Integrated Reporting Framework Application: A European Case Study in the Financial Sector

Adriana TIRON-TUDOR

Babes-Bolyai University, Faculty of Economics and Business Administration, Cluj-Napoca, Romania

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Octavian JULA

Babes-Bolyai University, Faculty of Economics and Business Administration, Cluj-Napoca, Romania

Diana Lavinia MARTIN

Babes-Bolyai University, Faculty of Economics and Business Administration, Cluj-Napoca, Romania

Gianluca ZANELATO

Babes-Bolyai University, Faculty of Economics and Business Administration, Cluj-Napoca, Romania

Abstract: *The ongoing academic debate about Integrated Reporting (IR) outlines that a particular interest shall be accorded to the financial sector organizations. Furthermore, previous researches in the field of an IR demonstrates the need of further research in the developing the actual knowledge of the advancement and implementation of IR and how are companies applying the guiding principles given by the framework. Therefore, this research aims to analyze to what extent European Union financial sector organization are following the IIRF guidance. Using a sample of 140 annual reports, a manual content analysis has been employed to identify the compliance evolution of financial sector organizations towards the IIRF contents elements, for the period 2013-2017. Results reveals the attention given by financial organisations, toward the “Organisational Overview”, “Risks & Opportunities” and “Business Model” content elements of IR. While the categories that remain unforeseen are “Performance & Outcomes”, “Other Elements” but the problematical category is “Future Outlook” with the lowest disclosure degree.*

Keywords: reporting, integrated approach, integrated reporting, IIRF.

Introduction

In the context of corporate reporting, voluntary disclosure can be considered as a manner to influence stakeholder’s perception (Milgrom, 1986) as well as a manner to maintain “...legitimacy of a business organisation within a business and investment climate characterised by an increasing interest in social and environmental impacts of economic activity” (Brammer& Pavelin, 2006; p. 1169).

It is the case of financial services organisations which are considered to be extremely relevant as their services are indispensable to societies (WEF, 2013) and as are playing an important role in allocating resources among different sectors of the economy (Jeucken, 2010). Unfortunately, after the 2008 financial crises, there has been a loss of confidence by the civil society toward financial organizations, as they failed to attend the society’s development, through their business activity (Krasodomska, 2015). According to Acharya & Richardson (2009), the financial market’s proper functioning requires information, reporting and disclosure toward markets operators, regulators and supervisors. Information required for the proper functioning can be provided by financial

sector organizations through the release of non-financial reports. In this vein, financial sector organizations have been voluntarily embracing the Integrated Reporting (IR) movement, since its very beginning, in 2011. In particular, after the release of the official International Integrated Reporting Framework (IIRF) in 2013, financial organizations have been a constant presence in the official database of the International Integrated Reporting Council. According to Wild & van Staden (2013), in 2013, 21% of worldwide IR adopters were belonged to the financial sector. Whilst, according to Lodhia (2015) “banks do not have massive environmental impacts, their social and ethical responsibilities are extensive, especially through their lending practices and therefore, their involvement in integrated reporting is essential” (p. 32).

Considered to be the evolution of the voluntary Sustainability Report (SR) (Mio, 2016), IR “is a concise communication about how an organization’s strategy, governance, performance and prospects, in the context of its external environment, lead to the creation of value over the short, medium and long term” (IIRC, 2013; p.7).

The ongoing debate about IR demonstrate the need of further research in the developing the actual knowledge of the advancement and implementation about IR and how are companies applying the guiding principles given by the framework (Cheng et al., 2014). In particular, Dumay et al. (2016) argue that there are not sufficient studies reviewing the practice of IR.

In this perspective, the present paper aims to analyse to what extent European Union (EU) financial sector organization have is following the IIRF guidance since the release of the framework (2013) to the latest available in 2017. We motivate the decision of limiting the present research to EU’s financial sector organization, as the EU has been facing its first wave of regulation of non-financial information through the European Directive 2014/95/EU coming into effect from 2017 onwards, therefore an increasing in disclosure levels should be expected. Moreover, the focus on the financial sector is motivated by the significant impact on social development and the environment given by such institutions (Buys & van Niekerk, 2014).

