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FOMINA Olena,
Doctor of Sciences (Economics),
Professor, Head of the Department
of Accounting and Taxation
State University of Trade and Economics
19, Kyoto St., Kyiv, Ukraine, 02156

ORCID: 0000-0002-4962-3298
o.fomina@knute.edu.ua

CORPORATE REPORTING ON SOCIAL RESPONSIBILITY UNDER MARTIAL LAW

Today, it is important to create a demand for social responsibility, reporting on the contribution of business to the achievement of sustainable development goals to create jobs, improve communications between government, business and society, address economic, environmental and social issues, and build an economy that works for people. Businesses should report on their corporate social responsibility in countering military aggression and maintaining peace and security. The purpose of the article is to highlight the peculiarities of preparing and publishing corporate social responsibility reports in Ukraine and the EU. The study uses general scientific and special methods: induction, deduction, comparative analysis, synthesis, generalization, grouping, abstraction, and the logical method. Reporting on corporate social responsibility allows demonstrating how a business affects the natural environment and society and what contribution it makes to achieving sustainable development goals. It is established that there is no single standard, guideline or framework for the preparation and presentation of

ФОМІНА Олена,
д. е. н., професор,
завідувач кафедри обліку та оподаткування
Державного торговельно-економічного
університету
вул. Кіото, 19, м. Київ, 02156, Україна

ORCID: 0000-0002-4962-3298
o.fomina@knute.edu.ua

КОРПОРАТИВНА ЗВІТНІСТЬ ПРО СОЦІАЛЬНУ ВІДПОВІДАЛЬНІСТЬ В УМОВАХ ВОЄННОГО СТАНУ

На сьогодні актуальним є формування запити на соціальну відповідальність, звітування про внесок бізнесу у досягнення цілей сталого розвитку для створення робочих місць, покращання комунікацій між урядом, бізнесом і суспільством, вирішення економічних, екологічних та соціальних проблем, побудови економіки, яка працює для людей. Бізнес має звітувати про свою корпоративну соціальну відповідальність у протидії військовій агресії та підтримці миру і безпеки. Метою статті є висвітлення особливостей підготовки та оприлюднення корпоративної звітності про соціальну відповідальність в Україні та ЄС. Під час дослідження використано загальнонаукові та спеціальні методи: індукції, дедукції, компаративного аналізу, синтезу, узагальнення, групування, абстрагування, логічний. Звітування про корпоративну соціальну відповідальність дає змогу продемонструвати, як бізнес впливає на природне навколишнє середовище, суспільство та який внесок здійснює у досягнення цілей сталого розвитку. Встановлено, що єдиного стандарту, керівництва чи рамок щодо підготовки і представлення корпоративної звітності про соціальну відповідаль-



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corporate social responsibility reporting; a number of regulatory documents at the international, European, regional and national levels have been adopted to date, but cooperation continues to harmonize existing standards and approaches and promote them among a wide range of users. In order to strengthen European integration, Ukraine needs to establish a national system of regulation, incentives, certification, monitoring and evaluation of corporate social responsibility, verification and verification of corporate social responsibility reporting, and adoption of the best European experience.

Keywords: social responsibility, sustainable development, reporting, corporate reporting, integrated reporting, Global Reporting Initiative, Corporate Sustainability Reporting Directive, European Union, Ukraine.

JEL Classification: G38, M14, M41, M49.

ність не існує. Нині прийнято низку нормативних документів міжнародного, європейського, регіонального та національного рівнів, проте триває співпраця щодо гармонізації чинних стандартів і підходів, їх популяризації серед широкого кола користувачів. Для посилення євроінтеграції Україна потребує встановлення національної системи регулювання, стимулювання, сертифікації, моніторингу та оцінки соціальної відповідальності бізнесу, перевірки і верифікації звітності про корпоративну соціальну відповідальність, запозичення кращого європейського досвіду.

Ключові слова: соціальна відповідальність, сталий розвиток, звітність, корпоративна звітність, інтегрована звітність, Глобальна ініціатива звітності, Директива з корпоративної звітності про сталий розвиток, Європейський Союз, Україна.

