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Comparative Analysis of Sustainability Reporting of Selected Publicly Listed Companies (PLCs) in the Philippines

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Abstract

This study assessed the extent to which the selected top Publicly-Listed Companies (PLCs) embrace the Securities and Exchange Commission (SEC) guidelines and disclose their sustainability performance to meet stakeholders' demands for greater transparency and accountability. In 2021, SGV reviewed how PLCs reported on sustainability following the SEC's reporting requirements implemented in 2019. However, the study excluded PLCs that disclosed their sustainability and non-financial information using the SEC sustainability reporting template. This study examined the extent to which the analyzed PLCs adhere to the SEC framework/guideline and UN sustainable development goals using their latest (2020) sustainability reports. Qualitative content analysis was used to analyze the top 30 companies of the Philippine Stock Exchange Index (PSEI) as of September 2021. The quality of the sustainability disclosures was assessed based on the numerical scoring system by Yadava and Sinha (2016). Results showed that the social dimension was more focused than the economic and environmental dimensions. The top three most reported sustainability topics are direct economic *value generated & distributed reported, Covid response, and energy management. For UN SDGs, decent work, economic growth, good health, and well-being were discussed extensively.*

Meanwhile, holding firms' sustainability reports contained the most balanced shares of information concerning all three pillars of sustainability. The findings have implications for policymakers as the trend toward foreign investment will likely increase pressure on firms to comply with global environmental standards and guidelines. PLCs can improve sustainability reporting by including further information on environmental indicators for holistic reporting. The SEC can also further improve the regulatory requirements to enhance the credibility of sustainability reporting. Lastly, the indicators must also be studied to balance the three dimensions, as not all may apply to all industries.

Keywords: *Sustainability Report, Publicly Listed Companies, Sustainability Guidelines, 17 Sustainable Development Goals, SEC Framework*

Introduction

Unsurprisingly, the assessment of sustainability reporting (SR) is increasingly drawing more attention among policymakers, practitioners, and academics since SR, including economic, environmental, and social performance dimensions, is an essential factor substantially contributing to sustainable corporate development. As cited in Orazalin& Mahmood (2018), sustainability reporting is seen as a necessary channel for those organizations to meet the needs and expectations of all stakeholders. By disclosing diversified and detailed sustainability information, companies can improve their transparency, enhance their corporate reputation, improve their legitimacy and brand value, reduce information asymmetry, motivate managers and employees, and improve their corporate image in general (Kiliç et al., 2015; Herzig

&Schaltegger, 2006).

In the Philippines, the Securities and Exchange Commission (SEC) has required Publicly-Listed Companies (PLCs) to submit their sustainability reports as part of their annual reports starting the year ended 2019. The first three years of implementation are a trial wherein a "comply or explain" approach is adopted. "Comply or explain" means that companies would be required to attach the template to their Annual Reports, but they can provide explanations for items for which they still have no available data. By 2022, it would be the submission of the third year's sustainability reports (2021), after which the mandatory approach to sustainability reporting would already be adopted (2022 reports).

Although an extensive body of literature explores the nature and extent of sustainability reporting in developed countries, similar studies are quite limited in emerging countries, particularly the Philippines. The research aims to contribute to the existing literature by offering new insights regarding the extent and nature of SR practices among selected top publicly listed companies in the Philippines. Hence, the study will (1) examine the extent to which the selected top publicly-listed companies embrace the SEC guidelines and disclose their sustainability performance to meet stakeholders' demands for greater transparency and accountability; (2) assess if the sustainability reports contain balanced shares of information concerning all three pillars of sustainability; i.e., the economic, the environmental and the social dimensions; and (3) compare sustainability reporting across nominated sectors.