This paper brings different contributions to the state of the art as it responds to the ongoing debate about the use of the IR, as well as, adding to the actual knowledge of IR issuers an improved list of reporters using the IIRF.

First of all, it outlines the compliance level by European financial sector organization through the employment of a checklist of 31 items for all the content elements required by the IIRF, which can be consider a deeper analysis from a previous similar research at the European level (Sofian & Dumitru, 2017). As the present contribution investigate a different section of the IR international database, providing a wider picture of financial institutions close to the IR movement.

The research paper unfold as follows: the second section provide a review of the relevant literature about the financial sector organizations need of disclosure, few references about the IR movement and previous studies regarding SR and IR compliance in other fields and into the same sector. The third section presents the theoretical framework under which this study has been developed, fourth section presents the population composition of the study and the methodology employed for the research. Section five presents the results of the analysis and discussions. The final section presents concluding remarks, limitations and future research direction for the present study.

State of the art

Financial sector organizations represent the largest industry according to market capitalization (Sofian & Dumitru, 2017), in the same time are relevant organisation as

these provide important services for the development of societies (Jeucken, 2010; WEF, 2013).

According to Krasodomska (2015) the financial sector unlike others implicates a large and heterogeneous public and after the 2008 crises, due to the loss of confidence by civil society toward similar organizations as they failed to deliver communities growth through their activities. In order to, regain credibility financial sector appeared to embrace the wave of CSR reports with the extent to improve their accountability and the transparency (Lentner et al, 2015). Still, the adoption of corporate reporting has been higher in industrial sectors rather than financial sector (Kolk, 2003).

Acharya & Richardson (2009), arguing about the causes of the financial crises, consider that the financial market's proper functioning requires information, reporting and disclosure toward markets operators, regulators and supervisors. In this perspective Eccles & Krusz (2010) outlined the increased number of appearances of the term "non-financial information" beginning from 2006 to 2008.

Long before the above-mentioned crises, the academic debate has been focusing on the factors influencing voluntary disclosure by companies (Verrecchia, 1983; Trueman, 1997; Hughes & Sankar, 1997; and Evans and Sridhar, 2002) and arguing whether the disclosure of information can be manipulated to influence stakeholder's decisions (Milgrom, 1986). Furthermore, scholars have been arguing about the increasing demand of social and environmental information required by stakeholders (Neu et al., 1998), moving the debate about stakeholders' requirements forward as corporate reporting became more complex (de Villiers et al., 2014; Huguen et al., 2014).

In this vein, SR became a useful tool for companies to report toward stakeholder's organizations challenges and issues about relevant aspects of their activities (Buys & van Niekerk, 2014). Recently, companies have been embracing the IR movement since its beginning, it is considered to be the evolution of the SR (Mio, 2016) the new reporting trend intends to bring together financial and non-financial information of the organizations (Eccles & Saltzman, 2011). Through a concise report, organizations shall communicate their strategy, governance, performance and outcomes, and how issuers are creating value in the short, medium and long term (IIRC, 2013).

The ongoing debate on the use of the IR, presents some deficiencies as according to Cheng et al. (2014) outlining the concept of IR and issues that have been debated until the time of his writing, he observed the needed of further studies in order to understand the implementation of IR. Additionally, de Villiers et al. (2014) consider being "crucial to continue to closely monitor the state of implementation of integrated reporting to develop a deeper understanding" (p.23).

To this extent, scholars have been studying the compliance of IR adopters in different regions. In particular, Marx & Mohammadali Haji (2014) performed a compliance study on 40 South African enterprises, ranked by market capitalization, through the use of content analysis; authors developed a checklist based on six categories. Their results demonstrate a heterogeneous situation which varies "from excellent to poor" (Marx & Mohammadali Haji, 2014; p. 244).

