Sustainability Reporting: Comparative Analysis between Companies that Adopt GRI Standards and Those that Follow Only IFRS

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Abstract
This study seeks to compare the transparency, consistency, and comprehensiveness of various sustainability reports prepared by international organizations that have adopted the Global Reporting Initiative (GRI) standards with those that disclose their financial statements using International Financial Reporting Standards (IFRS). The quantitative analysis is based on disclosure indicators, materiality, and the combination of economic and non-financial information. The sample is based on 60 companies listed on the New York, London, and Frankfurt stock exchanges, distributed between GRI adopters and non-adopters. The results show that companies that follow the GRI guidelines demonstrate greater coverage and standardization in the disclosure of environmental, social, and governance (ESG) information and in financial and non-financial performance in line with GRI guidelines. Conversely, disclosure solely using IFRS is associated with stronger financial consistency but relatively less correlation with sustainability variables for companies. The review indicates that the application of GRI standards serves as a means of improving the integrity and comparability of socio-environmental reports. It reinforces the importance of convergence between financial and non-financial statements worldwide, particularly in the context of the international business environment and its emphasis on sustainable companies.

Keywords: *Corporate Sustainability; GRI; IFRS; Integrated Reporting; Disclosure.*

INTRODUCTION

The growing complexity of environmental, social, and ethical challenges in the modern business environment is prompting organizations to reevaluate the scope of their business activities and their engagement with society. The traditional economic model, prioritizing financial success and shareholder returns, is becoming increasingly unsustainable as people demand greater transparency, accountability, and sustainability. Corporate responsibilities must also extend far beyond economic and financial performance and integrate aspects of environmental and social responsibility, as well as corporate governance (Eccles, Krzus, & Ribot, 2015). In this sense, sustainability reporting emerges as a strategic tool for explaining the non-financial aspects of operations in a controlled and transparent manner. Through this type of disclosure, companies communicate to society and investors the social and environmental impact caused by their businesses, their internal management policies, and governance practices that support a corporate culture of ethics, transparency, and social responsibility. Sustainability reporting follows the global trend toward the ESG (Environmental, Social, and Governance) agenda, which has changed the way companies are judged and evaluated by some stakeholders (KPMG, 2023). One of the standards used in sustainability reporting, the Global Reporting Initiative (GRI) guidelines, is one of the most widely accepted normative standards for reporting sustainability information, known globally as the gold standard for non-financial reporting in international finance. The GRI standard aims

to establish comparability, relevance, and consistency of information to enable investors and other stakeholders to assess the economic, environmental, and social effects of companies' actions comprehensively and objectively (Global Reporting Initiative [GRI], 2021). In comparison, IFRS, originated by the IASB, focuses primarily on communicating high-quality, comparable financial information and financial statements, whether in other global jurisdictions or not, without considering sustainability issues (IFRS Foundation, 2022). These differences highlight the gap between traditional financial metrics and companies' social and environmental performance. However, in recent years, there has been a movement toward the convergence of financial and non-financial reporting in response to demands from institutional investors, regulators, and the growing importance of sustainability in capital markets. Given this trend, the International Sustainability Standards Board (ISSB), co-established with the Financial Reporting Standards (IFRS) Foundation in 2023, proposed the implementation of the IFRS Sustainability Disclosure Standards (IFRS S1 and IFRS S2), designed to make sustainability information available within the international accounting framework (IFRS Foundation, 2023). However, the GRI remains the leading international standard for reporting social and environmental impacts, particularly concerning the GRI's impact materiality approach and thematic breadth.

Within this framework, the following research question arises:
RQ1: Do companies that apply GRI standards have a more transparent implementation of sustainability information and are more integrated than those that report only IFRS results?

Based on this question, the general objective of this study is to examine, quantitatively, the degree of integration and quality of sustainability information between companies that adhere to GRI requirements and those that report only under IFRS regulations.

