The Relation between Integrated Reporting Disclosure and Value Creation: Evidence from Egyptian listed Companies

By

Dr. Gihane Magdi Mohamed Kamal Gazia

Lecturer of Accounting

Faculty of Commerce, Tanta University, Tanta, Egypt

gehan73gazia@gmail.com

Abdellatif Hussein Abogazia

Assistant Lecturer of Accounting

Faculty of Commerce, Kafrelsheikh University, Kafr el-Sheikh, Egypt

abdellatifhussin@gmail.com

Dr. Abdou Ahmed Ettish

Lecturer of Accounting

Faculty of Commerce, Kafrelsheikh University, Kafr el-Sheikh, Egypt

ab_sh_er@com.kfs.edu.eg

Scientific Journal for Financial and Commercial Studies and Research (SJFCSR)

Faculty of Commerce – Damietta University

Vol.6, No.1, Part 1., January 2025

APA Citation:

Gazia, G. M. M. K.; **Abogazia,** A. H. and **Ettish,** A. A. (2025) The Relation between Integrated Reporting Disclosure and Value Creation: Evidence from Egyptian listed Companies, ***Scientific Journal for Financial and Commercial Studies and Research,*** Faculty of Commerce, Damietta University, 6(1)1, 295-324.

Website: https://cfdj.journals.ekb.eg/

The Relation between Integrated Reporting Disclosure and Value Creation: Evidence from Egyptian listed Companies

Dr. Gihane Magdi Gazia; Abdellatif Hussien Abogaziz and Dr. Abdou Ahmed Ettish

Abstract:

Traditional corporate reporting methods are become inadequate in addressing the diverse informational needs of stakeholders. There is an increasing need for enhanced transparency and disclosure which contain both quantitative and qualitative data to evaluate companies' success in meeting their social and economic objectives. While integrated reporting (IR) has gained traction as a globally endorsed practice for corporate disclosure in numerous markets, recent research underscores its nascent adoption in developing nations. Thus, this investigation delves into the extent of IR disclosure within Egyptian-listed companies and probes its correlation with value creation for these entities. Employing panel regression analysis on a sample comprising 25 Egyptian listed companies, specifically those within the EGX100, spanning a five-year period (2017–2021), this study utilizes a content analysis to measure IR disclosure levels, Tobin’s Q is used as a measurement for the company value. The results show a noteworthy positive relation between IR disclosure levels and company value, indicating that such disclosure yields benefit across both mandatory and voluntary reporting environments, with a more pronounced impact observed in mandatory regimes. This study has a contribution to the literature by furnishing empirical insights from a developing market and implement a comprehensive disclosure index to measure the level of IR. Practical implications include advocating for policymakers and regulators in Egypt to enforce mandatory IR requirements, and it offers valuable insights for managers, auditors, and analysts, in guiding financial decision-making based on annual reports.

Keywords: Integrated reporting (IR), Value creation, Stakeholder theory

1. Introduction

Financial accounting serves as an information system designed to generate and disseminate data to stakeholders, facilitating informed decision-making aligned with their interests. This information primarily pertains to financial matters and is subject to qualitative characteristics (Dilling & Caykoylu, 2019). However, the evolving business landscape and escalating demands from stakeholders for non-financial insights (Tlili et al., 2019) have rendered the traditional statements and reports generated by the accounting information system inadequate in portraying the comprehensive financial and operational performance of many companies (Bijlmakers, 2018; Soriya & Rastogi, 2023; Tlili et al., 2019). As noted by Bernardi & Stark (2015), financial information fails to fully address stakeholders' needs, as it solely captures aspects of business activities while overlooking those pertaining to environmental and social dimensions of organizations.

As current financial reports fail to adequately capture the multifaceted value of firms, there arises a pressing need for enhancing the transparency that encompassing both quantitative and qualitative data related to corporate governance, risk management, and social performance. That is consider essential for evaluating organizations' efficacy in attaining both economic and social objectives (Singh et al., 2017). The development of a novel reporting framework by organizations, integrating financial and non-financial information into a one and single report, becomes imperative to enable firms to gauge their sustainability endeavors (Kılıç & Kuzey, 2018). In response to this demand, various and many types of reports, like corporate social responsibility (CSR) and sustainability reports, have emerged as mechanisms to support sustainable strategies (Mohamed & Rashed, 2021).

In recent times, numerous economic entities have recognized the importance of striking a harmonious balance among economic, social, and environmental objectives. There has been a growing global acknowledgment that the prevailing development paradigm is unsustainable, with financial reports failing to offer comprehensive insights into environmental and social dimensions (Adams et al., 2011). Consequently, these entities have endeavored to adopt a new model aimed at reconciling sustainability imperatives (Appiagyei & Donkor, 2024), particularly following criticisms leveled against certain companies for disregarding stakeholders' concerns regarding social and environmental facets (Freeman & Dmytriyev, 2017). The evolution of capital markets, the proliferation of multinational corporations, and the escalating demand for non-financial data have

spurred a call for integration of financial information and non-financial information into unified or a single report (IIRC, 2013). This integration is envisaged to offer a more comprehensive and balanced portrayal of overall performance for the companies (Brooks & Oikonomou, 2018).

Sustainability reports is considered as a comprehensive depiction of a company's performance and initiatives pertaining to environmental stewardship, social accountability, and governance. These reports wield significant influence over investment decisions made by both institutional and individual investors (Roostaie et al., 2019). However, some scholars have identified shortcomings in sustainability reports, noting a lack of alignment among sustainability issues and the organization's strategic objectives (Adams et al., 2016). Consequently, there has arisen need for a reporting that seamlessly integrates information into a unified document. Over time, the IIRC has devised the integrated framework to facilitate financial and non-financial data (Lee & Yeo, 2016). The IR committee developed a global IR framework (Eccles & Krzus, 2010). In 2009 it was the initial implementation of IR which implemented in South Africa, by the Johannesburg Stock Exchange (JSE) mandating IR for its listed companies in 2010, accordance with the King III Report (2009) (Solomon & Maroun, 2012).

The emergence of IR as a focal point of research has prompted increased scholarly attention due to its significant global proliferation, marking a prevalent trend in corporate disclosure across numerous markets, including emerging markets (Navarrete-Oyarce et al., 2022). Since its inception in 2013, there has been a surge in interest and awareness among researchers and academics regarding the framework of IR (De Villiers et al., 2020). This heightened interest stems from the recognition, recently, of the indispensability of the non-financial information, containing social, and governance dimensions, for companies all over the world (Stubbs & Higgins, 2014). The International Integrated Reporting Council (IIRC) asserts that IR seeks to transcend conventional segregation of sustainability information and financial information by consolidating them into a singul report termed an integrated report. Despite inquiries surrounding integrated and sustainability reports, it's crucial to delineate between the two terms. Integrated reporting embodies a broader concept, encompassing sustainability reports while augmenting them with supplementary data to disclose in the form of IR. Although both reports share commonalities, sustainability disclosures encapsulate certain aspects of integrated reporting, not its entirety (Petcharat & Zaman, 2019). IR contains the more information than on sustainability reports, such as the company’s strategy, as well as the opportunities and risks surrounding the organization (Beerbaum et al., 2018).

IR represents the most recent or the latest evolution in a succession of corporate reporting endeavors aimed at consolidating accounting and financial information with the non-financial one into a one single comprehensive report (Adams et al., 2016). The consolidation of the corporate information into a unified report accessible to all stakeholders enhancing transparency within the organization. Additionally, the content of IR stands as a potent tool in enhancing the organization's value and mitigating potential risks (Lee & Yeo, 2016). Such these reports play an important and pivotal role in balancing the company's rapport with financial capital providers, as the information contained therein fosters investor confidence (Nurkumalasari et al., 2019). Integrated reports are poised to inspire stakeholder confidence, including investors, thereby incentivizing investment in the company by providing a comprehensive understanding of the company's wealth and performance through the dissemination of IR (Islam, 2020). Consequently, the extent of accountability assumed by the company towards investors are directly correlated with the value of the companies and the appreciation of their shares (Nurkumalasari et al., 2019).

