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**Integrated Financial Reporting: Formation, Global Aspects, Regional Features, and Impact on Corporate Governance**Anatoly Litvinov <sup>1\*</sup>, , Volodymyr Anichkin <sup>2</sup>, 

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**Abstract:** The article deals with the analysis of the main trends and challenges associated with the development of integrated reporting, the assessment of its impact on the quality of corporate governance, and the efficiency of companies' operations, as well as the identification of obstacles that may arise during its implementation. The methodological framework of this study combines systemic methodology with bibliographic and monographic research methods. The authors' contribution to solving the research problem lies in the systematization of global aspects and regional features of integrated reporting formation. The study reveals that the implementation of integrated reporting varies significantly across national contexts. The analysis highlights specific legislative differences, noting that France mandates the inclusion of verified non-financial information through the Grenelle II Act, whereas the United Kingdom requires strategic reports containing data on risks and social-environmental aspects through amendments to the Companies Act. Meanwhile, countries like Malaysia and Singapore have established specialized coordination committees. The scientific novelty of the study consists in the justification of the positive impact of integrated reporting on the quality of corporate governance and strategic planning. The results of the literature analysis substantiate the hypothesis that integrated reporting enhances the efficiency of decision-making and contributes to the growth of company value and investor capital. The practical significance of the results lies in the elaboration of directions for adapting international experience to Ukrainian realities. The implementation of integrated reporting, particularly, takes on special meaning in the context of massive destruction and economic losses caused by Russian aggression. In this regard, integrated reporting acts not only as a tool for attracting investment but also as a mechanism for ensuring the transparent use of recovery funds. The findings allow for the development of practical recommendations for improving the use of this practice in Ukraine, taking into account specific war risks and environmental consequences.

**Keywords:** capital allocation efficiency; financial capital providers; financial performance; financial reporting; investor confidence; risk management; strategic financial planning; valuation metrics; sustainability; Ukrainian context.

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**1. Introduction.** In the contemporary globalized world, the issues of transparency and efficiency of corporate reporting are gaining particular importance. Traditional systems, which are focused solely on financial indicators, often do not provide a complete picture of the potential and risks of a company, especially considering the growing importance of sustainable development and long-term value creation. In this context, integrated reporting (IR), a concept that combines financial and non-financial information, is gaining increasing popularity.

Integrated reporting has evolved and developed thanks to the efforts of the International Integrated Reporting Council (IIRC), which developed the relevant comprehensive framework in 2013. This framework is aimed at creating a holistic picture of the organization's activities, taking into account not only its financial results but also its impact on the environment and society. However, the implementation of IR in different countries occurs differently. There are countries where it is mandatory (for example, South Africa, India), and there are those where voluntary approaches are used (Japan, Malaysia, Singapore).

The goal of this study is to analyze the main trends and challenges associated with the development of integrated reporting, assess its impact on the quality of corporate governance and improve the efficiency of companies' operations, as well as identify the main obstacles that may arise during its implementation in Ukrainian companies. The results of the study will allow the development of practical recommendations for the adaptation of international integrated reporting standards and the improvement of the use of this practice in Ukraine.

## **2. Literature Review.**

The concept of Integrated Reporting (IR) is based on supplementing financial reporting with other indicators that characterize the company's activities. The integration of financial information into corporate governance and strategic planning has significantly evolved due to the development of Integrated Reporting (IR) - a concept that fundamentally transforms the way organizations communicate about value creation processes. The International Integrated Reporting Council (IIRC), established by regulators, investors, companies, standard-setting organizations, accountants, and non-governmental organizations, launched a pilot program on IR in 2011 and developed its comprehensive framework by 2013. This framework became the foundation for the formation of IR (Bostan et al., 2020; Orshi et al., 2019).

Integrated corporate reporting is more than just a combination of financial and sustainability reports. It creates a holistic picture that includes all relevant information for a company's core activities, including financial investments, strategy, and sustainability issues, while also providing insights into potential risks and opportunities (Rambe & Mangara, 2016). This approach reflects the interconnections between financial and non-financial performance drivers, promoting integrated thinking within organizations and close collaboration between functions to enhance value creation in the short, medium, and long term (Cooray et al., 2020).