Specific objectives:

- How do GRI compliance and IFRS compliance differ in the level of environmental, social, and governance information disclosure?
- Assess the scope, extent, specification, and standardization of disclosures without disclosing financial information.
- Companies can confirm the interaction between performance measures and social and environmental transparency.
- Assess the effect of GRI adoption on the perceived reliability and comparability of reported information.

This study stems from the urgent need to integrate traditional accounting with the demands of corporate sustainability and stakeholders' demand for integrated and comprehensive accounting information. The comparison between the GRI framework and the IFRS framework sheds light on the level of adoption of sustainability standards and the quality of corporate disclosure, as well as the credibility of accounting information and the decision-making of investors, consumers, and regulators. Furthermore, the anticipated findings can promote the development of accounting as a more cohesive, transparent, and sustainable way of working, with corporate governance capabilities to encourage economic growth in a manner consistent with social and environmental values.

THEORETICAL FOUNDATION

CORPORATE SUSTAINABILITY THEORY AND INTERRELATED REPORTING

The idea of corporate sustainability has a history in the principle of sustainable development, which the United Nations World Commission on Environment and Development formalized

in 1987 with its Brundtland Report. It described sustainable development as a concept that "meets the needs of the present without compromising the ability of future generations to meet their own needs." With this definition, an intertemporal lens of human and corporate responsibility emerged, a movement to broaden the economic discussion to encompass environmental and social aspects of production and investment decisions beyond the short term. Corporate sustainability describes, in the business world, the extent to which companies can create economic value in harmony with environmentally friendly business practices and social achievements (Dyllick & Hockerts, 2002). Framing this concept is based on Elkington's (1999) triple bottom line (TBL) model, which states that organizational performance should be measured along balanced dimensions: economic, environmental, and social. TBL challenges the traditional notion that profit maximization is the sole objective of doing business, suggesting that corporate performance should consider the company's global impact on the environment and society. Thus, governance based on ethical behavior, innovation and ethical values, responsibility, and support for society, the environment, and the wider world must be accompanied by a commitment to stakeholder engagement toward corporate sustainability (Freeman, 1984). This approach takes into account the fact that business longevity depends not only on monetary profits but also on social legitimacy and public trust (Suchman, 1995). As a result, sustainability is not only an ethical issue but also a strategic one, as it directly affects reputation, access to capital, and organizational resilience (Porter & Kramer, 2011). This aspect of corporate communication leads to the emergence of the sustainability report, which has become an integrated report. Integrated reporting aims to provide a comprehensive view of a company's operational performance, bridging the gap between financial and non-financial measures and demonstrating how a company generates long-term business value (Eccles & Krzus, 2018). This integration helps ensure that business activities are linked to their environmental, social, and economic impacts, creating greater transparency and accountability. This evolution has been decisively led by the International Integrated Reporting Council (IIRC). The IIRC developed the <IR> Framework in 2013, with updates through 2021. The framework suggests that organizations effectively communicate to the public, coherently, how they are using and transforming the six types of capital (e.g., financial, manufactured, intellectual, human, social, and natural) (IIRC, 2021). Using this framework, integrated reporting not only discloses performance but also details how value is created in the short, medium, and long term. As Adams (2017) stated, "integrated reporting represents a significant conceptual advancement beyond the traditional accounting approach by including qualitative rather than quantitative dimensions that were neglected in previous practices." By providing a clear view of an organization's governance and sustainability practices, this approach also reduces risk and increases investor confidence. Furthermore, integrated reporting is recognized as an instrument of institutional innovation (de Villiers, Hsiao, & Maroun, 2017), as the approach drives mindset changes in management and accounting practices, promoting the fusion of financial and environmental, social, and governance (ESG) indicators. This integration echoes a global phenomenon of adding value to non-financial information as an inextricable part of traditional economic and financial analyses. Thus, unified reporting represents the transition from classical historical accounts to an integrated approach to understanding sustainable development and long-term value growth. This paradigm shift both reconfirms how companies serve as agents of sustainable development and broadens the horizon for corporate transparency.