Introduction

In Ukraine, the private and public sectors do not yet have such an experience and complete understanding of the significance of social responsibility as European countries have. While global investment in sustainability increased by 68 % [1], only 17.8 % of companies in Ukraine have integrated Sustainable Development Goals into their strategies [2]. The importance of corporate social responsibility is growing worldwide, especially in recent years: more than 77 % of consumers tend to buy from companies that care about public goods. Furthermore, efforts to improve the environment and society are influenced on the investment decisions nearly 73 % of investors [1]. Social responsibility has to be in a conscious position of a business, and businesses should consider the interests of stakeholders in determining of strategy and policy.

The development of corporate reporting on the social responsibility of companies in Ukraine forms due to the request of young employees and clients. Researches are disclosed that the attitude of businesses towards the manifestations of social responsibility is deteriorating. Less than half of millennials (47 % in the world and 44 % in Ukraine) and representatives of generation "Z" (48 % in the world and 41 % in Ukraine) believe that business positively affects society. At the same time, 72 % of young people do not support reducing the amount of assistance to ventures in the fight against climate change. And only 44 % believe that business has a positive impact on society [3]. To fill the lack of effort that companies and institutions should and could make, young people take an active position: bring up others, distribute informational content on social platforms, vote for progressive politicians, and boycott companies and brands that do not share their values in matters related to social responsibility. Young people prefer those companies and employers that care about the environment, mental health of employees,

and counteract discrimination. It is especially noticeable in supporting businesses that have left Russian markets and are spreading humanitarian and volunteer initiatives.

Corporate Social Responsibility (CSR) reporting is becoming increasingly relevant to ensure business sustainability and transparency. On the one hand, the scope of the disclosure is limited by the scope of confidentiality and the conservative attitudes of companies not to disclose information about CSR. However, on the other hand, the desire to increase the intangible component of business value and strengthen competitive positions encourages companies to provide the most complete and transparent information in corporate reporting on the contribution of business to sustainable development and satisfaction of public interests. It can be claimed that this practice is the most typical for European companies that have a long history and tradition of corporate reporting on social responsibility. Therefore, studying the peculiarities and regulations of corporate social responsibility reporting in European countries and Ukraine is vital.

The problems of disclosure of non-financial information in corporate reporting are investigated by many scientists and practitioners. International professional and charitable organizations initiate the development of standards and recommendations for more complete disclosure of information on all aspects of companies' activities and their impact on society, the environment and the economy as a whole. Reporting on the social responsibility of business is covered by researchers such as Saprykina M., Gonz E., Okunev O. [2], Bezverkhyi K. [4], Kaminskaya I. [5], Malyshkin O., Konova I., Shulyarenko S. [6], Christensen H., Grad L., Leuz S. [7]. Korol S., Courbet M. identify business social responsibility and disclosure of information as crucial elements of corporate reporting [8]. Methodological aspects of social responsibility in integrated reporting are highlighted in the works/studies of Legenchuk S., Polishchuk I. [9], Umantsiv H., and Kotsupal O. [10]. The European experience of corporate reporting on social responsibility was studied by Lewis S. [11], Semenova S., Shpyrko O. [12].

Features of disclosure in reporting on/of social, environmental, and governance aspects of corporate sustainability are presented in the work of Carlyann, Carlyann E. [13], Whitaker J. and Eastwood S. [14]. The impact of audit on the disclosure of corporate social responsibility in reporting in terms of providing guarantees of the stated principles was investigated by Uyar A., Elbardan H., Kuzey C., and Karaman A. [15].

The impact of Directive 2014/95/EU [16] on non-financial reporting on the corporate social responsibility of European companies is described in the work of Cuomo F., Gaia S., Girardone C., Pisera S. [17]. Studies of the European practice of internal corporate governance and external regulation of social responsibility reporting, conducted by Samani N., Overland C., Sabelfeld S. [18], indicate that Directive 2014/95/EU provides a minimum amount of disclosure of information on social responsibility in companies that do not have internal management mechanisms, in particular the representation of employees in corporate councils.

The problems of combining financial and non-financial information about the social responsibility of business and its disclosure in corporate reporting are presented in the work of Rendtorff J. [19] and others.

The aim of the article is to highlight the peculiarities of preparation and publication corporate reporting on social responsibility in Ukraine and the EU.

During the research, general scientific and special methods have been used.