The IIRC framework introduces six different types of capital - manufactured, financial, natural, intellectual, social and relationship, and human - which represent the inputs and outcomes of corporate governance, allowing organizations to demonstrate how they create value using various resources (Marrone, 2020). This comprehensive approach combines relevant information about an organization's strategy, governance, performance, and prospects in a way that reflects its commercial, social, and environmental context (Alfiero et al., 2017).

The framework establishes seven guiding principles: strategic focus and future orientation, interconnectedness of information, stakeholder relationships, materiality, conciseness, reliability and completeness, and consistency and comparability. It also includes nine content elements: organizational overview, governance, business model, risks and opportunities, strategy and resource allocation, performance, and prospects (Bostan et al., 2020). This structured approach aims to improve the quality of information available to providers of financial capital, promote more efficient capital allocation, and enhance accountability and management across various forms of capital (Orshi et al., 2019).

Founded in 2010, the International Integrated Reporting Council brings together important professional organizations and global accounting regulators. These include the International Accounting Standards Board (IASB), the Financial Accounting Standards Board (FASB), the International Federation of Accountants (IFAC), and the International Organization of Securities Commissions (IOSCO), along with the Big Four audit firms and major multinational corporations (Annesi et al., 2025).

The United Nations, in turn, recognized the role of institutional investors in addressing environmental, social, and corporate governance issues. This led to the establishment of international projects, including the United Nations Environment Programme Finance Initiative (UNEP FI, 1992), the Equator Principles (2003), and the Principles for Responsible Investment (2005) Pargendler, M. (2020). The Organisation for Economic Co-operation and Development (OECD) published recommendations emphasizing the need to integrate environmental, social, and governance aspects into corporate governance mechanisms, while the 2023 OECD report directly calls on boards of directors to adopt ESG principles to enhance long-term value creation (Annesi et al., 2025). The World Economic Forum (WEF) also issued its own recommendations, urging company leadership to consider the interests of all human stakeholders by integrating ESG principles into corporate governance - a particularly emphasized point in the WEF 2020 recommendations (Annesi et al., 2025).

The European Union, in turn, introduced Directive 2014/95/EU, which obligates large public interest entities to disclose non-financial information, supported by EU recommendations 2017/C215/01 to ensure quality, relevance, and comparability of disclosed data (Manes-Rossi et al., 2018). The European Financial Reporting Advisory Group (EFRAG) subsequently focused on developing European recommendations regarding organizational impact on sustainable development within the ESG approach (Annesi et al., 2025). In the Asia-Pacific region, Singapore announced ambitious plans to become a regional hub for integrated reporting, while India mandated the first 500 listed companies to prepare integrated reports. China's Ministry of Finance approved the IIRC framework, and Malaysia's Securities Commission issued a new corporate governance code to promote integrated reporting implementation (Vitolla et al., 2018).

European legislative requirements also vary significantly: France, through the Grenelle II Act (2010), mandates companies with over 500 employees to include independently verified non-financial information in annual reports; the UK, via amendments to the Companies Act (2013), requires all public companies to prepare strategic reports containing risk information, business strategy, and social-environmental aspects; Germany, through German Standard Accounting 15, obligates disclosure of context, KPIs, risks, governance, and outlook. Northern countries have also implemented specific requirements: Sweden publishes annual reports of state-owned companies according to GRI principles, Norway requires information on social responsibility integration, Denmark reports on sustainability via the Financial Reporting Act (2008), and Finland mandates non-public state-owned companies to disclose CSR policies (Vitolla et al., 2018).

Implementation of integrated reporting varies significantly across regions, with Europe leading this process since 2002, followed by mandatory requirements in South Africa and India, while most other countries continue operating within voluntary frameworks. Asian countries such as Singapore and Malaysia have established specialized coordination committees to promote integrated reporting, whereas European nations have implemented specific legislative norms for non-financial information disclosure. Historically, Europe became the first region where integrated reporting found practical application in 2002, after the European Commission published its "EU Financial Reporting Strategy: The Way Forward" in 2000, which proposed including environmental and social aspects in annual reports. It was Danish pharmaceutical company Novozymes that released the first comprehensive integrated report that same year (Oprean-Stan et al., 2020). American companies joined this movement in 2008, while South African listed companies did so in 2010 (Chanatup et al., 2019).

In the Asia-Pacific region, Singapore established an Integrated Reporting Steering Committee (IRSC) under the Institute of Singapore Chartered Accountants (ISCA) in 2013, announcing ambitious plans to transform the country into a regional hub (Chanatup et al., 2019; Vitolla et al., 2018).