Moreover, Setia et al. (2015) analyzed whether 25 JSE listed organizations were preparing their report in accordance with KING III (2009), which is the first national regulation through which the Johannesburg Stock Exchange made mandatory to the listed companies the adoption of the predecessor of Integrated Reporting beginning in 2010 (Solomon & Maroun, 2012). Setia et al.' (2015) research has been performed through the employment of content analysis per two years 2009/2010 and 2011/2012, as these are the years before and after the adoption of the KING III. The results of the research

demonstrate significantly higher after the adoption of the regulation. In particular, highest increasing had been outlined in the case of organizations with results below average before the adoption of KING III.

Furthermore, a compliance study based on a global sample of 58 companies, participants to the IR Pilot Programme, outlines that at the beginning stage of IR adoption just few organizations were covering more than three principles while the rest was covering two principles out of five (Wild and van Staden, 2013).

In addition, a further research based on the IR Pilot Programme participant as at 2011, with a population of 91 companies from different countries and sectors, Rivera-Arrubla et al. (2017) outlines that the highest disclosure results have been obtained by organizations from South-Africa, Brazil and Netherlands (countries with relevant governance codes and in particular South-Africa with KING III), worst results belong to companies coming from countries with a long tradition of financial information disclosure like USA and UK.

Moreover, Kilic&Kuzey (2018) identified the level of adoption of IR in Turkey. In this case, the research, based on a sample of the 100 biggest organization, by market capitalization, from the BIST (Istanbul Stock Exchange), outlines the current situation of corporate reporting in Turkey based on the content elements of the IIRF. The outcome of the study demonstrates, that in Turkey, companies are merely disclosing specific risks of their activities whilst are not reporting specific risks of their activity. Additionally, authors outline the positive association between the IR disclosure with the SR (Kilic&Kuzey, 2018).

Pistoni et al. (2018) investigated the IR quality of 116 integrated issued by 58 international organisations, included in the “Getting Started” section of the IR international database, over 2 years, 2013-2014. Results from their research outline a low quality in IR and the quality does not significantly increase over the analysed period. Their findings are consistent with previous studies and, albeit, their research focuses on the first two years since the apparition of the IIRF, authors consider the “whole application of the IR model is still far away” (Pistoni et al., 2018; p.504).

Despite the relevance of the financial services, previously outlined, contributions about financial sector organizations reporting have hardly been observed. However, financial institutions are not new to the realm of non-financial corporate reporting. Examples are available in the literature that confirms the financial sector organisations interest for Corporate Social Responsibility and SR.

In this vein, Araya et al. (2014) with an exploratory analysis of the European cooperative banks, analysed a sample of 8 European organizations demonstrating the low level of adoption by cooperative banks, outlining the Spanish-s financial organisations commitment toward the sustainability and in particular, authors, highlight the higher level of social information provided by cooperative banks. Whilst, Matuszak&Rozanska (2017) analysed the ongoing status of CSR reporting in the case of Polish banks listed on the Warsaw Stock Exchange. Findings demonstrate the preference of the analysed sample for annual reports rather than CSR report. Also, Polish banks disclose more information regarding community, environment, labour practices, while are not disclosing enough info about human rights and fight against corruption (Matuszak&Rozanska, 2017).

In the case of IR, Lodhia (2015) investigated the adoption process of an Australian corporate owned bank suggesting the need of organizational structures and operations “to be e aligned with strategic goals and designed to enable integrated thinking” (p. 34).

Still, few researches have been dedicated to the financial services company’s compliance toward the IIRF or SR.

Accordingly, a compliance study has been performed Buys & van Niekerk (2014) on the IR of 40 JSE organization involved in the financial service industry, for the period 2012-2013, analysing whether or not these organizations are applying Global Reporting Initiative (GRI) guidelines. Results of the study express a successful implementation of GRI “as a means of demonstrating maximum transparency and accountability” (p. 113).

