

DETERMINATION OF CURRENT SITUATION OF SUSTAINABILITY REPORTING IN TURKEY: A CONTENT ANALYSIS UPON BANKS INCLUDED IN BIST SUSTAINABILITY AND BIST 100 INDICES

TÜRKİYE'DE SÜRDÜRÜLEBİLİRLİK RAPORLAMASININ GÜNCEL DURUMUNUN BELİRLENMESİ: BİST SÜRDÜRÜLEBİLİRLİK VE BİST 100 ENDEKSLERİNE DÂHİL BANKALAR ÜZERİNE BİR İÇERİK ANALİZİ

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ABSTRACT

The banking sector, which is one of the leading sectors in many areas, handles sustainability reporting with high care and importance. Taking into consideration this condition, this study aims to evaluate the current situation of sustainability reporting in Turkish banks. In this context, sustainability reports of banks included in Borsa İstanbul (BIST) Sustainability and BIST 100 Indices are examined by using content analysis method.

It is defined that there are only 9 publicly traded banks included in both BIST Sustainability and BIST 100 Indices. It is determined that although the oldest bank was established in 1924 in Turkey, the first sustainability report was published in 2008 in Turkey. Also, most of the banks excluding Türkiye Garanti Bankası have not published their 2017 sustainability reports as of April 2018 yet. In addition to these, it is stated that half of the banks preferred to publish sustainability reports having core concept while another half of the banks preferred to publish their reports having the comprehensive concept which means that banks apply to report guidelines published by Global Reporting Initiative (GRI). As a last, it is defined that all banks excluding ICBC Turkey Banks, which does not report sustainability have been preparing sustainability reports both in Turkish and English.

Keywords: Banking, Sustainability Reporting, BIST Indices, Turkey, Turkish Banking Sector

ÖZ

Birçok alanda öncü sektörlerden biri olan bankacılık sektörü, sürdürülebilirlik raporlamasını yüksek özen ve önemle ele almaktadır. Bu durumu dikkate alarak, bu çalışma Türk bankalarında sürdürülebilirlik raporlamasının mevcut durumunu değerlendirmeyi amaçlamaktadır. Bu kapsamda, Borsa İstanbul (BİST) Sürdürülebilirlik ve BIST 100 Endekslerine dâhil bankaların sürdürülebilirlik raporları içerik analizi yöntemiyle incelenmiştir.

BIST Sürdürülebilirlik ve BIST 100 Endekslerinde sadece 9 adet halka açık banka bulunduğu belirlenmiştir. Türkiye'de en eski bankanın 1924'te kurulmasına rağmen, Türkiye'de ilk sürdürülebilirlik raporunun 2008 yılında yayımlandığı tespit edilmiştir. Ayrıca, Türkiye Garanti Bankası dışındaki bankaların çoğu 2017 yılı Nisan ayı itibarıyla 2017 sürdürülebilirlik raporlarını yayınlamamıştır. Bunlara ek olarak, bankaların yarısının temel konseptte sahip sürdürülebilirlik raporlarını yayınlamayı tercih ettiği, bankaların diğer yarısının kapsamlı konseptte sahip raporları yayınlamayı tercih ettiği, böylece Küresel Raporlama Girişimi (GRI) tarafından yayımlanan raporlama kurallarını uyguladıkları belirlenmiştir. Son olarak, sürdürülebilirlik raporlaması yapmayan ICBC Türkiye Bankası dışındaki tüm bankaların hem Türkçe hem de İngilizce olarak sürdürülebilirlik raporlarını hazırladıkları belirlenmiştir.

Anahtar Kelimeler: Bankacılık, Sürdürülebilirlik Raporlaması, BIST İndeksleri, Türkiye, Türk Bankacılık Sektörü

1. INTRODUCTION

The world has been changing quite rapidly. While the world is changing rapidly, business life and the environment are also changing. This changing process causes challenging for all parties such as corporations, employees, and other stakeholders. Besides these parties, banks are also another parties affected by this phenomenon.

