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An Investigation of the Impact of Sustainability Reports on Investment Decisions: A Study of BIST 30 Companies

Sürdürülebilirlik Raporlarının Yatırım Kararları Üzerindeki Etkisinin İncelenmesi: BIST 30 Şirketleri Üzerine Bir Çalışma

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ABSTRACT

As the world's resources diminish, ensuring a sustainable planet for future generations has become a crucial issue that demands attention from all stakeholders. Consequently, various domains of life encounter the concept of sustainability. In this study, we analyzed the sustainability standards published by the Accounting, Public Oversight, and Auditing Standards Authority (KGK), which is the regulatory and supervisory body. Our aim was to clarify the connection between investment decisions and sustainability reports on businesses. This study employed the document analysis to examine the sustainability reports of the top 30 companies listed on the Borsa Istanbul (BIST 30) for the year 2022, using the S1 and S2 standards issued by KGK, with a focus on four key criteria. We allocated one (1) point to the company if it complied with these four criteria when preparing its sustainability report; otherwise, we assigned zero (0) points. Subsequently, we conducted diverse financial analysis on the 2022 financial data of these organizations and employed the Spearman correlation test to investigate the association between the outcomes and sustainability reporting. A strong correlation was found between sustainability reporting and the leverage ratio, earnings per share, firm size, asset return, and P/E ratio. The study highlights the significance of offering comprehensive explanations in line with applicable requirements when drafting sustainability reports, while also considering the influence of investor decisions on firms.

Jel Codes: M40, M41, M49

Keywords: Sustainability Reports, Sustainability Accounting, Sustainability

ÖZ

Dünyanın kaynakları tükenirken, gelecek nesillere sürdürülebilir bir çevre bırakmak, tüm paydaşların dikkat etmesi gereken kritik bir mesele haline gelmiştir. Bu sebeple, sürdürülebilirlik kavramı, hayatın pek çok alanında önemli bir yer edinmiştir. Bu çalışmada, Borsa İstanbul'a kote olan en büyük 30 şirketin 2022 yılı sürdürülebilirlik raporları, Kamu Gözetimi Kurumu (KGK) tarafından belirlenen sürdürülebilirlik standartları ışığında incelenmiştir. Amaç, yatırımcı kararları ile şirketlerin sürdürülebilirlik raporları arasındaki ilişkiyi ortaya koymaktır. Araştırmada, Borsa İstanbul'daki en büyük 30 şirketin (BİST 30) 2022 yılı sürdürülebilirlik raporları, KGK'nın S1 ve S2 standartlarına göre dört temel ölçüt üzerinden değerlendirilmiştir. Şirketler, bu dört ölçüte uygun şekilde rapor hazırladıklarında bir (1) puan, hazırlamadıklarında ise sıfır (0) puan almıştır. Ardından, bu şirketlerin 2022 yılı finansal verileri çeşitli finansal analizlere tabi tutulmuş ve elde edilen bulgular ile sürdürülebilirlik raporları arasındaki ilişki Spearman Korelasyon testi kullanılarak incelenmiştir. Sürdürülebilirlik raporları ile kaldıraç oranı, hisse başına kazanç, şirket büyüklüğü, varlık getirisi ve PD/DD oranı arasında anlamlı ilişkiler bulunmuştur. Bu çalışma, şirketlerin sürdürülebilirlik raporlarını hazırlarken yatırımcıların kararlarını dikkate alarak, ilgili standartlara uygun ve detaylı açıklamalar yapmalarının önemini vurgulamaktadır.

Jel Kodları: M40, M41, M49

Anahtar Kelimeler: Sürdürülebilirlik, Sürdürülebilirlik Raporları, Sürdürülebilirlik Muhasebesi

