

A SYSTEMATIC REVIEW OF SUSTAINABILITY REPORTING ASSURANCE: CURRENT PRACTICES AND ISSUES FOR FUTURE

Darshi, G.A.N.¹, Kennedy, D. Gunawardana² and Weerakoon Banda, Y. K.³

¹ PhD Candidate, Faculty of Graduate studies, University of Sri Jayewardenepura, Sri Lanka

² Senior Professor in Accounting, Department of Accounting, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, Sri Lanka

³ Professor in Finance, Department of Finance, Faculty of Management Studies and Commerce, University of Sri Jayewardenepura, Sri Lanka

¹darshi@mgt.ruh.ac.lk, ²kennedy@sjp.ac.lk, ³weerakon@sjp.ac.lk

ABSTRACT

Sustainability reporting (SR) is an important area of modern corporate reporting that is rapidly expanding. Despite the fact that the number of reports has increased, their quality has been questionable. Moreover, the credibility of sustainability information without assurance is frequently criticized. According to SR practice, external assurance provides stakeholders with transparency and credibility of sustainability information. Although sustainability reporting assurance (SRA) is still a vital activity, there is a lack of a shared understanding and approach to the practice. The objective of the study is to explore the current SRA practices and the prospects for SRA by conducting a systematic literature review (SLR). Through the SLR using the PRISMA framework, 55 published articles in the last 17 years, from 2004 to 2020, were carefully examined. The predetermined data elements such as year of publication, country of study, research method, focus of literature, and analytical approaches were analyzed using a chronological and content analysis of these articles. This methodology employs a rigorous process to identify and select the most important literary contributions in this field. The results are intended to contribute to the development and evolution of SRA in the future, as well as guide researchers in designing their future studies.

Keywords- *Sustainability Reporting; Sustainability Reporting Assurance; Assurance Quality; Systematic Review; PRISMA*

1. INTRODUCTION

In recent years, the demand for sustainability reporting assurance (SRA) has increased significantly (Mohammad Badrul Haider & Nishitani, 2020; Junior & Best, 2017; KPMG, 2020). Companies are trying to enhance transparency, benchmark against other companies, demonstrate competitiveness, increase brand value, encourage employees, and support corporate information and control processes by disclosing voluntary sustainability information (Dissanayake, Tilt, & Qian, 2019; Visscher, 2016). Presenting sustainability information in the annual report is now common practice for major and mid-cap companies all over the world (KPMG, 2020). In addition, KPMG (2020) found that 71% of the top 250 organizations in the world rely on information provided by a third party that has

been assured to be sustainable. Moreover, Zorio, García- Benau, and Sierra (2013) noted a dearth of literature on the assurance of corporate social responsibility (CSR) reports. Similarly, Haider, Kokubu, and Nishitani (2013) reported that there is a lack of research on business-level assurance procedures. In addition, Simolin (2018) emphasized that the importance of doing additional research to improve the comprehension and overall quality of non-financial assurance reports. This reveals the importance of SRA and the need for conducting research in this field. Further, SRA provides trustworthy information, which is more important for the users of information. Stakeholders always pay attention to accurate information. Many literature reviews on the topic of sustainability reporting have been conducted in recent years (Dienes, Sassen, & Fischer, 2016; Morioka, Iritani, Ometto, & de Carvalho, 2018; Silva, Beske-Janssen, & Schaltegger, 2017). But there has been less attention paid to systematic literature reviews (SLR) in SRA that have been performed recently. Therefore, there remains a research gap in the field of SRA. This review tried to identify the trends in sustainability assurance and the gaps that exist in sustainability assurance.

A literature review allows scholars to map and evaluate the present intellectual domain as well as select a study subject to add to the body of knowledge (Tranfield, Denyer, & Smart, 2003). On the other hand, a SLR is more thorough than a literature review since it incorporates both published and unpublished literature, sometimes known as “grey literature” (Dumay, Bernardi, Guthrie, & Demartini, 2016). According to Snyder (2019), “a literature review is an excellent way of synthesizing research findings to show evidence at a meta-level and to uncover areas in which more research is needed, which is a critical component of creating theoretical frameworks and building conceptual models” (Snyder, 2019, p. 333). Therefore, Saunders, Lewis, Thornhill, and Bristow (2019) state that a systematic review's objective is to synthesize all empirical data addressing a specific research topic or hypothesis and matching predefined inclusion criteria. Hence, the objective of the study is to explore the current SRA practices and the prospects for SRA by conducting a SLR.

The study is organized as follows: the second section provides an introduction of SRA, and the third section examines the specifics of the research approach used. The results of the analysis are discussed in the next section. It also emphasizes the important findings and examines the study's contributions as well as future research opportunities. Finally, section five gives the study's conclusion.

2.SUSTAINABILITY REPORTING ASSURANCE: OVERVIEW

Assurance, simply defined as “a process used to provide confidence as to the degree of reliance that can be placed on the reported data,” can be undertaken in several ways (P. Jones, Hillier, & Comfort, 2016, p. 435). Moreover, assurance is defined as “a systematic, documented, and evidence-based process in which a responsible party appoints an independent third party to evaluate and give an opinion on the assertions related to environmental, social, and economic performance or

management against criteria with the objective of improving the credibility of the reporting to intended users" (M. Haider, Kokubu, & Nishitani, 2013, p. 5).

External independent SRA began in 1997–1998, steadily growing (O'Dwyer and Owen 2005). At the beginning of the 1990s, some companies started publishing stand-alone environmental reports worldwide (Deegan, Cooper, & Shelly, 2006). During that period, some companies presented assurance reports on environmental practices (Park & Brorson, 2005). Sustainability reporting (SR) has been identified as a fast-growing area (Al-Halwachi & Eklind, 2020) of modern corporate reporting. Third-party verification is strongly recommended as part of the Global Reporting Initiative (GRI) reporting process, the leading force behind the GRI standards for sustainability reporting. According to GRI data, external assurance is becoming more prevalent: about 50 percent of all published reports are subjected to verification, and this number is expected to rise in the future. According to a survey conducted by KPMG in 2020, there have been numerous good advancements in sustainability reporting and third-party independent assurance globally. It has been established as the standard practice of the world's largest corporations (KPMG 2020). This marks a significant milestone in the industry (KPMG, 2020). As a consequence of this, the findings of this research reveal that the dissemination of information on sustainability has become an established practice among large and mid-cap firms all over the world. Furthermore, it was found that 71% of the top 250 global companies (i.e., G250) are moving toward third-party verification of their sustainability information (KPMG, 2020).

SA practice is a new concept (Channuntapipat, Samsonova-Taddei, & Turley, 2019) identified as a voluntary practice. Therefore, sustainability assurance providers demonstrate different ways of conceptualizing and operationalizing the practices since they have different understandings and interests (Channuntapipat, 2016). One of the main objectives of SA in the reporting organization is to enhance its accountability to stakeholders (Adams & Evans, 2004; Boiral & Heras-Saizarbitoria, 2020; Park, 2004). Further, Park (2004) states that a large part of the literature claims that organizations are responsible for enhancing their accountability to stakeholders. Ensuring that the reporting entity presents fair, complete, unbiased, and relevant accounts is the prominent role of sustainability assurance (Park, 2004). Organizations have realized that reporting sustainability information relating to the organization is not sufficient since decision-makers who are making decisions based on sustainability information must have confidence that the information is reliable (AICPA, 2015). Further, they state that uncertainty about the reliability of information can be reduced by using sustainability assurance.

The external assurance process is vital to increasing the credibility of reports, the accuracy of the reported information, accountability, and transparency (Adams and Evans, 2004; Dando and Swift, 2003; Haider and Kokubu, 2015; Jones and Solomon, 2010; Kuzey and Uyar, 2017; Perego and Kolk, 2012; Tinjală, Pantea, and Buglea, 2015). Third-party assurance was established as a mechanism for holding reporting organizations accountable to their stakeholders. Perego and Kolk (2012) believe that auditability is critical for a balanced and reasonable

sustainability report. The GRI categorizes external assurance providers for sustainability disclosures as accounting firms, engineering firms, and sustainability services organizations (Tînjală, Pantea, & Buglea, 2015). However, Smith, Haniffa, and Fairbrass (2011) assert that these guidelines differ in terms of scope and content. According to the results of a study that was conducted by Park and Brosson (2005), a greater amount of emphasis has to be focused on the establishment of credible links between third-party assurance methods and higher credibility for corporate environmental or sustainability reports. A large number of South Korean companies have realized that obtaining external assurance on their sustainability reports is a critical method for ensuring the objectivity of their sustainability reports and enhancing their reputations (KPMG, 2008). This realization comes as a result of the fact that external assurance on sustainability reports is becoming increasingly popular (KPMG, 2008). Based on this discussion, it highlights the importance of identifying trends in SA practice.