Review of Related Literature

Sustainability Reporting

Sustainability or sustainability reporting (SR) is associated with numerous contemporary business and reporting practices, including corporate social responsibility (CSR), corporate sustainability, corporate citizenship, integrated reporting, and sustainable entrepreneurship (Reddy and Gordon, 2010, as cited in Dissanayake et al., 2016). The most structured definition of sustainability reporting is derived from the concept of sustainable development, which is built on the three pillars of economic propensity, social equity, and environmental protection. Corporations have increasingly adopted sustainability reporting, given stakeholders' demand for greater transparency on environmental and social issues. Larrinaga &Bebbington (2021) contend that converging actors and structural conditions were pivotal to SR development. Specifically, the study of Larrinaga & Bebbington (2021) demonstrates that a combination of actors (such as epistemic communities, carriers, regulators, and reporters) as well as the presence of certain conditions (such as the societal context, analogies with financial reporting, environmental reporting, and reporting design issues) contributed to the development of SR which was consolidated (as well as extended) in 1999 with the advent of the GRI.

Impact of Regulatory Requirements on Sustainability Disclosures

Mion & Loza-Adaui (2019) conducted a qualitative content analysis of the sustainability reporting practices of Italian and German companies in the top lists of stock exchanges. The results of 132 observations demonstrated that the quality of sustainability reporting increased after implementing the law on mandatory NFD. Further, the effect of the law reduced the differences in SRQ of the two countries before the introduction of mandatory NFD. The results suggested that obligatoriness of non-financial disclosure (NFD) affects sustainability reporting quality (SRQ) together with other relevant determinants focused on by previous research (e.g., company size and industry type). Loza-Adaui (2020) also explored the consequences of introducing new regulatory requirements for sustainability disclosure on Peruvian companies' sustainability reporting quality (SRQ). The findings showed a constant improvement of SRQ regardless of introducing the latest regulatory requirements. Likewise, Jackson et al. (2020) investigated how mandatory non-financial disclosure has shaped CSR practices and examined its potential effectiveness as a regulatory instrument. The analysis of 24 OECD countries using the Asset4 database showed that firms in countries that require non-financial disclosure adopt significantly more CSR activities. However, they also found that NFD regulation does not lead to lower levels of corporate irresponsibility. Furthermore, the analysis demonstrated that, over time, the variation in CSR activities declines as firms adopt increasingly similar practices.

Sustainability Reporting in the Philippines

On Feb. 18, 2019, the SEC released Memorandum Circular (MC) No. 4, series of 2019, under the title Sustainability Reporting Guidelines for Publicly Listed Companies (PLCs), specifying the procedure for sustainability reporting in the Philippines. The first report was scheduled for submission in 2020, attached to the company's 2019 Annual Report. The SEC requires all PLCs to submit a sustainability report each year as part of their annual report. The SEC highlighted that this requirement would help companies assess and manage their contributions towards attaining the 2030 United Nations Sustainable Development Goals (UN SDGs) and the Philippine Development Plan 2017-2022 or AmbisyonNatin 2040 (Villacorte&Antipala, 2021).

In 2021, SGV reviewed how publicly-listed companies (PLC) reported on sustainability following the Philippines' SEC's requirements on sustainability reporting implemented in 2019. 73 PLCs whose financial year ended 31 December 2019 were examined. Since the SEC reporting template combines multiple reporting frameworks, the review did not include PLCs that disclosed their sustainability and non-financial information using the SEC sustainability reporting template. The findings showed that the most widely reported sustainability issues are social topics. In particular, four of the five covered industries and the holding firms have disclosures on occupational health and safety. It was also noted that the least reported sustainability issues are environmental topics. These include disclosures on the resource management of Materials and impacts on Marine ecosystems and areas of operations that are either habitats of species covered by the IUCN's Red List of Threatened Species and national conservation lists or classified as Key Biodiversity Areas (KBAs) (SGV, 2021).