1. Requirements for the preparation of corporate reporting on social responsibility

Corporate social responsibility (CSR) is a concept that means the responsibility of businesses to society, the state, and the natural environment in which they operate [20]. CSR includes ensuring the sustainable business activities of the company, compliance with laws and ethical standards, preserving the environment, promoting the communities in which the company operates, and ensuring the safety and well-being of employees.

In general sense, social responsibility refers to the idea that businesses must contribute to the social and environmental well-being of society, in addition to their financial obligations. It can take many forms, for example, charity, ethical practices, and sustainable business models.

In this way, CSR allows companies to take responsibility for the social and environmental consequences of their actions and develop in harmony with the world around them. Many companies include CSR in their business strategy and ensure its implementation through various programs and initiatives, such as charity, environmental protection, social programs, and ethical leadership [21]. An integral part of CSR communication is the preparation and publication of reports.

Corporate reporting on social responsibility as a process of documenting and disseminating information about the company's social responsibility allows to reveal the impact of the enterprise on the economy, society and the environment, while demonstrating its responsibility to the public, owners and other interested parties.

This is a common practice in Europe and the world, which is becoming more and more urgent. However, the legal regulation of corporate reporting on social responsibility remains at the phase of mutual coordination, formation, and transformation.

It is expected that the new EU Corporate Sustainability Reporting Directive (CSRD) [22] and Directive 2014/95/EU on the disclosure of non-financial and diverse information [16] will affect Ukrainian companies. The drivers for this process will be Global Reporting Initiative (GRI) [23], UN Global Compact (UN Global Compact reporting Communication on Progress) [24], Environmental, Social, and Governance (ESG) Report [25], Guidance on social responsibility (ISO 26000:2010 Guidance on social responsibility) [26]. Global Reporting Initiative (GRI) [23], Report on the progress of the UN Global Compact.

In order to comply with the principles, instructions and recommendations for the preparation of corporate reporting on social responsibility, it is necessary to comply with the requirements of various standards, guidelines, frameworks and initiatives (*Table*).

Table

Standards and initiatives regulating corporate reporting on social responsibility

Abbreviation	Characteristic
Global Reporting Initiative (GRI) [23]	GRI is an independent international reporting standard in the field of sustainable development that helps organizations report on their economic, social and environmental activities. The new GRI G4 contains 36 modules, of which 3 are universal (basic requirements and principles of report preparation, its common components, management approaches) and 33 are specialized (which are filled in on the principle of materiality). The modular GRI reporting system allows you to adapt the report to the peculiarities of the enterprise, making it more flexible
The International Integrated Reporting Framework (IIRF/IIRC) [27]	The International Framework, Framework or Conceptual Framework for Integrated Reporting (IIRF) is a framework developed by the International Integrated Reporting Council (IIRC) that aims to provide an integrated approach to corporate reporting, emphasizing the interrelation of financial, environmental, social, and governance factors. One of the key objectives of the IIRC is to encourage companies to adopt more integrated and holistic approach to reporting on their social responsibility efforts
The Sustainability Accounting Standards Board (SASB) [28]	SASB is a non-profit organization founded in 2011 which provides companies with sustainability accounting standards that they use to disclose their environmental, social, and governance (ESG) activities. SASB standards were designed to identify and manage ESG risks and opportunities and to help investors make more informed decisions about their investments based on ESG factors
International Sustainability Standards Board (ISSB), IFRS Sustainability disclosure standards [29]	The IFRS Foundation has created a new International Sustainability Standards Board (ISSB) to develop these standards based on existing ESG, GRI, SASB, and TCFD structures and standards. The ISSB cooperates closely with other with other interested parties, including investors, regulators, and other standards developers, to ensure that standards are relevant, comprehensive, and universally accepted
ISO 26000:2010 Guidance on social responsibility [26]	The standard is designed to guide how to act socially responsibly. It is a voluntary standard and is not intended for certification purposes. The standard provides guidance on seven core social responsibility topics such as corporate governance, human rights, labor practices, the environment, fair work practices, consumer concerns, and community engagement and development
Directive 2014/95/EU On the disclosure of non-financial and diversity information [16]	Directive 2014/95/EU or NFRD (Non-Financial Reporting Directive) requires public-interest entities to publish information about their environmental, social and governance (ESG) policies, risks and results), as well as compliance with human rights and anti-corruption measures. Information has to be included to the management report or a separate non-financial report and should be verified by an independent auditor
Corporate Sustainability Reporting Directive (CSRD) [22]	The CSRD, which entered into force on January 5, 2023, amends the current NFRD by introducing stricter reporting requirements that will be mandatory starting in 2024 for reports published in 2025. The directive requires certain large companies to report their environmental, social, and governance (ESG) results in their annual reports
The United Nations Global Compact (UNGC) [24]	UN voluntary initiatives to promote sustainable and socially responsible policies and practices. The ten principles of the UNGC include the following blocks: 1) respect for and protection of internationally proclaimed human rights; 2) labour – freedom of association, elimination of forced and child labour, elimination of discrimination in employment; 3) fight against corruption; 4) environmental responsibility. UNGC provides guidance and resources to help companies integrate these principles into their strategies and operations, and collaborate with other businesses and stakeholders to achieve sustainability goals
Climate Disclosure Standards Board (CDSB) [30]	An independent, international initiative that offers standards for reporting on climate change and other environmental issues that affect business. CDSB has created a set of standards and guidelines to help companies report their greenhouse gas emissions, climate change risks, and other environmental issues. Reports that meet CDSB standards allow companies to show how they care about climate resilience