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Introduction

The increasing complexity of global markets combined with climate change has compelled businesses to operate in a dynamic and challenging environment. Therefore, stakeholders have demanded more information on how environmental, social, and economic impacts are considered in business operations, and how companies are required to comply with sustainability reports (Amran and Ooi, 2014, p. 217). The concept of sustainable living has gained increasing importance across different sectors. Sustainability first emerged in the 1960s, emphasizing the prudent use of society's social, cultural, scientific, natural, and human resources, offering a participatory process that forms the basis of respect (Gladwin et al., 1995). Businesses striving to meet unlimited human needs have become the inseparable foundations of sustainability. Therefore, in recent years, companies have explained their contributions to sustainability through reports known as sustainability reports. The reports commonly referred to as sustainability reports summarize businesses' economic, social, and environmental outputs and thus reflect the organization's perspective on sustainability (Gao et al., 2005). The objective of this study is to analyze the sustainability reports of the 30 most valuable firms listed on Borsa Istanbul in 2022, with a focus on the sustainability requirements set by the Accounting, Public Oversight, and Auditing requirements Authority (KGK). Furthermore, the study seeks to investigate the correlation between sustainability reports and investor choices about businesses. Since most sustainability reports published by companies in 2022 were integrated reports, this study primarily focuses on these integrated reports. Therefore, it is appropriate to also mention integrated reporting. Integrated reporting offers a unique perspective compared to corporate social responsibility and sustainability reports, allowing for a holistic assessment of a company's performance in both financial and non-financial areas within the framework of its strategy, potential risks, and opportunities. An integrated report should effectively summarize the company's mission and objectives and provide a concise overview of management and oversight approaches used to carry out operations in line with the mission (Smith, 2014, p. 61). There are two main reasons why businesses adopt integrated reporting. The first reason is that integrated reporting facilitates the development of a truly sustainable strategy by enabling companies to respond to risks and opportunities arising from the need for a sustainable society. The second reason is that integrated reporting serves as a fundamental element in simplifying the message conveyed to all stakeholders and enhancing corporate disclosure and transparency (Eccles & Krzus, 2010, p. 146-147).

Some of the research conducted on sustainability and integrated reporting is as follows:

Fettahoğlu (2013) conducted a study to measure the relationship between corporate social responsibility and financial performance in businesses through a sample application on the Istanbul Stock Exchange (IMKB).

The Chartered Institute of Management Accountants (CIMA) and the American Institute of Certified Public Accountants (AICPA) conducted research in 2014 with over 350 senior executives in North America, Africa, Asia Pacific, and Europe. They found that 94% of managers believe that creating effective value through corporate reporting is very important, and 92% believe that integrating financial and non-financial information can bring potential benefits (CGMA, 2014).

Serafeim (2014) conducted a study titled "The Impact of Integrated Reporting Practice on a Firm's Investor Base" and found that companies adopting integrated reporting tend to have a particularly longer-term investor base.

Tanç (2019), conducted research titled "The Impact of Corporate Sustainability Activities on Firm Value" through an application on the top 100 companies traded on the Borsa Istanbul Stock Exchange (BIST 100).

Sustainability Reporting

The imperative to conserve natural resources for the benefit of future generations has emerged as a crucial global concern. Both public and private sector entities engage in this endeavor by adhering to sustainability principles through various regulatory frameworks and guidelines. Across many nations, public bodies strive to curtail maximum emission levels, allocate environmental funds, and implement programs aimed at generating social benefits, thereby encouraging businesses to report their operational outcomes. For instance, in European Union member states, the process of sustainability reporting is mandated by legal regulations (Özdemir & Pamukçu, 2016, p. 17). The initial disclosure of information pertaining to the social and environmental facets of businesses during the 1970s garnered significant scholarly and managerial attention. Notably, it was observed that certain European companies, as highlighted in reports disseminated in the United States and the Western world at that time, employed social reporting methodologies they defined as "the identification, measurement, monitoring, and reporting of the social and economic ramifications of an event." The foundation of sustainability reporting lies in the monitoring and reporting of a corporation's social and economic impacts on society for both internal managerial purposes and external accountability (Epstein et al., 1976, p. 24). Surveys conducted in the United States indicate that by 1978, approximately 90% of Fortune 500 companies provided reports on their social performance in their annual reports. Despite the relatively limited amount of social information, they disclosed (Kolk, 2005, p. 35), the provision of information related to the social environment was a significant development even during those years. Sustainability, as defined by Anderson Jr. (1989), involves managing a business in an ethical, value-creating, trustworthy, sustainable, and desirable manner, valuing people, communities, and the environment. In another definition, sustainability is categorized as actions that go beyond mere compliance with laws and regulations, where businesses voluntarily engage in activities that advance social purposes such as commitment to environmental protection, protection of human rights, providing community support, and so on (McWilliams & Siegel, 2001, p. 118). In today's modern business understanding, businesses are particularly pressured by external stakeholders to meet societal needs (Orazalin & Mahmood, 2018, p. 71). It is beneficial to also touch upon the concept of sustainability accounting at this point. Financial reports are the most important element of accountability in businesses. Sustainability accounting has aimed to assess a business's environmental, social, and governance performance and provide a report on this matter (Rogosic & Caljkusic, 2015, p. 321). Given its ability to integrate sustainability into daily operations and decision-making processes, as well as develop trust-based relationships with stakeholders, sustainability accounting is considered to play a significant role (Songini et al., 2013).

