This study attempted to examine the issues arising when implementing sustainability practices to the apparel manufacturing industry in Sri Lanka and construct the Sustainability Balanced Scorecard. In Sri Lanka, the apparel export industry is one of the largest contributors to the economy. This research used a qualitative approach and also applied the multiple case study method. Also, data triangulation is used in this study including both primary and secondary. Primary data was collected from interviews and observations. Secondary data was collected from the annual reports and other reports. The population of this study is the apparel export industry which is one of the largest contributors to the economy. This research selected 3 apparel companies as the sample and interviewed nine managers from these companies. The interviewed data were transcribed into the transcript and analyzed through narrative analysis. By considering all the practices in three companies this research constructed a sustainability balanced scorecard which can be used for other companies to build up their sustainability practices. The main issues identified in this research can be summarized as follows, Manual system of data entering and performance evaluation, there is no sufficient Hazardous Waste Management and disposal facilities in the country, Financial constraints to implement best in class equipment and methodologies, No solid waste recycling facilities in Sri Lanka for their major waste type Fabric Waste. Finally, with the findings of this research, the regulators and policymakers can use the constructed sustainability balanced scorecard for the policy development on sustainability practices.

**Keywords:** Apparel Industry; Economic Performance; Environment Performance; Social Performance; Sustainability Balanced Scorecard