Source: compiled by the author based on the analysis of frameworks, standards, guidance.

The Global Reporting Initiative (GRI) [23] is an independent non-profit international organization that develops standards, a conceptual for reporting on sustainable development. The mission of the GRI is to provide decision-makers with the opportunity to understand the impact of business on important sustainability issues, such as the economy, environment, climate change, social sphere, human rights, and anti-corruption. It creates the basis for to find solutions to these problems.

The first edition of the GRI Guide was issued in 2000 with the aim of creating a universally recognized system of reporting on sustainable development [31]. The GRI reporting framework is widely used by companies, governments, and NGOs to disclose their indicators of social responsibility and contribution to the achievement of sustainable development goals. The GRI Standards cover a range of sustainability issues, including governance, ethics, labour practices, human rights, the environment, and social responsibility. The advantage of the GRI is that the proposed structure is flexible and adaptable to organizations of different sizes, types, and sectors. The GRI G4 consists of several components, including the Reporting Principles, the Standard Disclosure, and the Implementation Guide (GRI Guide). The Reporting Principles provide guidance on how to report on sustainability issues, while the Disclosure Standards offer a set of metrics that organizations can use to report on their performance in achieving Sustainable Development Goals. The implementation guide provides detailed guidance on how to use the Reporting Principles and Standard Disclosures.

GRI is significant for reporting subjects and for users of the reporting information. It provides recommendations for stakeholders in understanding sustainability reports and using the information to make informed decisions. In addition, GRI works with other organizations to improve sustainability reporting and encourage responsible business practices around the world. The GRI guidelines are recognized as the best practice for sustainability reporting worldwide. Its reporting structure has been adopted by thousands of organizations in more than 100 countries and is used by sustainability reporting systems and rating systems, including the Dow Jones Sustainability Index, the CDP Climate Change Program, and the UN Global Compact.

Next to GRI reporting (Global Reporting Initiative), there is an ESG report (Environmental, Social, and Governance) [25] on environmental, social, and corporate governance, that is, how the company improves its activities in ensuring sustainability. ESG report refers to companies' reporting on their environmental, social, and management activities. This reporting is estimated using various criteria such as the amount of carbon emissions, number of employees from different ethnic groups and genders, and level of corruption etc. Reporting on ESG criteria is significant for investors and financial institutions as it helps them to assess the risks and opportunities of the company, as well as to ensure transparency of the functioning of markets. In practice, these reports are often identified, arguing that the GRI report includes information from the ESG report.