Framework of Sustainability Reporting (GRI 4)

The publication of sustainability reports by companies is not only important in itself but also significant in terms of the frequency, conditions, official, and contextual criteria for publication. In a globally interconnected commercial environment, perceptions of value among companies can vary. As a result, discussions about sustainability lead to heterogeneous interpretations across different geographical regions and industrial sectors. Therefore, standardization on a global scale is a crucial necessity to enhance the robustness of sustainability reports. In this context, the Global Reporting Initiative (GRI) has emerged as a significant framework that provides internationally recognized standards for sustainability reporting.

The Global Reporting Initiative (GRI), serving as a global standard, is effective in measuring, monitoring, and communicating organizations' sustainability performance. These standards advocate for transparent and comprehensive reporting that covers various dimensions, including strategy, governance, economic, social, and environmental aspects. By facilitating understandable communication and enabling organizations to assess their sustainability efforts, these standards encourage better interaction with stakeholders (Raghupathi et al., 2020).

Findings from a global study conducted by KPMG have underscored the widespread adoption of GRI standards for sustainability reporting among leading organizations. This broad acceptance emphasizes the importance of a common commitment among companies to disclose their sustainability performance and fulfill their obligations to stakeholders (KPMG, 2022). The mentioned standards provide a structured framework for sustainability reporting aimed at ensuring consistency and reliability across various industry sectors. This framework assists companies in evaluating their own performance while facilitating stakeholders' understanding of the disclosed information, serving a dual purpose.

Corporate Sustainability The concept of sustainability anchors within a global framework where development discourse posits continuous fulfillment of human needs as the ultimate goal. When applied to the business context, corporate sustainability is defined as meeting the needs of a company's direct and indirect stakeholders (including shareholders, employees, customers, pressure groups, communities, etc., present and future) without jeopardizing its capacity to meet them. Achieving this goal requires companies to preserve and enhance their economic, social, and environmental capital foundations while actively contributing to sustainability in the political sphere. From this definition, three fundamental elements of corporate sustainability emerge: integrating economic, environmental, and social aspects (Dyllick & Hockerts, 2002, p. 13).

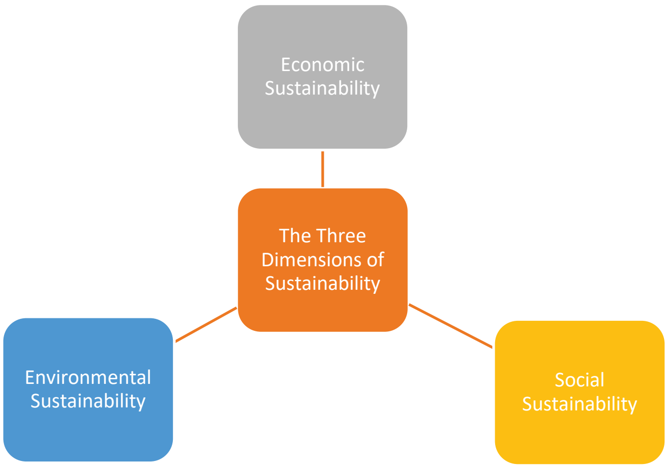

Figure 1. *Three dimensions of sustainability, Source: Dyllick & Hockerts, 200, s. 132*

Figure 1 illustrates the three dimensions of sustainability. At this point, it is beneficial to explain the concepts of economic sustainability, environmental sustainability, and social sustainability.