3. METHODOLOGY

Arguably, much sustainability assurance research is still in the early stages of development (Dissanayake, Tilt, & Xydias-Lobo, 2016; Thoradeniya, Lee, Tan, & Ferreira, 2015), when efforts are often focused on potentially increasing awareness of particular study fields. Therefore, this research investigates the trends in SRA practices by analyzing previous literature published in the last 17 years (2004-2020). It is possible to derive some predictions about how it will evolve in the future. This SLR focuses on previous research and attempts to create the basis for future SRA research by giving insights and critique that assess, identify, and address future research needs. This evaluation takes into account both peer-reviewed journal articles and peer-reviewed conference papers. This is because conference papers offer a glimpse into the contentious issues that are going to be discussed in academic journals in the near future (Dumay et al., 2016).

As Tranfield et al. (2003) defined, the SLR process consists of three stages: planning, conducting, and reporting and dissemination. Numerous scholars have implemented this approach in the field of sustainable accounting and management (Dienes et al., 2016; Silva et al., 2017; Visscher, 2016). In order to provide an answer to the research question, a comprehensive analysis and synthesis of the relevant academic literature on SRA was performed. In light of the fact that sustainability assurance is still a relatively novel idea, the research was carried out by means of a comprehensive review of the existing literature (M. Haider et al., 2013; Kiliç & Kuzey, 2017; Visscher, 2016). Systematic reviews differ from narrative reviews in that they employ a repeatable, scientific, and transparent methodology, or, in other words, a comprehensive technology geared at avoiding errors and bias (Cook, Mulrow, & Haynes, 1997). As a result, an SLR method was employed in this study to identify and address the future research gap. This review procedure follows the same three steps (Tranfield et al., 2003).

3.1 Planning the Review

This step is critical in the management discipline since it entails conducting scoping research to ascertain the relevance and volume of current literature as well as defining the subject area or issue (Tranfield et al., 2003). The SLR process can be thought of as an iterative one of definition, enhancement, and clarity (Clarke & Horton, 2001). The main objectives of this stage are to determine the need for a review as well as to define the scope of research (Tranfield et al., 2003). This research collected articles from well-known databases: Google Scholar, Emerald Insight, JSTOR, Elsevier, Springer, SAGE, and Wiley Online Library.

Defining a Review Protocol: Initially, at this stage, it was discussed how we could set up the study. The specific research question addressed by the study, the population and sample of the study, the search strategy used to identify the relevant previous studies, and the inclusion and exclusion criteria of the study are contained in the review protocol. First, the research question of the survey can be identified as follows:

Research Questions:

- What is the focus and critique of the Sustainability Reporting Assurance (SRA) literature?
- What are the avenues for SRA research?
- What are the empirical justifications for the research gaps discovered?

Search Strategy: As mentioned earlier, given the scope of research, SLRs begin with identifying keywords and search terms (Tranfield et al., 2003). The keywords for the search were “sustainability reporting assurance”, “sustainability assurance”, “sustainability reporting and assurance,” “third-party assurance”, and “assurance of sustainability information” based on the scope of research. Using keywords, the search was conducted to make the initial selection. Figure 1 shows the PRISMA flow diagram (Liberati et al., 2009) for the selection of these 55 articles.

Inclusion and Exclusion Criteria: Moreover, articles had to include at least one of the keywords in either the title, abstract, or keywords written in English. They were published between 2004 and 2020 and have been identified as the inclusion criteria for the research. More companies are considering SR practices since the establishment of the GRI G2 framework in 2002. Therefore, 2004–2020 was selected as the sampling period for the study. Finally, 55 unique articles were identified, excluding articles not related to sustainability assurance or reporting assurance and published before 2004 and after 2020.

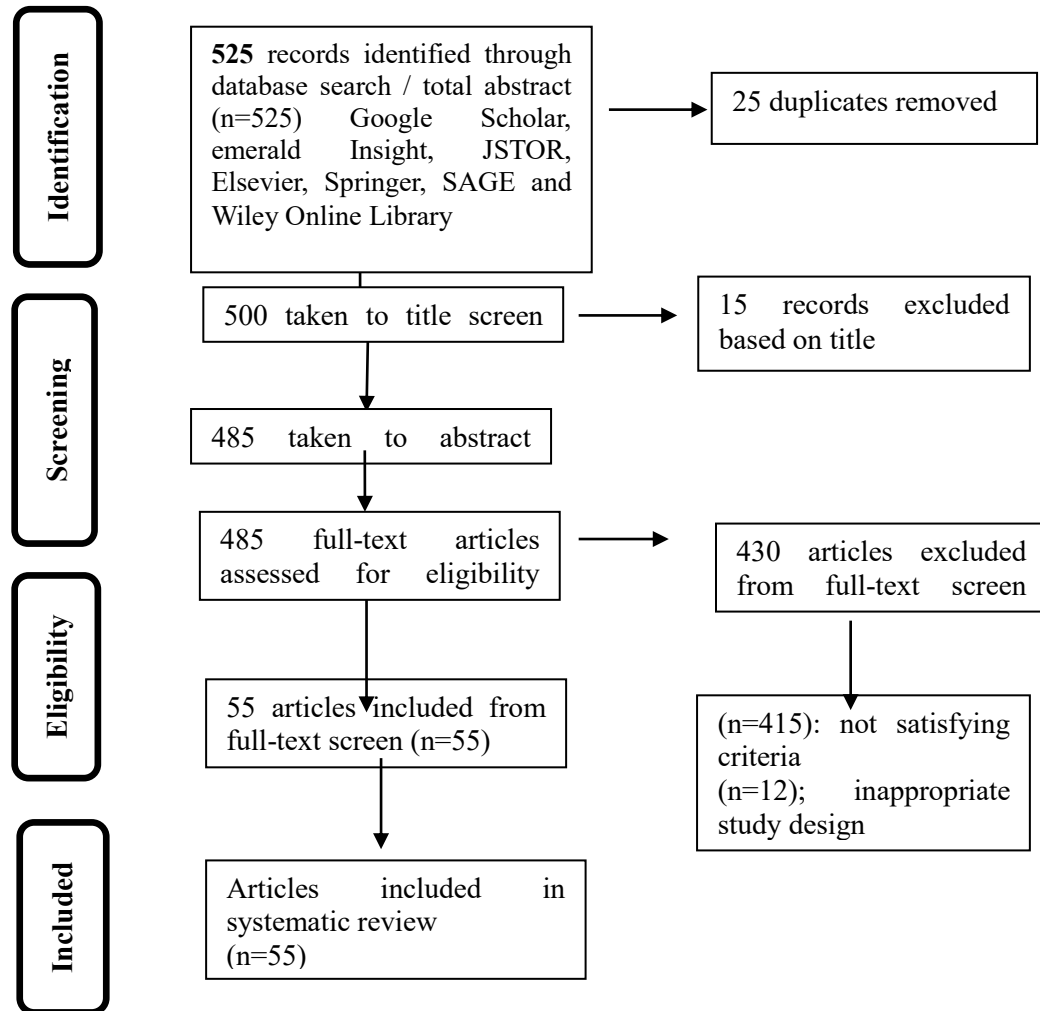


Figure 1: PRISMA flow diagram of screening and selection

3.2 Conducting a Review

In the article selection process, articles were screened using the PRISMA flow diagram. First, as mentioned earlier, 525 articles were screened using the keywords. Then, 25 articles were rejected since there were duplicates. Again, 15 articles were removed, reasoning that the titles of those articles did not focus on sustainability assurance. In the next step, 485 full text articles were assessed for eligibility. Finally, 55 articles were chosen after removing 430 that did not meet the study criteria and had an ineffective design. After completing the selection process, the following data elements were extracted from the articles: year of publication, authorship, country of study, research method, focus of literature, and analytical techniques.