Moreover, a longitudinal study about the information disclosure in the case of Singapore’s banking, food & beverages and hotel industries for a period of ten years, outlines the low disclosure level on social information for the analysed banking organizations (Tsang, 1998).

According to the author best knowledge, today research on the use of the IIRF in the case of financial sector organizations have been implemented also in the case of the European Union. As, Sofian & Dumitru (2017), investigated a sample of 8 European financial organizations related to the year 2015, grounding their research on a checklist of seven categories. Their results demonstrate a different level of disclosure. Companies member of the IIRC pilot programme obtain higher results, as according to their checklist Generali ranked first followed by other members of the pilot programme (Sofian & Dumitru, 2017).

Another contribution concerning a European financial organisation, demonstrate that the at least in the case disclosure of sustainability information is more likely to be found in the SR, rather than the IR. But, according to the authors of the mentioned research the analysed reports are done in respect to the recommendation of the guidelines settlers (Tiron-Tudor et. al, 2019)

Theoretical framework

Even though, IR has been conceived, according to the IIRF, to improve the quality of information to financial capital providers (IIRC, 2013), the same framework aims to “benefit all stakeholders interested in an organisation’s ability to create value over time...” (p. 4). To date the IR’s adoption, remain on a voluntary base, but in the case of financial sector organisation the voluntary disclosure gains a crucial importance as according to Branco & Rodriguez (2006) financial sector organisations have “a high visibility and are expected to exhibit greater concern to improve the corporate image as this is susceptible of influencing sales and may be considered more likely to make social responsibility disclosure” (p. 237).

In particular, in the case of these organisations the existence of a social contract (Guthrie, 2006) between the organization and the environment in which it operates is essential; therefore, this sets the ground for the existence of legitimacy theory.

“Legitimacy provides a linkage between the organizational and societal level of analysis. Legitimacy and social norms and values constrain the actions taken by individual organizations” (Pfeffer & Dowling, 1975; p. 131).

According to Linblom (1994), legitimacy is “a status, which exists when an entities value system is congruent with the value system of the larger social system of which the entity is a part. When a disparity, actual or potential, exists between the two value systems, there is a threat to the entities’ legitimacy”.

In this context, due to the financial crises is possible to state that these entities are trying to recover from the image damage suffered, through the employment of such report in order to modify the perception of their stakeholder as proposed by Lindblom (1994). The four strategies proposed by the author with which companies can gain legitimacy in their environment; at first organizations should try to keep up to date information regarding performances and activities for its stakeholder; then, influencing

their perceptions without changing their behaviour. As a third move, companies can try to manipulate stakeholder's perception moving their attention toward favourable facts; fourth organizations can try to shape and influence the external expectations of its performance (Guthrie et al., 2006).

An example of the above mentioned strategy is provided by case study performed by Casonato et al. (2019) in which authors outline the intention of an Australian financial institution to regain trust and legitimacy through the adoption of different reports, including IR, after a scandal in 2004.

Methodology

Sample Composition

The sample required for the present research has been gathered from the IIRC database under the section of IR Reporters, which presents an exhaustive situation of reporters. The European financial sector attracted the interest of Sofian & Dumitru (2017), which proposed a compliance analysis based on both the guiding principles and the content elements mentioned in the IIRF. For a sample composed by eight listed financial organisations coming from the IIRC examples database, they performed a content analysis of the IRs of 2015.

Our study, sets its ground on the same sector, but we propose a different approach in order to obtain the final sample of organizations, with the extent to have a wider picture of the actual disclosure provided by European financial sector organisations. In order to have a comprehensive overview about the IR issuers in the financial sector we divided the sample gathering in two steps: a first row of organization has been added based on the official documents, publicly available on the internet, given by the IIRC named "*IIRC Pilot Programme Business Network*" for 2013 and 2014 and through the official web sites the presence of further IR has been checked. Nonetheless, organizations from the "IR Reporters" section of the official database of the IIRC, have been analysed in order to establish the sector of belongings through the employment of the international database: Thomson Reuters EIKON.

