JEAS, Vol. 31 No. 149 (2025) pp (114-133)
P-ISSN 2518-5764 - E-ISSN 2227-703X
DOI: https://doi.org/10.33095/tb265m10

Journal of Economics and Administrative Sciences

The Role of The Global Financial Reporting Standards (GRI) in Enhancing Accounting Disclosure of Sustainability in Iraqi Companies

Adnan Yasir Mohammad
Middle Technical University, Balad Technical Institute- Iraq

Received: 15/5/2025 **Accepted:11/8/2025** **Published: 1/10/2025**

Abstract:
The research aims to identify the role of Global Financial Reporting Standards (GRI) in enhancing accounting disclosure of sustainability in Iraqi companies, by relying on the four global financial reporting standards, which include: the economic axis (GRI 200), the environmental axis (GRI 300), the social axis (GRI 400 and the general indicators (GRI 102), the research sample represented an interantional companies listed on the Iraq Stock Exchange, namely: Al-Khatam Company and Asiacell Company. In order to analyse the results, the content and disclosure survey of the data and reports published in the Iraq Stock Exchange was employed. The accounting disclosure of sustainability was selected relying on the disclosed quantitative data. A set of indicators was chosen that are considered indicators for sustainability disclosure, which provide the most important indicators of disclosure of the dimensions of sustainability that can be addressed and studied within the Iraqi environment. Data from a sample of the two referred companies within the communications sector were analysed for the period (2021-2023). The hypotheses were tested using the regression method and the structural modelling method. The research concludes that the most important of which are: Financial Reporting Standards (GRI) contribute to increasing the level of transparency and credibility in financial reports related to sustainability, as they provide a clear framework for providing financial and non-financial information that helps investors and stakeholders evaluate the sustainable performance of companies. Among the most important recommendations of the research: Supporting companies listed on the Iraq Stock Exchange that adopt initiatives related to reporting accounting disclosure in achieving sustainability by several means to ensure their sustainability and continuity.

Keywords: Economic Standard (GRI 200), Environmental Standard (GRI 300), Social Standard (GRI 400), General Indicators (GRI 102), Accounting Disclosure, Sustainability.

1. Introduction:

Over the past decades, organisations have faced growing pressure to incorporate sustainability in their management standards, as stakeholders, policy makers, and consumers are realising that some business activities have negative consequences on the environment. (Jerónimo et al, 2019: 2). Sustainability is one of the modern disciplines that is trying to bridge the gap between social sciences and environmental sciences and integrate them with technology. Sustainability and environmental awareness are priorities in the world of organisations and companies to develop new legislation and laws for sustainability. In addition to the environment, sustainability also has to do with community health and making sure that environmental laws do not impact any individual in society. Sustainability is defined as the study of how natural and human systems intranct to maintain balance, support biodiversity and productivity, (Ilyas et al, 2020: 6). Sustainability is one of the disciplines that promote green organizations, and it relies on new environmental technologies, as when the human resources department integrates sustainable practices related to the workforce (i.e. engagement, motivation, retention and empowerment), it leads to added value for the organization, whether material or non-material. Therefore, human resources sustainability is defined as the adoption of human resources management strategies and practices that enable the achievement of financial, social and environmental goals that have an impact inside and outside the organisation and over a long time horizon (Chams & Blandón, 2019: 110).

The studies dealt with financial reporting (GRI) and accounting disclosure, such as the study of Jajawi and Al-Khafaji (2018), aimed to identify the most important standards that are relied upon in accounting disclosure according to "ESG/ISX/S&P indicators and GRI standards". The study was applied to several Iraqi companies, and the study concluded that there is a weakness in the degree of transparency in reporting, which resulted in a weak contribution of companies to achieving sustainable development brcause including the weak adoption of international standards by companies to be a guide for implementing treatments related to sustainability dimensions as a result of the weak culture of corporate sustainability among those preparing annual reports for companies and the lack of interest in reporting on them. As well as the study (Janabi et al., 2024) which aimed to identify the relationship between the degree of commitment to sustainability and its dimensions "economic, social and environmental' as defined by GRI-G4, the study concluded that "there is an absence of studies that examine the degree of commitment to sustainability based on the latest indicators from the Global Reporting Initiative (GRI-G4) guidelines". The study (Bakr, 2018) also addressed the topic of voluntary and mandatory disclosure of sustainability dimensions, as it aimed to identify the concept of voluntary and mandatory disclosure through a historical study in the literature and concluded that at present the scope of accounting has expanded to include measurement and disclosure of sustainability dimensions in a mandatory manner after it was practiced voluntarily and unorganized, and the scope of the auditor's work has also expanded, meaning that the responsibility of the accountant and the auditor has become great to extend their responsibility for measuring and disclosing sustainability dimensions by the accountant and ensuring the validity and appropriateness of measurement and disclosure procedures by auditors.

2. Literature Review and Hypotheses Development:

2.1. Sustainability:

The modern concept of sustainability was first used in March 1972 by the so-called Club of Rome. Founded in 1968, this "club" has many internationally recognised experts and focuses primarily on comprehensive global development. The term sustainability was first mentioned in the Club of Rome's report "The Limits to Growth"(Abdullah& Ibrahim, 2024:596). This report was prepared by Dennis and Donella Meadows of the Massachusetts Institute of Technology.

The concept of sustainability is used in the context of describing a desirable state of global equilibrium: "We are looking for a typical outcome that represents a sustainable global system without sudden and uncontrolled collapse and capable of meeting the basic material requirements for the production of all its inhabitants. We are looking for a typical outcome that represents a global system that is: (14: 2015, Kratnová). Sustainability has become an important financial concept for many economists and international organisations in recent years due to the economic and social challenges facing the world (Saleh & Hamad, 2024:241). The development of sustainability has been constantly evolving, but the basic concept remains the same: sustainable development refers to the integration of the environment and the economy. The concept of sustainable development is currently considered controversial, as many feel that the content of the concept has become too unclear. On many occasions, the concept of sustainability has replaced sustainable development (5: 2014, Olkinuora). Sustainability means the integration of the three dimensions: economic, environmental and social (Abdullah & Wadi,2018:586). sustainability has become a relatively new topic whose development is primarily related to the environmental sphere. Its first definition appeared at the international level in 1987, in the following formula: "Sustainable development is development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs (Mohamed, 2020:507). However, this is not a concept that affects only the environment, but also includes economic and social aspects. The three areas that define the concept of sustainable development are understood in the professional literature as the pillars of this concept, and these areas must be balanced with each other. However, the problem with the concept of the subject is the high degree of abstraction and vague definitions that arise in relation to sustainable development. (Li et al., 2023: 4). However, the essential point is the continuing controversy over the conflict of ideas about the content of sustainability, which requires compatibility between the past and the present on the one hand and the future on the other hand, as sustainability requires the optimal investment of the organization's available resources without compromising the future capacity of these resources, in other words, the optimal investment of resources currently without affecting them (decreasing them) in the future (Paillé & Renwick, 2020: 3). Sustainability is a concept that refers to the diverse living environment and natural factors that maintain its survival for the longest possible period of time.