Malaysia followed a similar approach in 2014 by establishing an IRSC under the Malaysian Institute of Accountants (MIA), though integration remains incomplete due to limited connections between content elements, despite Top 30 Bursa Malaysia companies already disclosing some IR framework components (Chanatup et al., 2019). Malaysia's Securities Commission also issued a new corporate governance code to facilitate these processes (Vitolla et al., 2018). India mandated the first 500 listed companies to prepare integrated reports, which serves more as encouragement than strict compulsion (Sun & Gu, 2023; Vitolla et al., 2018). China's Ministry of Finance approved the IIRC framework and supports voluntary implementation of integrated reporting (Stone & Lodhia, 2019; Sun & Gu, 2023; Vitolla et al., 2018), while Japan demonstrates high levels of voluntary adoption among its companies (Dilling & Caykoylu, 2019; Sun & Gu, 2023). By 2021, Indonesia already had 40 organizations implementing integrated reporting, with projections for full transition from separate to integrated reporting (Saminem & Mohamad, 2022).

On the European continent, France, through the Grenelle II Act (2010), mandates companies with over 500 employees to include non-financial information in annual reports with mandatory independent verification. The UK, via amendments to the Companies Act (2013), requires public companies to prepare strategic reports containing risk information, business strategy, and social-environmental aspects. Germany, through German Standard Accounting 15, obligates disclosure of context, KPIs, risks, governance, and outlook. Northern countries have also implemented specific requirements: Sweden requires state-owned companies to publish annual reports according to GRI principles; Norway mandates large companies to provide information on social responsibility integration; Denmark, through the «Amendment to the Financial Reporting Act» (2008), requires sustainability reporting; Finland mandates non-public state-owned companies to disclose CSR policies (Vitolla et al., 2018).

Among all jurisdictions, South Africa stands alone globally since 2010 by having mandatory requirements for integrated reporting among listed companies, making it truly unique in this regard (Gerwanski et al., 2019; Sun & Gu, 2023). Meanwhile, other countries, even major economies like China, Japan, and most European nations, continue with voluntary implementation. In these cases, companies themselves drive the process rather than facing regulatory pressure (Caglio et al., 2020; Stone & Lodhia, 2019; Sun & Gu, 2023). Looking at emerging markets, Turkey has made notable progress in corporate governance. The country adopted International Accounting/Financial Reporting Standards (IAS/IFRS), introduced a new Turkish Commercial Code, and established the Borsa Istanbul Corporate Governance Index. These initiatives aim to create a transparent business environment that attracts investors (Uyar et al., 2017).

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Integrated reporting offers significant advantages, including improved capital allocation efficiency, enhanced stakeholder transparency, and better long-term value creation. Organizations experience reduced information asymmetry, stronger corporate governance practices, and more effective strategic decision-making through this holistic view of financial and non-financial performance drivers. The primary objective of integrated reporting is to improve information quality available to financial capital providers, thereby enabling more efficient and effective capital distribution (Iqbal et al., 2025). This capital allocation efficiency improvement occurs because integrated reporting aims to merge financial and non-financial information, develop integrated thinking, identify connections between them, enhance information quality, and identify material issues affecting business performance (Hurghis, 2017; Orshi et al., 2019).

Companies adopting integrated reporting gain enhanced transparency and reduced information asymmetry between organizations and investors, underscoring the need for quality disclosure that promotes transparency and optimizes capital allocation efficiency in developed markets (Iqbal et al., 2025). This transparency improvement stems from integrated reporting's ability to provide a more holistic view of organizational performance, one that goes beyond financial results to also incorporate environmental, social, and governance impacts (Dewi et al., 2024).

This approach creates substantial value-creation advantages, promoting a more holistic and efficient approach to corporate reporting. It leverages diverse reporting directions to communicate the full spectrum of factors that significantly influence companies' long-term value creation capabilities (Orshi et al., 2019). Organizations can better demonstrate how their strategies, operations, and governance practices contribute to sustainable value creation, ultimately potentially improving their financial performance over the long term (Dewi et al., 2024).