IR serves as a mechanism to alleviate information asymmetry within firms possessing specific attributes, notably those characterized by high complexity and substantial reliance on external financing. Enterprises grappling with heightened complexity often contend with elevated information processing costs, impeding investors' ability to access pertinent data (Lee & Yeo, 2016). Consequently, alterations in information pertinent to asset prices encounter significant delays, (Lee & Yeo, 2016). This delay manifests in stock prices failing to accurately reflect the valuable but costly information procured by investors (Bushman et al., 2004). Moreover, there is a burgeoning demand for information encompassing financial performance, management efficacy, social responsibility, and governance, in addition to corporate sustainability (García-Sánchez et al., 2013). Integrated Reporting stands poised to address these demands through providing a holistic view of the company's operations, thereby bridging the gap in information accessibility and potentially mitigating the delays in asset price adjustments.

2. Conceptual and Theoretical Framework

Integrated business reporting is anticipated to enhance or generate value for firms progressively. This value may manifest in the form of financial returns to stakeholders (IIRC, 2013). The existing literature on Integrated Reporting (IR) predominantly revolves around the efforts of the IIRC aimed at enhancing the

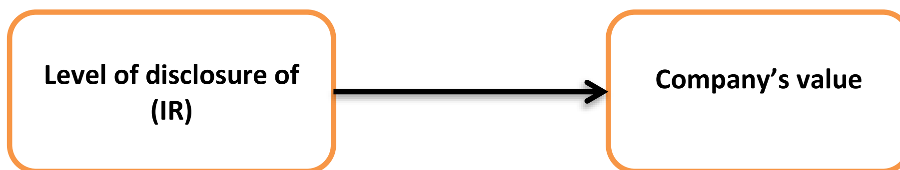
quality of information accessible to financial capital providers (Humphrey et al., 2015). Integrated reports amalgamate financial data with non-financial information, particularly sustainability-related information (Reimsbach et al., 2018). despite the literature on the IR and its effects remains somewhat limited, there exists a body of research delving into the benefits and utility of IR for stakeholders holistically (Slack & Tsalavoutas, 2018), as well as studies exploring investors' perceptions of IR (Atkins & Maroun, 2014).

Traditional reports have traditionally dwelled on historical perspectives regarding companies' past performance, often neglecting to incorporate future expectations and performance forecasting (Kılıç & Kuzey, 2018). Integrated reports are poised to pivot companies' reporting focus from past performance to future outlooks, offering long-term benefits to the organizations (Adams & Simnett, 2011). For instance, Islam (2020) who conducted a study investigating the effect of IR disclosure on financial performance, revealing positive relation between the disclosure of IR and financial performance. That underscores the potential of integrated reporting to foster forward-looking perspectives within organizations, thereby contributing to their long-term success.

Terblanche & De Villiers (2019) explored the correlation between IR and disclosure about the intellectual capital (IC), employing intellectual capital as a dependent variable. Their findings concurred with those of De Villiers & Sharma (2020), suggesting that IR garners heightened interest in intellectual capital. Additionally, De Villiers et al. (2017) highlighted that IR incorporates disclosures spanning six types of capital, including three categorized as intellectual capital capitals. Their analysis concluded that IR contributes to value addition and augments intellectual capital.

In alignment with Brammer & Pavelin (2006), the integrated disclosure of information mitigates information asymmetry, bolsters business transparency, and meets stakeholders' informational requirements. likewise, Vitolla, Salvi, et al. (2020) revealed that there is a negative relation between IR disclosure and asymmetry of information; elevated levels of IR disclosure correlate with decreased information asymmetry, offering heightened transparency for stakeholders vested in this information.

Furthermore, Integrated Reporting (IR) furnishes companies with information bolstering sustainability strategies for stakeholders, thereby fostering value creation (Macias & Farfan-Lievano, 2017). Consequently, IR are perceived as an extended version of sustainability reports, offering more comprehensive insights into the company's operations and relationships (Stacchezzini et al., 2016).



3. Literature Review and Hypotheses Development

3.1 IR Evolution

Integrated Reporting (IR), as described by King III (2009), entails a comprehensive image of the organization's performance, which encompassing both sustainability and financial aspects. In 2013, the IR Framework was officially introduced. The committee behind the framework asserted that integrated reports foster improved strategic thinking and planning within companies by encapsulating the organization's narrative within a single document. The framework's development serves several key objectives. Firstly, enhancing the information quality which is available for the capital providers, thereby bolstering the efficiency and productivity of capital, leading to better returns on investment. Secondly, the framework seeks to promote an effective and coherent approach to corporate reports by embracing standards and offering a holistic view of all key factors influencing the company's value creation over time. Thirdly, it strives to reinforce accountability and oversight across various domains, particularly those pertaining to finance, operations, intellectual capital, human resources, societal relations, and the environment, while elucidating the interconnectedness between these realms. Moreover, the framework supports integrated thinking, decision-making, and actions geared towards creation of the value in the short term, medium term and long term (Dumay et al., 2016; Fasan, 2013; IIRC, 2011, 2013).

The transition of South Africa's political systems from oligarchy to multiparty democracy heralded a notable shift in corporate operations (De Villiers & Van Staden, 2006). This transition prompted a departure from traditional financial reporting towards a focus on accountability and comparability. Subsequently, spurred by global pressures, the emphasis shifted towards Corporate Social Responsibility reporting and recently IR.

According to the IIRC, 2013 and Jensen & Berg (2012), Integrated Reporting (IR) endeavors to rectify the conventional practice of segregating financial from sustainability information by consolidating them into a singular document termed an IR. Reimsbach et al. (2018) conducted a study to investigate the effect of sustainability assurance and IR on investors' assessment of firm performance. Their study revealed that there is a positive correlation between the sustainability information and the evaluation of the investors for the company performance. However, the effect of assurance when financial and nonfinancial information were combined in only one report. Additionally, Wachira et al. (2019) explored the ramifications of mandatory IR adoption and voluntary adoption of sustainability on the transparency level of non-financial disclosures within firms. They found that both practices exerted a positive influence on enhancing the information environment, fostering heightened transparency.

According to the findings of Wachira et al. (2019), IR plays an important and pivotal role in enhancing transparency in company information. In the study conducted by Nishitani et al. (2021), they investigated the motives behind companies' adoption of IR from the perspectives of the legitimacy theory and the voluntary disclosure. Their study depending upon sample of listed companies on Tokyo and London stock exchanges, revealed divergent motives for voluntary disclosure practices across different countries and industry sectors. Notably, the study found a greater emphasis on accountability and financial transparency within integrated reporting among the listed companies on Tokyo Stock Exchange compared to those on the London Stock Exchange. Despite this discrepancy, there's a noticeable trend towards embracing IR for disclosure purposes, even among the companies listed on London Stock Exchange, which aligns with the principles of the legitimacy theory and voluntary disclosure (Nishitani et al., 2021). This underscores the motivation for companies to promote their voluntary reporting philosophy through various forms of disclosure reports.

Subsequently, integrated reports became intertwined with intellectual capital (IC). As per the International IR Framework which established by the IIRC in 2013, IRs are expected to encompass both intangible and tangible capital elements contributing to the value-creation process. Terblanche & De Villiers (2019) conducted a study to investigate the relation between the preparation of IR and the disclosure of IC. Their findings suggest that companies engaged in preparing integrated reports tend to disclose more IC information. Similarly, De Villiers & Sharma (2020) concluded that IR generates increased interest in IC. Despite assertions by De Villiers et al. (2017) regarding the disclosure of IC types within IR content—namely, human capital, social capital, and relations capital (IIRC, 2013)—they do not furnish empirical evidence supporting the notion that IR will elevate IC disclosure levels.