COVID-19 Response Relevance

The COVID-19 pandemic has affected everyone, and business establishments need to cope with the crisis. Measures taken to protect public health have threatened the global economy, necessitating economic stimulus in most countries and reconfiguring the role of business in society (Brammer, Branicki&Linnenluecke, 2020). Business firms should carry out various initiatives to help their employees, customers, and communities during this crisis through diversified corporate social responsibility (CSR) programs, as they did before (Mahmud, Ding & Hasan, 2021). The pandemic has widened the scope of CSR activities. CSR is "a discretionary allocation of corporate resources to improve social welfare that enhances relationships with key stakeholders" (Barnett, 2007, as cited by Mahmud et al., 2021). The COVID-19 response of companies is very crucial to the different stakeholder groups. Businesses are helping all of their stakeholders circumnavigate difficulties. As communities also respond to the global public health crisis caused by COVID-19, most companies focus on supporting their employees' health and income while caring for their customers and communities (Mahmud et al., 2021). Mahmud et al. (2021) have proven that as society focuses on public health needs during the COVID-19 pandemic, people, government, business leaders, and non-profit organizations are demonstrating to address the essential economic needs emerging around the communities. COVID-19 initiatives that various companies take as community involvement during this pandemic are considered part of their CSR.

Framework

Sustainability Framework

SEC Sustainability Requirements

The Securities and Exchange Commission guidelines provide a Sustainability Reporting Framework for Philippine PLCs. They are developed based upon the four globally accepted frameworks, namely: the Global Reporting Initiative's (GRI) Sustainability Reporting Standards, the International Integrated Reporting Council's (IIRC) Integrated Reporting (IR) Framework, the Sustainability Accounting Standards Board's (SASB) Sustainability Accounting Standards, and the recommendation of the Task Force on Climate-related Financial Disclosure (TCFD) (SEC, 2018). In addition to these four frameworks, the International Finance Corporation, the private sector arm of the World Bank Group, has developed a Toolkit for Disclosure and Transparency with guidance for companies in emerging markets (SEC, 2018). This toolkit aims to help companies begin the sustainability reporting process and move toward integrated reporting, with guidance on developing disclosure over time (SEC, 2018). The overall sustainability reporting framework for Philippine PLCs follows the structure in Figure 1. The SEC guidelines recognize that the Philippine PLCs are at various sustainability reporting levels, wherein some are just beginning while others are already advanced. Hence, the guideline serves as an essential tool for those just starting. Companies are not required to disclose all topics provided in the Reporting Template. Instead, disclosure should only be on issues companies determine as material after assessing materiality.

The quality of information is vital for enabling stakeholders to make sound and reasonable assessments of an organization and take appropriate actions (SEC, 2018). The guideline provided a reporting template that stipulated the company's rationale for their materiality assessment and managerial approach, the disclosure topics covering economic, environmental, and social dimensions, and efforts toward achieving the UN Sustainable Development Goals. The guidelines also include the Sustainability Reporting Principles for defining report quality guide choices on ensuring the quality of the information in a sustainability report, including its proper presentation (SEC, 2018). These principles include the following: materiality, stakeholder inclusiveness, balance, completeness, reliability, accuracy, consistency, and comparability.

UN Sustainable Development Goals

The 2030 Agenda for Sustainable Development, adopted by all United Nations Member States in 2015, provides a shared blueprint for peace and prosperity for people and the planet, now and into the future. At its heart are the 17 Sustainable Development Goals (SDGs), which are an urgent call for action by all developed and developing countries in a global partnership. They recognize that ending poverty and other deprivations must go hand-in-hand with strategies that improve health and education, reduce inequality, and spur economic growth while tackling climate change and preserving our oceans and forests. The 17 SDGs to transform the world are shown in Figure 2.

The Operational Framework in Appendix A (Figure 3) summarizes the areas included in the sustainability reporting of chosen PLCs.

Methodology

The study used a qualitative research approach, specifically content analysis, to examine the sustainability reporting (SR) of selected companies from the top 30 Philippine Stock

Exchange Index (PSEI) companies as of September 2021(Table 1 in Appendix A). The analysis of the sustainability reports was divided into industry sectors following the listing of the PSEI. The research included four companies under Financial Services, nine under Holding Firms, five under Industrial, four under Property, and eight under the Service industry. The sustainability reports of these sectors were further analyzed by relating them to the context of the sustainability dimensions, namely economic, social, and environmental.