As it is known, banks are the most important financial institutions for most of the economies and countries. This is why banks have been financing the vast majority of economic activities (Kartal, 2017: 112). So, this condition could make either a positive or negative effect on companies depending on the banks' approach. It means that if banks are sensitive about companies' operation, usage of natural resources, environment, health and safety policies, then companies would have to be sensitive about them due to fact that they need fund resources provided by the bank. However, in order to enable this, banks should have been sensitive firstly about their activities regarding natural resource usage. For this reason, sustainability has become one of the most important issues for banks as well as all stakeholders in the world. Therefore, it can be said that the banking sector is one of the pioneer sectors in which sustainability reporting is handled with care and importance.

Banks, which are the pioneer in numerous fields and subjects in countries, began to give much more importance to sustainability reporting. Especially, sustainability reporting is important to show banks' approach with regard to the environment, usage of natural sources and for external communication with stakeholders. For this reason, it was anticipated that all banks should have made sustainability reporting. In other words, taken into consideration the importance of the sustainability reporting, it is expected to be issued sustainability reports by all banks. However, all banks issue sustainability reporting is a question mark in practices. So, it will be beneficial to research and examine the sustainability reporting of Turkish banks.

This paper is prepared to make an evaluation of the current situation of sustainability reporting in Turkish banks. With this study, it is aimed at determining the current situation in Turkey. In this context, sustainability reporting of banks included in BIST Sustainability and BIST 100 Indices will be examined in detail and discussed by applying content analysis method, and hence sustainability reporting approaches and practices of banks will be determined.

This study will consist of 5 parts. After the introduction part, financial reporting versus sustainability reporting is examined in part two in general. Within the context of the literature review, some studies about sustainability and sustainability reporting are detailed in the third part. In the fourth part, firstly current status of Turkish Banking Sector and generally BIST Sustainability Index is examined, and after that, a content analysis upon banks included in BIST Sustainability and BIST 100 Indices is performed to determine current situation in Turkish banks. Finally, an evaluation is made in the fifth part.

2. FINANCIAL REPORTING VERSUS SUSTAINABILITY REPORTING

Information about companies is important to all related parties. This is important specifically for those who may make an investment to companies. Potential investors want to gather as much as information about companies which are their potential or future investments at the same time. For this, they need reports published by companies.

Companies publish a variety of reports such as financial reports, annual reports, sustainability reports, and integrated reports. Financial reports have been published by companies for a long time. They have become the most common and contained information frequently used by users of financial information (Aktaş et al., 2013: 113). Financial information has been used by lenders, creditors, and investor as well as other users. However, financial reports can provide only financial information and users may need or want to know much more than financial reports' providing. At this point, other reports published by companies are at the forefront. Although financial information

enables users to make better decisions, unfortunately, they are sometimes inadequate and this inadequacy can be completed by other reports like sustainability reports.

Sustainability can affect strategies, objectives, technologies, product design, production process, value creation structure, business models of companies. In another saying, companies have to achieve sustainability to create sustainable value in the long run and maximize firm value. As a summary, it can be said that sustainability changes businesses and their environment as a whole.

Sustainability reports present non-financial information including companies' sustainability approach for information users (stakeholders). Sustainability reports can provide information about companies' activities containing environmental, social and governance issues. They generally contain information i) company profile, information about the company, products, and services, shareholding structure, investor relations, sustainability approach, business ethics and ethical principles, ii) comprehensive approach to contribute to the company's financial position, operational and financial information, job creation, partnerships and new business ideas, iii) company social effects, customers, suppliers, product and service responsibilities, iv) the company's environmental policies and investments, energy efficiency efforts, environmental impacts such as energy use in office buildings and areas, water and waste management, v) employee employment, motivation, and continuity, vi) learning and innovation, responding to environmental and social risks and making them work opportunities (Aydın, 2017: 2310)

In order to be more reliable, companies have been following sustainability reporting's guidelines. The most common known guideline is published by GRI. GRI guideline focuses on reports, objectives, and performances regarding sustainability (Roca & Searcy, 2012: 103-105). GRI criteria can be used to assess the sustainability reports of the companies. Also, there are various levels according to GRI criteria such as G4, G3, G2, and G1. In addition, according to the research, it is determined that 44 firms followed GRI guidelines in 2000, but the number of organizations, which release sustainability report on the voluntary basis, has reached to 1,973 in 2010 (Ioannou & Serafeim, 2012: 2). Although the number of companies reporting sustainability has been increasing, however, it is still not enough compared to the total number of companies worldwide.