3.2 Benefits of IR

Upon reviewing the literature, numerous studies have explored Integrated Reporting (IR) in terms of its utility and benefits for investors, stakeholders, capital providers, cost of capital, value relevance, firm valuation, financial performance, information asymmetry, and other facets. Firstly, IR serves as a robust tool for consolidating financial information and non-financial one within a single report. By doing so, IR has the potential to enhance the firm's value and benefit its stakeholders, providing insights that impact firm value and bridging the gap between shareholder and stakeholder theories. Moreover, IR is anticipated to meet stakeholders' expectations by furnishing them with the necessary information (Cosmulese et al., 2019). Additionally, it sheds light on managers' perceptions regarding the causal relationship regarding financial and non-financial factors (Stubbs et al., 2014).

The IR framework that is developed by the IIRC in 2013 appeared the benefits of IR, including its capacity to account for how the company's, governance, strategy, performance, and external environment contribute in creating value creation for business over time (IIRC, 2013). Previous studies, such as Vitolla et al. (2019), affirm that IR practices facilitate the provision of a long-term, sustainable vision that generates value for the business and all stakeholders. Roth (2014) suggests that IR can be employed to evaluate a company's long-term sustainability. Furthermore, IR assists company management in gaining a better understanding of sustainability challenges and aligning investor needs with the published information. IR's ability to furnish information about the value generated by firms and its distribution among various stakeholders is also emphasized (Haller & van Staden, 2014).

According to García-Sánchez & Noguera-Gámez (2017), IR could offer significant advantages, particularly for firms seeking to bolster their external financing and grappling with issues related to asymmetric information or operating in limited investor safeguards markets. Depending upon a sample consists of 995 companies across twenty-seven countries. García-Sánchez & Noguera-Gámez (2017) demonstrated that IR disclosure reduce the cost of capital. Similarly, Vitolla et al. (2020), leveraging data from 116 international companies embracing IR across five distinct geographical regions, affirm that IR represents an innovative approach to diminishing the capital cost. Additionally, IR can influence investors' investment decisions by presenting corporate reports in an easily comprehensible format and facilitating comparisons between different business realities (Vitolla et al., 2020). Their results are in consistent with Zhou et al. (2017), who revealed that IR exhibits a negative relation with the cost of capital while enhancing analyst earnings forecasts.

Regarding the process of value creation for organizations, Tlili et al. (2019) conducted a study in South Africa and found consistent results with those of the IIRC in 2013, indicating that IR can enhance the value of the organizational capital, which is pivotal for both operational and financial performance in firms. Similarly, Akisik & Gal (2019) in North America and Islam (2020) in Bangladesh they reached to similar conclusions when investigating the impact of IR on the organization performance, which demonstrating a positive effect of IR on financial and operational performance. Additionally, Baboukardos & Rimmel (2016) revealed that IR augments the value of accounting information, as exemplified by the earnings per share. This is attributed to the enhanced information quality in IR, which fosters greater transparency (Obeng et al., 2020). Furthermore, several studies suggest that IR may mitigate agency conflicts by decreasing the information asymmetry between the insiders and the outsiders within firms, thereby enhancing potential value creation (Vitolla, Salvi, et al., 2020).

3.3 IR and company's Value

3.3.1 Mandatory IR and company's Value

Lee & Yeo (2016) conducted a study which investigating the relation between IR and the company value in South Africa. They revealed that there is a positive relation between IR and the company value, indicating that the benefits of IR outweigh its costs. Moreover, IR was found to reduce the processing costs of information in the companies which operating in complex environments. Similarly, Barth et al. (2017) who conducted a study in South Africa, where the mandatory IR is implemented for companies listed on the Johannesburg Stock Exchange. Their study examined the impact of IR Quality (IRQ) on the company value. The results revealed a positive relation between IRQ and the company value regarding the capital market and the real effects.

Baboukardos & Rimmel (2016) conducted a study focusing on companies which listed on Johannesburg Stock Exchange to explore the relation between the earnings value relevance and the book value of total equity after the mandatory implementation of IR. Their findings were consistent with the IIRC Framework and the research by Michelon et al. (2013), suggesting that there is a positive association between IR and the company market value, along with an enhancing in the earnings value relevance. However, they also observed that IR had a negative impact on and led to a reduction in the capital cost. Vitolla et al. (2020) support the findings of Baboukardos & Rimmel (2016), they demonstrated a negative relation between IR quality and equity capital cos. This decline in the capital cost may be attributed to the effective identification or measurement of risks or liabilities after the IR implementation on the JSE.

In accordance with Zhou et al. (2017) who presented that the information provided in IR decrease the analyst forecast errors and aids the analysts in forecasting earnings by offering insights into the business model, corporate strategy, and non-financial and financial aspects. Similarly, Baboukardos & Rimmel (2016) were in consistent with the findings of Zhou et al. (2017) concerning the equity capital cost. They noted that the higher the level of alignment of IR with the IR framework the higher correlation with a mitigation in the equity capital cost. This observation aligns with the notion that as information risk diminishes, investors may have the willing to accept lower return on their investment.

Bernardi & Stark (2018) expanded the research of Zhou et al. (2017) as they investigated if the shift in reporting systems for firms affect forecasting accuracy. They observed a significant enhancement in forecasting accuracy following the adoption of IR. Contradicting to these findings, Conway (2019) presented differing results concerning financial performance. Conway's study explored the effect of mandatory IR on companies financial performance in South Africa however, this study revealed a decrease in financial performance subsequent to the adoption of mandatory IR.

3.3.2 Voluntary IR and Firm Value

Frias-Aceituno et al. (2013) and Girella et al. (2019) examined the relation between IR and company value, the company value in their study represented by the market-to-book ratio utilizing different samples and methodologies. Both studies concluded a positive relation and association between IR and the company value.

These findings are aligning with the findings of Lee & Yeo (2016), who also revealed a positive relation between IR and the company value, particularly in companies characterized by higher organizational complexity. They suggested that IR mitigate information asymmetry among stakeholders, as capital providers. Furthermore, they indicated that companies with high levels of IR tend to outperform those with low IR in terms of both stock market performance and overall business performance.

El-Deeb (2019) sought to assess the opportunities, challenges, weaknesses, and strengths of the top 30 companies listed on the Egyptian Stock Exchange (EGX30) concerning liquidity and activity by analyzing IR. The study's findings indicated that IR play a pivotal role in enhancing a company's performance and value. Market capitalization was utilized as a metric to measure the company's value over a five years’ time period.

In Bangladesh where its companies have a voluntary adoption of IR, Dey (2020) investigated the relation between IR, stock liquidity, and company value. Using content analysis in measuring IR, the analysis relied on 144 firm-year observations spanning from 2013 to 2018. The results revealed that there is no evidence of an association between the disclosure of IR and stock liquidity. However, the study revealed that there is a significant positive impact of IR on the company's value, which consistent with theoretical predictions regarding the impact of IR disclosure on the company value.

The study of Nurkumalasari et al. (2019) investigated the effect of the voluntary adoption of IR disclosure on the company value, with taking in consideration the external financing as moderator variables. Their study, conducted from 2015 to 2017, and concluded that the voluntary adoption IR have no effect on the company value in in the Asian region.

In the same line with the findings of Nurkumalasari et al. (2019), the study of Wahl et al. (2020) who conducted research to explore the effect of IR disclosure on company value in addition to the earnings forecasts. The study revealed no significant effect of the IR adoption on either earnings forecasting or company value. These results stand in contrast to the promises made by the IIRC 2013 according to the value creation and enhancement of information quality through IR, as noted by Soyka (2013). The study attributed these findings to highlight the possibility that companies already have a relatively high level of transparency, so limiting the additional effects of IR.