Integrated reporting (IR) is a new approach to corporate reporting that provides a combination of reporting on financial and non-financial aspects of a company's activities in a single document. European experience of preparing integrated reporting is based on the application of the Conceptual Framework developed by the International Integrated Reporting Council (IIRC) [29] and the European Accounting Standard (EAS). The basic principles defined by the IIRC include: integration of financial and non-financial reporting; focus on long-term sustainability and value creation; reflection of the company's impact on the environment and social responsibility; disclosure of risks and opportunities; an integrated approach to management and reporting [32]. The European Accounting Standard (EAS) also provides guidance on integrated reporting, in particular on reporting on corporate social responsibility, environmental management, transparency, and ethics in business. In integrated reporting, companies disclose their social and environmental strategies, goals, and plans. In practice, it involves a description of planned or implemented social and environmental projects in the relevant period. Companies also provide information about how they interact with the communities in which they operate and how they ensure the safety of their employees.

The Sustainability Accounting Standards Board (SASB) [28] develops standards that cover a wide range of industries considering research results, consultations and feedback from scientists, practitioners, and stakeholders, including companies, investors and regulators. There are 77 industry standards, which are divided into topics of information disclosure and accounting indicators. These standards are intended to be used in conjunction with international or national accounting and financial reporting standards.

International Sustainability Standards Board (ISSB) [29] was established by The IFRS Foundation (International Financial Reporting Standards) to set global sustainability reporting standards for companies. The purpose of the ISSB is to establish a common set of sustainability reporting standards that are generally accepted and provide investors and other stakeholders with reliable, comparable and helpful decision-making information on a company's sustainability indicators. ISSBs cover a range of environmental, social and governance (ESG) topics such as resource utilization, employee diversity and executive remuneration.

The ISSB released sustainability disclosure standards draft for discussion in March 2022. The process of developing and approving the first two standards is underway: IFRS S1 "General Requirements for Disclosure of Financial Information Related to Sustainable Development" and IFRS S2 "Climate-related Disclosure" [29]. However, it is already possible to distinguish the ISSB approach to reporting, based on the following key principles:

materiality: companies must report on those aspects of ESG that are relevant and crucial to their business;

stakeholder engagement: companies should engage with stakeholders to identify their sustainability priorities and report on ESG topics that are important to them;

completeness: companies must provide comprehensive information on sustainability indicators for all components, including positive and negative impacts;

reliability and comparability mean that reliable and consistent methods must be used to measure and report on their sustainability performance, and their reports must be comparable over time and between companies.

The adoption of the CSRD Directive (Corporate Sustainability Reporting Directive) [22], which will contribute to increasing the transparency and consistency of companies' reporting on sustainable development, is of great importance.

It requires large companies to report on their sustainability practices and environmental, social and governance (ESG) factors. One of the main aspects of CSRD is its focus on social responsibility. The directive requires companies to report on several social issues, including human rights, labour practices, diversity and inclusion. This reflects the growing recognition that companies have an obligation not only to maximize their profits but also to contribute to society and address social and environmental challenges.

Directive 2014/95/EU [16] requires some large companies to disclose non-financial information regarding their social and environmental impact. The directive aims to promote corporate social responsibility and sustainability by increasing transparency and accountability in reporting non-financial information. According to the directive, companies with more than 500 employees are required to disclose information on environmental, social and labour issues, respect for human rights, as well as anti-corruption and bribery issues. Information should be included in the annual report or in a separate report that is made public. The directive applies to companies listed on EU stock exchanges, as well as some other large companies, including banks and insurance companies. The requirements vary depending on the size of the company and the industry in which it operates.

The United Nations Global Compact (UNGC) [24] is a voluntary initiative launched in 2000 to encourage companies and organizations to adopt sustainable and socially responsible policies and practices. The UN Convention is based on ten principles in human rights, labour, environment and the fight against corruption, based on international standards and conventions. By participating in the UNGC, companies to implement these ten principles and report annually on their progress. UNGC also encourages companies to engage in partnerships and collaborations with other interested parties, such as governments, civil society organizations and academia, to address social and environmental challenges. Working together, businesses can make impact and contribute to the implementation of the UN Sustainable Development Goals [31].

Climate Disclosure Standards Board (CDSB) [30] is a non-profit organization that creates and promotes climate change reporting standards for enterprises and develops a conceptual framework (CDSB Framework) and guidelines for reporting on the impact of climate change on the business and financial results of companies. These standards include reports on greenhouse gas emissions, climate impacts on company operations, risks associated with climate change, and strategies to reduce environmental impact.