Economic Sustainability: According to neoclassical economic theory, the concept of sustainability is generally understood as maximizing welfare over time. In this context, while human welfare is typically considered, when transitioning to an ecological perspective, the rights of nature should also be taken into account. Many economists simplify sustainability by aligning the maximization of welfare with the maximization of utility derived from consumption. Sustainability is often viewed from the perspective of preserving or enhancing human welfare while ensuring that resources are used without jeopardizing the ability of future generations to meet their needs. This perspective focuses on responsible resource use in economic decision-making processes and emphasizes a fair approach towards future generations (Harris, 2003, p. 2). From an economic standpoint, sustainability focuses on substituting current consumption with future consumption. This concept traces back to the late 19th century when economists, especially Malthus, recognized the problem of population growth outpacing food production. However, Malthus's prediction of scarcity and disaster did not materialize due to the impact of technological innovations. It was observed that the creation of capital (machines) substituted natural capital (labor and land), overcoming this situation. However, other economists believe that machine capital and natural capital are complementary goods; as more machine capital is consumed, more natural capital will also need to be consumed. The relationship between natural and created capital is acknowledged to have implications for policies and incentives aimed at preserving opportunities for future generations. If these are substitutes, then there is a need to focus on developing new technologies that will allow more to be done with less of the current efforts (Elliott, 2005, p. 263). Most authors assume that continuous and indefinite sustainable growth is part of the concept of sustainable development in the economy (Spangenberg, 2005, p. 49). In this context, economic sustainability is understood as one of the significant dimensions of sustainability.

Environmental Sustainability

Environmental sustainability refers to the ability to maintain valued qualities in the physical environment. For instance, most people want to sustain the following (Sutton, 2004, p. 1):

- Human life
- The capabilities of the natural environment to sustain life conditions for humans and other species (clean water, air, etc.)
- Quality of life for all individuals
- Livability and beauty of the environment

One common narrative regarding the concept of sustainability attributes it to the relationships between humans and nature. While the multidimensionality of sustainability has never been overlooked, in the past 30 years, it has often been compartmentalized as an environmental issue (Drexhage & Murphy, 2010, p. 45). Particularly in the 1970s, the concept of sustainability began to be widely used in connection with environmental issues. In the 1980s, with increasing regulations related to environmental protection, many companies limited their efforts to compliance with laws and requirements. In the 1990s, companies started adopting a more proactive approach; this approach enabled them to anticipate the environmental impacts of their operations and gain a business advantage through environmental performance management. Since then, companies have gradually sought to embed environmental issues into their corporate cultures and management processes by implementing Environmental Management Systems (Giovannoni & Fabietti, 2013, p. 24).

Social sustainability: It is recognized that social sustainability creates a social constraint on development by maintaining current social norms and allowing changes within social boundaries, and therefore, it is considered a fundamental element of sustainable development. From another perspective, social sustainability is acknowledged as a concept central to sustainable development, as it encompasses the necessary social conditions to support environmental sustainability, leading to the evaluation of all social development goals within the boundaries of environmental capital (Barron et al., 2023, p. 221).