As Abukari and Abdul-Hamid (2018) discussed, qualitative content analysis condenses raw data into categories or themes based on valid inferences and interpretations. The latest (2020) sustainability reports appended to SEC Form 17-A, standalone sustainability reports, integrated reports, and annual reports were downloaded from the corporate websites. Content analysis was done among these documents and references to discover the chosen PLCs' adherence to the key areas for disclosures as outlined in the SEC Sustainability Guideline. The quality of the sustainability disclosures was assessed based on the numerical scoring system by Yadava and Sinha (2016), as shown in Table 3. Each performance indicator was assigned a score between 0 and 3 points. If a specific indicator was not mentioned in the assessed report, a score of 0 was given. When qualitative information is mentioned for a particular indicator or when a quantitative indicator is present but not precisely in the required form of the standard, a score of 1 is given. When quantitative information is mentioned for a specific indicator as required by the corresponding standard, a score of 2 is given. Lastly, when the report provides information that shows the extensive coverage of data showing the progress of the performance for a specific indicator, a score of 3 was given. The numerical system by Yadava and Sinha is an adaptation of Morhardt et al. (2002), who converted GRI 2000 reporting guidelines and ISO 14031 framework to a numerical scoring system of 0–3, and Skouloudis et al. (2009). Yadava and Sinha's numerical scoring system was also adopted by Miranda-Quibot et al. (2020) in analyzing the sustainability reports of two top telecommunications: PLDT and Globe Telecom.

Discussion of Results

Sustainability issues that companies report on

Based on the set guidelines, the researchers grouped the companies into different sectors, noting the most and least reported sustainability issues reported by the subject companies. The ratings helped the researchers understand which sustainability topics are more widely reported than others across selected sectors.

The following are the top three most extensively reported sustainability topics: *direct economic value generated & distributed reported (97% of the total number of companies), Covid response (93%)*, and *energy management* (77%). Regarding UN SDGs, *decent work, economic growth*, and *good health and well-being* were discussed extensively by 53% and 47% of the 30 companies, respectively. Companies reported these aspects in detail with actual activity, supportive quantitative information, and monitoring/continuity of performance. According to Tsaliset al. (2020), there are differences in the breadth and the quality of information disclosed by firms for each UN SDG because of the characteristic of each industry sector and the magnitude of its impacts on different dimensions of sustainability. Contrastingly, *NOx, SOx, and PM (70%), nature/key biodiversity areas* (43%), and *watersheds (33%)* are the indicators that were not mentioned at all in the sustainability reports of the companies in this study. The result is consistent with Goel &Misra (2014), where most Indian companies have adopted environmental protection initiatives, but the coverage is very low.

Sustainability Dimensions

The social dimension was reported extensively compared to the economic and environmental dimensions out of the 28 sustainability indicators for the economic, environmental, and social dimensions. The companies are active in doing social activities, including the Covid response, as part of their day-to-day and corporate social responsibility activities to keep and strengthen their relationship with their stakeholders and help alleviate the effects of the pandemic. On the other hand, most indicators have limited reporting in the environmental dimension. In Malaysia, the environmental theme has been acknowledged as the least theme to be reported (Abdul Aziz &HjBidin, 2017). Akhter (2017) also found that the top 50 companies (in Bangladesh) attention on issues like the environment, human rights, and product responsibility is limited to other problems. The limited disclosures on sustainability issues may be because of voluntary sustainability reporting in Bangladesh. Thus, in the case of the Philippines, limited reporting on some indicators may be due to the "comply or explain" policy, where companies must attach the sustainability reporting template to their Annual Reports. However, they can explain items where they still need to be available data.

Economic Dimension

According to Monte (2009), the purpose of the economic aspects as a part of sustainability reporting is to provide information about the organization's contribution to the sustainability of a more extensive economic system. Under the economic dimension, *the direct economic value generated & distributed* is the most extensively reported indicator, where 97% of the studied companies extensively discussed the indicator in their sustainability reports. To maintain long-term value for stakeholders, these companies conducted due diligence in financial planning to achieve their targets. Their impact on the economy is in terms of how they increase and distribute economic activity in the areas where they operate and in the locations of their suppliers.