Governance actually delivers tangible benefits, better accountability and management across all types of capital: financial, operational, intellectual, human, social, and natural. The real value? It helps organizations see how these different pieces connect to each other (Orshi et al., 2019). Corporate governance isn't just a theoretical concept, it's crucial for reducing fraud risks, improving financial performance, and ensuring high-quality information. You need solid governance practices if you want sustainability to become part of how businesses actually operate (Al-Hachami & Mabrouk, 2024). This integration supports better decision-making and actions that create value, whether we're looking at the short, medium, or long term (Orshi et al., 2019).

Strategic advantages emerge through integrated reporting's role as a streamlined communication tool. It clearly defines how organizations' strategies, governance, performance, and prospects drive value creation, delivering information in a clearer, more concise, and user-friendly format than traditional financial reporting.

This approach actually enhances and integrates existing reporting frameworks and practices, driving evolution in corporate reporting systems. Meanwhile, it serves as crucial soft power, establishing itself as a universal standard for companies worldwide to assess their competitive edge (Siyuan & Jalila, 2024).

Integrating financial information fundamentally transforms strategic planning and decision-making. It actually clears away traditional gaps between operational activities and financial management, bridging what's often kept separate in regular business practices and financial oversight (Alshirah et al., 2021; Onodi et al., 2021; Yao & Qin, 2023).

This integration enhances data integrity and timeliness while supporting stronger corporate governance and more effective business risk prevention. In practice, it helps organizations see how daily operations connect to financial goals, making both sides work better together.

Strategic decision-making significantly benefits from incorporating financial perspectives into strategic thinking frameworks. This approach actually allows leadership to make their organizations more resilient and adaptable in dynamic environments. Companies can flexibly and confidently navigate uncertainties by integrating business purpose into financial strategies, ultimately preparing enterprises for long-term competitive advantage in dynamic markets (Prakash et al., 2024).

Corporate governance actually benefits significantly from implementing techniques that blend financial and non-financial information, performance measurement systems, strategic orientation, and value creation approaches (Correia & Lucena, 2021). In practice, developing comprehensive corporate index systems allows organizations to integrate strategic goals, financial plans, and post-implementation controls - creating integrated frameworks that evaluate business unit performance alongside financial results in relation to non-financial aspects (Burunova et al., 2015).

The connection between financing decisions and strategic management actually creates significant value through two key mechanisms: first, influencing investment decisions amid conflicts of interest between managers and financial stakeholders; second, shaping relationships with non-financial stakeholders like suppliers, competitors, and customers. This dynamic interaction among managers, financial stakeholders, and non-financial stakeholders directly impacts capital structure, corporate governance activities, and value creation processes (La Rocca et al., 2008).

Organizational governance of both internal and external information actually ensures sustainable financial stability through effective strategic planning, stakeholder engagement, sound financial decision-making, and workforce development (Vongpatchim et al., 2025). Integration becomes particularly significant for

implementing board decisions, strategic planning, and corporate governance management practices - ultimately enhancing information disclosure (Mwangi et al., 2024).

The foundation for effective strategic decision-making actually rests on accounting as a key building block of good corporate governance, efficient operations, and sound strategic decision-making. This approach brings together management, risk control, and competitive improvements. All made possible through enhanced financial-management accounting interfaces (Musa & Bandera, 2025). Meanwhile, analytical procedures serve as comprehensive tools that actually drive efficiency, transparency, and sustainable development. At the same time, they generate valuable information for strategic decision-making and business process improvements (Vakulchyk & Brayko, 2024).

The complexity of implementing integrated reporting actually increases when organizations need to meet numerous criteria around quantity, quality, cost and usefulness. All while following specific principles like strategic orientation and future focus, materiality and conciseness, completeness and reliability, sustainability and comparability, plus accountability and stakeholder engagement (Zhuravka et al., 2020). Each organization must choose its own system of structural elements and parameters based on specific activities and development stages. In practice, this creates real challenges when developing standardized approaches, since each company essentially needs to tailor the framework to its unique context.

Future directions in financial information integration actually point toward developing more robust internal control frameworks and risk management systems. The evolution of internal control frameworks with COSO's (Committee of Sponsoring Organizations of the Treadway Commission) framework serving as a prime example featuring five key components: control environment, risk assessment, control activities, information and communication, and monitoring creates a solid foundation for enhancing integration practices. These frameworks can actually enhance investment efficiency by reducing information asymmetry and alleviating funding constraints (Wei, 2023).