3.3 Reporting and Dissemination

As the third step of the SLR, a comprehensive analysis was conducted using descriptive analysis and qualitative analysis. In order for this SLR to accomplish its goal, previously identified data elements were assessed by providing descriptions of the information that is included in the data extraction form that is displayed in Table 3.

4. RESULTS AND DISCUSSION

4.1 Descriptive analysis

In this section, a complete descriptive analysis was conducted to address the first and second research question. The search was carried out in September 2021, and then an initial identification of articles was performed (see Figure 1). The total number of unique articles focusing on sustainability assurance was 55, and of these, 46 articles have been published in journals and others have been presented as doctoral theses and conference papers. Then, the search was focused on twenty-three different academic journals, as shown in table 1. Specifically, these journals are grouped under two categories: business and society journals and CSR/SR journals. Majority of the articles have been published in scholarly journals such as the Australian Accounting Review, the Accounting, Auditing, and Accountability Journal, the Corporate Social Responsibility and Environmental Management Journal, and the Sustainability Accounting, Management, and Policy Journal.

Majority of the research articles have been published in publications that are concerned with business and society, and some of the articles have been published in CSR. The remaining pieces were either PhD theses or presentations presented at conferences.

Table 1: Journal lists

Type of Journal	Journal	Number of Articles	
Business and society journals	The British Accounting Review	2	
	Australian Accounting Review	4	
	Accounting and Finance Journal	1	
	International Journal of Society Systems Science	1	
	Timisoara Journal of Economics and Business	1	
	Accounting, Auditing & Accountability Journal	5	
	The Journal of Applied Business Research	1	
	Journal of Cooperative Accounting and Reporting	1	
	Meditari Accountancy Research	1	
	Journal of Business Ethics	1	
	International Journal of Accounting, Auditing and Performance Evaluation	1	
	Journal of Corporate Real Estate	1	
	journal of European Real Estate Research	2	
	Pacific Accounting Review	2	
The International Journal of Business in Society	2		
CSR/SR journals	Journal of cleaner production	2	
	Business Strategy and the Environment	1	
	Journal of corporate citizenship	1	
	International Journal of Environment and Sustainable Development	2	
	Corporate Social Responsibility and Environmental Management	4	
	Social Responsibility Journal	2	
	International Journal of Disclosure and Governance	3	
	Sustainability Accounting, Management and Policy Journal	6	
	Thesis, Proceedings and Accounting forum		
		Doctoral Dissertation	
PhD thesis/ Master		5	
Proceedings and Accounting forum	Proceedings of the Seventh Asia Pacific Interdisciplinary Research in Accounting Conference/Conference paper	2	
	Paper presented at the Accounting forum	2	

Source: Authors created 2022

Data elements Analysis: This section contains the findings of the previously identified elements' analyses. These elements are as follows; year of publication, country of research, research method, focus of literature, and analytical techniques.

Year of publication: The articles reviewed in this study were published from 2004 to 2020. Since 2004, it has been noted that a consistent flow of sustainability reporting assurance articles has been conducted over time. Table 2 shows that most studies on sustainability assurance were conducted in 2016, and no studies were accessible in 2008 or 2014.

Table 2: Year of Publication

Year	2004	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	Total
Numbe	4	1	1	2	-	1	4	2	3	3	-	7	11	4	4	5	3	55

Source: Authors created 2022

Country of research: Table 3 illustrates the geographical location of the research work undertaken. As highlighted in table 3, most of the research was conducted in the United Kingdom and Australia. As a research site, the UK and its authors have published research articles in the field of SRA from 2005 to 2011 (Al-Hamadeen, 2007; M. J. Jones & Solomon, 2010; O'Dwyer & Owen, 2005; Pinilla-Urzola, 2011). One of the reasons behind that is SR and assurance practices are well established and developed in the UK (Channuntapipat, 2016). Several authors highlighted that most of the research conducted under sustainability assurance is limited to developed countries, especially the UK, Australia, Spain, Germany, Japan, Sweden, Netherlands, Finland, Indonesia, etc. In developing countries, there is a dearth of research. Thus, in order to better understand SRA, further study is required in developing countries.

Table 3: Extracted information contained in the articles

A. Country of research			
A1	Europe	1	
A2	UK	7	
A3	Australia	9	
A4	Sweden	5	
A5	Netherland	5	
A6	Finland	1	
A7	Spain	2	
A8	Germany	3	
A9	South Africa	2	
A10	Japan	3	
A11	Indonesia	3	
A12	Malaysia	3	
A13	New Zealand	1	
A14	Brazil, Romania	2	
A15	Canada, Portugal	2	
A16	Other	6	
	Total	55	
B. Focus of Literature			
B1	Stakeholder influence/involvement		7
B2	Experience and views of assurance		23
B3	Accountability/ perspective		Theoretical 2
B4	Assurance statement quality		12
B5	Determinants /factors of Sustainability assurance		8
B6	SA Performance / SA engagement		3
	Total		55
C. Analytical Techniques			
D1	Correlation and regression		17
D2	Independent Sample T test		5
D3	Thematic analysis/content analysis		19
D4	Descriptive Analysis		6
D5	Not specified		3
D6	More than one		4
	Total		55
D. Research method			
C1	Case/Field study/Interviews	18	
C2	Document Analysis/Content analysis	26	
C3	Literature review	5	
C4	Survey/Questionnaire/Other empirical	6	
	Total	55	

Source: Authors created 2022

Research method: According to our classification system, table 3 presents the different research methods used in the selected articles. Historical or content analysis is the most applied research method in these studies. 47 percent of the articles used content analysis as the research method. In addition, case studies, field investigations, and interviews (33 percent) are utilized in order to collect in-depth information regarding the procedures that are employed for sustainability assurance in a variety of firms. Some authors have combined different research approaches, such as interviewing participants, conducting case studies, and performing content analysis. From the overall picture, it is clear that only document analysis or content analysis is the most significantly applied method in the relevant literature. The rest

of the studies have used case studies, field studies, interviews, and survey methods. As a result, it suggests using exploratory or confirmatory approaches to research in sustainability reporting, such as interviews, surveys, and experimental studies.

Focus of literature: Under this, the subject area about which they were concerned and focused was identified using keyword analysis. Current literature addresses topics including assurance reporting quality, business sustainability performance, and assurance on sustainability reports from the viewpoints of assurance providers and stakeholders (Achmad, Faisal, & Ulum, 2017; Ackers & Eccles, 2015; Aliyu, 2016; Bollas-Araya, Polo-Garrido, & Seguí-Mas, 2016; Braam & Peeters, 2018; M B Haider & Kokubu, 2015; Simolin, 2018; Tînjălă et al., 2015; ULUM & FAISAL, 2015). According to this review, among the selected papers, 42 percent of the articles are focused on experiences and views of assurance practice. The most researched area of interest is presented in table 3, and moreover, it shows the research interest in each selected article. Then, assurance statement quality is the other interesting research area among the rest of the articles.

Analytical techniques: As per table 3, content analysis is the most commonly used technique, it was used in 35 percent of the articles. As well, about 31 percent of the articles used correlation and regression techniques, which were the most popular techniques in this research. A small number of studies have used the independent sample t-test as an analytical technique (9 percent).

4.2 Qualitative Analysis

In this section, qualitative analysis was presented. Aligning with the third research question, it is expected to identify the future avenues for SRA research and the empirical justifications for the research gaps that are discovered from the analysis. Based on the keyword analysis, among the selected 55 articles, there are a few papers that empirically analyze the experiences of and perspectives on sustainability reporting assurance. Park and Brorson (2005) investigate the growth of environmental and sustainability reporting in Sweden and its implications for the country. In addition to that, they looked for examples of effective reporting techniques. In a similar vein, Deegan et al. (2006) look into the methods that are now in place for the delivery of the Triple Bottom Line report assurance statement. While Al-Hamadeen (2007) sought to discover the elements related with the information that was given while assessing the extent to which assurance statements include information about the components of the assurance engagement. Furthermore, M. J. Jones and Solomon (2010) present the empirical evidence for 20 UK listed companies considering SRA. Most researchers conduct empirical research on the state of sustainability reporting assurance (Ackers & Eccles, 2015; Aliyu, 2016; Bollas-Araya et al., 2016; Deegan et al., 2006; M. J. Jones & Solomon, 2010; Park & Brorson, 2005; Pinilla-Urzola, 2011; Tînjălă et al., 2015).