Meanwhile, the majority, or 67% of the companies across all sectors, recognize that *climate-related risks and opportunities* are material to their organization. On the other hand, 33% have limited to no reporting of this environmental indicator as they continue to assess and are still scoping and understanding the risks and opportunities related to climate impacts. Sectors such as financial services and property are working on embedding the climate change framework into their risk management processes to sufficiently and systematically produce a sound basis for management to design practical approaches to manage them. Similarly, according to a study by Nwobu (2017), Nigerian banks have few disclosures on climate change. He recommended that banks focus on improving their environmental disclosures in renewable materials used, greenhouse gas emissions, and assessment of suppliers based on environmental risks.

Some companies did not specify the type of supplier (local or foreign) they have. In contrast, others could not tag their payments to suppliers according to the definition of what is local as they are still developing the system. On the other hand, the proportion of spending on local suppliers and climate-related risks and opportunities were discussed extensively by only 23% and 30% of the companies, respectively.

Environmental Dimension

Environmental consciousness has emerged as a global value (Evidente, as cited in Miranda-Quibot et al., 2020). Most companies are trying to reduce the impacts of carbon footprints and reduce energy consumption and greenhouse gas emissions.

Based on the 30 sustainability reports reviewed, disclosures on *energy management (77%), greenhouse gas emission (67%),* and *water management (63%)* were discussed extensively, hence, garnering the highest score of 3 across sectors. About 50% of the companies presented progressive achievements addressing issues and concerns about *solid and hazardous waste* and *environmental compliance.*

Most companies (70%) have limited disclosures on *pollution-related NOx, SOx, and PM*. Similarly*, marine (47%), International Union for Conservation of Nature (IUCN) / Key Biodiversity Areas (KBA) (43%),* and *watersheds (33%)* were barely mentioned in their sustainability reports.

Social Dimension

The researchers added the Covid response as one of the social aspects, given its impact on all businesses. Based on the reviewed reports, it can be observed that all of the companies have reported on their activities and performance monitoring since the pandemic has had a significant impact on all stakeholders. The majority, or 93%, of the subject companies from the different sectors, gave an extensive report on their *Covid response*. Only two companies in the service sector reported moderately on the Covid response indicator. There needed to be more quantitative data from these two companies. It is expected that all businesses would have responded to the pandemic situation, but more information was needed in the sustainability reports of two companies in the service sector.

Based on the review of the indicators disclosed in sustainability reporting of publicly listed companies in Malaysia, Abdul Aziz &HjBidin (2017) found that past researchers showed that Malaysian firms also tend to emphasize human-related sustainability reporting, which involves the workplace. Aside from the *Covid response* indicator, 73% extensively reported *employee hiring and benefits,* and 70% reported *employee training and development.* Benefits should be based on industry standards to attract new employees and retain existing ones, and employees should be given opportunities for long-term professional growth. On the other hand, 10% of the 30 companies should have reported on the following indicators: *labor-management relations, labor standards, human rights, marketing and labeling*, and *customer privacy*. Since the companies in this study are all publicly-listed, they are assumed to comply with labor laws and human rights standards. They should maintain the confidentiality of information about their customers. Nonetheless, these indicators were not reported nor mentioned in their sustainability reports. Meanwhile, since most companies are not selling fast-moving consumer products, marketing and labeling are not material to them.