Needles et al. (2016) investigated the effect of IR and sustainability reports in high-performance companies. Their study revealed that IR and sustainability reports have no big difference for high-performance companies and contained less information than what is typically recommended by the IIRC. This deficiency could stem from the absence of the standards criteria for IR and sustainability practices.

Moreover, Garg (2015), in India, concluded that sustainability reporting practices have a negative impact on the company performance, which measured by Return on Assets (ROA), in the short run. However, in the long run, these practices exert a positive influence on both performance measures.

Churet & Eccles (2014) in North American firms found no evidence linking higher financial performance with integrated reporting (IR). They attributed this to a time delay, suggesting that the relationship may be weak due to factors such as reporting lags. In contrast, Akisik & Gal (2019) revealed a positive relation between IR and financial performance.

Islam (2020), in Bangladesh, investigated the relation between voluntary adoption of IR and a company's performance. Contrary to the findings of Conway (2019) in South Africa, who examined the impact of IR on the financial performance of the companies, Islam (2020) reported results consistent with Akisik & Gal (2019). They found that IR disclosure positively correlates with the company performance metrics mentioned above.

4. Data and Methodology

4.1. The study Sample and Data

The study's population comprised companies listed on the Egyptian stock exchange market (EGX), particularly those listed on the EGX100 index. The sample for this study was drawn from companies listed on the ESG 30 index on the Egyptian stock exchange. After excluding five financial companies from the ESG index, the final sample consisted of 25 companies which represent the S&P/EGX ESG Index. The selected companies considered a benchmark for ESG disclosure among Egyptian listed firms (EGX, 2020).

Financial companies were excluded from the study due to their distinct disclosure practices and unique characteristics. For instance, financial firms often operate with high leverage, which is typical for their business model but may not be applicable or interpreted similarly for non-financial firms. Data collection for the study's sample is a secondary data, from the annual reports and DataStream, covering a five-year from 2017 to 2021. IR data for the selected companies was obtained from their official websites and subjected to content analysis as part of the research methodology.

4.2 Variables' definitions and measurements

The study's variables were derived from a literature review on IR and its components. The dependent variable, firm value, was computed using data sourced from DataStream and annual reports for each company. IR data was collected utilizing an index constructed in alignment IIRC framework, using content analysis of the firms' annual reports. Furthermore, the study incorporates control variables such as firm size, profitability, and leverage. The subsequent subsections explore the variables definitions and measurements.

4.2.1 Dependent Variable (Firm value)

In this study, Tobin's Q is used as a measurement for the company value, because it is a widely accepted proxy commonly employed in prior research, as seen in studies conducted by Lee & Yeo (2016). Tobin's Q compares the market value of assets, encompassing intangible assets like intellectual and human capital, with their replacement cost, offering insights beyond the book value reported on the balance sheet. A higher Tobin's Q value suggests enhanced investment prospects and growth potential for the firm.

$$TOBINQ_{i,t} = \frac{\text{market capitalization}_{i,t} + \text{book value of total liabilities}_{i,t}}{book\ value\ of\ total\ assets_{i,t}} \quad (1)$$

As (i) represent the company and (t) represent the year.

4.2.2 Independent Variable (IR disclosure level)

In this study, IR disclosure serves as the independent variable. To measure IR, the study employs the IR index developed by Abogazia et al. (2022), which aligns with the IR framework established by the IIRC (2013). The measurement index for IR is established through content analysis of eight key elements, following the approach outlined by Zhou et al. (2017). Each element is assigned importance and weighted accordingly within the IR framework. The IRSCORE is computed as the average of points concerning the following elements: (1) Organizational overview and external environment; (2) Governance; (3) Business model; (4) Risks and opportunities; (5) Strategy and resource allocation; (6) Performance; (7) Outlook; and (8) Basis of preparation and presentation.

In alignment with the approach taken by Abogazia et al. (2022), our study utilized index that evaluates the compliance level of IR. This index, derived from the IIRC framework, comprises 45 items designed to assess the extent of disclosure across various dimensions of IR. This methodology draws on previous research in accounting, which has frequently employed compliance and disclosure indices to evaluate reporting practices (Juhman, 2017).

4.2.3 Control Variables

Firm size: a crucial variable in prior research, reflects the capacity of companies to disclose information. Larger firms typically aim for greater transparency due to their broader stakeholder base and attractiveness to investors (Munawar, 2019). Crisóstomo et al. (2011) underscored the significance of firm size as a control variable, highlighting its influence on investor appeal and capacity.

Elfeky (2017) noted a positive relation between company size and voluntary disclosure, attributing it to the greater disclosure capacity of larger firms and the pressure from their diverse stakeholder groups.

In line with prior studies, company size in our study is assessed using the natural logarithm of book assets (LNASSET). This control variable is crucial due to its demonstrated impact on both firm value and voluntary disclosure, as highlighted by various scholars (Conway, 2019; Emeka-nwokeji & Osisioma, 2019; Islam, 2020; Kamel & Shahwan, 2014; Munawar, 2019; Shen et al., 2020; Wiedman, 2000).

Profitability: Previous research suggests that a companie's financial performance significantly impacts its value. High-profit firms tend to reflect positively on the firm's overall value (El-Deeb et al., 2021). Given its significance, our study includes profitability as a control variable, consistent with its frequent use in prior research (Frias-Aceituno et al., 2014), where it serves as a predictor for firm value (Fama & French, 1998). ROA, or Return on Assets, is employed as a measure of profitability, reflecting the return on investment based on total assets (Fahmi, 2012). This metric assesses a firm's capacity to generate profits using its total assets, as noted by Larasati et al. (2020). In line with previous studies by Wahl et al. (2020) ROA is calculated as net income after tax divided by total assets.

Leverage: Past studies have highlighted the significant impact of leverage on firm value, prompting its inclusion as a control variable by researchers (Ross, 1977). Recent studies such as those by El-Deeb et al. (2021), Emeka-nwokeji & Osisioma (2019) and Shen et al. (2020) have also utilized leverage in their analyses it is often represented by the Debt-to-Equity Ratio, which measures to which a firm's capital covers its debt obligations (Munawar, 2019). This ratio indicates the proportion of long-term debt and short-term debt relatively to total equity. A ratio exceeding one suggests that the firm's capital may not fully cover its debts, indicating a potentially higher level of risk (Munawar, 2019). Accordingly, this study employs the total debts to the total Equity Ratio (LEV) as a measurement for leverage (Raimo, et al., 2020).

In the empirically examining the impact of the variables on the value creation for company, the study employed the following regression model to test its hypotheses:

$$TOBINQ = \beta_0 + \beta_1 IRS + \beta_2 SIZE + \beta_3 ROA + \beta_4 DET + + \in \quad (2)$$

Table 1. Variables measurement

Variable	Symbol	Measurement
IR disclosure level	*IRS*	*Using Content analysis from the adapted index.*
Value certain	*Tobin's Q*	*Market value of total equity plus the book value of the total liabilities divided by the total assets book value.*
Company size	*SIZE*	*Book assets' natural logarithm.*
Profitability	*ROA*	*Net income divided by total assets.*
Leverage	*LEV*	*Total debts divided by total assets*

5. Results and Discussion

5.1. Data analysis

In order to interpret and summaries data, first, the validity of the regression assumption is provided. Second, the descriptive analysis is conducted then the multivariate panel analysis used in this study are provided to achieve the objectives of the study. This study analyzed the collected data using STATA version 15 and the MICROSOFT EXCEL software program.