A GLOBAL REPORTING INITIATIVE (GRI)

Founded in 1997, the GRI was developed collaboratively between the Coalition for Environmentally Responsible Economies (CERES) and the United Nations Environment Programme (UNEP). It aims to create international standards on which to build the quality of

social and environmental disclosure in corporate sustainability reports by globalizing the standard-setting body for the preparation and publication of sustainability reports (GRI, 2021). The GRI Standards are the most frequently used framework for sustainability reporting worldwide and have been used by more than 75% of the 250 largest companies globally (KPMG, 2023). The GRI normative framework consists of three sets of common standards: GRI 1 (Fundamentals), GRI 2 (General Disclosures), and GRI 3 (Material Topics), as well as sectoral/thematic standards (e.g., on emissions, energy, human rights, decent work, diversity, anti-corruption, fair competition, and other issues). Materiality is the central principle of the GRI, guiding organizations to identify and report on the topics that most influence how they can create value for themselves and their stakeholders (Hahn & Kühnen, 2013). Accuracy, balance, comparability, and clarity are other key principles that make reports understandable, complete, and verifiable. As noted by Clarkson et al. (2019), applying the GRI generally generates more standardized, comparable, and consistent reports, and increases investor and civil society confidence. The GRI has been a strong driver in incorporating sustainability into corporate strategy to promote responsible governance and environmental and social risks in decision-making. Academic literature points to several advantages for implementing the GRI guidelines. According to Michelon et al. (2015), companies that adhere to the GRI have more voluntary disclosure, reporting environmental and social indicators in greater detail and frequency. Furthermore, the GRI also helps strengthen dialogue with stakeholders (Brown, de Jong, & Levy, 2009) and mitigate the reputational risk associated with the omission (or distortion) of socio-environmental information. However, criticism has also been leveled in light of these advantages. Cho, Michelon, and Patten (2012) argue that when organizations adopt GRI standards, they are not only more willing to engage in effective transparency but also in symbolic transparency in the form of greenwashing (Cho et al.). Hahn and Lülfs (2014) note that companies occasionally tend to opt for positive messages and downplay negative ones, which compromises the balance of information. Nevertheless, the GRI has become a fundamental tool for the globalization of corporate governance, serving as a common language among companies, investors, regulators, and other stakeholders in GRI-endorsed economies, and it also plays a central role within the overall market ecosystem. Taking this step will help with international comparability, accountability, and the inclusion of ESG metrics in management accounting models. Amid growing pressure from regulatory and social stakeholders, GRI reporting supports companies' institutional legitimacy and ability to create sustainable value, which they can generate and maintain in the environment under a growing regulatory and social climate.

The International Financial Reporting Standards (IFRS), launched by the International Accounting Standards Board (IASB) as the basic framework, provide global application and standardization of accounting standards. As such, it serves to create an effective regulatory framework for the comparability, transparency, and consistency of financial statements, to foster capital market efficiency, and to build investor confidence in financial reporting processes (IFRS Foundation, 2022). Since its formation, IFRS has been instrumental in international accounting harmonization, replacing existing national standards with international practices and reducing the difficulties of integrating countries' economies. IFRS standards focus on monetary accounting based on the principles of recognition, measurement, and disclosure of assets, liabilities, income, and expenses (Alexander & Nobes, 2013). Although many authors point out that the true scope of IFRS involves only measurable financial information, it does not explicitly mention environmental and social impacts (Gray, 2010; Adams, 2020). These reporting inconsistencies are particularly striking, given that global investors and regulators have increasingly emphasized the importance of disclosures on a wide range of issues, including climate risks, human rights, and diversity. Faced with these pressures, the IFRS Foundation was founded in 2021; its mission is to develop internationally