Research conducted by Caradonna (2022:3) highlights that the concept of sustainability involves the integration of economic, environmental, social and governance objectives. It is nothing but a guarantee for the company's operations, maintaining its importance and reassuring various stakeholders about the company's life and ability to compete (Al-Shammari,2022:207). and that the company performs its functions in the economic, environmental and social aspects as best as possible and within its long-term continuity to improve its future performance (Epstein, 2018: 3). According to the rules of governance, any company must balance between the various stakeholders and their importance, including society, the natural environment and future generations. Thus, it means meeting the needs of all stakeholders, and commitment to sustainability is a fundamental issue for the company's continuity in its business (Al-Jajawi and Al-Ubaidi, 2018: 4).

2.2. Sustainability Goals:

The sustainability goals are as follows (Paillé & Renwick, 2020:3):

1. Preserving, protecting and improving the quality of the environment.
2. Protecting human health.
3. Supporting international measures designed to solve regional and global environmental problems, especially combating climate change. This list specifies the general requirements stipulated. Zhang et al., 2019: 8)

A. Achieving social justice through an optimal and fair distribution of income and growth returns.
B. Optimal exploitation of natural and human resources.
C. Achieving high economic growth rates and improving an adequate standard of living.

D. Contributing to developing appropriate solutions to economic, social and environmental problems.

According to (Barbier & Burgess, 2017:7), sustainability aims to

1. By 2030, eradicate all forms of poverty worldwide.
2. Put an end to hunger, secure food, enhance nutrition, and advance sustainable agriculture
3. Make sure everyone, regardless of age, has a healthy life and is promoted.
4. "Provide high-quality, inclusive, and fair education and encourage opportunities for lifelong learning for everyone".
5. Achieve parity between sexes and give all women and girls more power
6. Guarantee universal access to clean water and sanitation, raise standards of hygienic practices and health, and enhance water recycling
7. Ensure access to affordable, reliable, sustainable and modern energy for all
8. "Build resilient infrastructure and promote inclusive and sustainable"
9. Industrialise and foster innovation
10. Make cities and human settlements inclusive, safe, resilient and adaptable (Barbier & Burgess, 2017:7).

2.3. Financial Reporting Standards (GRI):

The concept of GRI is clear through the International Financial Reporting Standards, a new numbering for international accounting standards to distinguish them from each other (Hameed& Al-Mashhadani, 2024:533). The Global Reporting Initiative (GRI) is one way that helps businesses and governments around the world understand and communicate their impacts on critical sustainability (Noaman, 2022:202). In the broad and comprehensive sense, International Financial Reporting Standards are considered a natural development and extension of the content of the accounting standards, approved and adopted by the "International Accounting Standards Board" and the Standards Interpretation Committee, which was later known as the International Financial Reporting Interpretations Committee (IFRIC). This is considered a continuation of the development and modernisation to develop accounting treatments that keep pace with and respond to technological, economic and informational developments to achieve the goals of financial reporting users (Giordano et al., 2024:3). The concept of sustainability accounting is closely related to sustainability management and reporting. Sustainability management and accounting are an integral part of corporate management, and the main idea of sustainability management is to align and coordinate business with environmental and social aspects and impacts (Hyrslova et al, 2014: 608). Within the framework of Global Reporting Initiative (GRI), its vision is to create a future in which sustainability is an integral part of the decision-making process in every company and its mission is to empower decision-makers from all over the world using sustainability standards and a multi-stakeholder network to take action to achieve a more sustainable economy and world (Machado et al., 2021: 5). The importance of theGRI is highlighted by its strategic partnerships with international organizations including (OECD), (UNGC),(UNEP) and ISO. It guides governments, stock exchanges and market regulators in formulatimg their policies to help create a more conducive environment for sustainability reporting (Globalreporting, 2024: 2). which It defined as "the practice of measurement and disclosure processes and the achievement of accountability for internal and external stakeholders" (Mostafa & Al-Taie, 2022:237), thus it highlights leading role in reporting on sustainability by providing the most widely used standards on sustainable disclosure and reporting, enabling companies, governments, civil society and citizens to make better decisions based on the information that matters to them (Ramanan, 2018: 3).

Accordingly, the GRI-FS represent the best global practices for providing public reports on a range of economic, environmental and social impacts. Sustainability reports based on the standards provide information on positive and negative contributions to sustainability.

2.4. Sustainability Accounting:

Sustainability accounting is defined as an information system that aims to measure environmental, social and economic performance and demonstrate the extent of its contributions to sustainable development (Al-Armouti, 2013: 7). Sustainability accounting reflects the management of the social impacts of the unit and the management of its social capital necessary to create long-term value. Therefore, sustainability accounting is a basis in financial accounting and management accounting in order to provide useful information for the decision-making process according to the foundations and principles of sustainability. The Brundtland Report emphasises the close link between economic and social development and environmental conservation. The report indicated that it is not possible to implement a sustainable development strategy without observing the requirements of the three aspects: "economic, social and environmental" (Hajian et al., 2021:3). One of the dimensions concerns some common activities with the other two dimensions. This is how sustainable development is attained through these dimensions. Accounting is one of the first tools contributing to sustainable development due to its measurement of business results and potential obligations towards others. (Goranka et al., 2014:31). Sustainability depends on these three dimensions as follows (Al-Jajawi and Al-Ubaidi, 2018:4):

A-The Economic Dimension:

At the World Summit on Sustainable Development held in Johannesburg in 2002, and due to the interconnectedness of most economies in the world, emphasis was placed on "following an integrated approach" towards achieving economic sustainability in order to enable "long-term growth of responsibility" that would include all countries and societies (Schiehle & Wallin, 2014: 21). This means that economic growth is important and a globally accepted goal and represents the most important goal for societies over the past five decades (Moldan et al., 2011: 5, and Portney, 2015: 21) states that there is difficulty in achieving a balance between sustainability and economic growth when he explained that increasing economic growth has an impact on environmental sustainability as a result of increasing production and consumption, and that the global financial and economic crisis has shown the impact of the economic pillar and economic growth in the social, economic and environmental fields, and therefore it can be used as an opportunity to improve the convergence between sustainable development and economic growth(Ali& Abdullah,2021:189).