It is not surprising that the majority of the research carried out in accordance with the sustainability assurance is restricted to developed countries, particularly the United States of America, the United Kingdom of Great Britain and Northern Ireland, Australia, Spain, Germany, Japan, Sweden, the Netherlands, Finland, and

Indonesia (Ackers & Eccles, 2015; Aliyu, 2016; Bollas-Araya et al., 2016; Deegan et al., 2006; M. J. Jones & Solomon, 2010; Park & Brorson, 2005; Perego & Kolk, 2012; Pinilla-Urzola, 2011; Tînjălă et al., 2015). Therefore, there is a requirement for studying methods of assuring sustainability in emerging countries. According to Dissanayake et al. (2016), the SR is voluntary in Sri Lanka, which is similar to the situation in other nations. Research on SR is conducted in Sri Lanka to a much lesser extent when compared to other regions throughout the world (Dissanayake et al., 2016; Senaratne, and Liyanagedara 2017; Wijesinghe, 2012). Many researchers have previously underlined how important it will be for future studies to concentrate on the credibility of external assurance (M B Haider & Kokubu, 2015; Heenetigala, Lokuwaduge, Armstrong, & Ediriweera, 2015; Visscher, 2016). Only a small number of studies (Dissanayake et al., 2016; Pinilla-Urzola, 2011; Vinke, 2014) on SR have been carried out in developing nations like Sri Lanka, whereas numerous studies on SR have been carried out in wealthy nations (Dissanayake et al., 2016; Pinilla-Urzola, 2011; Vinke, 2014). The experts who conducted the research in this field came to the conclusion that there is a dearth of empirical evidence evaluating the reasons for providing confidence with sustainability reports (Hodge, Subramaniam, and Stewart, 2009). As a consequence of this, there are a great number of possibilities for further academic pursuits in this area in developing countries. In addition, there is no evidence that comprehensive research has been conducted about SRA in the context of Sri Lanka.

According to the SLR, the number of research that has been undertaken on the subject of stakeholder involvement within sustainability reporting assurance is limited. Park (2004) has conducted research to assess the existing position of stakeholder involvement in third party assurance. Despite the fact that the participation of stakeholders in actions designed to ensure sustainability is extremely important, Pinilla-Urzola (2011) believes that stakeholders and their perspectives on sustainability assurance procedures have received far too little attention. This SLR demonstrates a dearth of research on stakeholder involvement in SRA (Aliyu, 2016; M. Haider et al., 2013; Park, 2004). Aliyu (2016) conducted an empirical examination of how stakeholders are considered during the assurance process for sustainability reports. Further, M. Haider et al. (2013) conducted an exploratory study to determine the impact of stakeholder engagement on the adoption of assurance in sustainability reporting. They suggested that future work be conducted to assess the role of stakeholders in adopting alternative assurance providers. According to Tînjălă et al. (2015), the literature on sustainability reporting assurance is scarce because this is a relatively new practice. As a result, it is necessary to undertake additional research on the current scope and quality of assurance practice and the factors affecting corporate decision-making on assurance in SR (Tînjălă et al., 2015).

Owen and O'Dwyer (2004) perform a conceptual assessment to determine the extent to which assurance statement contains adequately explain the fundamental aspects that are the basis for the recommendations made by AccountAbility, FEE, and GRI. This assessment pertains to the quality of assurance statements and was carried out so that Owen and O'Dwyer (2004) could make a determination regarding the quality

of assurance statements. Additionally, they discovered a significant constraint on the level of assurance provided in the absence of specific criteria based on directly applicable auditing standards. Similarly, Heenetigala et al. (2015) underline the importance of the criteria used for assurance because there is currently no recognized framework for assuring CSR. They note the importance of developing universally accepted standards for assuring non-financial information. The following research gaps and empirical reasons in the field of SRA were discovered based on the aforementioned literature review.

- *In the current scenario, significant weight has been given to the concept of sustainability reporting at the global level, and in recent years, the demand for assurance in sustainability reporting has significantly increased (Boiral & Heras-Saizarbitoria, 2020; Fonseca, McAllister, & Fitzpatrick, 2014; Seguí Mas, Bollas Araya, & Asensi Peiró, 2016). Therefore, conducting research in this field is very important within the existing literature, and it has become a relevant area for research, capturing worldwide attention.*

Sustainability reporting has become a widely accepted practice (Boiral & Heras-Saizarbitoria, 2020; Fonseca et al., 2014; Seguí Mas et al., 2016)). In recent years, most companies have used annual financial reports or standalone reports to publish non-financial information. The survey conducted by KPMG (2020) states that it is the most comprehensive overview of the worldwide trends in corporate responsibility reporting. According to the findings of this survey, the number of companies reporting on their efforts to be sustainable has seen a significant spike in a number of countries over the past few years. As a result of recently enacted rules and regulations as well as a growing awareness within the financial industry, environmental, social, and governance (ESG) problems have a substantial impact on the financial performance of businesses as well as the value of those businesses. Furthermore, they claim that SR is a widely accepted concept and that the small percentage of businesses that have not yet reported will fall far behind universal standards.

According to the 2020 KPMG survey, 80 percent of N100 firms globally currently report on sustainability information. Since the latest KPMG survey in 2017, the percentage of global sustainability reporting (N100) has improved from 75 to 80 percent. Therefore, it is confirmed that sustainability reporting has been given major weight globally and continues to grow. Moreover, the demand for SAR has increased significantly in recent years (Mohammad Badrul Haider & Nishitani, 2020; Junior & Best, 2017; KPMG, 2020). According to the results of KPMG (2020), taking into account the SRA practices of large and mid-cap organizations around the world has developed into an industry standard. In addition to this, it brought to light the fact that the underlying trend for third-party certification of sustainability information is at 71 percent among the world's 250 top firms.

- *There is a direction to apply exploratory or confirmatory approaches such as interviews, surveys, and experimental studies to the research in the field of sustainability reporting and assurance.*

Based on the systematic literature review, document analysis and content analysis are the most significantly applied methods in the relevant literature, while the rest of the studies have applied case studies, field studies, interviews, and survey methods. As a result, it implies that there is a direction for researching sustainability reporting using exploratory or confirmatory methodologies such as interviews, surveys, and experimental investigations. There is a lack of published studies in developing countries that have applied interview methodologies (Belal & Owen, 2007). The recent study performed by Dissanayake et al. (2016) states that there is a call for further studies to obtain good understandings of the real motives of the companies for disclosing SRA in the Sri Lankan context by involving interviews or surveys of the senior management.

- *Currently, there is no consistency or unified opinion in the academic world about the impact of assurance sustainability on the credibility of sustainability reporting within the existing literature over the years, yet more empirical evidence is needed to arrive at firm conclusions.*

Because of the lack of trust in sustainability reports, the existing literature has highlighted the importance of conducting SRA research (Boiral & Heras-Saizarbitoria, 2020; García- Sánchez, Hussain, Martínez- Ferrero, & Ruiz- Barbadillo, 2019). According to the research that came before it, a number of businesses have the opinion that sustainability assurance improves the credibility and trustworthiness of sustainability reports (Adams and Evans, 2004; Dias and Basuki, 2018; Junior and Best, 2017; Park and Brorson, 2005; Simnett, 2012). Other businesses think that their internal controls are adequate, so rather than working to improve the accountability of the companies, their credibility, and the level of trust between them and their customers, they use sustainability assurance as a tool for management to improve their internal management control systems (Channuntapipat et al., 2019; Jones and Solomon, 2010). In contrast, a different conclusion was made by Park and Brorson in 2005. They made this discovery after observing that the primary purpose of sustainability assurance in Swedish companies with guaranteed information on sustainability is to increase the confidence of both internal and external stakeholders (Park and Brorson, 2005). In addition, their primary reasoning includes the expensive cost of assurance and a scarcity of proof, whereas the results of having a third party provide assurance would lead to higher confidence. In a similar vein, Simnett (2012) emphasized that having an outside party verify the content and structure of CSR reports improves the reports' relevance, dependability, and comparability, in addition to their general credibility. Even though significant studies have been conducted on the assurance of sustainability reports, further empirical evidence is needed to arrive at a firm conclusion due to the inconsistent results or lack of a unified opinion in the academic world about the findings of the impact of assurance of sustainability on the credibility of sustainability reporting.