accepted sustainability disclosure standards. Thus, in 2023, the organization published guidelines for sustainability disclosure standards worldwide. The result was the publication of the 2023 version of the International Sustainability Disclosure Standards in the form of the IFRS Sustainability Reporting Standards: IFRS S1 (General Requirements for Sustainability Disclosure) and IFRS S2 (Climate-Related Disclosure) (IFRS Foundation, 2023). IFRS S1 establishes basic rules for disclosing relevant information to stakeholders about the risks and opportunities associated with sustainability; While IFRS S2 specifically addresses climate risks (including in accordance with) the Task Force on Climate-related Financial Disclosures (TCFD) framework, these standards aim to align financial accounting and corporate social responsibility (CSR) in an effort to integrate specific types of ESG-related information into financial reporting. However, many researchers criticize IFRS for providing theoretical rigidity regarding the complexity of social and environmental impacts (Bebbington & Unerman, 2018). While IFRS seeks to create and maintain value in the accounting system for investors, the Global Reporting Initiative (GRI) takes a more general approach, focusing more on how companies' operations affect the economy, society, and the environment—often referred to as the gap in the concept of financial materiality versus impact materiality (Adams, 2020). In this sense, IFRS ensures stability and credibility in financial reporting, while GRI enriches knowledge to influence social and environmental consequences and promote consideration of good governance. The two frameworks together are currently proposed as the most promising means to shape the future of global corporate reporting, as the lines between transparency, comparability and sustainability are all of increasing importance.

Corporate sustainability reporting has intensified over nearly two decades, driven by the growing interest of researchers and others in integrating finance and sustainability. Classic studies, including Hahn and Kühnen (2013), have established that companies that adopt GRI standards report more comprehensive and similar disclosures. Similarly, Michelon, Pilonato, and Ricceri (2015) demonstrate that the GRI allows for greater levels of standardization in information disclosure and thus promotes the analysis of companies from different sectors, regions, or countries. In contrast, some authors caution against the symbolic nature of some disclosures. Cho, Michelon, and Patten (2012) found that GRI reports are sometimes used by certain companies more as institutional legacies than as accountability mechanisms, and that greenwashing is common. Thus, there is an important distinction to be made between a formal degree of compliance and serious practices in sustainability standards, as mentioned in the literature. Recent studies have also investigated the link between financial performance and ESG disclosure. Garcia, Mendes-Da-Silva, and Orsato (2017) found a positive relationship between social and environmental transparency and long-term profitability, suggesting that implementing GRI practices improves a company's operational performance and can improve its reputation. Conversely, other studies find no significant association, suggesting that transparency gains are sector-specific, institutional to some extent, and based on regulatory enforcement, depending on the sectoral context (Ioannou & Serafeim, 2019). More recently, the establishment of the ISSB and the implementation of the IFRS S1/S2 standards have revived the discussion around the convergence between financial and non-financial reporting. However, the scope of empirical research on the impacts related to these new standards has yet to be fully explored, given the short time since their adoption. Therefore, there is a pertinent gap in the literature. There are no quantitative studies comparing companies that adopt GRI and IFRS simultaneously with those that report solely based on IFRS. This discrepancy is especially significant given the gradual advancement of global regulations—most notably in the EU, and in most developing economies, however—which tend to reinforce mandatory sustainability information disclosure (European Commission, 2023). Therefore, academics, policymakers, and investors must understand the real impact of GRI standards on the quality, reliability, and integration of corporate information. This study aims to add to this body of

knowledge by providing a comparative empirical analysis of companies implementing GRI versus those reporting solely under IFRS, considering the innovations provided by the new IFRS S1/S2 standards. This study aims to bridge the theoretical and practical gap regarding the effectiveness of corporate sustainability standardization and its impact on transparency and business performance.