B- Social Dimension:

The relevant departments value the religion and society in which people live, as well as the way they interact with each other or with an organisation (Ahmed& Ibrahim,2020:464). This shows the extent to which the company has an impact on the aspects and aspects that directly affect the social environment in which it operates. Therefore, companies should reflect the extent to which the above-mentioned aspects have an impact (either negatively or positively) and include this information in their sustainability reports. (Lisene, 2017: 23)).

C- Environmental Dimension:

This relates to the company's activities with the environment and includes both the impacts that companies declare and the impacts of third parties related to the numbers on which companies' reports are based, such as suppliers and customers. (GRI, 2014). These three interrelated dimensions are used when measuring sustainability, and this complex overlap can be summarised in Figure (1).

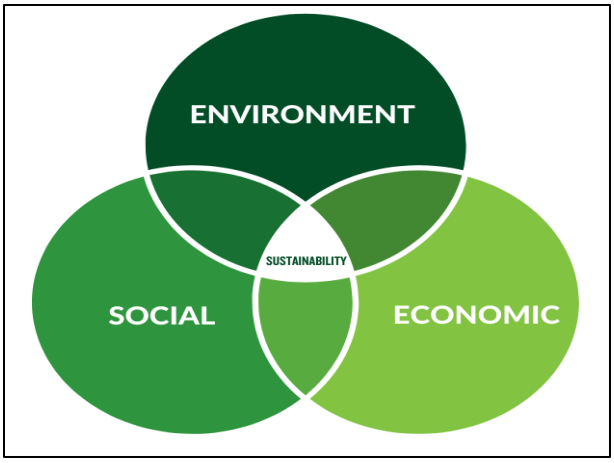

Figure 1: Components of Sustainability

source: Santos, A. I., & Serpa, S. (2020). Literacy: Promoting sustainability in a digital society. J. Educ. Teach. Soc. Stud, 2(1)., p4

Accordingly, the researcher believes that sustainability accounting refers to the comprehensive term for the standard used for a set of criteria that investors use to evaluate a company or institution before making investment decisions in it, and it is based on three basic dimensions: the environmental, economic, and social dimensions(Hameed& Al-Mashhadani,2024:540).

2.5. Financial Reporting Standards:

A company that reports in accordance with the Global Reporting Initiative standards must identify its material topics and report all disclosures in accordance with the following available standards and indicators:

1. Economic Standards

The economic standard of sustainability relates to the company's impacts on the economic conditions of its stakeholders and on economic systems at the global level. The economic category shows the flow of capital between different stakeholders (Abdullah& Wadi,2018: 598). and the main economic impacts of the organisation on society. This axis includes (six) and (13) indicators, and each indicator has a set of special reporting requirements. On this basis, the extent to which Iraqi companies (research sample) report information related to the economic axis during the period (2021-2023) and what concerns the items that may be available in Iraqi companies will be measured. How this is done can be explained by measuring the reporting of economic information.

2- Environmental Standards:

The environmental dimension of sustainability affects living and non-living natural systems. It includes “land, air, water and ecosystems. The environmental category covers impacts related to inputs (such as energy and water)”, a set of (29) indicators during the period (2021-2023).

3- Social standards:

The social dimension of sustainability is related to the impact caused by the company on the social systems within which it operates. This standard includes nineteen items and (34) indicators during the period (2021-2023).

4- General Standards:

The general indicators of sustainability are related to the impact caused by the company on the social systems, including ten items and 30 indicators during the period (2021-2023).

A summary of the most important of these criteria can be provided in Table (2).

Table 1: Financial Reporting Standards (GRI)

Standards	Indicators
Economic	
Economic Performance	Direct economic value generated and distributed
Market Presence	Percentage of senior management sample from the local community
Market Presence	Definition used for senior management, local and location of significant operations
Indirect Economic Impacts	Development of infrastructure investments and supported services
Environment	
Materials	Materials used are classified either by weight or volume
Energy	Energy consumption within the company
Social	
Training and Education	Programs to upgrade employee skills and programs to help manage the transition phase
General indicators	
	Company History
	Business Relationships, Products and Services
	Business Relationships, Products and Services
	Location of Company Headquarters
	Ownership and Legal Form
	Company Scope
	Definition of Report Content and Subject Boundaries
	List of Material Subjects
	Reporting Period
	Date of the Latest Previous Report
Total	17 Indicators
Ratio	

Source: Global Reporting Initiative

3. Research Methodology:

3.1. Research Problem:

With the global trend towards sustainability, the demand and trend towards transparency and disclosure of non-financial aspects such as environmental, social, economic and governance dimensions has increased. Traditional financial reporting standards may not be sufficient to meet this increasing demand for comprehensive disclosure. Here comes the need to study the relationship between the implementation of advanced financial reporting standards, such as International Financial Reporting Standards, and corporate sustainability disclosure. Emphasising the need to align financial reporting with the principles of sustainability and accountability.

By discussing the evolving landscape of financial reporting and the increasing focus on integrating sustainability considerations into accounting practices, we note that in recent years, many companies with good performance from an economic metrics perspective have been criticized for their poor social or environmental performance, which has put pressure on those companies and challenged them to pay greater attention to environmental and social issues. With the need to take into account the environmental and social dimensions when formulating the strategy of the economic unit in addition to the economic dimensions, these developments have prompted many companies around the world to adopt sustainability programs, which coincided with the emergence of a demand from stakeholders to learn about the company's efforts and activities towards achieving sustainability, and despite the increasing importance of sustainability reports and their spread in many countries of the world, there is a significant difference between economic units around the world in the form and content of sustainability disclosure, given that it is optional disclosure in most countries and there have been many attempts to establish a framework for sustainability disclosure, the most important of which are the GRI guidelines. Therefore, the problem is represented by the following questions:

1- What is the role of the GRI in enhancing accounting disclosure of sustainability in Iraqi companies?