- *There is a dearth of empirical evidences /the comprehensive studies regarding sustainability reporting assurance in developing countries*

Despite the importance of sustainability reporting assurance, there is no empirical evidence or comprehensive study of SRA in developing countries, particularly in Sri Lanka (Dissanayake et al., 2016; Mudiyansele, 2018; Senaratne & Liyanagedara, 2009; Thoradeniya et al., 2015; Wijesinghe, 2012). It should not come as a surprise that practically all of the earlier examinations into sustainability reporting have been carried out in a European setting without shedding any light on the situation in other parts of the world (KPMG, 2008). On this subject, there has been a minuscule amount of research done. Previous research demonstrates, moreover, that sustainability reporting is still in its initial stages (Hummel & Schlick, 2016) in developing countries (Dissanayake et al., 2016; Thoradeniya et al., 2015) compared with developed western countries. Moreover, the disclosure level is comparatively inadequate (Adams, Larrinaga- González, Belal, and Owen, 2007; Thoradeniya et al., 2015; Tilakasiri, 2012). A similar idea has been presented by Tilakasiri (2012). In developed nations, such as Canada, the United States, Australia, and the United Kingdom, the idea of corporate social responsibility (CSR) is utilized more frequently, and a greater number of studies that are related to CSR have also been carried out in these nations. As a result, both the concept and the application of CSR in nations that are still in the process of developing require further investigation and discussion. At the same time, Thoradeniya et al. (2015) state that sustainability assurance is still at its starting point, and this is not surprising since SRA is a relatively new field among professionals and scholars (Smith et al., 2011; KPMG, 2011 cited in (Tinjälä et al., 2015). Furthermore, according to Hummel, Schlick, and Fifka (2019), there is an opportunity to do much more research in sustainability assurance since it is still a relatively unexplored field.

- *Because of the lack of a standardized reporting framework in SRA, there is a doubt about the consistency and quality of the disclosures (Damen, 2016; De Silva, 2018; Jones and Solomon, 2010; Meijer, 2016; Ong, 2016).*

For reporting purposes, several international standards and regulations have been introduced by different institutions to guide companies' sustainability reporting. Global Reporting Initiatives (GRI) has introduced a set of guidelines that can be used as a basis for preparing sustainability reports by worldwide businesses (Jones and Solomon, 2010). Jones and Solomon (2010) further state that, at present, the GRI and AccountAbility guidelines provide a valuable voluntary framework and that there are no regulatory or required rules for sustainability reporting. The comparison of the disclosures with the sustainability reports in different companies' is a problem (Burritt, 2002; Ong, 2016) since the lack of a standardized reporting framework.

Due to the lack of a standardized reporting structure in sustainability reporting, Ong's (2016) research indicated that businesses are generating unaudited, generic sustainability information. As a result, it does not accurately reflect companies' actual sustainability performance. In addition, De Silva (2018) highlighted that due to the lack of a precise model or a solid legislative framework, sustainability reporting has become a current issue. Furthermore, he has addressed the

determining factors, such as the lack of a stable model, a recognized listing platform, and the cost of committing to establishing voluntary reporting norms in a developing country like Sri Lanka. The practice of external assurance, however, lacks a single solid structure because it is voluntary, and Damen (2016) noted that the quality of external assurance on sustainability reports has been strongly criticized in the body of research because it is usually regarded to be unsatisfactory. Moreover, inconsistent with the idea of Damen (2016), the quality of sustainability reports is identified as an issue. The reason for that is the lack of regulation and its voluntary nature (Meijer, 2016). According to the findings of the study conducted by Sawani, Zain, and Darus (2010), the majority of the sustainability disclosure information that is reported is integrated into the annual report, and there is no assurance statement, because of the low level of understanding and the absence of legal pressure to commission the practice. This is the case despite the fact that there is no pressure from the law to commission the practice. (Sawani, Zain, & Darus, 2010). Further, it states that, dissimilar to financial auditing, different unregulated guidelines and frameworks have been issued for sustainability assurance to help assurance providers. Thus, in the absence of the mandatory guidelines and framework, sustainability assurance has created a fragmented assurance environment in which various methods are used by different assurance providers (Al-Halwachi & Eklind, 2020).

- *There is no standard definition of assurance quality, and the methods for assessing assurance quality is still lacking, particularly in developing countries.*

There is no standard definition for assurance quality, and the methods for assessing assurance quality are still lacking, particularly in developing countries such as Sri Lanka. Therefore, it is necessary to identify the criteria to measure the quality of assurance reports (Cooper & Owen, 2014; Fonseca, 2010; Hummel & Schlick, 2016; Mock, Strohm, & Swartz, 2007; Nordhaug, 2017; Zorio et al., 2013). Sri Lanka is a developing country with various legal, political, cultural, and economic backgrounds and regulatory constraints. Therefore, it isn't easy to apply the research findings of the developed countries (Ali, Frynas, & Mahmood, 2017; Dissanayake et al., 2016; Rajeshwaran & Ranjani, 2014; Uyar, Gungormus, & Kuzey, 2017; Visscher, 2016). Moreover, Visscher (2016) highlighted that the disadvantages of assurance require further investigation. A significant problem to further study is management influence as a threat to quality assurance. Although the GRI promotes assurance, no assurance mechanism has been created yet. Therefore, it is better to have a separate sustainability assurance scoring model. Since there are no standards or methods for ensuring sustainability that everyone agrees on, the quality and practice of the assurance process vary (Nordhaug, 2017).

- *The perception of assurance providers and stakeholders in the sustainability reporting assurance is still being discussed insufficiently.*

According to the research conducted by Hummel, Schlick, and Fifka (2019), they identify a potentially fruitful avenue in analyzing the discussions between the client firm and the assurance provider over the assurance engagement's parameters. Additionally, they said that no studies on this phase were undertaken to their

knowledge. In line with Hummel et al. (2019), Pinilla-Urzola (2011) emphasized the value of research by investigating a much wider variety of stakeholder viewpoints on issues based on his study findings. Furthermore, he emphasized the essential need to conduct a comprehensive survey to ascertain the assurance needs of various stakeholder groups. M. Haider et al. (2013) presented under the future research, "examine the role of stakeholders on the adoption of alternative assurance providers" is essential. On the other hand, Al-Hamadeen (2007) states that investigating why stakeholders in the assurance process were the weakest link among all the invested parts of this approach.

According to O'Dwyer and Owen (2005), future research can be conducted to gather assurance providers' perspectives on the processes they perform and the challenges they face. In order to accomplish this, it should carry out comprehensive case studies and conduct interviews with various assurance providers. Since this topic is still not thoroughly discussed in the Sri Lankan context as well as the worldwide one, there are several chances for study on the perspectives of assurance providers and stakeholders in the SRA. These opportunities can be found in a variety of contexts (M. Haider et al., 2013; Hummel et al., 2019; O'Dwyer & Owen, 2005; Visscher, 2016).

Managerial motivation for the adoption of SRA is a vital concern in the current scenario.

Managerial motivation for SRA implementation is a critical issue in the current environment (M B Haider & Kokubu, 2015; Visscher, 2016). A research study conducted by M B Haider and Kokubu (2015) highlighted that investigations on assurance from a managerial perspective can significantly contribute to the existing literature. Moreover, they emphasize that potential options for researching management motivation for assurance adoption and third-party comments on assurance are potential areas for future investigations (M B Haider & Kokubu, 2015). There is a lack of scientific evidence supporting the organizational benefits of sustainability reporting and assurance (Hodge, Subramaniam, & Stewart, 2009). Similarly, (M. J. Jones and Solomon (2010)) state that the research studying on the assurance practice from the corporate or managerial perspective is limited.