Financial reports and sustainability reports can be compared according to different criteria. When regulatory requirements are taken into consideration, it is seen that financial reporting is mandatory and sustainability reporting is not (Aktaş et al., 2013: 113). So, financial reports such as financial position statement, comprehensive income statement etc. are the main information sources for shareholders for a long time. When taking into consideration prevalence, it is seen that financial reporting is more common than sustainability reporting. Being mandatory of financial reporting is the most important causes of this structure. In other words, if sustainability reporting was mandatory, then it would be much more widespread. Another important difference between them is that sustainability reporting is perceived as if it is only for private sectors, not the public sector (Williams et al., 2011: 178). So, unfortunately sustainability reporting does not take attention of the public sector. This is also another important barrier to the development of sustainability reporting.

Although every disadvantage of sustainability reporting with regard to financial reports, it can be said that Turkish firms pay attention to sustainability reporting recently yet. In addition, it is also important to note that there is also a reporting trend called integrated reporting recently. It means that companies can publish an integrated report containing both financial reports and sustainability reports.

3. LITERATURE REVIEW

There are a variety of studies about sustainability and sustainability reporting. Within the context of the literature review, some of the studies are included in Table 1.

Table 1. Some Selected Studies

Author	Year	Country	Method	Results
Başar & Başar	2006	Turkey	Chi-Square	Listed companies do not make disclosure enough regarding details of firms' sustainability profile.
Farneti & Guthrie	2009	Australia	Interview	Although the importance of reporting in a sustainable way has been recognized, it unfortunately is slow in public sector organizations.
Rowbottom & Lymer	2009	England	Descriptive Statistics	Rather than sustainability reports, annual reports are focused on by creditors, professional investors, and accounting firms.
Chang et al.	2011	Brazil	Data Envelopment Analysis	Although 16 industries were analyzed, it was concluded that only 7 industries improved their sustainability performances.
PWC	2011	Turkey	Survey	A large majority of companies does not publish the sustainability report. Most of the published reports belong to production companies.
Gurvitsh & Sidorova	2012	Estonia	Survey	It was demonstrated that companies desire to integrate sustainability reports into their annual reports.
Marimon et al.	2012	Worldwide	Diffusion models	Although an improvement in sustainability reporting has been seen, it is not enough when taking into consideration all companies in the world.
Searcy & Elkhawas	2012	USA	Content Analysis	It was stated that less than half of 24 listed firms, using Dow Jones Sustainability Index, use websites to understand sustainability reports by stakeholders very well.
Aktaş et al.	2013	Turkey	Content Analysis	Sustainability reports include minimum requirements set by GRI standards.
Murguía & Böhling	2013	Argentina	Case Study	Environmental and economic indicators are the least reported and the most contentious indicators in some firms.
Carnevale & Mazzuca	2014	Italy	Regression	They are concluded that complementary and additional disclosure provided by sustainability report is appreciated by investors.
Ergüden & Kaya	2014	Turkey	Survey	Companies in Turkey need having effective communication, information system and compatible procedure in order to form sustainability reports.
Higgins et al.	2015	Australia	Survey	Sustainability reporting spread to a small number of firms.
Aracı & Yüksel	2016	Turkey	Content Analysis	2 of 15 companies in BIST Sustainability Index did not prepare sustainability reports according to GRI reports and 4 of 15 companies took place of sustainability issues in their websites or annual reports.
Dissanayake et al.	2016	Sri Lankan	Content Analysis	It was concluded that sustainability reporting in Sri Lankan is quite significant among larger firms.
Ergüden & Çatlıoğlu	2016	Turkey	Topsis	Zorlu Energy was defined as the company making the most contributes to sustainability in Turkey.
Gönen & Solak	2016	Turkey	Content Analysis	It was concluded that independent audit of sustainability reporting is not adequate and there are inconsistencies with GRI-G4 standards.
Seele	2016	Switzerland	Descriptive Statistics	It was recommended that digital transparency occurs by bonding of integrated reporting with sustainability reporting.
Uzun Kocamış & Yıldırım	2016	Turkey	Content Analysis	It was stated that sustainability reports are required in order to be included in BIST Sustainability Index.
Yıldırım & Uzun Kocamış	2016	Turkey	Topsis	Sustainability reporting implementation has been growing steadily in recent years.
Aydın	2017	Turkey	T-test	There is no significant relationship regarding the performance of companies before and after included in BIST Sustainability Index.