2- What is the most important factor affecting sustainable accounting disclosure from the perspective of the Global Reporting Initiative?

3- Is the economic environment in Iraq suitable for applying the Financial Reporting Standards (GRI) in its sustainable reporting?

3.2. Research Importance:

Sustainability is one of the modern disciplines that attempts to bridge the gap between social sciences and environmental sciences and integrate them with technology (Jerónimo et al, 2019: 2).

Financial reports are an important tool through which the economic unit can communicate with stakeholders. However, the traditional form of financial reports, which is limited to financial information, does not give a complete picture of the activities of the economic unit because it ignores information related to social, environmental, economic, technological and political activities. There is no doubt that financial information contributes better to decision-making if it is supported by financial and non-financial information that affects the accounting disclosure of companies.

3.3. Research Objectives:

The research aims to:

1. Theoretical objective: To analyse the conceptual framework of the Global Reporting Initiative (GRI) and its dimensions related to sustainability (economic, environmental, social).

2. Analytical objective: To determine the theoretical relationship between sustainability accounting disclosure and GRI indicators in the Iraqi corporate environment.

3. The applied objective: To test the extent of Iraqi telecommunications companies' commitment to applying the GRI indicators and their role in improving the quality of accounting disclosure for sustainability.

3.4. Research Measurement:

The data and reports "published in the Iraq Stock Exchange" were adopted, and the accounting disclosure of sustainability was chosen, which uses the disclosed quantitative data. A set of indicators was chosen as indicators for financial reporting on sustainability, as shown in Table (1), which presents the most important indicators of disclosure of sustainability dimensions that can be addressed and studied within the Iraqi environment.

Table 2: Financial reporting indicators on sustainability adopted in the research within the indicators of the GRI

Standard	Indicators
(GRI 200)	Economic performance
	Market presence Percentage of senior management
	Market presence: Definition used for senior management
	Indirect economic impacts
(GRI 300)	Materials
	Energy
(GRI 400)	Training and education
(GRI 100)	Company history
	Commercial relations, products and services
	Commercial relations and activities of the company.
	Location of the company's headquarters
	Ownership and legal form
	Company scope
	Reporting content and subject matter boundaries
	Reporting a list of material subjects
	Reporting period covered by the report
	Reporting the previous report date

Source: Global Reporting Initiative

3.5. Research Hypotheses:

1) "There is a significant correlation between the (GRI) and accounting disclosure" and dimensions

2) "There is a significant impact of (GRI) and accounting disclosure" and dimensions the multi-factor level

3.6. The Hypothetical Model:

A hypothetical model was built based on quantitative data for the variables and indicators of the study. Financial reporting indicators were adopted as quantitative variables according to the information provided in the reports of the Iraq Stock Exchange. The model includes two types of variables: the independent variable represented by the (GRI), which includes (economic, environmental, social and general standards), and the dependent variable represented by accounting disclosure of sustainability. The model was formulated using network analysis, which includes a set of indicators consisting of several levels, as the standards are divided into a set of indicators and requirements, and therefore require the formulation of a model that includes all levels. Thus, the hypothetical model is at the overall and general levels, as in Figure (2).

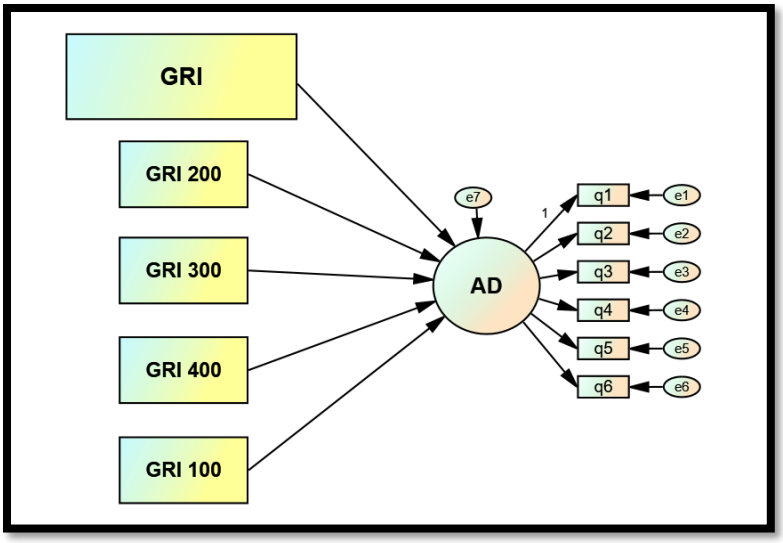

Figure 2: Hypothetical Model

Source: Amos V.25

4. Results:

4.1. Descriptive And Quantitative Analysis of Sustainability Disclosure Indicators:

The sustainability dimensions and indicators disclosure indicators consist of 106 indicators distributed into four main standards and dimensions, which are the economic standard, which consists of (13 indicators), the environmental standard, which consists of (29 indicators), the social standard, which consists of (34 indicators), and the general indicators standard, which consists of (30 indicators). There are a number of these indicators that are determinants of sustainability dimensions disclosure, and include seventeen indicators. They follow four main axes, which are the economic standard, which consists of the standard "economic performance, market presence, indirect economic impacts", the environmental standard, which consists of the standard "materials, energy", the social standard, which consists of the standard "training and education", and the general indicators standard, which consists of the standard (company record, commercial relations, basic products and services, location of the company's headquarters, ownership and legal form, company scope, report content and subject limits, list of material topics, period covered by the report, date of the previous report). In this regard, a number of studies and research confirm that the Iraqi environment does not include disclosure of a set of indicators. In general, the level of disclosure and reporting of information for all requirements and indicators is calculated by dividing the number of disclosed requirements and indicators by the total number. A sample of two companies within the telecommunications sector in the Iraq Stock Exchange was analysed for the period (2021-2023) as follows:

A. Al Khatem Telecom Company:

Table 3 indicates the disclosed and undisclosed sustainability indicators. The percentage of sustainability disclosure according to the Global Financial Reporting Standards (GRI) reached (70.59%) compared to non-disclosure at (29.41%). The economic standard (GRI 200) indicates the disclosure of one indicator compared to (3) indicators that were not disclosed out of a total of (4) total disclosures for all years. Likewise, the environmental axis (GRI 300) indicates the disclosure of one indicator compared to the non-disclosure of one out of a total of two total disclosures for all years.