5.2. Descriptive Statistics

Table 2 shows the descriptive statistics for the study sample, consisting of 125 firm-year observations, covering all variables, including dependent, independent, control, and moderate. Panel (A) displays the mean, standard deviation, minimum, and maximum values for each variable. The results indicate no significant difference between the median and mean values of the IR, suggesting the absence of major outliers. To mitigate outliers, the study employs the natural logarithm (LN) of total assets for size. It is noteworthy that there is considerable variability in IR disclosure scores, ranging from a minimum of 87 to a maximum of 187 across all IR content elements.

Table 2: Descriptive Statistics

Panel A. Descriptive statistics for the study sample

Variable	N	Mean	Stand. Dev.	Min	Max
Tobin's Q	125	1.699	1.048	.622	5.041
IRS	125	144.488	24.025	87	187
ROA	125	.097	.085	-.115	.324
SIZE	125	22.674	1.345	20.092	25.656
LEV	125	.329	.219	0	1.159

Note(s): Tobin's Q = company value; IRS = IR disclosure level; ROA = Profitability; SIZE = Firm size; LEV= Leverage.

Tobin's Q is the dependent variable in this study, which represents the company value and is calculated as market capitalization plus the book value of liabilities divided by total assets book value (Lee & Yeo, 2016). The IR level is the independent variable in this study and it is represented by the weight of the number of items disclosed by the company to the total points in the adopted index. On average, firms disclosed approximately 144 out of 225 points in the IR score, with the maximum disclosure reaching 187 points.

5.2. Correlation Matrix

Table 3 displays the Pearson correlation matrix of the study variables, indicating the correlations among the study variables. The multicollinearity issues were not founded, because the maximum coefficient of correlation among the independent variables did not exceed 0.647 (between IRS and Tobin's Q). The permissible limit for multicollinearity, as identified by Farrar & Glauber (1967) and Kennedy (2008), is typically ±0.8 or ±0.9.

The former analysis reveals a positive association between IR and company value (0.647) at a 1% significance level, indicating that higher IR disclosure corresponds to higher company value. Furthermore, a positive relationship is observed between ROA and Tobin's Q (0.606), as well as between ROA and IRS (0.466) 1% level also, suggesting that more profitable companies have higher IR disclosure (Lee & Yeo, 2016) and higher companies' values.

Moreover, the correlation matrix highlights a negative correlation between the size of the company and its value (Ibrahim, 2017; Nurkumalasari et al., 2019). Additionally, a significant negative correlation is observed between firm value and leverage, a subject of contention in prior studies where some found a negative relationship (Ibrahim, 2017; Nurkumalasari et al., 2019), while others found a positive relationship (Munawar, 2019; Zuhroh, 2019).

Table 3: Correlations matrix

Study Variables	(1)	(2)	(3)	(4)	(5)
(1) Tobin's Q	1.000				
(2) IRS	0.647* (0.000)	1.000			
(3) ROA	0.606* (0.000)	0.466* (0.000)	1.000		
(4) SIZE	-0.430* (0.000)	-0.265* (0.003)	-0.331* (0.000)	1.000	
(5) LEV	-0.434* (0.000)	-0.297* (0.001)	-0.574* (0.000)	0.355* (0.000)	1.000

*** p<0.01, ** p<0.05, * p<0.1

5.3. Regression Analysis

Table 4: Panel Regression Analysis

Tobin's Q	Coefficient	Stand. Error.	t-value	p-value	[95%] Conf	Interval	Sign
IR	0.022	.004	5.63	0	.014	.029	***
ROA	3.348	1.008	3.32	.001	1.373	5.323	***
SIZE	-0.176	.074	-2.39	.017	-.321	-.032	**
LEV	-0.297	.376	-0.79	.43	-1.033	.44	
Constant	2.357	1.8	1.31	.19	-1.171	5.884	

Mean dependent var	1.699	SD dependent var	1.048
Overall R-square	0.574	Number of obs.	125
R-squared within	0.262	R-squared between	0.751

**** p<.01, ** p<.05, * p<.1*

The study, covering a period of over five years, employed a panel regression analysis to effectively control for each year's effect on the data. Additionally, a Hausman test was conducted to ascertain the optimal regression model (Hausman, 1978), with the test indicating that the random effect regression model is the most appropriate for this analysis.

6. Conclusions

Our study investigates the relation of integrated reporting (IR) disclosure levels on value creation for companies listed on the Egyptian Stock Exchange, specifically EGX 100, as it represents the most active 100 companies in the Egyptian market (Aboud & Diab, 2018). Utilizing a purposive sampling technique, the study analyzed a sample of 125 firm-year observations from nonfinancial firms over five years. The study data is a secondary data from 2017 to 2021 and collected through the companies' annual reports and DataStream.

IR disclosure levels were measured through content analysis of the companies' annual reports based on an index developed by Abogazia et al. (2022) and the IR framework by IIRC (2013). Tobin's Q is used as a measurement for the company value, a widely used measure in previous research (Lee & Yeo, 2016; Barth et al., 2017).

Consistent with prior studies, our results show a significant positive relation between IR level and the company value. Higher levels of integrated reporting disclosure correlate with increased company value, suggesting that the benefits of IR disclosure outweigh its costs. Despite the effort and resources required for IR disclosure, it proves instrumental in attracting investors and aiding stakeholders in informed decision-making by furnishing comprehensive company information across various facets.

References

Abogazia, A. H., Hashim, H. A., Salleh, Z., & Ettish, A. A. (2022). The moderating effect of external financing on the relationship between integrated reporting and firm value in Egypt. *Journal of Financial Reporting and Accounting*. https://doi.org/10.1108/JFRA-05-2022-0195

Aboud, A., & Diab, A. (2018). The impact of social, environmental and corporate governance disclosures on firm value: Evidence from Egypt. *Journal of Accounting in Emerging Economies*, *8*(4), 442–458. https://doi.org/10.1108/JAEE-08-2017-0079

Adams, A., Fries, S., & Simnett, R. (2011). The journey towards integrative reporting. *Accountant's Digest*, *558*, 1–41.

Adams, C. A., Potter, B., Singh, P. J., & York, J. (2016). Exploring the implications of integrated reporting for social investment (disclosures). *British Accounting Review*, *48*(3), 283–296. https://doi.org/10.1016/j.bar.2016.05.002

Adams, R., Jeanrenaud, S., Bessant, J., Denyer, D., & Overy, P. (2016). Sustainability-oriented Innovation: A Systematic Review. *International Journal of Management Reviews*, *18*(2), 180–205. https://doi.org/10.1111/ijmr.12068

Adams, S., & Simnett, R. (2011). Integrated Reporting: An Opportunity for Australia's Not-for-Profit Sector. *Australian Accounting Review*, *21*(3), 292–301. https://doi.org/10.1111/j.1835-2561.2011.00143.x

Akisik, O., & Gal, G. (2019). Integrated reports, external assurance and financial performance: An empirical analysis on North American firms. *Sustainability Accounting, Management and Policy Journal*, *11*(2), 317–350. https://doi.org/10.1108/SAMPJ-02-2019-0072

Appiagyei, K., & Donkor, A. (2024). Integrated reporting quality and sustainability performance: does firms' environmental sensitivity matter? *Journal of Accounting in Emerging Economies*, *14*(1), 25–47.

Atkins, J., & Maroun, W. (2014). South African institutional investors' perceptions of integrated reporting. *London: The Association of Chartered Certified Accountants*.