International landscapes demonstrate varied approaches between national and global experiences. National scientific frameworks generally perceive integrated reporting as a mechanism for creating additional business value, while international experience characterizes such reporting as the foundation for sustainability indicators (Prodanchuk et al., 2022). This discrepancy actually points to the need for greater conceptual alignment to achieve the goal of establishing a unified corporate reporting concept, one structured around strategic objectives, governance standards, and comprehensive representation of all types of capital.

Future development will likely focus on strengthening technological infrastructure and system integration capabilities. Particularly in areas like corporate governance, risk management, taxation, and strategic decision-making within multinational enterprises (Carmona et al., 2024). The integration of accrual accounting, international reporting standards such as IPSAS, and fiscal transparency frameworks will continue enhancing legitimacy and efficiency across both public and private sectors. Meanwhile, IFRS-aligned financial reporting is actually becoming the foundation of solid corporate governance, investor confidence, and market stability (Mitsi, 2025).

The ongoing evolution toward integrated reporting, as both a corporate governance tool and reporting mechanism that combines financial and non-financial performance, will actually require further innovations in coding corporate information logically. This approach needs to maintain strategic orientation, interconnectivity, future focus, stakeholder accountability, and comprehensive governance reporting (Suttipun, 2017).

Success in these implementations will depend on organizations' ability to provide broader explanations about corporate performance than traditional annual financial reports can offer. Meanwhile, they must simultaneously meet the changing needs of diverse stakeholder groups.

### **3. Methodology and research methods.**

This research has a review and theoretical character, employing analysis and synthesis methods regarding information available in literary sources on integrated reporting and its adaptation within the corporate sector. The primary approach combines systemic methodology with bibliographic and monographic research methods.

This methodological framework was selected to identify key trends, challenges, and development perspectives of integrated reporting (IR), alongside the need to assess its impact on corporate governance quality and corporate performance efficiency (based on literary sources).

The research process included these stages:

**Literature Search:** Utilization of scientific databases (Crossref, ResearchGate, Google Scholar, etc.) to identify relevant publications using keywords: "integrated reporting", "corporate reporting", "sustainable development", "corporate governance", "value creation".

**Literature Selection:** Evaluation of identified publications for topic alignment and research objectives. Selection was based on relevance, scientific significance, and source authority criteria.

**Information Analysis and Synthesis:** Critical analysis of selected publications to identify commonalities, differences, and most significant features. Synthesis to form a comprehensive understanding of the problem state and prospective solutions/future research directions.

Hypothesis Formulation: Based on literature analysis, core hypotheses were defined concerning integrated reporting's impact on corporate governance quality and operational efficiency.

Research limitations include dependence on available literature quality/potential subjective interpretation of results. To ensure reliability and objectivity, literature analysis employed comprehensive source evaluation criteria.

#### **4. Results.**

Literature analysis actually shows that integrated reporting (IR) has evolved from concept to practical corporate governance tool. A key development milestone was the IIRC's comprehensive framework launch in 2013. Research demonstrates that IR enhances transparency and reduces information asymmetry between companies and stakeholders.

Studies reveal that IR implementation can positively impact corporate governance quality and operational efficiency. Specifically, IR facilitates more effective strategic planning and decision-making through financial and non-financial information integration. It also enables more comprehensive company potential and risk assessment, even when incorporating sustainability factors.

However, IR adaptation varies across national contexts. While some countries (South Africa, India) mandate IR implementation, most others (including Asia-Pacific and European nations) maintain voluntary approaches. This creates challenges in comparing results and evaluating IR effectiveness across jurisdictions. Additionally, IR implementation involves obstacles like framework standardization needs, information system integration, and stakeholder coordination challenges. Some studies emphasize the importance of considering company-specific operational characteristics and development stages when designing IR implementation approaches.

Furthermore, IR implementation effectiveness depends on multiple factors, including board subjective characteristics, ownership structure, and internal control system quality. Technology development, such as cloud computing and big data, could significantly simplify information integration and analysis processes.

The next stage of our research involved conducting a SWOT analysis to critically assess Integrated Reporting (IR) as an evolving corporate governance framework (Table 1). This analytical exercise serves two key purposes: first, to systematically evaluate IR's inherent capabilities and limitations as documented in contemporary literature; and second, to examine how external market and regulatory forces may shape its practical implementation locally.