5. CONCLUSION

It is absolutely necessary to analyze the existing scope of sustainability assurance activities, as well as their quality, as well as the effect that sustainability assurance practices have on the quality of sustainability reporting. This is due to the fact that ensuring sustainability is a relatively new practice, and there is a limited amount of literature that already exists on the subject. Furthermore, it has been revealed that there is a scarcity of published material that provides assurance providers' opinions on the various sustainability assurance approaches. This is due to a dearth of written literature addressing the perspectives of assurance providers. It should not come as a surprise that practically all of the earlier studies have been done out within the context of Europe, with little to no consideration given to the rest of the world, particularly emerging countries. In recent years, and there has been a rise, all around

the world, in the amount of research that is focused on sustainability reporting. As a result, carrying out research in this area is very essential within the context of the existing body of literature, and it has developed into a topic of inquiry that is receiving attention on a global scale. An analysis of the limits of previous research reveals a number of potential new directions for investigation that could be pursued in the future. It turns out that virtually all of the studies concentrated on more developed nations. On the other hand, there is a significant lack of research that investigates the practices of sustainability reporting assurance, particularly in developing nations.

REFERENCES

- Achmad, T., Faisal, F., & Ulum, M. B., 2017. Nature Of Information Provided And Quality Of Sustainability Reports Assurance Statements Of Fortune Global 500 Companies. *Journal of Applied Business Research (JABR)*, 33(5), pp.1023-1034. doi: <https://doi.org/10.19030/jabr.v33i5.10024>
- Ackers, B., & Eccles, N. S., 2015. Mandatory corporate social responsibility assurance practices. *Accounting, Auditing & Accountability Journal*. doi: <https://doi.org/10.1108/AAAJ-12-2013-1554>
- Adams, C. A., & Evans, R., 2004. Accountability, completeness, credibility and the audit expectations gap. *Journal of corporate citizenship*(14), pp.97-115.
- AICPA. 2015. The Cpa's Role In Sustainability Assurance.Balancing Priorities: Profits, People and Planet. *AICPA Sustainability Assurance Brochure*.
- Al-Halwachi, J., & Eklind, M., 2020. Sustainability assurance: A qualitative study exploring the assurance process, team and report of sustainability assurance.
- Al-Hamadeen, R. M., 2007. *Assurance of corporate stand-alone reporting: evidence from the UK*. University of St Andrews. Retrieved from <http://hdl.handle.net/10023/423>
- Ali, W., Frynas, J. G., & Mahmood, Z., 2017. Determinants of corporate social responsibility (CSR) disclosure in developed and developing countries: A literature review. *Corporate Social Responsibility and Environmental Management*, 24(4), pp. 273-294. doi: <https://doi.org/10.1002/csr.1410>
- Aliyu, S.,(2016. *The state of sustainability reporting assurance in the United Kingdom: perspectives of assurance providers and stakeholders*. Middlesex University. Retrieved from <https://eprints.mdx.ac.uk/id/eprint/18946>
- Belal, A. R., & Owen, D. L., 2007. The views of corporate managers on the current state of, and future prospects for, social reporting in Bangladesh: An engagement-based study. *Accounting, Auditing & Accountability Journal*, 20(3), pp. 472-494. doi: <https://doi.org/10.1108/09513570710748599>
- Boiral, O., & Heras-Saizarbitoria, I., 2020. Sustainability reporting assurance: Creating stakeholder accountability through hyperreality? *Journal of cleaner production*, 243, p.118596. doi:

<https://doi.org/10.1016/j.jclepro.2019.118596>

Bollas-Araya, H. M., Polo-Garrido, F., & Seguí-Mas, E., 2016. Adoption of sustainability reporting and assurance: a study among the top 300 cooperative and mutual organizations. *Journal of Co-operative Accounting and Reporting*, 4(1), pp. 59-78.

Braam, G., & Peeters, R., 2018. Corporate sustainability performance and assurance on sustainability reports: Diffusion of accounting practices in the realm of sustainable development. *Corporate Social Responsibility and Environmental Management*, 25(2), pp. 164-181. doi: <https://doi.org/10.1002/csr.1447>

Channuntapipat, C., 2016. Sustainability assurance in practice: Evidence from assurance providers in The United Kingdom. *Doctoral Dissertation: The University of Manchester (United Kingdom)*.

Channuntapipat, C., Samsonova-Taddei, A., & Turley, S., 2019. Exploring diversity in sustainability assurance practice. *Accounting, Auditing & Accountability Journal*. doi: <https://doi.org/10.1108/AAAJ-05-2017-2940>

Clarke, M., & Horton, R., 2001. Bringing it all together: Lancet-Cochrane collaborate on systematic reviews. *The Lancet*, 357(9270), p. 1728.

Cook, D. J., Mulrow, C. D., & Haynes, R. B., 1997. Systematic reviews: synthesis of best evidence for clinical decisions. *Annals of internal medicine*, 126(5), pp. 376-380. doi: <https://doi.org/10.7326/0003-4819-126-5-199703010-00006>

Cooper, S., & Owen, D., 2014. Independent assurance of sustainability reports. *Sustainability accounting and accountability*, pp. 72-85.

Damen, I., 2016. Quality of assurance on sustainability reports. A study on determinants of the quality of external sustainability assurance. *Master Thesis*, Radboud University.

Deegan, C., Cooper, B. J., & Shelly, M., 2006. An investigation of TBL report assurance statements: Australian evidence. *Australian Accounting Review*, 16(39), pp. 2-18. doi: <https://doi.org/10.1111/j.1835-2561.2006.tb00355.x>

Dienes, D., Sassen, R., & Fischer, J., 2016. What are the drivers of sustainability reporting? A systematic review. *Sustainability Accounting, Management and Policy Journal*, 7(2), pp. 154-189. doi: <https://doi.org/10.1108/SAMPJ-08-2014-0050>

Dissanayake, D., Tilt, C., & Qian, W., 2019. Factors influencing sustainability reporting by Sri Lankan companies. *Pacific Accounting Review*. doi: <https://doi.org/10.1108/PAR-10-2017-0085>

Dissanayake, D., Tilt, C., & Xydias-Lobo, M., 2016. Sustainability reporting by publicly listed companies in Sri Lanka. *Journal of cleaner production*, 129, pp. 169-182. doi: <https://doi.org/10.1016/j.jclepro.2016.04.086>

Dumay, J., Bernardi, C., Guthrie, J., & Demartini, P., 2016. Integrated reporting: A structured literature review. *Paper presented at the Accounting Forum*.

Corresponding Author: darshi@mgt.ruh.ac.lk
ORCID: <https://orcid.org/0000-0001-5405-1362>

Fonseca, A., 2010. How credible are mining corporations' sustainability reports? A critical analysis of external assurance under the requirements of the international council on mining and metals. *Corporate Social Responsibility and Environmental Management*, 17(6), pp. 355-370. doi: <https://doi.org/10.1002/csr.230>

Fonseca, A., McAllister, M. L., & Fitzpatrick, P., 2014. Sustainability reporting among mining corporations: a constructive critique of the GRI approach. *Journal of cleaner production*, 84, pp. 70-83. doi: <https://doi.org/10.1016/j.jclepro.2012.11.050>

García- Sánchez, I. M., Hussain, N., Martínez- Ferrero, J., & Ruiz- Barbadillo, E., 2019. Impact of disclosure and assurance quality of corporate sustainability reports on access to finance. *Corporate Social Responsibility and Environmental Management*, 26(4), pp. 832-848.

Haider, M., Kokubu, K., & Nishitani, K., 2013. Stakeholder influence on the adoption of assurance in sustainability reporting: Evidence from Japan. *Paper presented at the Proceedings of the Seventh Asia Pacific Interdisciplinary Research in Accounting Conference*. Kobe: The APIRA Conference Committee.

Haider, M. B., & Kokubu, K., 2015. Assurance and third-party comment in sustainability reporting in Japan: a descriptive study. *International Journal of Environment and Sustainable Development*, 14(3), pp. 207-230. doi: <https://doi.org/10.1504/IJESD.2015.070133>

Haider, M. B., & Nishitani, K., 2020. Views of corporate managers on assurance of sustainability reporting: evidence from Japan. *International Journal of Disclosure and Governance*, pp. 1-19. doi: <https://doi.org/10.1057/s41310-019-00070-0>

Heenetigala, K., Lokuwaduge, C. D. S., Armstrong, A., & Ediriweera, A., 2015. An investigation of environmental, social and governance measures of listed mining sector companies in Australia. *Journal of Law and Governance*, 10(4). doi: <https://doi.org/10.15209/jbsge.v10i4.866>

Hodge, K., Subramaniam, N., & Stewart, J. (2009). Assurance of sustainability reports: Impact on report users' confidence and perceptions of information credibility. *Australian Accounting Review*, 19(3), pp. 178-194. doi: <https://doi.org/10.1111/j.1835-2561.2009.00056.x>

Hummel, K., & Schlick, C., 2016. The relationship between sustainability performance and sustainability disclosure—Reconciling voluntary disclosure theory and legitimacy theory. *Journal of Accounting and Public Policy*, 35(5), pp. 455-476. doi: <https://doi.org/10.1016/j.jaccpubpol.2016.06.001>

Hummel, K., Schlick, C., & Fifka, M., 2019. The role of sustainability performance and accounting assurors in sustainability assurance engagements. *Journal of Business Ethics*, 154(3), pp. 733-757. doi: <https://doi.org/10.1007/s10551-016-3410-5>

Jones, M. J., & Solomon, J. F., 2010. Social and environmental report assurance: Some interview evidence. *Paper presented at the Accounting forum*.