Literature Review

Author	Year	Aim of Study	Results
Reddya & Gordon	2010	This study aimed to investigate the impact of sustainability reporting on companies' financial performance.	Statistically significant results have demonstrated that sustainability reporting explains abnormal returns for Australian companies.
Burhan & Rahmanti	2012	The study aimed to examine the relationship between sustainability reporting as a whole and each element of sustainability reporting with company performance.	It has demonstrated that sustainability reporting impacts company performance.
Aggarwal	2013	The study investigated the impact of sustainability reporting on corporate financial performance by reviewing the existing literature.	Results have been found to be complex, inconsistent, and contradictory depending on the measurement selection of sustainability reporting, financial performance measurement, sample composition, time frame, and control variables.
Kasbun et al.	2016	This study examined the relationship between sustainability reporting of publicly listed companies in Malaysia and their financial performance.	The regression results have shown that economic, social, and environmental sustainability reporting is positively associated with financial performance measured using Asset Return and Equity Return.
Motwani & Pandya	2016	This study aimed to evaluate the impact of sustainability scores obtained from GRI indicators on the profitability of selected firms.	The study has demonstrated that general sustainability reporting practices have to some extent a significant and positive impact on the profitability of the firm.
Gürünlü	2019	The study aimed to reveal the long-term effects of inclusion in the sustainability index on the Borsa Istanbul, as well as to determine whether efforts to join the sustainability index contribute to enhancing companies' reputation and influencing their financial success by analyzing various panel data forecasting methods.	The research findings indicated a weak relationship between high performance in sustainability and financial success.
Oncioiu vd.	2020	This study aimed to determine the accessibility of corporate sustainability reporting tools for Romanian executives and their role in enhancing organizations' financial performance.	The study has concluded that corporate social reporting indicators can be integrated into a company's financial performance reporting and can transform sustainability into tangible value for all stakeholders involved.
Nzekwe et al.	2021	This study aimed to determine the impact of sustainability reporting on the financial performance of industrial goods companies listed in Nigeria between 2008 and 2019.	The results have shown that environmental reporting, social reporting, and economic reporting have a statistically significant and positive impact on cash value added at the 5% level, respectively.
Korga & Aslanoğlu	2022	The aim of the study was to demonstrate the impact of financial performance on sustainability performance.	According to the findings of the study, while there was no statistically significant relationship between sustainability performance and financial performance, a positive and significant relationship was observed with company size.

The literature review revealed that there are studies in both domestic and foreign literature that measure the relationship between companies' sustainability reports and their financial performance. It is also noted that these studies are mostly conducted on a country-specific basis.

Methodology

In this section of the research, the methodology of the study, data analysis methods, and interpretation of the findings are discussed. The study utilized a qualitative research technique known as literature review. The literature review method is used to systematically and rigorously analyze the content of written documents (Wach & Ward, 2013). The study included 30 companies listed on the Borsa Istanbul. During the research, the most recent sustainability or integrated reports of these 30 companies are from the year 2022. The sustainability reports of these 30 companies were subjected to a document analysis and based on the S1 and S2 Sustainability Reports published by Public Oversight, the relevant reports were analyzed under four separate parameters: "governance, strategy, risk management, criteria objectives." These parameters were considered as independent variables. For example, if the sustainability reports of the enterprises clearly stated how responsibilities for sustainability-related risks and opportunities were reflected in the job description, authorities, job descriptions and other relevant policies applicable to the relevant bodies or individuals, 1 point was awarded if not, 0 point was awarded. For this purpose, the information provided in sustainability reports about the management of the business was analyzed in detail. Additionally, financial statements of the companies as of December 31, 2022, were also examined to conduct financial analyses that could influence investor decisions. Financial metrics including the leverage ratio, earnings per share, firm size, return on equity, asset return, and PD/DD were acquired for research. The average stock volume, another crucial data point for investor decision-making, was collected through banks that provide information to investors and treated as the dependent variable. Trading volume holds significant importance in studies on stock returns, as it is believed to impact both price and price volatility. It represents the cumulative response of investors to new market information and serves as a key indicator of the unseen flow of information that influences the market (Andersen, 1996; Lamoureux & Lastrapes, 1990). Independent variables were scored, with one point assigned if the relevant parameters were mentioned in the company's sustainability reports and zero points if not mentioned. The total scores were then divided by the points received to create a dataset.

The data obtained were evaluated using the IBM Statistical Package for Social Sciences (SPSS) version 27.0 statistical package program. Summary statistics were provided as mean, standard deviation, minimum, and maximum values. The normality of continuous variables was assessed based on skewness and kurtosis values within the +- 1.96 range. The normality of variables was evaluated using statistical or graphical methods. Normality consists of two components: skewness and kurtosis. Skewness relates to the symmetry of the distribution; a skewed variable has a mean that is not at the center of the distribution. In small samples, the +- 1.96 value is sufficient to assume normal distribution (Tabachnick et al., 2013, p. 113).