Particular attention is given to Ukraine's corporate context. Adoption of IR here presents both opportunities and challenges. Ukrainian companies are facing growing pressure from international investors and regulatory bodies to improve transparency and sustainability reporting. At the same time, many of them are facing issues with the practical aspects of implementing comprehensive reporting frameworks.

The SWOT framework was selected as it offers a balanced perspective on both the theoretical merits of IR and the practical considerations of its implementation in emerging market contexts. This approach allows us to move beyond abstract discussions of reporting frameworks to address the concrete operational realities faced by Ukrainian corporations seeking to enhance their governance and disclosure practices.

To better understand exactly what prevents companies from successfully implementing Integrated Reporting, a fishbone (Ishikawa) diagram (Figure 1) was created. While a SWOT analysis shows the general strengths and weaknesses of IR, this diagram helps us see the specific problems that underlie them.

The diagram (Figure 1) clearly shows how different factors - like poor communication with stakeholders, incompatible data systems, or unclear regulations - work together to create challenges. By organising these problems into categories (people, methods, technology, etc.), it was identified which issues need the most attention when companies try to use IR.

This analysis helps connect theoretical understanding of IR with practical solutions companies can use. It gives us a clearer picture of where organisations might struggle when implementing IR and what they need to focus on to make it work better.

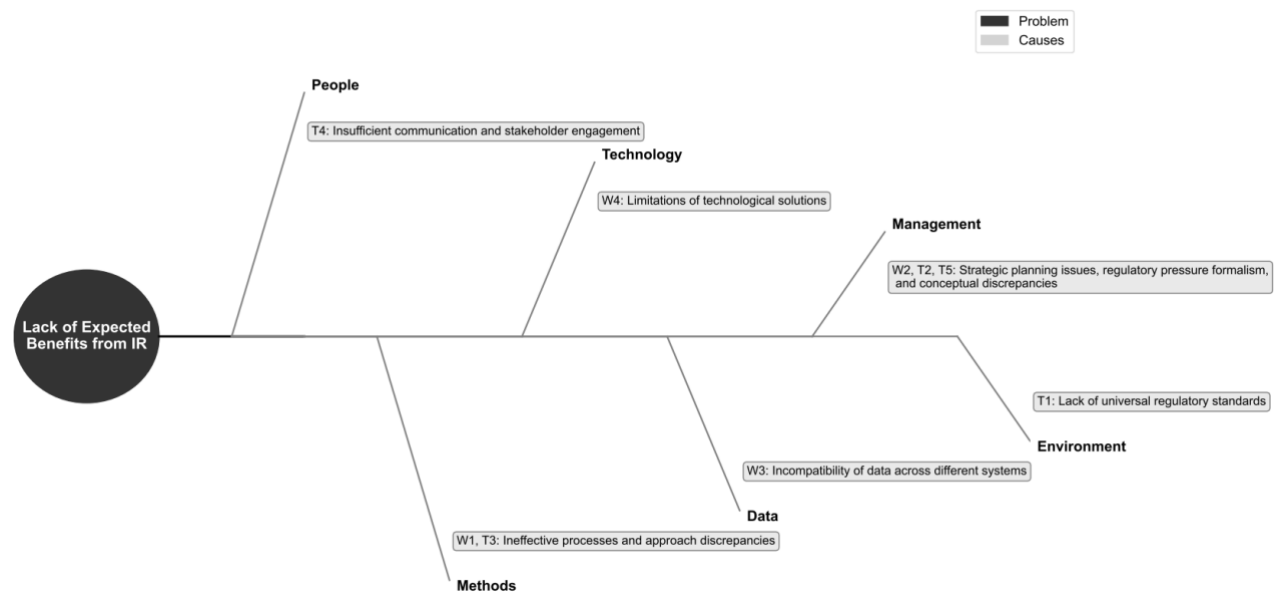
While implementing Integrated Reporting presents significant challenges, as our fishbone diagram clearly shows, the effort is essential for Ukrainian businesses seeking to rebuild and thrive in the post-war economic landscape. The diagram reveals that the main obstacles to effective IR implementation stem from six key areas: stakeholder engagement issues, process inefficiencies, technological limitations, data incompatibilities, strategic planning challenges, and regulatory inconsistencies.

However, overcoming these challenges is crucial for several reasons. First, proper IR implementation makes companies more transparent and attractive to investors - a particularly important consideration as Ukraine works to recover from the devastation of Russian aggression. With investment capital scarce in the current climate, companies that successfully adopt IR first will have a significant competitive advantage.