Jones, P., Hillier, D., & Comfort, D., 2016. Materiality and external assurance in corporate sustainability reporting. *Journal of European Real Estate Research*. doi: <https://doi.org/10.1108/JERER-07-2015-0027>

Junior, R. M., & Best, P., 2017. GRI G4 content index. *Sustainability Accounting, Management and Policy Journal*. doi: DOI 10.1108/SAMPJ-12-2015-0115

Kiliç, M., & Kuzey, C., 2017. Factors influencing sustainability reporting: evidence from Turkey. *Accounting Finance and Auditing*. doi: <http://dx.doi.org/10.2139/ssrn.3098812>

KPMG., 2020. The Time Has Come: The KPMG Survey of Sustainability Reporting 2020.

Liberati, A., Altman, D. G., Tetzlaff, J., Mulrow, C., Gøtzsche, P. C., Ioannidis, J. P., & Moher, D., 2009. The PRISMA statement for reporting systematic reviews and meta-analyses of studies that evaluate health care interventions: explanation and elaboration. *Journal of clinical epidemiology*, 62(10), e1-e34. doi: <https://doi.org/10.1016/j.jclinepi.2009.06.006>

Meijer, J., 2016. The influence of stakeholder engagement on the quality of CSR reports.

Mock, T. J., Strohm, C., & Swartz, K. M., 2007. An examination of worldwide assured sustainability reporting. *Australian Accounting Review*, 17(41), pp. 67-77. doi: <https://doi.org/10.1111/j.1835-2561.2007.tb00455.x>

Morioka, S. N., Iritani, D. R., Ometto, A. R., & de Carvalho, M. M., 2018. Systematic review of the literature on corporate sustainability performance measurement: a discussion of contributions and gaps. *Gestão & Produção, n. AHEAD*. doi: <https://doi.org/10.1016/j.mex.2021.101287>

Mudiyansele, N. C. S. R., 2018. Board involvement in corporate sustainability reporting: evidence from Sri Lanka. *Corporate Governance: The International Journal of Business in Society*. doi: <https://doi.org/10.1108/CG-10-2017-0252>

Nordhaug, S., 2017. The role of third party assurance of sustainability reports: Incentives and Challenges. *Master's Thesis, Jonkoping University*.

O'Dwyer, B., & Owen, D. L., 2005. Assurance statement practice in environmental, social and sustainability reporting: a critical evaluation. *The British Accounting Review*, 37(2), pp.205-229.

Park, J., 2004. Stakeholder involvement in the third-party assurance on corporate sustainability reports. *Master's Thesis, IIIIEE, Lund University*. doi: <http://lup.lub.lu.se/student-papers/record/1329269>

Park, J., & Brorson, T., 2005. Experiences of and views on third-party assurance of corporate environmental and sustainability reports. *Journal of cleaner production*, 13(10-11), pp. 1095-1106. doi: <https://doi.org/10.1016/j.jclepro.2004.12.006>

Perego, P., & Kolk, A., 2012. Multinationals' accountability on sustainability: The evolution of third-party assurance of sustainability reports. *Journal of Business*

Ethics, 110(2), pp. 173-190. doi: <https://doi.org/10.1007/s10551-012-1420-5>

Pinilla-Urzola, A., 2011. Assurance in corporate sustainability reporting in the United Kingdom: stakeholder and corporate perspectives. *Doctoral Dissertation*, University of Nottingham.

Rajeshwaran, N., & Ranjani, R., 2014. Managers' Perceptions on Stakeholder and Purpose of Response Towards Corporate Environmental Disclosure in Sri Lanka Legitimacy and Stakeholder Theories Perspective. *11th International Conference on Business Management*, University of Sri Jayawardanapura. - doi: <http://hdl.handle.net/123456789/1592>

Saunders, M., Lewis, P., Thornhill, A., & Bristow, A., 2015. Understanding research philosophy and approaches to theory development. In: Saunders, Mark N. K.; Lewis, Philip and Thornhill, Adrian eds. *Research Methods for Business Students*. Harlow: Pearson Education, pp. 122–161.

Sawani, Y., Zain, M. M., & Darus, F., 2010. Preliminary insights on sustainability reporting and assurance practices in Malaysia. *Social Responsibility Journal*. doi: <https://doi.org/10.1108/17471111011083482>

Seguí Mas, E., Bolla Araya, H. M., & Asensi Peiró, P., 2016. Why do cooperatives assure their CSR reports? An analysis of the motivations and benefits in a big retail cooperative. *CIRIEC-España, revista de economía pública, social y cooperativa*, 87, pp. 39-68. doi: <http://hdl.handle.net/10251/81002>

Senaratne, S., & Liyanagedara, K., 2009. Corporate sustainability reporting in Sri Lanka. *Paper presented at the Proceedings of International Conference on Business Management*.

Silva, S., Beske-Janssen, P., & Schaltegger, S., 2017. Measuring Positive Sustainability. A Systematic Literature Review. *Business Ethics*, 133(2), pp. 193-221.

Simolin, S., 2018. The quality of assurance reporting of non-financial information in voluntary and mandatory contexts: a comparison between large listed companies in Finland and France. *Master's Theses*, Aalto University. doi: <http://urn.fi/URN:NBN:fi:aalto-201810175489>

Smith, J., Haniffa, R., & Fairbrass, J., 2011. A conceptual framework for investigating 'capture' in corporate sustainability reporting assurance. *Journal of Business Ethics*, 99(3), 425-439. doi: <https://doi.org/10.1007/s10551-010-0661-4>

Snyder, H., 2019. Literature review as a research methodology: An overview and guidelines. *Journal of Business Research*, 104, pp. 333-339. doi: <https://doi.org/10.1016/j.jbusres.2019.07.039>

Thoradeniya, P., Lee, J., Tan, R., & Ferreira, A., 2015. Sustainability reporting and the theory of planned behaviour. *Accounting, Auditing & Accountability Journal*. doi: <https://doi.org/10.1108/AAAJ-08-2013-1449>

Tinjală, D.-M., Pantea, L. M., & Buglea, A., 2015. 2010-2014: A Comparative

Evolution of Sustainability Reporting and its Assurance in Europe and the USA. *Timisoara Journal of Economics and Business*, 8(s1), pp. 48-69. doi: 10.1515/tjeb-2015-0004

Tranfield, D., Denyer, D., & Smart, P., 2003. Towards a methodology for developing evidence- informed management knowledge by means of systematic review. *British journal of management*, 14(3), pp. 207-222. doi: <https://doi.org/10.1111/1467-8551.00375>

Ulum, M. B., & Faisal, F., 2015. The Quality Of Voluntary Sustainability Report Assurance Statements: Evidence From Fortune Global 500. *Fakultas Ekonomika Dan Bisnis*.

Uyar, A., Gungormus, A. H., & Kuzey, C., 2017. Impact of the accounting information system on corporate governance: Evidence from Turkish non-listed companies. *Australasian Accounting, Business and Finance Journal*, 11(1), pp. 9-27. doi: <http://dx.doi.org/10.14453/aabfj.v11i1.3>

Visscher, D., 2016. Determinants of external assurance of sustainability reporting: a European analysis. *Unpublished doctoral dissertation.*, Radboud University Nijmegen.