Social disclosure implies that companies and financial institutions must publish information about their social indicators, such as attitudes towards human rights, labour standards, interaction with communities, and environmental responsibility. This information helps investors and consumers better understand how companies and financial institutions affect social and ecological aspects of their operations. ISO 26000:2010 "Guidance on social responsibility" [26] integrates social responsibility into economic activity, identifies and solves problems related to this. The guidance is intended for all types of organizations, regardless of size, industry or location. It can be used by organizations from both the public and private sectors, as well as non-governmental institutions. ISO 26000:2010 defines social responsibility as "the responsibility of an organization for the impact of its decisions and activities on society and the environment through transparent and ethical behaviour that contributes to sustainable development, including the health and well-being of society; takes into account the expectations of stakeholders; complies with applicable laws and international standards of conduct; integrated throughout the organization and practised in its relationships." ISO 26000:2010 guidance is widely used to develop policies and practices that promote social responsibility and can be used as a basis for reporting on the effectiveness of social responsibility. In Ukraine, this standard is approved at the level of SSTU (State Standards of Ukraine).

2. Practical experience of socially responsible business reporting

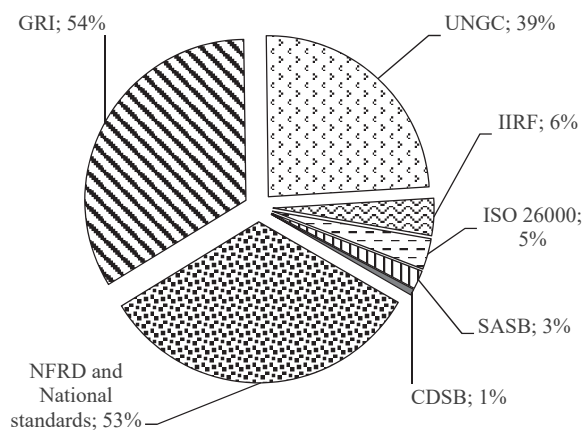


Figure 1. The level of practical use of frameworks, standards and guidance for non-financial reporting of socially responsible business in Europe

Source: compiled by author according the data [20].

the complementarity and combination of standards, some of which provide general recommendations, while others help in disclosing narrower information of a specialized nature.

Analysis of the practical experience of European companies shows that when disclosing non-financial information, the most common to use are GRI, National standards, including the national transposition of the EU NFRD and UNGC (*Figure 1*) [20]. The percentage shows the level of citation of standards in non-financial and integrated reporting prepared by European companies. As it can be noticed, many enterprises use more than three frameworks, standards or guidance, which have a predominantly global context, which indicates the

The distribution of data by country shows (*Figure 2*) that the United Kingdom has the largest number of companies reporting corporate social responsibility, followed by France, slightly behind Germany, followed by Italy and other [20].

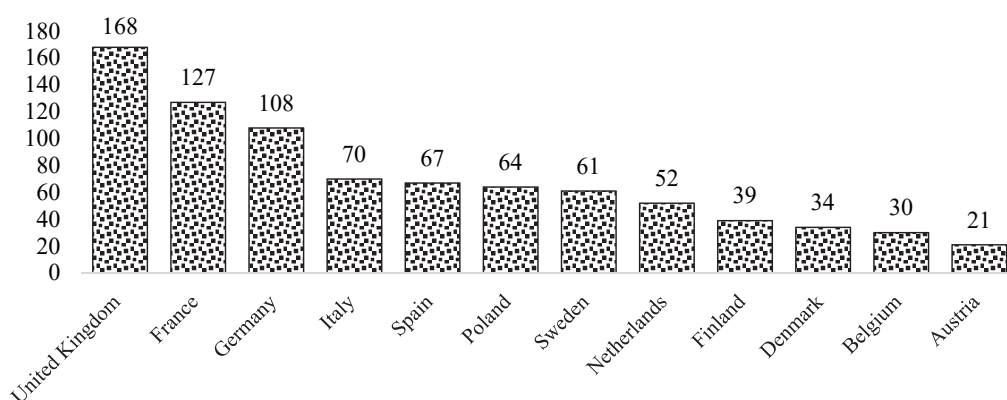


Figure 2. Number of companies that published reports on corporate social responsibility with distribution by European countries, according to 2019 data

Source: compiled according to the data [20].