UN SDGs that companies report on

Under the UN SDGs, most companies across all sectors report extensively on promoting sustained, inclusive, and sustainable economic growth, full and productive employment, and decent work for all under SDG#8 *decent work and economic growth*. Companies shared substantially on protecting labor rights and promoting safe and secure working environments for all workers. Similarly, according to Gazzolaet al. (2020), for Italian companies, the most represented SDGs are gender equity, decent work, economic growth, and responsible consumption and production, as specific Italian regulations regulate these aspects. Important disclosure is also noted on SDG #3, *good health and well-bein*g, which was reported extensively by 14 out of 30 companies. This SDG is timely given the Covid situation, where companies recognize that they must take care of their people by ensuring healthy lives and promoting well-being so these employees can also care for their customers. *13 companies across all sectors discussed quality education and affordable and clean energy* extensively. Since all companies use energy, they recognize their responsibility to use these resources as efficiently as possible. Also, these companies shared the actions they have taken and plans they want to undertake to increase the number of youth and adults with relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.

Rosati &Faria (2019) asserted that organizations reporting on the SDGs are more likely to be located in countries with higher levels of climate change vulnerability, national corporate social responsibility, company spending on tertiary education, indulgence and individualism, and lower levels of market coordination, employment protection, power distance, and long-term orientation. Based on the study on the top 30 PLCs in the Philippines, SDG #16, *peace, justice, and strong institutions* was reported extensively only by three companies belonging to the financial services, holding firms, and services sectors, and 17 or 57% of the companies did not mention this SDG in their disclosures. This could mean that most of the companies in this study could not find a direct relationship between this SDG and their business activities. Also, only three companies (2 holding firms and a service company) reported extensively on SDG #14, *life below water*. The majority, or 16 of the 30 companies, did not report on this SDG as this is not significant to them due to the nature of their business (e.g., those in the service and financial services sectors).

Sector Analysis

In terms of sector, the analysis shows differences in the breadth and the quality of information disclosed by firms for each dimension and UN SDGs due to the differences in the nature and type of business of the companies. They all have the highest scores under the social dimension. This is consistent with the study results by Dissanayake et al. (2016), indicating a significant focus on social indicators, despite the poor environmental record in the country. Therefore, the economic context is an important factor influencing how sustainability reporting develops in the Philippines. While most sectors have reported on the UN SDGs, disclosures from the industrial and property sectors are limited at 43% and 47%, respectively.

In comparison, holding firms have the most extensive reporting in all dimensions. The companies sustainability reports in this sector contain balanced shares of information concerning all three pillars of sustainability and disclosures on SDGs. A balanced narrative reports organizational accomplishments but also acknowledges the challenges faced. According to Hamilton & Waters (2022), completeness does not mean that a report must include all indicators in a framework but provides a more balanced narrative. The companies in this sector are noted to be repeated reporters and have a more comprehensive range of substantially reported sustainability issues across economic, environmental, social, and governance topics. This result is aligned with SGV (2021), where holding firms have robust topic-specific disclosures. Holding firms are followed by financial services and property companies, where disclosures are extensive on social dimensions.

Conclusions

This study analyzed the sustainability reporting of selected companies from the top 30 companies of the Philippine Stock Exchange Index (PSEI) as of September 2021. The sustainability reports were limited to the published sustainability reports (and, in some cases, the integrated reports) found on their websites.

The results indicated that Philippine sustainability reporting is significant, particularly among publicly-listed companies. D*irect economic value generated & distributed reported (97%), Covid response reported (93%),* and *energy management* (77%) are the top three most extensively reported sustainability topics. Companies reported these aspects in detail with actual activity, supportive quantitative information, and monitoring/continuity of performance. In contrast, *NOx, SOx, and PM (70%), nature/key biodiversity areas* (43%), and *watersheds (33%)* are the indicators that were not mentioned at all in the sustainability reports of the companies in this study.

Regarding UN SDGs, *decent work, economic growth,* and *good health and well-being* were discussed extensively by 53% and 47% of the 30 companies, respectively. On the other hand, *the* majority of the 30 companies did not report on SDG #16, *peace, justice, and strong institutions, and* SDG #14, *life below water*. Although there is a growing tendency toward reporting progress on some SDGs, the results suggest others may need to catch up, hence needing direct policy support and/or creative approaches to partnerships. The government is primarily responsible for establishing an enabling environment for building accountable and inclusive institutions and governance mechanisms and developing national plans to achieve the SDGs.