The social standard (GRI 400) indicates the absence of disclosure compared to the disclosure of one indicator that was not disclosed out of a total of one total disclosure for all years.

The general indicators standard (GRI 100) indicates the disclosure of (10) indicators compared to a total of (10) total disclosures for all years.
This result indicates that the disclosure of sustainability is of a high proportion and of high interest to the company.

Table 3: GRI Sustainability Disclosure for Al Khatem Telecom Company

Standards	Indicators For Items	Years					
		2021		2022		2023	
		Disclosed indicators	Undisclosed indicators	Disclosed indicators	Undisclosed indicators	Disclosed indicators	Undisclosed indicators
GRI 200							
Economic Performance	GRI 200A_1	1	0	1	0	1	0
Market Presence	GRI 200A_2	0	1	0	1	0	1
Market Presence	GRI 200A_3	0	1	0	1	0	1
Indirect Economic Impacts	GRI 200A_4	0	1	0	1	0	1
	Total GRI 200	1	3	1	3	1	3
GRI 300							
Materials	GRI 300A_1	0	1	0	1	0	1
Energy	GRI 300A_	1	0	1	0	1	0
	Total GRI 300	1	1	1	1	1	1
GRI 400							
Training and Education	GRI 400A_1	0	1	0	1	0	1
	Total GRI 400	0	1	0	1	0	1
GRI 100							
	GRI 100A_1	1	0	1	0	1	0
	GRI 100A_2	1	0	1	0	1	0
	GRI 100A_3	1	0	1	0	1	0
	GRI 100A_4	1	0	1	0	1	0
	GRI 100A_5	1	0	1	0	1	0
	GRI 100A_6	0	1	1	0	1	0
	GRI 100A_7	0	1	1	0	1	0
	GRI 100A_8	0	1	1	0	1	0

	GRI 100A_9	1	0	1	0	1	0
	GRI 100A_10	1	0	1	0	1	0
	Total GRI 100	10	0	10	0	10	0
Total	17 Indicators	12	5	12	5	12	5
Ratio		70.59%	29.41%	70.59%	29.41%	70.59%	29.41%

Source: SPSS V.25

B. Asia Cell Telecommunications Company:

Table 4 indicates the disclosure of disclosed and undisclosed sustainability indicators. The percentage of sustainability disclosure according to the Global Financial Reporting Standards (GRI) reached (82.35%) compared to non-disclosure at (17.65%). The economic standard (GRI 200) indicates the disclosure of (3) indicators compared to one indicator that was not disclosed out of a total of (4) total disclosures for all years. Likewise, the environmental axis (GRI 300) indicates the disclosure of one indicator compared to the non-disclosure of one out of a total of two total disclosures for all years. The social standard (GRI 400) indicates the disclosure of one indicator out of a total of (1) total disclosures for all years. The general indicators standard (GRI 100) indicates the disclosure of (9) indicators compared to the non-disclosure of one out of a total of (10) total disclosures for all years

Table 4: GRI Sustainability Disclosure for Asia Cell Company

Standards	Indicators For Items	Years					
		2021		2022		2023	
		Disclosed indicators	Undisclosed indicators	Disclosed indicators	Undisclosed indicators	Disclosed indicators	Undisclosed indicators
GRI 200							
Economic Performance	GRI 200A_1	1	0	1	0	1	0
Market Presence	GRI 200A_2	1	0	1	0	1	0
Market Presence	GRI 200A_3	0	1	0	1	0	1
Indirect Economic Impacts	GRI 200A_4	1	0	1	0	1	0
	Total GRI 200	3	1	3	1	3	1
GRI 300							
Materials	GRI 300A_1	0	1	0	1	0	1
Energy	GRI 300A_	1	0	1	0	1	0
	Total GRI 300	1	1	1	1	1	1

GRI 400							
Training and Education	GRI 400A_1	1	0	1	0	1	0
	Total GRI 400	1	0	1	0	1	0
GRI 100							
	GRI 100A_1	1	0	1	0	1	0
	GRI 100A_2	1	0	1	0	1	0
	GRI 100A_3	1	0	1	0	1	0
	GRI 100A_4	1	0	1	0	1	0
	GRI 100A_5	1	0	1	0	1	0
	GRI 100A_6	1	0	1	0	1	0
	GRI 100A_7	1	0	1	0	1	0
	GRI 100A_8	0	1	0	1	0	1
	GRI 100A_9	1	0	1	0	1	0
	GRI 100A_10	1	0	1	0	1	0
	Total GRI 100	9	1	9	1	9	1
Total	17 Indicators	14	3	14	3	14	3
Ratio		82.35%	17.65%	82.35%	17.65%	82.35%	17.65%

Source: SPSS V.25

4.2. Hypotheses Testing:

4.2.1. Hypotheses 1:

Table 5 indicates the following:

Hypothesis (A): The results indicate that the correlation between economic indicators and financial performance is a strong correlation value of (0.480**) that significant at ($\alpha \leq 0.05$). Also, T is accepted value (3.786) and greater than tabular (T), which indicates the hypothesis acceptance.

Hypothesis (B): The results indicate that the correlation between environmental indicators and financial performance is a strong correlation value of (0.446**), that significant at ($\alpha \leq 0.05$). Also, T is accepted value (3.449) and greater than tabular (T), which indicates the hypothesis acceptance.

Hypothesis (C): The results indicate that the correlation between social indicators and financial performance is a strong correlation value of (0.337**), that significant at (α≤0.05). Also, T is the accepted value (4.940) and greater than the tabular value (T), which indicates the hypothesis acceptance.
Hypothesis (D): The results indicate that the correlation between general indicators as an independent variable and financial performance as a dependent variable is a strong correlation value of (0.438**) that is significant at (α≤0.05). Also, T is the accepted value (3.371) and greater than tabular (T), which indicates the hypothesis acceptance.
Hypothesis (1): The results indicate that the correlation between sustainability disclosure indicators and financial performance is a strong correlation value of (0.542), that significant at (α≤0.01), and this was confirmed by the calculated (T) value for the correlation shown, which amounted to (4.466), and greater than tabular (T), which indicates the hypothesis acceptance.