In Ukraine, the legal regulation of corporate reporting on social responsibility is at the stage of formation. But it has to be underlined the influence of international practice and the achievements of the regulatory framework, which are implemented at the state and corporate levels by Ukrainian companies, state-owned enterprises and government organizations. The concept of implementation of state policy in the field of promoting the development of socially responsible business in Ukraine for the period up to 2030 [33] aims to create favourable conditions for business development that match social needs and introduce modern mechanisms for interaction between the state, business and society. According to the Concept, the level of social responsibility of a business depends on the number of voluntarily undertaken obligations. The concept identifies the main directions of development of socially responsible businesses in the field of environmental protection, employment and development of labour relations, among which reporting is envisaged by publishing a management report, reports on the introduction of standards for socially responsible business, development of a corporate strategy for social responsibility. The Law of Ukraine on "Accounting and Financial Reporting in Ukraine" [34] defines the essence of the management report as a document containing financial and non-financial information that characterizes the state and prospects of development of the enterprise and reveals the main risks and uncertainties of its activities. The law distinguishes the category of enterprises of public interest and the criteria for dividing enterprises and groups of enterprises into large, small and medium.

Among the main indicators of social responsibility, which are reflected in the integrated reporting of European companies, there are the following: the number of expenditures on social and environmental projects; the volume of investments in sustainability; employee relations; business ethics; corporate culture; gender equality; measures related to the observance of human rights and prevention of corruption; the number of cases of violations of envi-

ronmental standards and appropriate measures to correct them; product quality, consumer health and safety; the scope and types of assistance provided to the communities in which businesses operate. Reports on the social responsibility of European companies are usually quite thorough and detailed [17]. They describe the implementation of social standards and initiatives that help increase trust among consumers, interested parties and society.

3. Peculiarities of corporate reporting on social responsibility under martial law

The Ukrainian practice of social responsibility disclosure in integrated reporting is based on the disclosure of such key indicators as [6; 8; 35]: the number of employees, employment policy, the number and types of investments in social infrastructure, cooperation with public organizations, volunteer initiatives, support for the Armed Forces of Ukraine, internally displaced persons and victims of military aggression of the Russian Federation. In reporting on corporate social responsibility, European business focuses on disclosing information about compliance with sanctions, humanitarian and charitable initiatives, and assistance to refugees.

Along with this, the problems of social ethics and responsibility of those companies and business owners that continue to work in the Russian market, thereby financing the military machine of the occupiers, remain unresolved. According to the University of St. Gallen, only 9 % of the 1500 international companies left the Russian market in response to the invasion of Ukraine. Thus, 91 % preferred profits rather than moral and ethical values and principles of socially responsible business. Unfortunately, examples of such enterprises belong to different EU countries: Nestle, Auchan, PepsiCo, Procter & Gamble, Subway, Burger King, Danone, Samsung, LG, Siemens, Philips, Shell and others, despite the risks to their business due to sanctions, reputational damage, moral and ethical problems. In particular, a great response caused the fact that the French hypermarket chain Auchan under the guise of humanitarian aid delivered food packages to the occupiers of the Russian Federation, which contradicts international legal norms, since only assistance to civilians can be considered humanitarian. The level of social responsibility of international companies in the Russian market turned out to be quite different. Well-known brands that immediately condemned the unprovoked and unjustified military aggression of the Russian Federation against Ukraine and left the market of the terrorist country, such as Siemens, McDonald's, Starbucks, Mars, M&S, Zara, Adidas, Wella Company, demonstrated their commitment to the principles of corporate social responsibility. Such actions underscore condemnation and protest against any form of violence and crimes against humanity and show solidarity with those who call for peace.

However, it turned out that there are still many companies for which marginal benefits outweigh social beliefs. Such companies continued to on the market of the Russian Federation, despite the war crimes of the occupiers in Ukraine. These enterprises convince themselves and their consumers that they have stopped investing in the Russian market and continue to supply

only essential goods, such as Nestle. However, consumers do not support such steps, as evidenced by the slogan on social networks added to the anti-advertising of the brand's products: "with the taste of pain" and the image of Ukrainian hospitals and schools mutilated by the occupiers. And this is just one example of society's reaction to the violation of the foundations of social responsibility of business. The pressure on international business, which continues to operate in Russia, is growing, so well-known brands that did not immediately stop their work in the occupiers' market, so far only indicate their intentions to leave, despite profits and significant asset values. Strengthening corporate social responsibility in countering military aggression will be facilitated by the formation of a list of companies – international sponsors of terrorism, and other significant legal steps at the international level and their consequences, in particular the creation of an international tribunal, recognition of the Russian Federation as a terrorist state.