To this extent, the results of our two steps sample collection lead to a sample composed by 7 organisations member of the Pilot Programme and 21 companies that embraced the IR journey even though they were not member of the IIRC Programme.

Moreover, a manual analysis of the official websites of the organizations has been carried out with the extent to detect whether organizations were issuing IR, Annual Report, Annual Review before being included in the IIRC lists. In both steps of sample gathering, organization belonging to "*Banking*", "*Insurance*", "*Financial Services*" have been considered part of the financial sector, as done by other scholars (Sofian & Dumitru, 2017; Manes-Rossi et al., 2018). IR, Annual Report, Annual Review are further downloaded from the official sites of the organization for the recognized available years.

Analysis

Manual Content analysis has been employed to identify the compliance evolution of financial sector organizations towards the IIRF. It is "a research technique for making replicable and valid inferences from texts (or other meaningful matter) to the contexts of their use" (Krippendorff, 1980; p. 18), research method uses a set of procedures to make valid inferences from text (Weber, 1990), respectively codifying text into various categories and can be used where a great amount of qualitative information needs to be analysed (Linsley & Shrives, 2006). This method has already been used in disclosure studies (Greiling et al., 2015; Setia et al., 2015; Venturelli, 2017; Dumitru, 2017).

More specifically, the present study grounds its checklist (see Appendix 1) on the framework proposed by Zhou et al. (2017), as it covers all the content foreseen by the framework proposed by the IIRC. In addition to the framework proposed by Zhou et al. (2017) this research outlines whether organization are mentioning or not the application of the IIRF in their reports, this with the extent to strength the actual knowledge of IR reporters and, also, the number of pages in order to measure how the “conciseness” principle is understood by the analyzed organizations.

In order to assess the disclosure level of the reports, grounded on the checklist mentioned above, a dichotomous coding system has been employed, where the presence of the element has been recognized through the attribution of (1) and (0) when the absence of the element have been recognized (Greiling et al., 2015; Setia et al., 2015; Guse et al., 2016; Venturelli, 2017; Manes-Rossi et al., 2018).

In this vein, the International Integrated Reporting Compliance Index (IIRF_CI) has been composed as follows:

$$IIRFCI = \sum_{j=1}^m \frac{\overline{IIRFCI_j}}{m}$$

Where, $\sum_{j=1}^m \frac{CI_j}{m}$ is the sum of the content emerged from the analyzed reports according to the Zhou et al. (2017) categories, m is the maximum number of categories (8) and $\overline{IIRFCI_j}$ is the average per category obtained as follows:

$$\overline{IIRFCI_j} = \sum_{i=1}^{n_j} \frac{d_{ij}}{n_j}$$

Where, $\sum_{i=1}^{n_j} \frac{d_{ij}}{n_j}$ is the average of the elements per each content in each category analysed (e.g. “Business Overview” has five elements).

Further, all the 140 reports have been analysed, the data were collected, with the extent to pursue the objective of the present investigation, by three researchers than the results were discussed and have been given.

Results & discussions

The sample of reporters is composed as presented in table 1, being composed by 140 analysed reports for the period investigated.

Table 1: Sample Presentation

Country	2013	2014	2015	2016	2017	Total
Austria	1	1	1	1	1	5
France	2	2	2	2	1	9
Germany	1	1	1	1	1	5
Italy	6	6	6	6	5	29
Netherlands	8	8	8	8	8	40
Spain	3	3	3	3	2	14
Sweden	2	2	3	3	3	13
UK	5	5	5	5	5	25
Total	28	28	29	29	26	140

Source: Authors' own processing.