Since the data showed a normal distribution, the relationship between variables was assessed using the Pearson correlation test. A significance level of $p < 0.05$ was accepted for all statistical analyses.

Table 1. *Independent and Dependent Variables*

Variables	Variable Name	Sub-Variables	
Dependent variable	**Sustainability Reporting**	Governance	Criteria described by IFRS S1/S2
		Strategy	Criteria described by IFRS S1/S2
		Risk management	Criteria described by IFRS S1/S2
		Criterion, Target	Criteria described by IFRS S1/S2
Independent variables	Economic Decisions for Investors		Number of Shares Traded During the Period
	Age		Age in months from date of establishment until the end of 2022
	Leverage Ratio		Total Debt / Total Assets
	Market Earnings Per Share		$\mathrm{HBPK} = \dfrac{\text{Net profit}}{\mathit{Share\ in\ Circulation}}$
	Company Size		Average Share Price x Shares in Circulation
	Return on Equity		Net Profit / Shareholders' Equity
	Return on Assets		Total Net Profit / Average Asset
	MV/BV		Market value/Book Value

Table 1 shows that the independent variables encompass management, strategy, risk management, and criteria objectives, while the dependent variables include company age, number of shares traded during the period, leverage ratio, earnings per share, company size, return on equity, asset return, and market value/book value ratio.

Table 2. *Descriptive Statistics of BIST 30 Companies*

			Descriptive Statistics		
Variable	**N**	**Minimum**	**Maksimum**	**Mean**	**Standard Deviation**
Age	30	14	99	57.23	22.64
Average Volume	30	357,532,76465	5,772,540,1830,60	1,492,891,162,98	1,093,651,736,70
Leverage Ratio	30	0.11	0.89	0.62	0.22
Earnings Per Share	30	0.32	69.4	10.46	14.58
Company Size	30	6,482,000,000	133,807,720,281,53	52,853,857,851.41	34,564,365,155,21
Return on Equity	30	0.37	122.87	46.34	31.64
Return on Assets	30	0.01	0.52	0.12	0.12
MV/BV	30	1.00	23.59	4.90	5.05
Governance	30	0.14	0.86	0.68	0.26
Strategy	30	0.20	1.00	0.64	0.24
Risk management	30	0.17	0.83	0.51	0.19
Criterion, Target	30	0.00	0.86	0.40	0.27
Sustainability	30	0.13	0.85	0.55	0.23

According to the findings obtained from Table 2, the number of companies analyzed in conjunction with the literature review is 30. Regarding the age of the companies, based on the year 2022, the youngest is 14 years old and the oldest is 99 years old, with an average of 57.23±22.64 years. In terms of the number of shares traded by companies in 2022, the smallest average volume is 357,532,764.65 and the largest is 5,772,540,183.60, with an average of 1,492,891,162.98±1,093,651,736.70. When looking at the leverage ratio of companies, the smallest is 0.11 and the largest is 0.89, with an average value of 0.62±0.22. The earnings per share of companies range from the lowest at 0.32 to the highest at 69.4, with an average of 10.46±14.58. The return on equity of companies ranges from the lowest at 0.37 to the highest at 122.87, with an average of 46.34±31.64. The asset return of companies ranges from the lowest at 0.01 to the highest at 0.52, with an average value of 0.12±0.12. The PD/DD of companies ranges from the smallest at 1.00 to the largest at 23.59, with an average value of 4.90±5.05. When evaluating the governance dimension from the sub-dimensions of companies' sustainability reports, each parameter examined in the company's sustainability report was scored as 1 if present or 0 if absent, and the average governance score of all companies was calculated as 0.68±0.26. For the strategy parameter, which is another sub-dimension, the average strategy score of all companies was calculated as 0.64±0.24. For the risk management parameter, which is another sub-dimension, the average risk management score of all companies was calculated as 0.51±0.19. For the criteria and objectives parameter, which is the final sub-dimension, the calculated average criteria and objectives score of companies was calculated as 0.40±0.27. The sustainability score, which consists of all sub-dimensions, was calculated as an average value of 0.55±0.23 for all companies. Upon examining Table 3, it is observed that the relationship between companies' sustainability report sub-dimensions and total sustainability scores calculated from sustainability reports, with companies' age, average stock volume, leverage ratio, earnings per share, company size, return on equity, asset return, and PD/DD, is evaluated. Based on the data obtained through Spearman correlation analysis, the following relationships are identified:

1.There is a moderately positive significant relationship between companies' age and the governance sub-dimension of sustainability reports (r=0.443; $p < .005$).