A common important trend of recent years is that most Ukrainian and European companies also pay attention to the inclusion of socially responsible projects in their activities, related to charity, support of local communities and measures to improve the quality of life of the population.

In Ukraine, the highest level of information disclosure is demonstrated by companies in the financial sector, electricity transportation and supply, pharmaceuticals and metallurgical production. According to 2020 data, the following companies have the highest ESG transparency index: PJSC "VF Ukraine" (6.5), JSC "First Ukrainian International Bank" (60), DTEK Group (55.5), JSB "UKRGASBANK" (53), FE "Coca-Cola Beverages Ukraine Limited" (52), SE "NNEGC "ENERGOATOM" (50), MHP (49.5), PJSC "Ukrhydroenergo" (48), JSC "Ukrainian Railways" (47), NJSC "Naftozag of Ukraine" (46) [61]. In Ukraine, the level of preparation of non-financial reporting remains low. State-owned enterprises that are guided by international standards and European Directives have higher rates of corporate social responsibility disclosure than privately owned companies.

Thus, we can already note/it can be noted that the influence of international practice and the achievements of the regulatory framework, which are being implemented at the state and corporate levels by Ukrainian companies, state-owned enterprises and government organizations. Spreading the practice of socially responsible business reporting in Ukraine requires the creation of favorable conditions for the development of business that meets social needs and interacts with all interested parties. To solve this problem, it is necessary to make efforts in the following areas:

- development of a legislative framework that promotes the boosting of socially responsible business, for this it is necessary to develop new laws and regulations, as well as improve existing regulations to ensure transparency, openness and support for socially responsible business practices;
- development of a supporting system and stimulation of socially responsible business through the development of financial, tax and other incentive mechanisms that will promote the development of socially responsible businesses, as well as attract investment;

- development of a system for monitoring and evaluating socially responsible business activities through the creation of a monitoring system that will determine the effectiveness of socially responsible business activities, as well as the introduction of mechanisms for self-regulation and interaction between business, the public and government;

- development of the system of advanced training and education in the field of socially responsible business, in particular through updating educational programs, supplementing professional competencies that meet the needs of modernity, scientific cooperation, academic mobility and international educational and scientific grant projects.

This will contribute to the development of reporting and socially responsible business as a whole in Ukraine and Europe.

Conclusions

Corporate reporting on social responsibility is regulated by such core international documents and initiatives as Global Reporting Initiative, The International Integrated Reporting Framework, The Sustainability Accounting Standards Board, International Sustainability Standards Board, ISO 26000:2010 "Guidance on social responsibility", Corporate Sustainability Reporting Directive, Directive 2014/95/EU, The United Nations Global Compact, Climate Disclosure Standards Board. The practical use of standards and recommendations is complicated by the lack of a single unified document. However, international cooperation is underway to develop an agreed universally recognized regulatory framework that will meet the needs and interests of all interested parties.

Based on the study, it is possible to single out the main directions for improving corporate reporting on social responsibility in Ukraine based on the EU experience: application of international standards for reporting socially responsible business in practice, adoption at the legislative level of European standards as national ones to strengthen European integration, expansion of reporting on socially responsible initiatives under martial law, dissemination of information through mastering the latest reporting tools and communication with stakeholders, developing mechanisms for cooperation between the state and socially responsible business to ensure economic growth and improve the living standards of the population, providing access to financial resources and state grant support. The development of the national system of stimulation, certification, monitoring and assessment of social responsibility of business, checking and verification of reporting on corporate social responsibility is of crucial importance.

Prospects for further research are the use of reporting to raise the level of public awareness of socially responsible activities of enterprises and ensuring the achievement of sustainable development goals by creating favourable conditions for the growth of socially responsible businesses in Ukraine and Europe.

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