Baboukardos, D., & Rimmel, G. (2016). Value relevance of accounting information under an integrated reporting approach: A research note. *Journal of*

Accounting and Public Policy, *35*(4), 437–452. https://doi.org/10.1016/j.jaccpubpol.2016.04.004

Barth, M. E., Cahan, S. F., Chen, L., & Venter, E. R. (2017). The economic consequences associated with integrated report quality: Capital market and real effects. *Accounting, Organizations and Society*, *62*(2017), 43–64. https://doi.org/10.1016/j.aos.2017.08.005

Beerbaum, D., Löw, E., & Illig-Martin, T. (2018). Towards an Integrated Reporting Taxonomy in Europe – An analysis of 40 annual corporate reports regarding their value creation. *Journal of Applied Research in the Digital Economy (JADE)*, *May*, 1–23. https://www.researchgate.net/publication/325157313

Bernardi, C., & Stark, A. W. (2015). The transparency of environmental, social and governance disclosures, integrated reporting, and the accuracy of analyst forecasts. *Unpublished Working Paper, Roma Tre University and University of Manchester*.

Bernardi, C., & Stark, A. W. (2018). Environmental, social and governance disclosure, integrated reporting, and the accuracy of analyst forecasts. *British Accounting Review*, *50*(1), 16–31. https://doi.org/10.1016/j.bar.2016.10.001

Bijlmakers, L. (2018). *The influence of Integrated Reporting on Firm Value: An Application to the European Banking industry* (Issue January).

Brammer, S., & Pavelin, S. (2006). Voluntary environmental disclosures by large UK companies. *Journal of Business Finance & Accounting*, *33*(7-8), 1168–1188.

Brooks, C., & Oikonomou, I. (2018). The effects of environmental, social and governance disclosures and performance on firm value: A review of the literature in accounting and finance. *British Accounting Review*, *50*(1), 1–15. https://doi.org/10.1016/j.bar.2017.11.005

Bushman, R., Chen, Q., Engel, E., & Smith, A. (2004). Financial accounting information, organizational complexity and corporate governance systems. In *Journal of Accounting and Economics* (Vol. 37, Issue 2). https://doi.org/10.1016/j.jacceco.2003.09.005

Churet, C., & Eccles, R. G. (2014). Integrated reporting, quality of management, and financial performance. *Journal of Applied Corporate Finance*, *26*(1), 56–64.

Conway, E. (2019). Quantitative impacts of mandatory integrated reporting. *Journal of Financial Reporting and Accounting*, *17*(4), 604–634. https://doi.org/10.1108/JFRA-08-2018-0066

Cosmulese, C. G., Socoliuc, M., Ciubotariu, M. S., Mihailă, S., & Grosu, V. (2019). An empirical analysis of stakeholders' expectations and integrated reporting quality. *Economic Research-Ekonomska Istrazivanja*, *32*(1), 3963–3986.

Crisóstomo, V. L., de Souza Freire, F., & De Vasconcellos, F. C. (2011). Corporate social responsibility, firm value and financial performance in Brazil. *Social Responsibility Journal*.

De Villiers, C., Hsiao, P.-C. K., & Maroun, W. (2020). *The Routledge handbook of integrated reporting*. Routledge London.

De Villiers, C., Rinaldi, L., & Unerman, J. (2014). Integrated Reporting: Insights, gaps and an agenda for future research. *Accounting, Auditing & Accountability Journal*.

De Villiers, C., & Sharma, U. (2020). A critical reflection on the future of financial, intellectual capital, sustainability and integrated reporting. *Critical Perspectives on Accounting*, *70*, 101999. https://doi.org/10.1016/j.cpa.2017.05.003

De Villiers, C., & Van Staden, C. J. (2006). Can less environmental disclosure have a legitimising effect? Evidence from Africa. *Accounting, Organizations and Society*, *31*(8), 763–781.

de Villiers, C., Venter, E. R., & Hsiao, P. C. K. (2017). Integrated reporting: background, measurement issues, approaches and an agenda for future research. *Accounting and Finance*, *57*(4), 937–959. https://doi.org/10.1111/acfi.12246

Dey, P. K. (2020). Value relevance of integrated reporting: a study of the Bangladesh banking sector. *International Journal of Disclosure and Governance*, *17*(4), 195–207. https://doi.org/10.1057/s41310-020-00084-z

Dilling, P. F. A., & Caykoylu, S. (2019). Determinants of companies that disclose high-quality integrated reports. *Sustainability (Switzerland)*, *11*(13). https://doi.org/10.3390/su11133744

Dumay, J., Bernardi, C., Guthrie, J., & Demartini, P. (2016). Integrated reporting: A structured literature review. *Accounting Forum*, *40*(3), 166–185.

https://doi.org/10.1016/j.accfor.2016.06.001

Eccles, R. G., & Krzus, M. P. (2010). Integrated reporting for a sustainable strategy: One Report has the potential to significantly change how companies operate and investors think, shifting the focus from that of meeting short-term financial goals to developing a long-term business strategy. *Financial Executive*, *26*(2), 28–33.

EGX. (2020). *S & P / EGX ESG Index*. Governance An International Journal Of Policy And Administration.

El-Deeb. (2019). The Impact of Integrated Reporting on Firm Value and Performance:Evidence from Egypt. *Alexandria Journal of Accounting Research*, *3*(2), 1–50. https://doi.org/10.21608/aljalexu.2019.56831

El-Deeb, M. S., Halim, Y. T., & Elbayoumi, A. F. (2021). Disclosure tone, corporate governance and firm value: evidence from Egypt. *Asia-Pacific Journal of Accounting and Economics*, *29*(3), 1–22. https://doi.org/10.1080/16081625.2021.1934708

Elfeky, M. I. (2017). The extent of voluntary disclosure and its determinants in emerging markets: Evidence from Egypt. *Journal of Finance and Data Science*, *3*(1–4), 45–59. https://doi.org/10.1016/j.jfds.2017.09.005

Emeka-nwokeji, N., & Osisioma, B. C. (2019). Sustainability Disclosures and Market Value of Firms in Emerging Economy: Evidence From Nigeria. *European Journal of Accounting, Auditing and Finance Research (EJAAFR)*, *7*(3), 1–19.

Fahmi, I. (2012). Financial Performance Analysis. *Bandung: Alfabeta*.

Fama, E. F., & French, K. R. (1998). Taxes, financing decisions, and firm value. *The Journal of Finance*, *53*(3), 819–843.

Farrar, D. E., & Glauber, R. R. (1967). Multicollinearity in regression analysis: the problem revisited. *The Review of Economic and Statistics*, *49*(1), 92–107.

Fasan, M. (2013). Annual reports, sustainability reports and integrated reports: Trends in corporate disclosure. In *Integrated Reporting: Concepts and Cases that Redefine Corporate Accountability*. https://doi.org/10.1007/978-3-319-02168-3_3

Freeman, R. E., & Dmytriyev, S. (2017). Corporate Social Responsibility and Stakeholder Theory: Learning From Each Other. *Symphonya. Emerging Issues in Management*, *1*, 7. https://doi.org/10.4468/2017.1.02freeman.dmytriyev

Frias-Aceituno, J. V., Rodriguez-Ariza, L., & Garcia-Sanchez, I. M. (2013). The role of the board in the dissemination of integrated corporate social reporting. *Corporate Social Responsibility and Environmental Management*, *20*(4), 219–233. https://doi.org/10.1002/csr.1294

Frias-Aceituno, J. V, Rodríguez-Ariza, L., & Garcia-Sánchez, I. M. (2014). Explanatory factors of integrated sustainability and financial reporting. *Business Strategy and the Environment*, *23*(1), 56–72.

García-Sánchez, I. M., & Noguera-Gámez, L. (2017). Integrated information and the cost of capital. *International Business Review*, *26*(5), 959–975. https://doi.org/10.1016/j.ibusrev.2017.03.004

García-Sánchez, I. M., Rodríguez-Ariza, L., & Frías-Aceituno, J. V. (2013). The cultural system and integrated reporting. *International Business Review*, *22*(5), 828–838. https://doi.org/10.1016/j.ibusrev.2013.01.007

García-Sánchez, I., & Noguera-Gámez, L. (2017). Integrated reporting and stakeholder engagement: The effect on information asymmetry. *Corporate Social Responsibility and Environmental Management*, *24*(5), 395–413.