Author	Year	Country	Method	Results
Beretta	2017	Italy	Quantitative Analysis	While integrated reporting focus on the representation of the useful elements to create value for the company, sustainability reporting aims at improving the communication with stakeholders.
Ekergil & Göde	2017	Turkey	Content Analysis	It was determined that the sustainability reports of Turkish hotels are not consistent with international standards.
Kuzey & Uyar	2017	Turkey	Regression	Although there is a growing awareness of GRI-based sustainability reporting and an improving trend in report quality, assurance of sustainability reports by an independent verifier is not widespread.

Source: Authors

As it can be seen from Table 1, there are studies about sustainability. When analyzing studies in the literature, it can be said that sustainability reporting has become so popular in Turkey in recent years although it has been studied frequently in abroad for a long time. Therefore, it is obvious that studies regarding sustainability reporting in Turkey have been increasing in last years.

Also, Table 1 indicates that a vast majority of the studies in the literature are prepared by using content analysis method. In addition to content analysis, chi-square test, interview, survey, data envelopment analysis, Topsis, and regression were the other methods used to examine sustainability in the researches. Also, case study, descriptive statistics, quantitative analysis were other methods which are rarely preferred in the researches.

4. A CONTENT ANALYSIS UPON BANKS INCLUDED IN BIST SUSTAINABILITY AND BIST 100 INDICES

In the context of analysis of banks' sustainability reports, firstly the current condition of Turkish Banking Sector is analyzed. Secondly, BIST Sustainability Index is examined, and thirdly banks in BIST Indices are determined. After that, sustainability reports of banks included in BIST Sustainability and BIST 100 Indices are examined in detail fourthly.

4.1. Current Condition and Structure of Turkish Banking Sector

After the banking crisis in 2001, Turkish banking sector has been continuing growth due to fact that a lot of regulations has been made to strengthen the sector. From that time until today, the sector has become much more powerful and resilient.

There are currently 51 banks operating in Turkey. When analyzing banks, there are 3 types of banks which are deposit banks, participation banks, development and investment banks. 33 of all banks consist of deposit banks while there are 13 development and investment banks, and 5 participation banks. Also, when analyzing banks according to ownership, there are 8 state-owned banks, 18 privately-owned banks, and 25 foreign banks (BRSA, 2017). So, as a general summary of Turkish banking sector, it can be said that the sector consists of mostly deposit banks and foreign banks.

In addition, some of the banks have been continuing establishment works to operate in Turkey such as Bank of China. Therefore, it can be said that the number of banks in Turkey will increase in near future.

4.2. BIST Sustainability Index

Borsa İstanbul (formerly Istanbul Stock Exchange) created Sustainability Index in order to support and promote sustainability efforts of the companies in 2014. BIST Sustainability Index (the index) was started with 15 companies. There are 29 companies in the index for the period of 2015-2016, 43 companies in the index for the period of 2016-2017, and 44 companies in the index for the period of 2017-2018 (KAP, 2018a; BIST, 2018a; BIST, 2018b; BIST, 2018c).

BIST Sustainability Index started with the value of 98,020.09 and it has been changing according to companies performance included in BIST Sustainability Index. The index value changes in time and it can be visualized in Fig. 1.