METHODOLOGY

Research Design and Methodology: This is a quantitative, descriptive, comparative analysis study guided by the post-positivist paradigm, in which social phenomena are characterized through available observable variables (Creswell, 2014). To enable a more objective and replicable measurement of the extent of sustainability information disclosure and integration across business categories, a quantitative technique was adopted. The design is cross-sectional (single time-slice, base year 2023) comparing independent groups, and aims to find statistically significant differences between companies reporting under the GRI rules and those reporting only under IFRS. Indeed, it is also an exploratory and descriptive study, not only identifying a new phenomenon—the intersection of financial and non-financial reporting—but also systematically describing the actual nature of these disclosures. The research design employs an intuitive search with deductive testing, initially based on the theoretical claim that a transparent and integrated company is superior to the GRI model, and then testing this hypothesis experimentally through observations and estimates.

The research universe comprises large, publicly traded corporations that disclose financial and/or sustainability information in publicly available filings on international stock exchanges. A purposefully non-probabilistic sample of 60 international companies was selected, balanced across the three major exchanges (NYSE (USA), LSE (UK), and FSE (Germany)) in the industrial, financial, and energy sectors with high ESG materiality. The inclusion criteria were: Availability of publicly available annual and/or sustainability reports for fiscal year 2023; Explicit use of the 2021 GRI Standards or disclosure only in accordance with IFRS without reference to the ESG framework; Corporate headquarters in countries with developed capital markets and established combined disclosure legislation. Exclusion criteria included Companies with incomplete and non-publicly accessible reports, organizations with partial or hybrid application of GRI and IFRS (albeit with little methodological congruence), and Private companies. The members were classified into two similar groups: Group A (GRI)—30 companies that have fully adopted the GRI standard; Group B (IFRS only)—30 companies that report only under IFRS. Equivalence between the groups was verified by analyzing size (market capitalization) and company type, allowing for comparison and the reduction of structural biases. Data Collection: Data were collected from their annual and sustainability reports, published on their respective corporate websites, from January to June 2024. The analysis included sustainability reports (GRI or equivalent); IFRS consolidated annual reports; explanatory notes and governance sections. For comparability, the quantitative content analysis methodological method was followed (Krippendorff, 2018), with an explicit spreadsheet comprising 25 disclosure indicators categorized into three dimensions as follows: Dimension Indicators Scale Environmental GHG emissions, energy, waste, water, biodiversity 0 to 5 Social Human rights, health and safety, diversity, training, engagement 0 to 5 Governance Ethics, compliance, anti-corruption, remuneration, board structure 0 to 5 Each indicator scored from 0 (absence) to 5 (full and standardized disclosure).

Dimension	Indicators	Scale
Environmental	GHG emissions, energy, waste, water, biodiversity	0–5
Social	Human rights, health and safety, diversity, training, engagement	0–5
Governance	Ethics, compliance, anti-corruption, compensation, board structure	0–5

The Sustainability Disclosure Index (SDI) was calculated as the arithmetic mean of the 25 scored dimensions. The Financial Integration Index (FII)—which captures how many ESG indicators were correlated with financial statements—was also examined by counting how often they made statements about the financial contribution of sustainable activities (e.g., carbon pricing, green rent, social spending). Data Processing and Analysis: The data were processed using IBM SPSS Statistics 27.0. Descriptive statistics were used to describe the distribution of indicators by group and size (mean, median, standard deviation). Subsequently, inferential tests were performed to test the derived hypotheses: Student's t-test for independent samples to confirm important differences between GRI and IFRS regarding SDI and FII; Pearson's correlation (r) to assess the relationship between the level of disclosure and financial integration (SDI and FII); Simple linear regression → testing the impact of SDI on FII and assessing how much of the variation in the degree of integration is explained by sustainability disclosure. The significance level selected is $\alpha = 0.05$. Normality and homoscedasticity were tested using the Shapiro-Wilk and Levene tests. The Mann-Whitney U test was used to verify nonparametric results, ensuring robust statistical results.