On the other hand, based on the content analysis, the social dimension was more focused than the economic and environmental dimensions. The results suggest that publicly-listed companies undertaking sustainability reporting could improve by including further information on environmental indicators so that sustainability reporting will become more holistic over time. The indicators can be studied to balance the three dimensions, as only some may be applicable in some industries. Corporate social responsibility activities strengthen these companies' relationships with their stakeholders and help them cope with current social issues such as health and safety, poverty, poor workplace ethics, labor standards, and human rights. The SEC can further improve the regulatory requirements to enhance the credibility of sustainability reporting.

In terms of sector, the analysis shows differences in the breadth and the quality of information disclosed by firms for each dimension and UN SDGs due to the differences in the nature and type of business of the companies. All of them have the highest scores under the social dimension regarding similarities. Therefore, the economic context significantly influences how sustainability reporting develops in the Philippines. The findings have implications for policymakers as the trend toward foreign investment will likely increase pressure on firms to comply with global environmental standards and guidelines.

Holding firms have the highest scores in all dimensions, and the sustainability reports of the companies in this sector contain balanced shares of information concerning all three pillars of sustainability and disclosures on SDGs. The companies in this sector are noted to be repeated reporters and have a more comprehensive range of substantially reported sustainability issues across economic, environmental, social, and governance topics. This result is aligned with SGV (2021), where holding firms have robust topic-specific disclosures. Holding firms are followed by financial services and property companies, where disclosures are extensive on social dimensions. Gräuleret al. (2013) argued that a sophisticated SR that satisfies the readers' expectations has a significant impact on corporate image and the readers' actions (i.e., buying and recommending products, investing, and considering work for the reporting company), which qualifies sustainability reporting as an essential channel for corporate communication.

Limitations and Recommendations for Future Research

Despite the study's crucial implications, future research should acknowledge and address some limitations. First, the sample of respondents is biased toward larger, publicly listed companies. This may imply that the findings can only be inferred from companies of a specific size and do not necessarily reflect the practices and views of other small or medium-scale, or privately-owned companies. The second limitation is the sample size, consisting of only thirty companies. This study could be improved by enlarging the sample size, including Philippine companies not affected by the regulatory shock experienced by the listed companies. Future research into sustainability reporting is warranted, involving a longitudinal study to recognize the differences and similarities of these disclosures across time.