2.There is a moderately positive significant relationship between companies' leverage ratio and the governance (r=0.490; $p < .001$), strategy (r=0.447; $p < .005$), criteria objectives (r=0.398; $p < .005$) sub-dimensions, as well as the total sustainability score (r=0.452; $p < .005$).

3.Company size shows a moderately positive significant relationship with governance (r=0.543; $p < .001$), strategy (r=0.498; $p < .001$), risk management (r=0.520; $p < .001$), criteria objectives (r=0.586; $p < .001$) sub-dimensions, and the total sustainability score (r=0.572; $p < .001$).

4.Asset return has a negative significant relationship with criteria objectives (r= -0.467; p < .005) and the total sustainability score (r= -0.413; p < .005).

5.PD/DD shows a moderately negative significant relationship with governance (r= -0.457; $p < .005$), strategy (r= -0.466; $p < .001$), risk management (r= -0.565; $p < .001$), and the total sustainability score (r= -0.498; $p < .005$), as well as a moderately positive significant relationship with criteria objectives (r= 0.415; $p < .005$

Table 3. *Correlation Analysis of BIST 30 Companies' Sustainability Report Sub-Dimensions with Financial Data*

	Age	Average Volume	Leverage Ratio	Earnings Per Share	Company Size	Return on Equity	Return on Assets	MV/BV	Governance	Strategy	Risk Management	Criterion, Target	Sustainability
Age	1.00	0.469*	0.240	0.001	0.325	-0.034	-0.120	-0.148	0.443*	0.355	0.252	0.237	0.345
Average Volume		1.00	0.90	0.87	0.238	-0.137	0.025	-0.383*	0.334	0.272	0.290	0.108	0.262
Leverage Ratio			1.00	0.282	0.158	0.235	-0.222	-0.027	0.490**	0.447*	0.353	0.398*	0.452*
Earnings Per Share				1.00	0.062	0.367*	0.78	-0.50	0.283	0.253	0.334	0.229	0.287
Company Size					1.00	0.261	-0.221	-0.117	0.543**	0.498**	0.520**	0.586**	0.572**
Return on Equity						1.00	0.394*	0.011	0.187	0.207	0.188	0.033	0.159
Return on Assets							1.00	-0.056	-0.274	-0.255	0.314	-0.347*	-0.316
MV/BV								1.00	-0.457*	-0.466**	-0.565**	0.415*	-0.498**
Governance									1.00	0.914**	0.861**	0.802**	0.950**
Strategy										1.00	0.906**	0.835**	0.968**
Risk Management											1.00	0.797**	0.936**
Criterion, Target												1.00	0.917**
Sustainability													1.00

**. The correlation is significant at the 0.01 level (two-sided).
*. The correlation is significant at the 0.05 level (two-sided).

Upon examining Table 3, it is observed that the relationship between companies' sustainability report sub-dimensions and total sustainability scores calculated from sustainability reports, with companies' age, average stock volume, leverage ratio, earnings per share, company size, return on equity, asset return, and PD/DD, is evaluated. Based on the data obtained through Spearman correlation analysis, the following relationships are identified:

6.There is a moderately positive significant relationship between companies' age and the governance sub-dimension of sustainability reports (r=0.443; $p < .005$).

7.There is a moderately positive significant relationship between companies' leverage ratio and the governance (r=0.490; $p < .001$), strategy (r=0.447; $p < .005$), criteria objectives (r=0.398; $p < .005$) sub-dimensions, as well as the total sustainability score (r=0.452; $p < .005$).

8.Company size shows a moderately positive significant relationship with governance (r=0.543; $p < .001$), strategy (r=0.498; $p < .001$), risk management (r=0.520; $p < .001$), criteria objectives (r=0.586; $p < .001$) sub-dimensions, and the total sustainability score (r=0.572; $p < .001$).