**Table 1.** SWOT Analysis: Integrated Reporting Implementation

Strengths (S)	Weaknesses (W)
S1: Provides holistic view of company activities (financial, strategy, sustainability, risks, opportunities) (Rambe & B. Mangara, 2016).	W1: High complexity due to multiple criteria (quality, cost, usefulness) and principles (strategic focus, materiality) (Zhuravka et al., 2020).
S2: Reflects interconnections between financial/non-financial drivers, promoting integrated thinking (Cooray et al., 2020).	W2: Tailoring framework to unique organizational contexts challenges standardization (Zhuravka et al., 2020).
S3: Utilizes six capitals (manufactured, financial, natural, intellectual, social/relationship, human) for value creation (Marrone, 2020).	W3: Incomplete integration due to disjointed content elements (Chanatup et al., 2019).
S4: Enhances transparency and reduces information asymmetry (Iqbal et al., 2025; Dewi et al., 2024).	W4: High resource/coordination costs for system integration and stakeholder management (Zhuravka et al., 2020).
S5: Strengthens corporate governance (accountability, fraud reduction, performance) (Al-Hachami & Mabrouk, 2024).	
S6: Bridges operational activities and financial management (Alshirah et al., 2021; Onodi et al., 2021; Yao & Qin, 2023).	
S7: Enables resilient, adaptable strategic decision-making (Prakash et al., 2024).	
Opportunities (O)	Threats (T)
O1: Growing global sustainability/ESG movement supported by UN, OECD, WEF (Annesi et al., 2025; Pargendler, M., 2020).	T1: Regional implementation inconsistencies (voluntary vs. mandatory frameworks) (Vitolla et al., 2018; Sun & Gu, 2023).
O2: Regulatory mandates (e.g., EU Directive 2014/95/EU, Grenelle II Act) (Manes-Rossi et al., 2018; Vitolla et al., 2018).	T2: Most countries use voluntary frameworks except South Africa/India (Caglio et al., 2020; Stone & Lodhia, 2019).
O3: Potential to become universal standard for competitive advantage (Siyuan & Jalila, 2024).	T3: Discrepancy between national (value creation) and international (sustainability) IR perceptions (Prodanchuk et al., 2022).
O4: Technological infrastructure advancements (Carmona et al., 2024).	T4: Meeting diverse stakeholder needs increases complexity (Suttipun, 2017).
O5: Integration with IFRS/IPSAS for legitimacy (Carmona et al., 2024; Mitsi, 2025).	T5: Conceptual alignment gaps hinder unified corporate reporting (Prodanchuk et al., 2022).

Source: compiled by the authors based on (Al-Hachami & Mabrouk, 2024; Alshirah et al., 2021; Annesi et al., 2025; Caglio et al., 2020; Carmona et al., 2024; Chanatup et al., 2019; Cooray et al., 2020; Dewi et al., 2024; Iqbal et al., 2025; Manes-Rossi et al., 2018; Marrone, 2020; Mitsi, 2025; Onodi et al., 2021; Pargendler, M. (2020); Prakash et al., 2024; Prodanchuk et al., 2022; Rambe & B. Mangara, 2016; Siyuan & Jalila, 2024; Stone & Lodhia, 2019; Sun & Gu, 2023; Suttipun, 2017; Vitolla et al., 2018; Yao & Qin, 2023; Zhuravka et al., 2020).



**Figure 1.** Fishbone/Ishikawa Diagram: Causes of Lack of Expected Benefits from Integrated Reporting (IR)  
 Source: developed by the authors based on Caglio et al., 2020; Chanatup et al., 2019; Prodanchuk et al., 2022; Suttipun, 2017; Sun & Gu, 2023; Vitolla et al., 2018; Zhuravka et al., 2020.

The diagram shows us exactly where to focus our efforts to make this transition successful. By addressing the specific issues in each category - whether it's improving stakeholder communication, upgrading technology systems, or aligning with international standards - Ukrainian businesses can position themselves as more reliable and attractive investment opportunities.