Table 5: Correlation Matrix

Variable	r	T
Economic Indicators	0.480**	3.786
Environmental Indicators	0.446**	3.449
Social Indicators	0.337 **	4.940
General Indicators	0.438**	3.371
Sustainability Disclosure Indicators	0.542**	4.466
T (0.05)= 1.684 ,T (0.01)= 2.423		

Source: SPSS V.25

4.2.2. Hypotheses 2
Hypothesis (A):
The results in Table (6) indicate that the regression coefficients are high, as the alpha coefficient is (0.890) and beta is (0.582), which indicates that there is an effect of (0.582), and that the model for the independent explanatory variable explains (23%) of the financial performance according to the value of the explanation coefficient, which reached (0.230). the results are significant (α≤0.05), and this was confirmed by the calculated (F) value shown in the table, as these values came greater than the tabular (F) value at (α≤0.05), which indicates the hypothesis acceptance, the equation is $Y = (0.890) + (0.582)X_1$.
Hypothesis (B): The results indicate that the regression coefficients reached the alpha (0.856) which indicates other variables outside the model and the beta effect coefficient (0.534) which indicates that there is an effect of (0.534), and that the model for the independent explanatory variable explains (19.9%) of the financial performance according to the value of the explanation coefficient which reached (0.199) and these values are significant at (α≤0.05), and this was confirmed by the calculated (F) value shown in the table as these values came greater than the tabular (F) value at the level of significance (α≤0.05) which indicates the hypothesis acceptance, the equation is Y= (0.856) + (0.534) X_2.
Hypothesis (C): The results indicate that the coefficients The regression recorded readings that reached the alpha (0.800) which indicates other variables outside the model and the beta effect coefficient (0.696) which indicates that there is an effect of (0.696), and that the model for the independent explanatory variable explains (33.7%) of the financial performance according to the value of the explanation coefficient which reached (0.337) and these values are significant at (α≤0.05), and this was confirmed by the calculated (F) value shown in the table as these values came greater than the tabular (F) value at the level of significance (α≤0.05) which indicates the hypothesis acceptance, the equation is Y= (0.800) + (0.696) X_3.

Hypothesis (D): The results indicate that the regression coefficients have been recorded High readings: The alpha reached (0.474), which indicates other variables outside the model, and the beta effect coefficient reached (0.504), which indicates that there is an effect of (0.504), and that the model for the independent explanatory variable explains (19.1%) of the financial performance according to the value of the explanatory coefficient, which reached (0.191). These values are significant at (α≤0.05), and this is confirmed by the calculated (F) value, which, if these values came greater than the tabular (F) value at the level of significance (α≤0.05), and this is confirmed by the calculated (F) value shown in the table, as these values came greater than the tabular (F) value at the level of significance (α≤0.05), which indicates the hypothesis acceptance. Thus, the regression model equation is in the following form Y= (0.474) + (0.524) X_4.

Hypothesis (2): The results indicate that the regression coefficients recorded high readings, as the alpha reached (0.758), which indicates other variables outside the model, and the beta effect coefficient reached (0.726), which indicates that there is an effect of (0.726), and that the model for the independent explanatory variable explains (29.4%) of the dependent variable, financial performance, according to the value of the explanatory coefficient, which reached (0.294). These values are significant at (α≤0.01), and this was confirmed by the calculated (F) value, as this value is greater than the tabular (F) value at the level of significance (α≤0.01), which indicates the hypothesis acceptance, and thus the regression model equation is in the following form:

Y= (0.758) + (0.726) X.

Table 6: Linear Regression Model

Variable	B0	B1	F	R^2	Sig.
Economic Indicators	0.890	0.582	14.334	0.230	0.000
Environmental Indicators	0.856	0.534	11.896	0.199	0.000
Social Indicators	0.800	0.696	4.940	0.337	0.000
General Indicators	0.474	0.524	11.366	0.191	0.000
Sustainability Disclosure Indicators	0.758	0.726	19.941	0.294	0.000
F (0.05)= 4.084 ,F (0.01)= 7.314					

Source: SPSS V.25

According to the structural effect, Figure 3 and Table 7 show the following:

Hypothesis (A): There is an effect of economic indicators on Accounting Disclosure (AD), which is (0.195). It is a significant effect according to sig of (0.05), and this indicates the hypothesis acceptance at the factorial level. This indicates that there is a positive impact of the economic factor on the GDP with fair value generation, higher output, a higher percentage of senior management, and development of investments in accounting disclosure.

Hypothesis (B): There is an effect of environmental indicators on AD, which amounted to (0.293). It is a significant effect according to sig of (0.05), and this indicates the hypothesis acceptance at the factorial level. This indicates the increasing importance of environmental indicators and the expansion of the scope of their financial disclosure to include detailed environmental information, and that disclosure of the types and quantities of materials used, the sources of energy used, and energy efficiency has a positive impact on accounting disclosure.

Hypothesis (C): There is an effect of social indicators on AD, which amounted to (0.196). It is a significant effect according to sig of (0.05), and this indicates the hypothesis acceptance at the factorial level.

Disclosure of environmental indicators contributes to increasing transparency about the environmental performance of companies, which enhances confidence between companies, investors and the public in terms of disclosing the types and quantities of materials used, in addition to their toxicity and impact on the environment, and disclosing the sources of energy used and energy efficiency, in addition to emissions resulting from production processes. This enhances accounting disclosure.

Hypothesis (D): There is a significant effect between general indicators and AD at the multi-factor level. The results showed that there is a significant effect of the general indicators variable on AD amounting to (0.182), which is a significant effect according to sig of (0.05), and this indicates the hypothesis acceptance at the factor level. Disclosure of information about a company's business relationships, ownership and reporting is a crucial factor and is of paramount importance for enhancing confidence in financial markets and achieving sustainable development. Companies that adhere to the principles of transparent disclosure reap many benefits, including attracting investment, improving their reputation and enhancing the quality of accounting disclosure.

Hypothesis (3): In general, there is a significant effect of sustainability disclosure indicators on AD (0.242), which is a significant effect according to sig of (0.05), and this indicates the hypothesis acceptance at the factor level.

From the summary of the analytical results above, it is clear that the main hypothesis of the study has been achieved, which indicates that there is a significant effect of sustainability disclosure indicators on AD at the simple and multi-factor levels.