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Appendix A

Figure 1. Philippine PLCs Sustainability Reporting Framework

Figure 2. UN Sustainable Development Goals

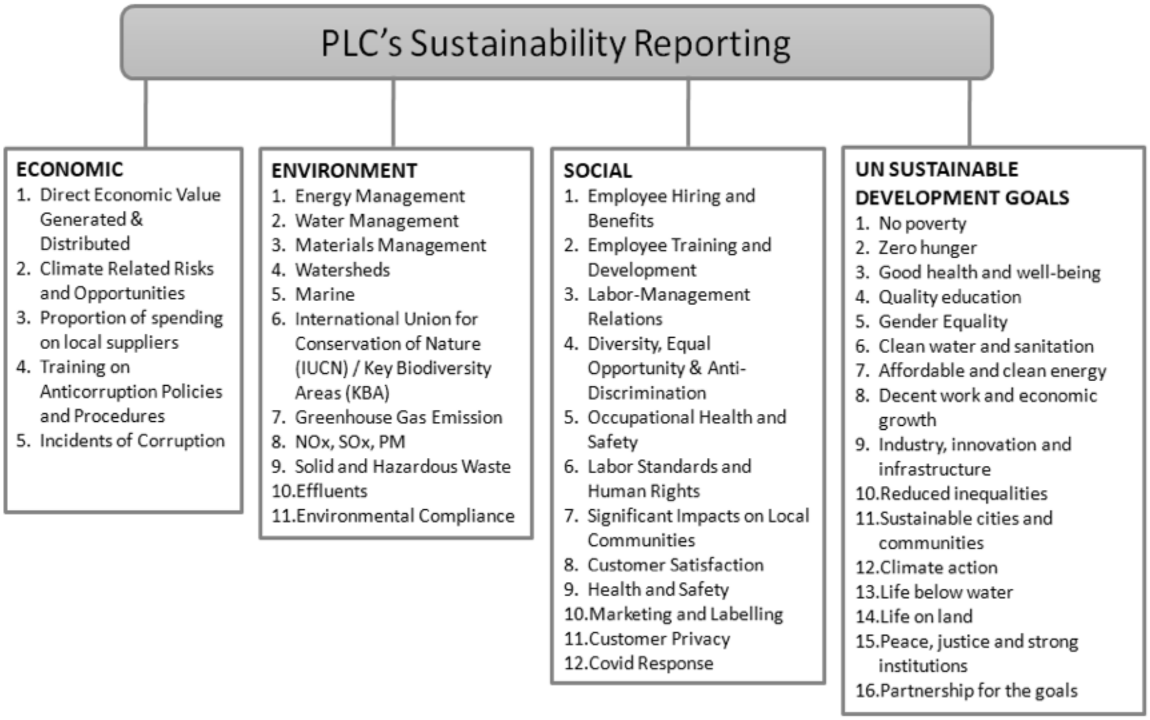

Figure 3. Operational Framework

Appendix B

Table 1. PSEi companies as of September 2021

Company	Sector
1. Ayala Corporation (AC)	Holding Firm
2. AC Energy Corporation (ACEN)	Industrial
3. Aboitiz Equity Ventures, Inc. (AEV)	Holding Firm
4. Alliance Global Group, Inc. (AGI)	Holding Firm
5. Ayala Land, Inc. (ALI)	Property
6. Aboitiz Power Corporation (AP)	Industrial
7. BDO Unibank, Inc. (BDO)	Financial
8. Bloomberry Resorts Corp. (BLOOM)	Service
9. Bank of the Philippine Islands (BPI)	Financial
10. Converge Information and Communications Technology Solutions, Inc. (CNVRG)	Service
11. First Gen Corporation (FGEN)	Industrial
12. Globe Telecom, Inc. (GLO)	Service
13. GT Capital Holdings, Inc. (GTCAP)	Holding Firm
14. International Container Terminal Services, Inc. (ICT)	Service
15. Jollibee Foods Corporation (JFC)	Industrial
16. JG Summit Holdings, Inc. (JGS)	Holding Firm
17. LT Group, Inc. (LTG)	Holding Firm

18. Metropolitan Bank & Trust Company (MBT)	Financial
19. Megaworld Corporation (MEG)	Property
20. Manila Electric Company (MER)	Industrial
21. Metro Pacific Investments Corp. (MPI)	Holding Firm
22. Puregold Price Club Inc. (PGOLD)	Service
23. Robinsons Land Corporation (RLC)	Property
24. Robinsons Retail Holdings, Inc. (RRHI)	Service
25. Security Bank Corp. (SECB)	Financial
26. SM Investments Corp. (SM)	Holding Firm
27. San Miguel Corp. (SMC)	Holding Firm
28. SM Prime Holdings, Inc. (SMPH)	Property
29. PLDT, Inc. (TEL)	Service
30. Universal Robina Corporation (URC)	Industrial

Table 2 - No. of companies in each sector

Industry	**No.**	**% Total**
Financial Services	4	13.33
Holding firms	9	30.00
Industrial	5	16.67
Property	4	13.33
Service	8	26.67
Total	**30**	**100**

Table 3 - Scoring guidelines for sustainability issues reported by chosen PLCs

Score	**Description**
0 – No reporting	No mention of the issue
1 – Limited Reporting	Mentioned in the report, but no actual activity was reported
2 – Moderate Reporting	With quantitative information OR with narrative but not necessarily with quantitative data OR with activity but no quantitative information. There needs to be a progress report on performance. Quantitative data includes but is not limited to monetary terms
3 – Extensive Reporting	With narrative and with quantitative information and with the progress of performance (any indication of continuity/ monitoring etc., in the future)