Concerning the composition of the sample, the initial number of organisations which are presenting IR for 2013 remains the same in 2014 and to them are added in 2015 another Swedish company, being the same until 2016. But, in 2017 3 companies

have abandoned the journey of IR and did not published any other comparable report. According to our analysis, the number of IIRF adopters has been increasing constantly until 2016.

Moreover, the analysis aimed to outline the mention of adoption of the IIRF in their reports (IR; Annual Report, Annual Review) by financial sector organisations (table 2).

Table 2: IIRF Mentions

Country	2013	2014	2015	2016	2017
Austria	0	0	1	0	0
France	0	0	1	1	1
Germany	0	0	0	0	0
Italy	3	4	4	6	4
Netherlands	1	3	4	6	6
Spain	0	0	0	1	1
Sweden	1	1	3	2	2
UK	0	0	0	0	0
N. Of IIRF Mentions	5	8	13	16	14

Source: Authors' own processing.

By delineating the number of IIRF adopters, the present contribution demonstrates a significant different number of organisations which are embracing the IR journey in comparison to the list proposed by the official database (examples.integratedreporting.org) under the section "Recognized Reports", which is significantly higher than the number of organisations presented in the database.

Table 3 presents the average report's length evolution

Table 3: Report's Length

Year	2013	2014	2015	2016	2017
Average	303	274	267	270	216

Source: Authors' own processing.

Our conciseness analysis presents a positive trend toward the recommended length of 204 pages (Enslin et al. 2015; KPMG; 2015). We agree with Motecalvo et al. (2018) about the adoption of IR reducing the length of the reports. On the other hand, we confirm the idea of Stubbs & Higgings (2018) that consider reports still too long and complex. Considerably similar to PwC (2016) 200 pages are still too long.

Moving toward the core of the present research, the compliance analysis demonstrates an increasing observance toward the framework. The following table presents the compliance results as an average on the analysed categories as well as the results obtained by each category.

Table 4: Compliance Average Results

Elements	2013	2014	2015	2016	2017	Average
Organisational Overview	0.71	0.81	0.87	0.86	0.83	0.82
Governance	0.46	0.64	0.73	0.75	0.67	0.65
Risks & Opportunities	0.63	0.64	0.69	0.84	0.87	0.73
Strategy and Resource Allocation	0.34	0.51	0.56	0.72	0.64	0.55
Business Model	0.29	0.38	0.55	0.75	0.77	0.55
Performance & Outcomes	0.23	0.43	0.55	0.57	0.53	0.46
Future Outlook	0.35	0.40	0.47	0.52	0.44	0.44
Other Elements	0.38	0.58	0.53	0.46	0.50	0.49
IIRF_CI	0.42	0.55	0.62	0.62	0.68	0.67

Source: Authors' own processing.

As presented in table 4, there is a constant increasing toward the IIRF_CI until 2017 where there is a difference of 0,01. The below exposed chart presents the average level of compliance (columns) as well as the score evolution per each category (lines).

Source: Authors' own processing.

The evidences provided both, in table 3 and chart 1 demonstrate particular attention, given by financial organisations, toward the “Organisational Overview”, “Risks & Opportunities” and “Business Model”. While the categories that remain unforeseen are “Performance & Outcomes”, “Other Elements” but the problematical category is “Future Outlook”.

Beginning from 2013, we confirm previous research findings where on a worldwide sample, for the first-year adoption of the IIRF, scholars suggests that companies adopting IR are still in its infancy, as these organizations address two or three contents (Wild & van Staden, 2013). As, in our case the average compliance index, for the first year, 2013, is below 0,5.

Moreover, in comparison to the results obtained by Marx & Mohammadali Haji (2014) our findings for the same year, demonstrate a similar level of disclosure for the *Organizational Overview*, *Governance* and *Future Outlook* contents. While, for the remaining contents we observed a significant lower level of compliance, due to the mandatory corporate governance KING III in the JSE, where the sample has been gathered. To this extent, Rivera-Arubla et al. (2017) confirm the higher compliance rate from South-African companies.