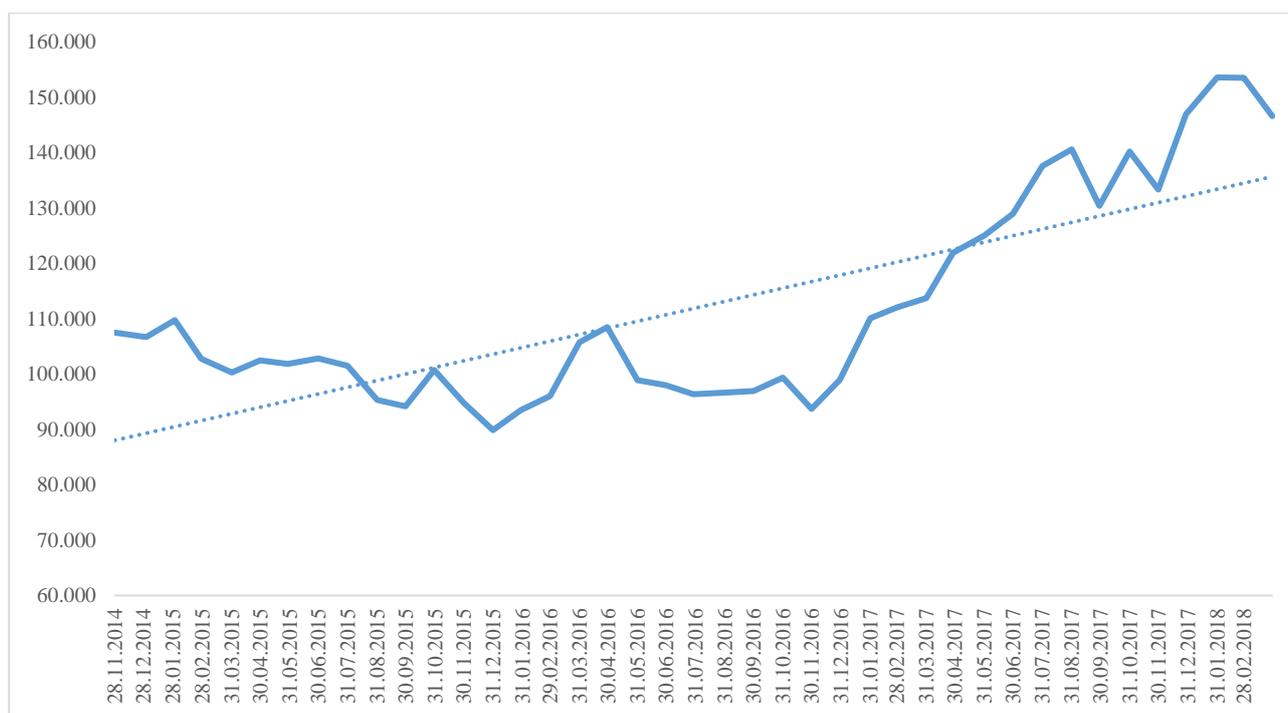


Fig. 1. BIST Sustainability Index between 2014 November-2018 March.

Source: BIST, 2018d.

4.3. Banks Included in BIST Sustainability and BIST 100 Indices

As stated in the earlier subunit, there are 51 banks operating in Turkey. In addition to this, there are 44 companies in BIST Sustainability Index currently. When analyzing banks in BIST Sustainability and BIST 100 Indices, it is seen that a minimum number of the banks are included in BIST indices. Banks in BIST are included in Table 2.

Table 1. Banks Included in BIST as of 2018 March

Banks in BIST	Banks in BIST 100 Index	Banks in BIST Sustainability Index
Akbank	Akbank *	Akbank *
Albaraka Türk Katılım Bankası	Türkiye Garanti Bankası *	Türkiye Garanti Bankası *
Denizbank	ICBC Turkey Bank	Türkiye İş Bankası *
ICBC Turkey Bank	Türkiye İş Bankası *	Türkiye Halk Bankası *
QNB Finanbank	Şekerbank	Türkiye Sınai Kalkınma Bankası *
Şekerbank	Türkiye Halk Bankası *	Türkiye Vakıflar Bankası *
Türkiye Garanti Bankası	Türkiye Sınai Kalkınma Bankası *	Yapı ve Kredi Bankası *
Türkiye Halk Bankası	Türkiye Vakıflar Bankası *	
Türkiye İş Bankası	Yapı ve Kredi Bankası *	
Türkiye Kalkınma Bankası		
Türkiye Sınai Kalkınma Bankası		
Türkiye Vakıflar Bankası		
Yapı ve Kredi Bankası		

* shows that the bank is included in both BIST Sustainability and BIST 100 Indices.

Source: KAP, 2018b.

As Table 2 indicates, there are only 13 publicly traded banks in BIST. 9 of them are included in BIST 100 Index while 7 of them are included in BIST Sustainability Index (KAP, 2018b). 7 banks, which are included in BIST Sustainability Index, are the same with those included in BIST 100 Index. Totally 9 banks included in both BIST Sustainability and BIST 100 Indices consists of data scope of this study.

4.4. Examination of Sustainability Reporting of the Banks Included in BIST Sustainability and BIST 100 Indices

Establishment of the banks have gone through the old years, however sustainability reporting has come to the forefront in recent times. Table 3 shows the establishment year of the banks.