Garg, P. (2015). Impact of sustainability reporting on firm performance of companies in India. *International Journal of Marketing and Business Communication*, *4*(3), 38–45.

Girella, L., Rossi, P., & Zambon, S. (2019). Exploring the firm and country determinants of the voluntary adoption of integrated reporting. *Business Strategy and the Environment*, *28*(7), 1323–1340. https://doi.org/10.1002/bse.2318

Haller, A., & van Staden, C. (2014). The value added statement – an appropriate instrument for integrated reporting. *Accounting, Auditing and Accountability Journal*, *27*(7), 1190–1216. https://doi.org/10.1108/AAAJ-04-2013-1307

Hausman, J. A. (1978). Specification tests in econometrics. *Econometrica: Journal of the Econometric Society*, 1251–1271.

Humphrey, C., O'Dwyer, B., & Unerman, J. (2015). The rise of integrated reporting: understanding attempts to institutionalize a new corporate reporting framework. *The British Accounting and Finance Association Conference, Manchester, April*.

Ibrahim, M. (2017). Capital Structure and Firm Value in Nigerian Listed Manufacturing Companies: an Empirical Investigation Using Tobin's Q Model. *International Journal of Innovative Research in Social Sciences & Strategic Management Techniques*, *4*(2), 112–125. http://www.internationalpolicybrief.org/images/2017/SEPT-JOURNALS/IRSSSMT/ARTICLE9.pdf

IIRC. (2013). Consultation draft of the international <IR> Framework. *The International Integrated Reporting Council.*, 1–37. http://www.theiirc.org/wp-content/uploads/Consultation-Draft/Consultation-Draft-of-the-InternationalIRFramework.pdf

Islam, M. S. (2020). Investigating the relationship between integrated reporting and firm performance in a voluntary disclosure regime: insights from Bangladesh. *Asian Journal of Accounting Research*, *ahead-of-p*(ahead-of-print). https://doi.org/10.1108/ajar-06-2020-0039

Jensen, J. C., & Berg, N. (2012). Determinants of Traditional Sustainability Reporting Versus Integrated Reporting. An Institutionalist Approach. *Business Strategy and the Environment*, *21*(5), 299–316. https://doi.org/10.1002/bse.740

Juhman, O. (2017). Corporate Governance and the Level of Bahraini Corporate Compliance with IFRS Disclosure. *Journal of Applied Accounting Research*, *18*(1). https://doi.org/http://dx.doi.org/10.1108/JAAR-05-2015-0045

Kamel, H., & Shahwan, T. (2014). The association between disclosure level and cost of capital in an emerging market: Evidence from Egypt. *Afro-Asian Journal of Finance and Accounting*, *4*(3), 203–225. https://doi.org/10.1504/AAJFA.2014.064173

Kennedy, P. (2008). *A guide to econometrics*. John Wiley & Sons.

Kılıç, M., & Kuzey, C. (2018). Determinants of forward-looking disclosures in integrated reporting. *Managerial Auditing Journal*, *33*(1), 115–144. https://doi.org/10.1108/MAJ-12-2016-1498

Larasati, C., Rivai, A., & . S. (2020). Effect of Debt to Equity Ratio and Return on Assets on Earnings per Share with Firm Value as a Moderating Variable in Various Industrial Sub-Sector Manufacturing Companies Indonesia. *Asian Business Research Journal*, *5*, 39–47. https://doi.org/10.20448/journal.518.2020.5.39.47

Lee, K. W., & Yeo, G. H. H. (2016). The association between integrated reporting and firm valuation. *Review of Quantitative Finance and Accounting*, *47*(4), 1221–1250. https://doi.org/10.1007/s11156-015-0536-y

Macias, H. A., & Farfan-Lievano, A. (2017). Integrated reporting as a strategy for firm growth: Multiple case study in Colombia. *Meditari Accountancy Research*, *25*(4), 605–628. https://doi.org/10.1108/MEDAR-11-2016-0099

Michelon, G., Boesso, G., & Kumar, K. (2013). Examining the Link between Strategic Corporate Social Responsibility and Company Performance: An Analysis of the Best Corporate Citizens. *Corporate Social Responsibility and Environmental Management*, *20*(2), 81–94. https://doi.org/10.1002/csr.1278

Mohamed, N., & Rashed, A. (2021). An Investigation of the Relationship between Corporate Social Responsibility and Corporate Financial Performance in Egypt: The Mediating Role of Information Asymmetry. *Journal of Accounting, Business and Management (JABM)*, *28*(1), 73. https://doi.org/10.31966/jabminternational.v28i1.827

Munawar, A. (2019). The Effect of Leverage, Dividend Policy, Effectiveness, Efficiency, and Firm Size on Firm Value in Plantation Companies Listed IDX. *International Journal of Science and Research (IJSR)*, *8*(10 October 2019), 9. https://doi.org/10.21275/ART20201693

Navarrete-Oyarce, J., Moraga-Flores, H., Gallegos Mardones, J. A., & Gallizo, J. L. (2022). Why Integrated Reporting? Insights from Early Adoption in an Emerging Economy. *Sustainability (Switzerland)*, *14*(3), 1–16. https://doi.org/10.3390/su14031695

Needles, B. E., Frigo, M. L., Powers, M., & Shigaev, A. (2016). Integrated reporting and sustainability reporting: An exploratory study of high performance companies. *Studies in Managerial and Financial Accounting*, *31*, 41–81. https://doi.org/10.1108/S1479-351220160000031019

Nishitani, K., Unerman, J., & Kokubu, K. (2021). Motivations for voluntary corporate adoption of integrated reporting: A novel context for comparing voluntary disclosure and legitimacy theory. *Journal of Cleaner Production*, *322*(March), 129027. https://doi.org/10.1016/j.jclepro.2021.129027

Nurkumalasari, I. S., Restuningdiah, N., & Sidharta, E. A. (2019). Integrated Reporting Disclosure and Its Impact on Firm Value: Evidence in Asia. *International Journal of Business, Economics and Law*, *18*(5), 99–108. https://www.ijbel.com/wp-content/uploads/2019/05/ijbel5-VOL18_264.pdf

Obeng, V. A., Ahmed, K., & Miglani, S. (2020). Integrated reporting and earnings quality: The moderating effect of agency costs. *Pacific Basin Finance Journal*, *60*(September 2019), 101285. https://doi.org/10.1016/j.pacfin.2020.101285

Petcharat, N., & Zaman, M. (2019). Sustainability reporting and integrated reporting perspectives of Thai-listed companies. *Journal of Financial Reporting and Accounting*, *17*(4), 671–694. https://doi.org/10.1108/JFRA-09-2018-0073

Reimsbach, D., Hahn, R., & Gürtürk, A. (2018). Integrated Reporting and Assurance of Sustainability Information: An Experimental Study on Professional Investors' Information Processing. *European Accounting Review*, *27*(3), 559–581. https://doi.org/10.1080/09638180.2016.1273787

Roostaie, S., Nawari, N., & Kibert, C. J. (2019). Sustainability and resilience : A review of definitions , relationships , and their integration into a combined building assessment framework. *Building and Environment*, *154*(November 2018), 132–144. https://doi.org/10.1016/j.buildenv.2019.02.042

Ross, S. A. (1977). The determination of financial structure: the incentive-signalling approach. *The Bell Journal of Economics*, 23–40.