While, Setia et al. (2015) outline an increasing rate of compliance from the year before the adoption of KING III as “disclosures are under increased scrutiny via regulated disclosure requirements” (p.417).

Still, the above-mentioned examples, present a major issue as they are organisation headquartered in South-Africa, where through the adoption of the stock

exchange regulation KING III IR become mandatory for listed companies and other organisations.

Comparing our results with other disclosure studies focused on the European Union area for the year 2016, we obtain lower results in comparison to Manes-Rossi et al (2018). As, our findings are lower in similar categories but higher on the *Business Model* content. Also, we obtained higher results than Venturelli et al. (2017) for the Italian section of the sample analysed, in the case of *Business Model*.

Moreover, our results are similar for the year 2013 and 2014 are similar to Pistoni et. al (2018) in particular in the case of the future outlook category, financial sector organisations were not able to disclose sufficient elements on their future, which has also been founded in a research on the Turkish stock exchange (Kılıç and Kuzey, 2018).

According to the compliance results, is possible to consider that European financial institutions are acting in compliance with social norms and consolidate values to meet stakeholder's expectation and (re)gain legitimacy (Setia et al., 2015).

Noteworthy to mention are the favourite categories of disclosure by financial organisations, "Organisational Overview", "Risk & Opportunities" and "Business Model" as these three content demonstrate to the reader why the organisations exist, how is creating value to the society and what risks can affect the activity of the organisation as well as opportunities for future developments. Therefore, through a higher attention given by these organisations toward these three particular content we consider that financial sector entities are trying to strength their legitimacy toward stakeholder which has seen a decreasing by the civil society (Krasodomska, 2015).

Conclusion

Financial sector needs of non-financial information (Acharya & Richardson, 2009), the need to regain trustworthiness (Krasodomska, 2015) and the EU Directive on non-financial information for organizations of public interest are drivers of the increasing rate of IR adopters and compliance toward the framework, as organizations are seeking and trying to keep approval from their communities in order to meet their requirement of information.

Our study, demonstrate a deep understanding of some relevant categories proving a great quantity of information where others are still at an embryonal phase. Therefore, the path toward more complete IR is still at the beginning. Once organisations will fully understand the IIRF there will be better and more concise reports.

The present study, add to the state of the art a small contribution in the still open debates about how organisations are using the IIRF (Cheng et al, 2014; de Villiers et al., 2014; Dumay, 2016). Furthermore, our investigation brings a deeper investigation on the European financial sector from the one proposed by Sofian & Dumitru (2017). To this extent, our research presents a practical implication demonstrating to the IIRC how many organisations are mentioning the use of the IIRF in their report.

One of the limitations of our study relies in the scoring approach and in the merely compliance analysis which does not take into consideration other factors driver of disclosure.

To this extent, further studies are recommended to understand the quality of information disclosed in the IR, as well as studies investigating reason and factors influencing the level of disclosure.

Appendix 1

Organizational overview and operating context	Reporting boundary
	Mission and value
	Business Overview
	Operational Context
	Summary Statistics
Governance	Governance Structure
	Governance Strategy
	Remuneration and Performance
	Governance and Others
Risks Opportunities	Risks
	Opportunities
Strategy and Resource Allocation	Strategic Objectives
	Links Between strategy and Other Elements
	Competitive Advantage
	Stakeholder Consultations
Business Model	Business Model Description
	Links between Business Model and Others
	Stakeholder Dependencies
Performance and Outcomes	KPIs against Strategy
	Explanation of KPIs
	Stakeholder Relationship
	Past, Current, and Future Performance
	Financial Implications of Other Capitals
	Supply Chain Performance
Future Outlook	The quality of Quantitative Indicators
	Anticipated Changes
	Potential Changes
	Estimates
Other Elements	Conciseness and Link
	Materiality Determination Process
	The Board Sign-Off

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