Table 3 shows that banks are established in different years from 1924 to 1986.

Table 2. Establishment Year of the Banks

Banks	Establishment Year
Akbank	1948
ICBC Turkey Bank*	1986
Şekerbank	1953
Türkiye Garanti Bankası	1946
Türkiye Halk Bankası	1933
Türkiye İş Bankası	1924
Türkiye Sınai Kalkınma Bankası	1963
Türkiye Vakıflar Bankası	1954
Yapı ve Kredi Bankası	1944

* shows establishment year of the Tekstilbank which is former name of ICBC Turkey Bank.

Although banks have been operating for a long time in Turkey, sustainability reporting has been gaining importance recently. Table 4 shows the first year of sustainability reporting of the banks.

Table 3. First Reporting Year of the Banks in Sustainability Reporting

Banks	First Reporting Year
Akbank	2009
ICBC Turkey Bank	-
Şekerbank	2013
Türkiye Garanti Bankası	2011
Türkiye Halk Bankası	2013
Türkiye İş Bankası	2012
Türkiye Sınai Kalkınma Bankası	2008
Türkiye Vakıflar Bankası	2014
Yapı ve Kredi Bankası	2010

As Table 4 indicates, the first sustainability reporting in Turkey was made in 2008 by Türkiye Sınai Kalkınma Bankası. After that time, other banks started sustainability reporting. However, some banks like Türkiye Vakıflar Bankası has begun sustainability reporting in very late time while some bank like ICBC Turkey Bank, formerly Tekstilbank, does not make still sustainability reporting. This structure shows that sustainability reporting has become a hot topic for the banks in recent times.

Table 5 shows the last year of sustainability reporting of the banks.

Table 4. Last Reporting Year of the Banks in Sustainability Reporting

Banks	Last Reporting Year
Akbank	2016
ICBC Turkey Bank	-
Şekerbank	2015
Türkiye Garanti Bankası	2017
Türkiye Halk Bankası	2016
Türkiye İş Bankası	2016
Türkiye Sınai Kalkınma Bankası	2016
Türkiye Vakıflar Bankası	2016
Yapı ve Kredi Bankası	2016

As Table 5 indicates, as of April, 15 2018, all banks excluding Şekerbank and Türkiye Garanti Bankası published sustainability reporting for the year-end 2016. Şekerbank published a sustainability report for the year 2015. On the other hand, Türkiye Garanti Bankası has issued

integrated reporting for the year 2017 and sustainability reporting for 2017 is included in the integrated report. However, ICBC Turkey Bank does not still make sustainability reporting.

Table 6 shows types of sustainability reporting of the banks.

Table 5. Types of Last Reporting Year' Sustainability Reports

Banks	Application Level
Akbank	Comprehensive
ICBC Turkey Bank	-
Şekerbank	Comprehensive
Türkiye Garanti Bankası	Core
Türkiye Halk Bankası	Core
Türkiye İş Bankası	Comprehensive
Türkiye Sınai Kalkınma Bankası	Comprehensive
Türkiye Vakıflar Bankası	Core
Yapı ve Kredi Bankası	Core

As Table 6 indicates, half of the banks published their sustainability reports having core concepts. On the other hand, another half of the banks published their sustainability reports having comprehensive concepts.

Table 7 shows the language of sustainability reporting of the banks.

Table 6. The language of Sustainability Reports

Banks	Language
Akbank	Turkish & English
ICBC Turkey Bank	-
Şekerbank	Turkish & English
Türkiye Garanti Bankası	Turkish & English
Türkiye Halk Bankası	Turkish & English
Türkiye İş Bankası	Turkish & English
Türkiye Sınai Kalkınma Bankası	Turkish & English
Türkiye Vakıflar Bankası	Turkish & English
Yapı ve Kredi Bankası	Turkish & English

As Table 7 indicates, all banks excluding ICBC Turkey Bank have been publishing sustainability reports both in Turkish and English. This structure shows that banks give importance to the sustainability reporting in terms of international stakeholders.

Table 8 summarizes pages of sustainability reporting of the banks.