Table 7: Path Analysis According to The Factor Model

Path	Effect	**Sig.**
GRI 200-- > AD	0.195	**0.009**
GRI 300-- > AD	0.293	**0.000**
GRI 400-- > AD	0.196	**0.010**
GRI 100-- > AD	0.182	**0.021**
GRI -- > AD	0.242	**0.000**

Source: Amos V.25

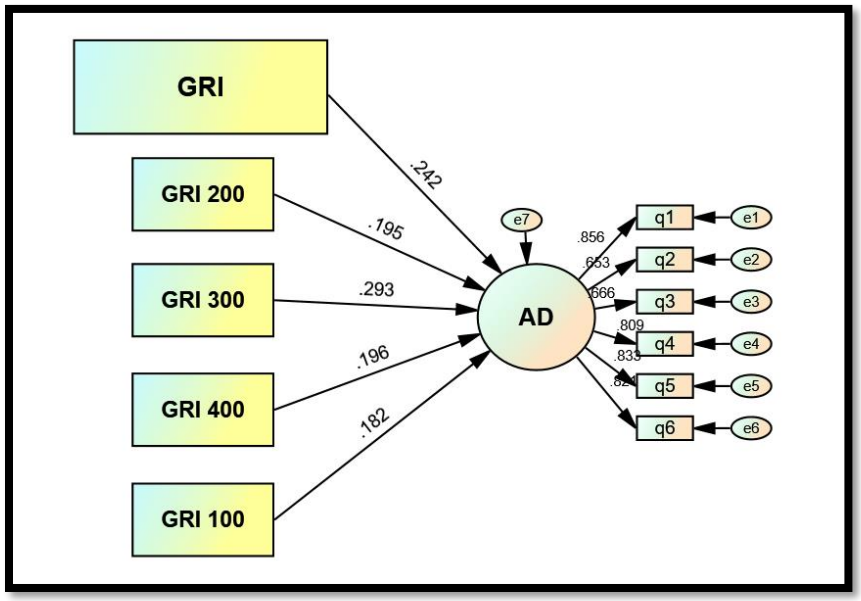

Figure 3: Factorial Impact Model Between GRI And AD

Source: Amos V.25

5. Discussion of Results:

The economic, social, and environmental environment in any country consists of a group of companies operating within that country's macro economy, along with other sectors. Companies, as economic and social units within the micro economy, must have a significant impact on the country's macro economy. These economic, environmental, and social components have a growing impact on society, whether positively or negatively. To determine this impact, it is necessary to measure the extent to which these companies report their impact and their degree of responsibility from the economic, environmental, and social perspectives, as well as their adherence to governance guidelines to control this impact. Furthermore, it is necessary to measure the extent to which companies disclose their impacts. This is where the research finds great practical importance when companies sustain themselves in society. Sustainability deals with companies as a social unit that affects and is affected by society. Therefore, society needs to be aware of the social and environmental impacts, in addition to the economic impacts, of companies' activities, and with transparency.

6. Conclusions and Recommendations:

6.1. Conclusions:

1) The GRI standards contribute to encouraging institutions to implement sustainable practices, as continuous disclosure of environmental, social and economic performance drives companies to improve their performance in these aspects.

2) The results showed that the impact of social standards is the highest in accounting disclosure, followed by the impact of economic and environmental standards and finally general indicators.

3) The impact of social standards on accounting disclosure was high, indicating that companies take into account the social impacts of their activities.

4) There is a positive impact of economic standards on accounting disclosure, which enhances accounting disclosure by providing accurate and comprehensive information about the company's financial performance.

5) There is a positive impact of environmental standards on accounting disclosure, which reflects the increasing importance of environmental aspects in preparing financial reports for companies.

6) The results indicated the weakness of the impact of general indicators on accounting disclosure, and that there is a need to enhance them, as disclosure of the company's record, activity, relationships, and ownership provides a strong background for stakeholders to understand how the company has developed over time.

7) The Global Financial Reporting Standards (GRI). They provide a clear framework for presenting non-financial information that helps investors and stakeholders evaluate the sustainable performance of institutions.

8) The use of GRI standards enables institutions to communicate effectively with various stakeholders, such as investors, governments and society, and consistently.

6.2. Recommendations:

1) Integrate economic standards within GRI into accounting and operating policies in a more integrated manner so that they become part of the financial reporting process.

2) Companies should integrate GRI social standards in an integrated manner into their accounting and operating policies to ensure that social aspects are disclosed in a comprehensive and reliable manner, and are integrated into financial statements and annual reports, and their social materiality is analysed.

3) The need for companies to integrate environmental standards with their accounting strategies, as this will improve financial transparency related to the company's environmental impacts, which contributes to clarifying financial commitments towards sustainable activities.

4) Encouraging telecommunications companies to consult with external stakeholders (such as employees, customers, and the local community) to improve the accounting disclosure process and ensure that their expectations are met by forming specialized teams and establishing regular

mechanisms to receive the opinions of external stakeholders, such as annual meetings or financial consulting workshops.
5) Companies must commit to providing clear and up-to-date information about their commercial record, the nature of their activity, and ownership structure, including main activities and any changes in areas of work by developing a disclosure policy, providing updated information, following international standards in disclosing ownership structure and activities, and updating information periodically.
6) Companies must commit to unifying the methodology of data disclosure in accordance with GRI standards to ensure consistency and effective comparison between different companies by focusing on disclosing the most material topics for stakeholders and identifying topics that are of utmost importance to stakeholders.
7) Conducting periodic material analysis to ensure that disclosure reflects any changes in the business context or stakeholders' expectations, and for companies to conduct independent audits and reviews of reports and establish an internal mechanism to ensure that data is consistent with international standards.
8) Providing training programs and workshops for accountants and financial supervisors within companies to increase their understanding of the reporting standards within the GRI framework and how to apply them in accounting disclosure.

Authors Declaration:
Conflicts of Interest: None
-We Hereby Confirm That All The Figures and Tables In The Manuscript Are Mine and Ours. Besides, The Figures and Images, which are Not Mine, Have Been Permitted Republication and Attached to The Manuscript.
- Ethical Clearance: The Research Was Approved by The Local Ethical Committee in The University.

