	**2**
	Disclosure Score (%)	**100**	**75.00**	**16.67**	**75.00**	**16.67**
	Average Score of IFSI (%)		**45.83**			

Source: Survey Data

APPENDIX IX (c)

Specific Disclosures on Human Rights in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Investments	2	2	0	0	2
2.	Non Discrimination	1	1	1	1	1
3.	Freedom of Association and Collective Bargaining	1	1	0	0	0
4.	Child Labor	1	1	1	1	1
5.	Forced Or Compulsory Labor	1	1	0	1	1
6.	Security Practices	1	1	0	0	1
7.	Indigenous Rights	1	1	0	0	0
8.	Assessment	1	1	0	0	1
9.	Supplier Human Rights Assessment	2	2	0	0	0
10.	Human Rights Grievance Mechanism	1	1	0	0	1
	Total	**12**	**12**	**2**	**3**	**8**
	Disclosure Score (%)	**100**	**100**	**16.67**	**25.00**	**66.67**
	Average Score of SFSI (%)		**52.08**			

Source: Survey Data

APPENDIX X (a)

Specific Disclosures on Society Aspects in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Local Communities (Impact and operation with local community)	2	2	0	2	1
2.	Anti- Corruption (Identification and operations assessed for risks)	3	3	2	3	3
3.	Public policy (Total value of political contributions)	1	1	1	1	0

4.	Anti- Competitive Behavior (Total number of legal actions)	1	1	0	1	0
5.	Compliance ((Monetary and non-monetary value for fines)	1	1	1	1	1
6.	Supplier Assessment for Impacts on Society (Significance and percentage of new suppliers)	2	2	0	2	0
7.	Grievances Mechanisms for Impacts on Society (Identification and resolve of grievances)	1	1	1	1	0
	Total	**11**	**11**	**5**	**11**	**5**
	Disclosure Score (%)	**100**	**100**	**45.45**	**100**	**45.45**
	Average Score of BFSI (%)		**72.73**			

Source: Survey Data

APPENDIX X (b)

Specific Disclosures on Society Aspects in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Local Communities	2	2	2	2	2
2.	Anti-Corruption	3	2	3	2	3
3.	Public Policy	1	0	0	1	0
4.	Anti- Competitive Behavior	1	1	1	0	0
5.	Compliance	1	1	1	1	1
6.	Supplier Assessment for Impacts on Society	2	0	0	0	0
7.	Grievances Mechanisms for Impacts on Society	1	0	0	0	0
	Total	**11**	**6**	**7**	**6**	**6**
	Disclosure Score (%)	**100**	**54.55**	**63.64**	**54.55**	**54.55**
	Average Score of IFSI (%)		**56.82**			

Source: Survey Data

APPENDIX X (c)

Specific Disclosures on Society Aspects in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Items	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Local Communities	2	2	1	0	2
2.	Anti-Corruption	3	3	2	2	3
3.	Public Policy	1	1	1	0	0
4.	Anti- Competitive Behavior	1	1	0	1	1
5.	Compliance	1	1	1	1	1
6.	Supplier Assessment for Impacts on Society	2	0	0	0	0
7.	Grievances Mechanisms for Impacts on Society	1	1	0	1	1
	Total	**11**	**9**	**5**	**5**	**8**
	Disclosure Score (%)	**100**	**81.82**	**45.45**	**45.45**	**72.73**
	Average Score of SFSI (%)		**61.36**			

Source: Survey Data

APPENDIX XI (a)

Specific Disclosures on Product Responsibility Aspects in ASR by FSI of Bangladesh

S/N	Area of Disclosure	No. of Required Items	No. of Items Disclosed			
			BFSI-1	BFSI-2	BFSI-3	BFSI-4
1.	Customer Health and Safety (Identification and category for improvement)	2	2	0	2	0
2.	Product Labeling and Service Labeling (Measuring customer satisfaction and non-compliance)	3	3	3	3	0
3.	Marketing Communications (Non-compliance and banned products)	2	2	1	2	1
4.	Customer Privacy (breaches and losses of privacy and data)	1	1	1	1	1
5.	Compliance (Monetary value of significant fines)	1	1	1	1	0
	Total	**9**	**9**	**6**	**9**	**2**
	Disclosure Score (%)	**100**	**100**	**66.67**	**100**	**22.22**
	Average Score of BFSI (%)		**72.22**			

Source: Survey Data

APPENDIX XI (b)

Specific Disclosures on Product Responsibility Aspects in ASR by FSI of India

S/N	Area of Disclosure	No. of Required Item	No. of Item Disclosed			
			IFSI-1	IFSI-2	IFSI-3	IFSI-4
1.	Customer Health and Safety	2	0	0	0	0
2.	Product Labeling and Service Labeling	3	3	3	1	3
3.	Marketing Communications	2	2	2	2	0
4.	Customer Privacy	1	1	1	1	1
5.	Compliance	1	1	1	1	1
	Total	**9**	**7**	**7**	**5**	**5**
	Disclosure Score (%)	**100**	**77.78**	**77.78**	**55.56**	**55.56**
	Average Score of IFSI (%)		**66.67**			

Source: Survey Data

APPENDIX XI (c)

Specific Disclosures on Product Responsibility Aspects in ASR by FSI of Sri Lanka

S/N	Area of Disclosure	No. of Required Item	No. of Item Disclosed			
			SFSI-1	SFSI-2	SFSI-3	SFSI-4
1.	Customer Health and Safety	2	2	1	0	2
2.	Product Labeling and Service Labeling	3	3	1	1	3
3.	Marketing Communications	2	2	1	2	2
4.	Customer Privacy	1	1	1	1	1
5.	Compliance	1	1	1	1	1
	Total	**9**	**9**	**5**	**5**	**9**
	Disclosure Score (%)	**100**	**100**	**55.56**	**55.56**	**100**
	Average Score of SFSI (%)		**77.78**			

Source: Survey Data