Roth, B. H. P. (2014). Considering the Costs , Benefits , and Role of CPAs. *The CPA Journal*, *March 2014*, 62–76. http://0-web.a.ebscohost.com.innopac.up.ac.za/ehost/pdfviewer/pdfviewer?sid=a65cf329-bd46-46ec-9c9d-1016ef9d44ae%40sessionmgr4002&vid=1&hid=4214

Salvi, A., Vitolla, F., Giakoumelou, A., Raimo, N., & Rubino, M. (2020). Intellectual capital disclosure in integrated reports: The effect on firm value.

Technological Forecasting and Social Change, *160*(July), 120228. https://doi.org/10.1016/j.techfore.2020.120228

Shen, H., Fu, M., Pan, H., Yu, Z., & Chen, Y. (2020). The Impact of the COVID-19 Pandemic on Firm Performance. *Emerging Markets Finance and Trade*, *56*(10), 2213–2230. https://doi.org/10.1080/1540496X.2020.1785863

Singh, P. J., Sethuraman, K., & Lam, J. Y. (2017). Impact of corporate social responsibility dimensions on firm value: some evidence from Hong Kong and China. *Sustainability (Switzerland)*, *9*(9). https://doi.org/10.3390/su9091532

Slack, R., & Tsalavoutas, I. (2018). Integrated reporting decision usefulness: Mainstream equity market views. *Accounting Forum*, *42*(2), 184–198. https://doi.org/10.1016/j.accfor.2018.01.005

Solomon, J., & Maroun, W. (2012). Integrated reporting: the influence of King III on social, ethical and environmental reporting. *The Association of Chartered Certified Accountants, London*, *Study pape*, 6–7.

Soriya, S., & Rastogi, P. (2023). The impact of integrated reporting on financial performance in India: a panel data analysis. *Journal of Applied Accounting Research*, *24*(1), 199–216.

Soyka, P. A. (2013). The International Integrated Reporting Council (IIRC) Integrated Reporting Framework: Toward Better Sustainability Reporting and (Way) Beyond. *Environmental Quality Management*, *23*(2), 1–14. https://doi.org/10.1002/tqem.21357

Stacchezzini, R., Melloni, G., & Lai, A. (2016). Sustainability management and reporting: the role of integrated reporting for communicating corporate sustainability management. *Journal of Cleaner Production*, *136*, 102–110. https://doi.org/10.1016/j.jclepro.2016.01.109

Stubbs, W., & Higgins, C. (2014). Integrated reporting and internal mechanisms of change. *Accounting, Auditing & Accountability Journal*, *27*(7), 1068–1089.

Stubbs, W., Higgins, C., Milne, M. J., & Hems, L. (2014). Financial Capital Providerss Perceptions of Integrated Reporting. *SSRN Electronic Journal*, 1–17. https://doi.org/10.2139/ssrn.2473426

Terblanche, W., & De Villiers, C. (2019). The influence of integrated reporting and internationalisation on intellectual capital disclosures. *Journal of Intellectual Capital*, *20*(1), 40–59. https://doi.org/10.1108/JIC-03-2018-0059

Tlili, M., Ben Othman, H., & Hussainey, K. (2019). Does integrated reporting enhance the value relevance of organizational capital? Evidence from the South African context. *Journal of Intellectual Capital*, *20*(5), 642–661. https://doi.org/10.1108/JIC-02-2019-0034

Vitolla, F., Raimo, N., & Rubino, M. (2019). Appreciations, criticisms, determinants, and effects of integrated reporting: A systematic literature review. *Corporate Social Responsibility and Environmental Management*, *26*(2), 518–528. https://doi.org/10.1002/csr.1734

Vitolla, F., Raimo, N., Rubino, M., & Garzoni, A. (2020). The determinants of integrated reporting quality in financial institutions. *Corporate Governance (Bingley)*, *20*(3), 429–444. https://doi.org/10.1108/CG-07-2019-0202

Vitolla, F., Salvi, A., Raimo, N., Petruzzella, F., & Rubino, M. (2020). The impact on the cost of equity capital in the effects of integrated reporting quality. *Business Strategy and the Environment*, *29*(2), 519–529. https://doi.org/10.1002/bse.2384

Wachira, M. M., Berndt, T., & Romero, C. M. (2019). The adoption of international sustainability and integrated reporting guidelines within a mandatory reporting framework: lessons from South Africa. *Social Responsibility Journal*, *16*(5), 613–629. https://doi.org/10.1108/SRJ-12-2018-0322

Wahl, A., Charifzadeh, M., & Diefenbach, F. (2020). Voluntary Adopters of Integrated Reporting – Evidence on Forecast Accuracy and Firm Value. *Business Strategy and the Environment*, *29*(6), 2542–2556. https://doi.org/10.1002/bse.2519

Wiedman, C. (2000). Discussion of “Voluntary Disclosure and Equity Offerings: Reducing Information Asymmetry or Hyping the Stock?” *Contemporary Accounting Research*, *17*(4), 663–669. https://doi.org/10.1506/DWU8-P832-UTX1-48AD

Zhou, S., Simnett, R., & Green, W. (2017). Does Integrated Reporting Matter to the Capital Market? *Abacus*, *53*(1), 94–132. https://doi.org/10.1111/abac.12104

Zuhroh, I. (2019). The Effects of Liquidity, Firm Size, and Profitability on the Firm Value with Mediating Leverage. *KnE Social Sciences*, *3*(13), 203. https://doi.org/10.18502/kss.v3i13.4206

العلاقة بين إفصاح التقارير المتكاملة وخلق القيمة:

أدلة من الشركات المصرية المدرجة

الملخص:

أصبحت الأساليب التقليدية لإعداد تقارير الشركات غير كافية لتلبية الاحتياجات المعلوماتية المتنوعة لأصحاب المصلحة. كما أن هناك حاجة متزايدة لتعزيز الشفافية والإفصاح ليحتوي على معلومات كمية ونوعية لتقييم مدى نجاح الشركات في تحقيق أهدافها الاجتماعية والاقتصادية. وفي حين أن التقارير المتكاملة قد اكتسبت قوة جذب باعتبارها ممارسة معتمدة عالميًا لافصاح الشركات في العديد من الأسواق، فان الدراسات الحديثة تؤكد على الفائدة من تبنيها في الدول النامية. لذلك تحاول هذه الدراسة التحقق من مدى إفصاح التقارير المتكاملة بالتطبيق على الشركات المصرية المدرجة واستكشاف مدي ارتباطه بخلق القيمة لهذه الشركات. وباستخدام تحليل الانحدار لعينة تضم ٢٥ شركة مدرجة في مؤشر EGX 100 على مدار خمس سنوات من (٢٠١٧ – 2021)، تستخدم هذه الدراسة تحليل المحتوى لقياس مستوى إفصاح التقارير المتكاملة وتستخدم Tobin's Q كمقياس لقيمة الشركة. وتُظهر النتائج وجود علاقة إيجابية قوية بين مستوي إفصاح التقارير المتكاملة وقيمة الشركة مما يشير إلى أن هذا الإفصاح يحقق فوائد سواء كان الإفصاح اختياري أو إلزامي مع ملاحظة وجود تأثير أكثر وضوحًا في الأنظمة الإلزامية. وتساهم هذه الدراسة في تقديم أدلة تجريبية من خلال التطبيق علي أحد الاسواق النامية وتطبيق مؤشر إفصاح شامل لقياس مستوى إفصاح التقارير المتكاملة. كما تقدم رؤى قيمة للمديرين والمراجعين والمحللين في توجيه عملية صنع القرار بناءً على التقارير السنوية وتوصي الدراسة بدعوة صانعي السياسات والجهات التنظيمية في مصر لفرض الافصاح الالزامي للتقارير المتكاملة.

الكلمات المفتاحية:

التقارير المتكاملة، خلق القيمة، نظرية أصحاب المصلحة