Wijesinghe, K., 2012. Current context of disclosure of corporate social responsibility in Sri Lanka. *Procedia Economics and Finance*, 2, pp. 171-178. doi: [https://doi.org/10.1016/S2212-5671\(12\)00077-9](https://doi.org/10.1016/S2212-5671(12)00077-9)

Zorio, A., García- Benau, M. A., & Sierra, L., 2013. Sustainability development and the quality of assurance reports: Empirical evidence. *Business strategy and the environment*, 22(7), pp. 484-500. doi: <https://doi.org/10.1002/bse.1764>

*Appendices***Appendix 1: The list of reviewed articles (n=55)**

No	Year	Author	Title
1	2004	Adams, C. A., & Evans, R.	Accountability, completeness, credibility, and the audit expectations gap
2	2004	Park, J.	Stakeholder involvement in the third-party assurance on corporate sustainability reports
3	2004	Park, J., & Brorson, T.	Assurance statement quality in environmental, social and sustainability reporting: a critical evaluation of leading-edge practice
4	2004	Park & Brorson,	Experiences of and views on third-party assurance of corporate environmental and sustainability reports
5	2005	O'Dwyer, B., & Owen, D. L.	Assurance statement practice in environmental, social and sustainability reporting: a critical evaluation
6	2006	Deegan, C., Cooper, B. J., & Shelly, M.	An investigation of TBL report assurance statements: Australian evidence
7	2007	Al-Hamadeen, R. M.	Assurance of corporate stand-alone reporting: evidence from the UK
8	2007	Mock, T. J., Strohm, C., & Swartz, K. M.	An examination of worldwide assured sustainability reporting
9	2009	Hodge, K., Subramaniam, N., & Stewart, J.	Assurance of sustainability reports: impact on report users' confidence and perceptions of information credibility
10	2010	Jones, M. J., & Solomon, J. F.	Social and environmental report assurance: some interview evidence
11	2010	Kolk, A., & Perego, P.	Determinants of the adoption of sustainability assurance statements: an international investigation
12	2010	Sawani, Y., Zain, M. M., & Darus, F.	"Preliminary insights on sustainability reporting and assurance practices in Malaysia
13	2010	Dilling, P. F.	Sustainability reporting in a global context: what are the characteristics of corporations that provide high quality sustainability reports – an empirical analysis
14	2011	Pinilla-Urzola, A.	Assurance in corporate sustainability reporting in the United Kingdom: stakeholder and corporate perspectives

Corresponding Author: darshi@mgt.ruh.ac.lk
 ORCID: <https://orcid.org/0000-0001-5405-1362>

15	<u>2011</u>	Marx, B., & van Dyk, V.	Sustainability reporting and assurance: An analysis of assurance practices in South Africa
16	2012	Fernández-Feijóo-Souto, B., Romero, S., & Ruiz-Blanco, S.	Measuring quality of sustainability reports and assurance statements: characteristics of the high-quality reporting companies
17	2012	Perego, P., & Kolk, A.	Multinationals' accountability on sustainability: the evolution of third-party assurance of sustainability reports
18	2012	Moroney, R., Windsor, C., & Aw, Y. T.	Evidence of assurance enhancing the quality of voluntary environmental disclosures: an empirical analysis
19	2013	Haider, M. B., Kokubu, K., & Nishitani, K.	Stakeholder influence on the adoption of assurance in sustainability reporting: evidence from Japan.
20	2013	Hahn, R., & Kühnen, M.	Determinants of Sustainability Reporting: A review of Results, Trends, Theory, and Opportunities in an expanding field of research
21	2013	Harun, N. A., Rashid, A. A., & Alrazi, B.	Measuring the quality of sustainability disclosure among the Malaysian commercial banks
22	2015	Haider, M. B., & Kokubu, K.	Assurance and third-party comment in sustainability reporting in Japan: a descriptive study
23	2015	Ackers, B., & Eccles, N. S.	Mandatory corporate social responsibility assurance practices the case of king iii in South Africa
24	2015	ULUM, M. B., & FAISAL, F.	The quality of voluntary sustainability report assurance statements: evidence from fortune global 500
25	2015	Tînjălă, D.-M., Pantea, L. M., & Buglea, A.	2010–2014: a comparative evolution of sustainability reporting and its assurance in Europe and the U.S.A.
26	2015	Jones, P., Comfort, D., & Hillier, D.	Sustainability, materiality, assurance and the UK's leading property companies
27	2015	Gomes, S. F., Eugénio, T. C. P., & Branco, M. C.	Sustainability reporting and assurance in Portugal

28	2015	Kend, M.	Governance, firm-level characteristics and their impact on the client's voluntary sustainability disclosures and assurance decisions
29	2016	O'Dwyer, B., & Owen, D. L.	Determinants of external assurance of sustainability reporting: a European analysis
30	2016	Aliyu, S.	The state of sustainability reporting assurance in the United Kingdom: perspectives of assurance providers and stakeholders
31	2016	Bollas-Araya, H. M., Polo-Garrido, F., & Seguí-Mas, E.	Adoption of sustainability reporting and assurance: A study among the top 300 corporative and mutual organizations
32	2016	Dienes, D., Sassen, R., & Fischer, J.	What are the drivers of sustainability reporting? A Systematic Review
33	2016	Meijer, J.	The influence of stakeholder engagement on the quality of CSR reports
34	2016	Damen, I.	Quality of assurance on sustainability reports: a study on determinants of the quality of external sustainability assurance
35	2016	Hummel, K., & Schlick, C.	The relationship between sustainability performance and sustainability disclosure – reconciling voluntary disclosure theory and legitimacy theory
36	2016	Heenetigala, K., Lokuwaduge, C. D. S., Armstrong, A., & Ediriweera, A.	Investigation of criteria used for assurance practices of sustainability reporting in Australian listed companies
37	2016	Jones, P., Hillier, D., & Comfort, D.	Materiality and external assurance in corporate sustainability reporting
38	2016	Wong, J., Wong, N., Li, W. Y., & Chen, L.	Sustainability assurance: an emerging market for the accounting profession"
39	2016	Hummel, K., & Schlick, C.	The relationship between sustainability performance and sustainability disclosure– Reconciling voluntary disclosure theory and legitimacy theory
40	2017	Achmad, T., Faisal, F., & Ulum, M. B.	Nature of information provided and quality of sustainability reports assurance statements of fortune global 500 companies

41	2017	Reintjes, G.	Do investors care about the quality of sustainability reports? - the relationship between sustainability reporting quality and firm value and the role of analysts
42	2017	Nordhaug, S.	The role of third-party assurance of sustainability reports: incentives and challenges
43	2017	Ching, H. Y., Gerab, F., & Toste, T. H.	The quality of sustainability reports and corporate financial performance: Evidence from Brazilian listed companies
44	2018	Braam, G., & Peeters, R.	Corporate sustainability performance and assurance on sustainability reports: diffusion of accounting practices in the realm of sustainable development
45	2018	Simolin, S.	The quality of assurance reporting of non-financial information in voluntary and mandatory contexts : a comparison between large listed companies in Finland and France
46	2018	Tyson, T., & Adams, C. A.	Increasing the scope of assurance research: new lines of inquiry and novel theoretical perspectives
47	2018	Dias, C. A., & Basuki, B. (Study of the determinant's existence of external assurance on sustainability reports in Indonesia
48	2019	Hummel, K., Schlick, C., & Fifka, M.	The role of sustainability performance and accounting assurors in sustainability assurance engagements
49	2019	Channuntapipat, C., Samsonova-Taddei, A., & Turley, S.	Exploring diversity in sustainability assurance practice
50	2019	García- Sánchez, I. M., Hussain, N., Martínez- Ferrero, J., & Ruiz- Barbadillo, E.	Impact of disclosure and assurance quality of corporate sustainability reports on access to finance
51	2019	Hassan, A.	Verbal tones in sustainability assurance statements an empirical exploration of explanatory factors

52	2019	Farooq, M. B., & De Villiers, C.	How sustainability assurance engagement scopes are determined, and its impact on capture and credibility enhancement
53	2020	Haider, M. B., & Nishitani, K.	Views of corporate managers on assurance of sustainability reporting: evidence from Japan
54	2020	Boiral, O., & Heras-Saizarbitoria, I.	Sustainability reporting assurance: creating stakeholder accountability through hyperreality?
55	2020	Al-Halwachi, J., & Eklind, M.	Sustainability assurance: A qualitative study exploring the assurance process, team and report of sustainability assurance