References
Abdullah, S. H., & Wadi, S. S. (2018). Sustainable Accounting indicators that related with create value for the firm. *Journal of Economics and Administrative Sciences*, *24*(109), 583. https://doi.org/10.33095/jeas.v24i109.1570

Taleb Abdullah *, Z., & Abdullah Ibrahim , M. (2024). The Effect of the Adoption of International Financial Reporting Standards (IFRS) on the Asymmetry of Accounting Information. *Journal of Economics and Administrative Sciences*, *30*(142), 592-604. https://doi.org/10.33095/ma5c5s40

Ahmad, S. A., & Ibrahim, M. A. (2020). Measuring the impact of corporate governance mechanisms on social responsibility reports for a sample of Iraqi companies listed on the Iraq Stock Exchange. *Journal of Economics and Administrative Sciences*, *26*(121), 444-488. https://doi.org/10.33095/jeas.v26i121.1960

Ali, M. A., & Abdullah, S. H. (2021). Macro Sustainability Accounting: A New Way to Prepare Value Added Statement. *Journal of Economics and Administrative Sciences*, *27*(129), 185-197. https://doi.org/10.33095/jeas.v27i129.2184

Aljajawy, T. M. A., Dolab, Y., & Alkhfajy, E. J. A. (2022). The role of global reporting initiative (GRI) for achieving sustainability reporting. *International Conference on Business and Technology*, 867–884.

Al-Janabi, A. M. A., Saei, M. J., & Hesarzadeh, R. (2024). The impact of adherence to sustainable development, as defined by the global reporting initiative (GRI-G4), on the financial performance indicators of banks: A comparative study of the UAE and Iraq. *Journal of Risk and Financial Management*, *17*(1), 17.

Aljjawi, T. M. A., & Al-Obeidi, A. N. (2024). The Effect of Sustainability Indicators for Governance and Economic axis (EG/ISX)* in Evaluating Performance of Iraqi Industrial

Corporations Listed in Iraqi Stock Exchange (ISX)**. *Iraqi Journal for Administrative Sciences*, *14*(58), 1–32.

Fadhal Hamad Al- Qaisy, O., & Yahiya Saleh Al- Kubaisi, L. (2024). Analysis of fiscal sustainability and its impact on enhancing economic growth in Iraq for the period (2004-2021). *Journal of Economics and Administrative Sciences*, *30*(143), 240-253. https://doi.org/10.33095/ekskjg22

Nazar Mostafa AL-Sarraf, S. and Fadil Al-Taie, B. (2022) "The Impact of Governance Mechanisms on the Accounting Disclosure of the Sustainable Development of Iraqi Economic Units", *Journal of Economics and Administrative Sciences*, 28(132), pp. 233–251. doi:10.33095/jeas.v28i132.2286.

Al-Shammari, S. A. N. . (2022a). The role of GRI standards in reporting the dimensions of sustainable development - An applied study in a number of local companies on the Iraq Stock Exchange. *Journal of Economics and Administrative Sciences*, *28*(133), 200-215. https://doi.org/10.33095/jeas.v28i133.2364

Barbier, E. B., & Burgess, J. C. (2017). The Sustainable Development Goals and the systems approach to sustainability. *Economics*, *11*(1), 20170028.

Caradonna, J. L. (2022). *Sustainability: A history*. Oxford University Press.

Epstein, M. J. (2018). *Making sustainability work: Best practices in managing and measuring corporate social, environmental and economic impacts*. Routledge.

Giordano-Spring, S., Larrinaga, C., & Rivière-Giordano, G. (2024). Field-configuring events and the failure to standardise accounting for carbon emissions. *Accounting, Auditing & Accountability Journal*, *37*(9), 216–247.

Hajian, M., & Kashani, S. J. (2021). Evolution of the concept of sustainability. From Brundtland Report to sustainable development goals. In *Sustainable resource management* (pp. 1–24). Elsevier.

Muhsein Hameed*, A., & Najem Aubdullah Al-Mashhadani , B. (2024). The Role of Adopting International Public Sector Accounting Standards (IPSASs) in Achieving Financial Sustainability for Universities. *Journal of Economics and Administrative Sciences*, *30*(141), 529-552. https://doi.org/10.33095/6b6zk010

Hyršlová, J. (2014). Sustainability reporting–a review and trends and situation in CR. *The 8th International Days of Statistics and Economics, Conference Proceedings, Slaný, Libuše Macáková, Melandrium*, 497–506.

Jerónimo, H. M., Henriques, P. L., de Lacerda, T. C., da Silva, F. P., & Vieira, P. R. (2020). Going green and sustainable: The influence of green HR practices on the organizational rationale for sustainability. *Journal of Business Research*, *112*, 413–421.

Kratěnová, A. (2015). *Udržitelný rozvoj jako právní princip*.

Li, N., Gu, Z., Albasher, G., Alsultan, N., & Fatemah, A. (2023). Nexus of financial management, blockchain, and natural resources: Comparing the impact on environmental sustainability and resource productivity. *Resources Policy*, *83*, 103730.

Lisene, L. N. (2017). *The integration of information and communication technologies into teaching of physical science in Lesotho*. [Masters Degree , University of the Free State].

Machado, B. A. A., Dias, L. C. P., & Fonseca, A. (2021). Transparency of materiality analysis in GRI-based sustainability reports. *Corporate Social Responsibility and Environmental Management*, *28*(2), 570–580.

Ali Mohamed, A. R. M. . (2020). Financial Effects of Transformation to IFRSs in Saudi Markets. *Journal of Economics and Administrative Sciences*, *26*(122), 501-516. https://doi.org/10.33095/ckftq911

Moldan, B., Janoušková, S., & Hák, T. (2012). How to understand and measure environmental sustainability: Indicators and targets. *Ecological Indicators*, *17*, 4–13.

Olkinuora, V. (2014). *Attitudes towards sustainable development*.

Paillé, P., Valéau, P., & Renwick, D. W. (2020). Leveraging green human resource practices to achieve environmental sustainability. *Journal of Cleaner Production*, *260*, 121137.

Portney, K. E. (2015). *Sustainability*. MIT Press.

Ramanan, R. R. (2018). *Introduction to sustainability analytics*. CRC Press.

Santos, A. I., & Serpa, S. (2020). Literacy: Promoting sustainability in a digital society. *J. Educ. Teach. Soc. Stud*, *2*(1), p1.

Schiehlé, T., & Wallin, J. (2014). *The reporting on sustainability performance indicators.* [Masters Degree , Umeå School of Business and Economics].

Zhang, Y., Khan, U., Lee, S., & Salik, M. (2019). The influence of management innovation and technological innovation on organization performance. A mediating role of sustainability. *Sustainability*, *11*(2), 495.