## 5. Discussion

For Ukraine, implementing integrated reporting actually takes on exceptionally special meaning at this juncture. This context involves massive destruction and substantial economic losses stemming from Russian aggression, and in these circumstances, integrated reporting could assume critical importance. It extends beyond mere attraction of investment or restoration of confidence in Ukrainian business enterprises, although those considerations remain pertinent. More fundamentally, it addresses the imperative of ensuring that recovery funds are applied with appropriate transparency - establishing visibility precisely where such transparency is most urgently required. The development of frameworks capable of accounting for specific warfare-related risks and environmental necessities rigorous justification and further elaboration to facilitate more effective strategic planning and management under conditions of heightened uncertainty.

Future research should focus on adapting international IR experience to Ukrainian realities, while also developing specific recommendations for Ukrainian companies regarding integration of sustainability and recovery issues into corporate governance and reporting systems. This would not only improve the financial stability of enterprises but would also contribute to the sustainable development of the Ukrainian economy overall.

## 6. Conclusions

Research actually highlights the positive impact of IR on corporate governance quality, strategic planning, and decision-making effectiveness. Beyond financial aspects, IR facilitates integrating sustainability considerations into company strategy and operations, enhancing both social responsibility and long-term viability.

Meanwhile, IR adaptation across national contexts shows significant variation. While countries like South Africa and India have made IR implementation mandatory, most Asia-Pacific and European nations continue with voluntary approaches. This complicates comparative analysis and effectiveness evaluation across jurisdictions. Additionally, IR implementation faces challenges related to standardization, information system integration, and stakeholder coordination. The success of IR adoption depends on such factors as governance quality, ownership structure, and technological readiness.

Overall, the literature's findings support the hypothesis that IR's positive influence on decision efficiency, company value, and investor capital. There is an evident growing recognition of IR's importance for sustainable development, enhanced transparency, and improved stakeholder engagement. And developing and refining integrated reporting thus represents a crucial step toward more effective and responsible corporate governance systems.

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**Інтегрована фінансова звітність: формування, глобальні аспекти, регіональні особливості та вплив на корпоративне управління**

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Завданням статті є аналіз основних тенденцій та викликів, пов'язаних із розвитком інтегрованої звітності, оцінка впливу такої звітності на якість корпоративного управління та ефективність діяльності компаній, а також виявлення перешкод, що можуть виникнути під час її впровадження. Дослідження має оглядовий та теоретичний характер. У ході його виконання використано метод аналізу та синтезу інформації, доступної у науковій літературі. Методологічна база цієї праці поєднує системний підхід з бібліографічними та монографічними методами дослідження. Внесок авторів у розв'язанні досліджуваної проблеми полягає в систематизації глобальних аспектів та регіональних особливостей формування інтегрованої звітності. Було виявлено, що впровадження інтегрованої звітності суттєво варіюється в національних контекстах. Аналіз підкреслює конкретні законодавчі відмінності: у Франції через Закон Гренель II зобов'язують включати верифіковану нефінансову інформацію, тоді як у Великобританії через поправки до Companies Act вимагається готувати стратегічні звіти, що містять дані про ризики та соціально-екологічні аспекти. Водночас такі країни, як Малайзія та Сінгапур, створили спеціалізовані координаційні комітети для сприяння переходу на інтегровану звітність, хоча інтеграція залишається неповною. Наукова новизна дослідження полягає в обґрунтуванні позитивного впливу інтегрованої звітності на якість корпоративного управління та стратегічне планування. Результати аналізу наукової літератури підтверджують гіпотезу про те, що інтегрована звітність підвищує ефективність ухвалення рішень та сприяє зростанню вартості компанії та залученню інвестиційного капіталу. Практична значущість результатів полягає у розробці напрямків адаптації міжнародного досвіду до українських реалій. Зокрема, впровадження інтегрованої звітності набуває особливого значення у контексті масштабних руйнувань та економічних втрат, спричинених агресією РФ. У цьому контексті інтегрована звітність виступає не лише як інструмент залучення інвестицій, але і як механізм забезпечення прозорого використання відновлювальних фондів. Отримані результати дозволяють розробити практичні рекомендації щодо вдосконалення використання цієї практики в Україні, урахувавши специфічні ризики в умовах війни та екологічні наслідки.

**Ключові слова:** ефективність розподілу капіталу, джерела фінансового капіталу, фінансова ефективність, фінансова звітність, довіра інвесторів, ризик-менеджмент, стратегічне фінансове планування, показники оцінки, сталий розвиток, український контекст.