9.Asset return has a negative significant relationship with criteria objectives (r= -0.467; $p < .005$) and the total sustainability score (r= -0.413; $p < .005$).

10. PD/DD shows a moderately negative significant relationship with governance (r= -0.457; $p < .005$), strategy (r= -0.466; $p < .001$), risk management (r= -0.565; $p < .001$), and the total sustainability score (r= -0.498; $p < .005$), as well as a moderately positive significant relationship with criteria objectives (r= 0.415; $p < .005$).

Conclusion and Recommendations

It is an undeniable fact that sustainability reports play a significant role in influencing investment decisions by providing comprehensive information about a company's commitment to environmental, social, and governance factors. These reports go beyond traditional financial metrics, offering investors a more holistic understanding of a company's long-term sustainability and resilience in the face of global challenges. The research findings revealed a significant relationship between sustainability reports and certain financial data. Therefore, companies should not overlook the connection between sustainability reporting efforts and investor decisions when preparing these reports.

It has also been determined that sustainability reports are not only about sustainable living but also complementary for investors considering investing in a company. Analyses showed a significant relationship between earnings per share, company size, and sustainability reports in four sub-dimensions. Representing Turkey's largest 30 companies by market value, BIST 30 companies should also present their sustainability reports with the same meticulousness, and it is worth noting that other firms should do the same. The limitation of the study is that more data from more companies were not included for more diverse analyses. It is believed that the study will contribute to the literature for future studies that will measure the relationship and impact between investor decisions and sustainability reports.

Hakem Değerlendirmesi: Dış bağımsız.
Yazar Katkıları: Konsept – SA, ŞGT; Tasarım – SA, ŞGT; Denetim – ŞGT; Kaynaklar – SA, ŞGT; Malzemeler – SA, ŞGT; Veri Toplama ve/veya İşleme – SA, ŞGT; Analiz ve/veya Yorum – SA, ŞGT; Literatür Taraması – SA, ŞGT; Yazma – SA, ŞGT; Eleştirel İnceleme – SA, ŞGT; Diğer – SA, ŞGT
Çıkar Çatışması: Yazarlar, çıkar çatışması olmadığını beyan etmiştir.
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Extended Abstract

Dünyanın kaynakları tükenirken, gelecek nesillere sürdürülebilir bir çevre bırakmak, tüm paydaşların dikkat etmesi gereken kritik bir mesele haline gelmiştir. Bu sebeple, sürdürülebilirlik kavramı, hayatın pek çok alanında önemli bir yer edinmiştir. Bu çalışmada, Borsa İstanbul'da işlem gören en büyük 30 şirketin 2022 yılı sürdürülebilirlik raporları, Kamu Gözetimi Kurumu (KGK) tarafından belirlenen sürdürülebilirlik standartları ışığında incelenmiştir. Amaç, yatırımcı kararları ile şirketlerin sürdürülebilirlik raporları arasındaki ilişkiyi ortaya koymaktır. Araştırmada, Borsa İstanbul’daki en büyük 30 şirketin (BİST 30) 2022 yılı sürdürülebilirlik raporları, KGK'nın S1 ve S2 standartlarına göre dört temel ölçüt üzerinden değerlendirilmiştir. Şirketler, bu dört ölçüte uygun şekilde rapor hazırladıklarında bir (1) puan, hazırlamadıklarında ise sıfır (0) puan almıştır. Ardından, bu şirketlerin 2022 yılı finansal verileri çeşitli finansal analizlere tabi tutulmuş ve elde edilen bulgular ile sürdürülebilirlik raporları arasındaki ilişki Spearman Korelasyon testi kullanılarak incelenmiştir. Sürdürülebilirlik raporları ile kaldıraç oranı, hisse başına kazanç, şirket büyüklüğü, varlık getirisi ve PD/DD oranı arasında anlamlı ilişkiler bulunmuştur. Bu çalışma, şirketlerin sürdürülebilirlik raporlarını hazırlarken yatırımcıların kararlarını dikkate alarak, ilgili standartlara uygun ve detaylı açıklamalar yapmalarının önemini vurgulamaktadır.