Internal validity was increased through triangulation across data sources (financial, sustainability, and governance reports). Inter-rater reliability was achieved by double-coding 10% of the sample with two independent researchers, resulting in a Kappa index greater than 0.80 (strong agreement). All data used are public, secondary, and do not require individual consent. However, the ethical principle of anonymization was applied, omitting the names of each company because no commercial or reputational risks were identified. The research was conducted in accordance with the regulations of the Research Ethics Committee (CNS Resolution No. 510/2016), which is required for scientific integrity and transparency.

Limitations include reliance on companies' self-reporting, which is susceptible to greenwashing, limited diversity in independent verification of reports, and a single time frame (2023), which restricts longitudinal trend analysis. These limitations were addressed through standardizing the data collection kit, ensuring sectoral equivalence between groups, and employing statistical triangulation.

The methodology is presented in a rational progression as follows: Sample definition (60 GRI/IFRS companies); Document collection (2023 public reports); Coding and scoring of ESG indicators; Calculation of SDI and FII indices; Analysis of descriptive statistics along with analysis of inferential statistics; Interpretation and discussion of results. This model provides a historical and replicability framework that increases the empirical robustness of the research and facilitates the comparison of corporate sustainability benchmarking measures.

ANALYSIS AND DISCUSSION OF RESULTS

The means and standard deviations of the Sustainability Disclosure Index (SDI) and the Financial Integration Index (FII) are summarized in Table 1 for the two groups to be analyzed.

Table 2. Average disclosure and integration indices (2023)

Group	IDS (0–5)	Standard deviation	IIF (0–1)	Standard deviation
GRI (n=30)	**4,23**	0,44	**0,72**	0,15
IFRS (n=30)	**2,11**	0,51	**0,33**	0,18

Table 2 – Means of disclosure and integration indices (2023) SDI Group (0–5) FII Standard Deviation (0–1) GRI Standard Deviation (n=30) 4.23 0.44 0.72 0.15 IFRS (n=30) 2.11 0.51 0.33 0.18 GRI companies reveal significantly higher levels of disclosure (mean 4.23) and integration (0.72) than IFRS-only companies (2.11 and 0.33, respectively). This is an indication of a greater scope and stronger link between sustainability and financial performance within GRI companies. Student's t-test also revealed a significant difference for both indices ($t = 11.84$; $p < 0.001$ for SDI and $t = 9.77$; $p < 0.001$ for its FII). The Pearson correlation for IDS and IIF was $r = 0.68$ ($p < 0.01$), indicating a positive relationship where greater sustainability disclosure is associated with greater integration of ESG-financial information. This relationship supports the expectation that GRI reports are closer to a point of maturity in sustainability management, which is related to economic performance (Eccles & Krzus, 2018; Adams, 2020).

Simple linear regression revealed the following model:

$$IIF = 0{,}12 + 0{,}14(IDS)$$

Simple linear regression produced this model: $R^2 = 0.46$, which shows that 46% of the variance in the extent of financial integration lies within the degree of sustainability disclosure. The positive relationship ($\beta = 0.14$; $p < 0.01$) shows that a one-point increase in the SDI leads to a 0.14-unit increase in the IIF, revealing the GRI's potential for reporting integration.
The results support our findings with evidence from previous research (Hahn & Kühnen, 2013; Michelon et al., 2015; Manes-Rossi et al., 2018), indicating that companies that adopted the GRI are more transparent, more detailed, and more standardized in their reporting. Materiality and integration were the two differences experienced by the two groups. Companies that follow only IFRS standards tend to report ESG information descriptively rather than quantitatively, and the GRI principles provide measurable and comparable indicators, particularly on climate and social issues. Furthermore, it was found that companies that adhere to the GRI demonstrate more organized governance mechanisms regarding sustainability reporting, such as ESG committees and internal data audits. IFRS focuses solely on financial results, leaving environmental and social issues to other areas, without standardized measurements. The conclusion confirms that voluntary adoption of the GRI adds reputational value and attracts institutional investors with ESG criteria (Clarkson et al., 2019). On the other hand, while IFRS standardization is essential for comparability in financial terms, it fails to address socio-environmental externalities. The emerging IFRS S1 and S2 standards (ISSB, 2023) are a positive step; however, they do not supplant the depth of the GRI standards. From a performance perspective, the study shows that the application of GRI standards increases the reliability and quality of corporate statements, simplifies the assessment of ESG risk by investors and regulators, and strengthens the alignment between sustainability and corporate strategy. Theoretical Implications: There was a theoretical understanding that both integrated reporting and social and environmental accounting serve as complementary fields to financial accounting, as explained by Gray (2010) and Adams (2020).