Table 7. Pages of Sustainability Reports

Banks	Report Pages (Year)
Akbank	164 (2016)
ICBC Turkey Bank	-
Şekerbank	98 (2015)
Türkiye Garanti Bankası*	120 (2016) 456 (2017)
Türkiye Halk Bankası	27 (2016)
Türkiye İş Bankası	29 (2016)
Türkiye Sınai Kalkınma Bankası*	62 (2016)
Türkiye Vakıflar Bankası	57 (2016)
Yapı ve Kredi Bankası	49 (2016)

* shows that these banks report their last reports as integrated reports.

As Table 8 indicates, the page number of sustainability reports of the banks can vary according to banks and publishing years. However, it can be said that sustainability reports have become generally short with regard to financial reports. As it can be seen from Table 10, the page length of the reports can vary between 27 and 164. One exception is that only reports of Türkiye Garanti Bankası for the year 2017 has 456 pages due to fact that the report is prepared as an integrated reporting. Except this, all other sustainability reports have average pages. Unlike Türkiye Garanti

Bankası, Türkiye Sınai Kalkınma Bankası has also published its report as an integrated report for the year 2016 and it has only total 62 pages. This is also an important point that should be highlighted.

5. CONCLUSION

Sustainability reporting has been gaining importance for all countries and companies. That is why attention on the environment and natural resources has been increasing. Therefore, most of the companies have started sustainability reporting in the world.

When examining companies in Turkey, it can be seen that they have begun to give importance to sustainability. In this context, they started sustainability reporting in recent years. However, it is seen that sustainability reporting in Turkey has not reached to an important level due to the fact that sustainability reporting in Turkey is not compulsory for companies and institutions. Nevertheless, the finance sector has a pioneering role in the increase of sustainability reporting in Turkey. This study is prepared in order to analyze the recent situation in Turkish banks. In this study, it is aimed at determining the current situation in Turkish banks.

Banks are the most important financial intermediaries in the finance sector in Turkey similar to most of the countries. So, in this study, sustainability reporting is examined in Turkish banks which are included in BIST Sustainability and BIST 100 Indices. When analyzing publicly traded banks, it is seen that there are totally 13 banks. On the other hand, 9 banks are included in BIST 100 Index and 7 banks are included in BIST Sustainability Index. There are totally 9 banks when combining banks included in BIST Sustainability and BIST 100 Indices. So, 9 banks consist of data scope of this study. In this study, after the introduction part and theoretical examination about the difference between financial reporting and sustainability reporting, some studies are examined in the context of the literature review. In this, it is seen that content analysis is the most preferred method used in studies in handling sustainability reporting. Besides content analysis, chi-square test, interview, survey, data envelopment analysis, Topsis, regression, case study, descriptive statistics, and quantitative analysis were other methods which are used by researchers in some studies rarely. In the examination part of the study, sustainability reporting structure of 9 banks is examined by using content analysis method.

It is concluded that the first sustainability reports were published in 2008 in Turkey. Also, most of the banks excluding Türkiye Garanti Bankası did not publish their 2017 sustainability reports yet. In addition, it is determined that half of the banks preferred to publish sustainability reports having GRI core concept while another half of the banks preferred to publish their reports having GRI comprehensive concept. This is an important indicator that banks follow international reporting guidelines for sustainability reporting published by GRI. As a result, it can be said that sustainability reports of banks included in BIST Sustainability and BIST 100 Indices meet minimum requirements of GRI standards. Also, it is defined that all banks excluding ICBC Turkey Banks, which does not report sustainability have been preparing sustainability reports both in Turkish and English.

It is also important to note as an important point that there is an integrated reporting trend globally which means that integrated reports is a reporting style of combining annual reports with the sustainability reports. In this study, it is seen that Türkiye Garanti Bankası and Türkiye Sınai Kalkınma Bankası have published their last reports as integrated report including sustainability issues. It indicates that sustainability reports will be included in integrated reports and separate sustainability reports will not be published in the banking sector in the near future. This trend could make a positive effect on companies to publish the sustainability reports in integrated reports and hence sustainability reporting can be enhanced in near future.

It is aimed in the study to provide a contribution to the literature by determining the current condition in Turkish banks which are included in BIST Sustainability and BIST 100 Indices. By this study, it is determined that there are improvement opportunities in sustainability reporting in

publicly held banks in Turkey. This is the contribution to the literature of the study. In addition to this study, new studies including much more banks and/or a comparison between bank types such as deposit banks versus participation banks will make an important contribution to the literature as well.

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