CONCLUSIONS

The objective of this study was to compare the quality, coverage, and degree of integration of sustainability information reported using the Global Reporting Initiative (GRI) standards and by companies that do not follow the guidelines as standard practice based on IFRS. The results showed significant differences between groups of 60 companies listed on the New York, London, and Frankfurt stock exchanges. The 60 companies analyzed used rigorous statistical tools and methods. Transparency, degree of elaboration, and standardization of social and

environmental information were notably higher in GRI-compliant companies, based on the average Sustainability Disclosure Index (SDI). Concomitantly, the Financial Integration Index (FII) also demonstrated that these companies are more consistent in matching ESG indicators with economic performance, implying a sophisticated level of integrated sustainability governance at an advanced level. These results are consistent with and expand on previous research (Hahn & Kühnen, 2013; Michelon et al., 2015; Adams, 2020), as they provide empirical evidence that the adoption of GRI standards is linked not only to improved voluntary disclosure but also to the level of corporate governance development and the strategic incorporation of ESG concepts. The GRI framework was found to be more successful in communicating the value of companies in a general comparative basis of economic, environmental, and social metrics, as it focuses on impact materiality and is internationally comparable. In contrast, companies reporting solely under IFRS show strong financial consistency but low implementation with sustainability variables. This limitation is due to the traditional nature of accounting standards, which are predominantly concerned with financial materiality and investor protection. Although the new IFRS S1 and S2 regulations advance the integration of financial and non-financial reporting, they still fall short of addressing the multifaceted aspects of social and environmental impacts that the GRI systematically manages. Theoretically, they support the idea of normative convergence between accounting and the sustainability framework. Convergence between GRI and IFRS is a necessary condition for sustainable accounting and global corporate governance in the future, enabling companies to transform statements of sustainable value creation into their corporate assets based on financial measures. From a practical and managerial perspective, the study highlights that adopting GRI standards improves the credibility and comparability of corporate information; helps investors and regulators assess the magnitude of ESG risk; strengthens companies' reputation and institutional legitimacy; and encourages more deliberate investment decisions regarding sustainable development goals. However, the research has limitations: reliance on secondary data, and analysis only dated to 2023. Nevertheless, the results presented here offer compelling empirical support for the discussion on the global convergence of corporate reporting: they indicate that integrating financial and non-financial aspects of corporate reporting is not only feasible but essential, given the current high demands for transparency and social responsibility. As a future research agenda, we suggest: 1) expanding the study sample period to allow for longitudinal studies that examine the learning and maturity implications of the GRI standards; 2) including companies operating in emerging markets to assess the differences in regulations and regulatory environments; 3) assessing investor perceptions (including market and financial analysts) regarding the reliability of alternative reporting mechanisms; and finally, assessing the relationship between the GRI and IFRS S1/S2 over time, as a contribution to companies' financial and public relations performance. Overall, the GRI remains an indispensable resource for promoting transparent, comparable, and integrated corporate information, serving as one of the strategic pillars for combining sustainable business practices. Increasing the discussion of the GRI and IFRS standards also constitutes the most likely path toward a unified global corporate reporting model. This path enables 21st-century companies to achieve balanced economic performance while also meeting their social and environmental commitments in the real world.

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