

PalArch's Journal of Archaeology of Egypt / Egyptology

EVALUATING THE IMPACT OF ACCOUNTING DISCLOSURE OF SOCIAL RESPONSIBILITY IN ENHANCING THE TRANSPARENCY OF THE SUSTAINABLE REPORT

Murtada Taha Eesa, Sadeq Hadi Muhi, Jasim Idan Barrak

*^{1,2,3} Department of Accounting, college of Administration & Economics, university of
Karbala, Iraq*

Email: murtada.t@uokerbala.edu.iq

Murtada Taha Eesa, Sadeq Hadi Muhi, Jasim Idan Barrak. Evaluating The Impact Of Accounting Disclosure Of Social Responsibility In Enhancing The Transparency Of The Sustainable Report--Palarch's Journal Of Archaeology Of Egypt/Egyptology 18 (3), 277-293. ISSN 1567-214x

Keywords: Social Responsibility Reports; Standards (GRI); Transparency of accounting information

ABSTRACT:

The research aims to identify the extent of the contribution of accounting disclosure on social responsibility in enhancing the transparency of information in sustainable reports. To achieve this goal, social responsibility was defined and the role of its disclosure in enhancing the transparency of sustainable reports was evaluated.

It was concluded that the disclosure in the social responsibility reports contributes to enhancing the transparency of accounting information and its comparability, and the research recommended that companies should adopt GRI standards in their disclosure of their social responsibility.

Keywords: Social Responsibility Reports; Standards (GRI); Transparency of accounting information

1- Foreword:

The Global Reporting Initiative (GRI) is one of the most important global sustainability reporting initiatives (Social Responsibility Reports); a non-profit organization that promotes economic, environmental and social sustainability and provides a comprehensive framework for reporting and reporting for all companies that is widely used around the world. Under its auspices, the Global Sustainability Standards Board (GSSB), which sets standards for the initiative

and approves them, with a view to implementing them on a globally consistent basis, providing a common language and a unified method for reporting companies.

2- The Research Problem: Based on the above, the following main question can be asked: "To what extent can disclosure of social responsibility contribute to enhancing the transparency of sustainable reporting information?".

3- Research Hypothesis: The research is based on the following hypothesis: "The disclosure of social responsibility contributes to enhancing the transparency of accounting".

4- Research Objectives: Through our study, we seek to achieve the following objectives: Explaining what social responsibility is and the importance of reporting it through the social responsibility accounting system, whether with annual reports or separately, through preparing social responsibility reports (sustainability reports).

- Demonstrate the extent to which social responsibility reports contribute to enhancing the transparency of accounting information.

- A statement of the companies' compliance with the principles of (GRI) to cover social responsibility information.

- Urging the Iraqi legislator to issue a law that organizes dealing with social responsibility.

-

5- Importance of Research:

The importance of the research is precisely due to the importance of social responsibility reports themselves, as major countries have made great strides in reaching reports that meet the requirements of stakeholders in terms of financial and non-financial information.

This research contributes to identifying the reality of reporting on social responsibility at the level of Iraqi economic companies.

Explain the importance of transparency of accounting information that helps in making informed decisions, and try to research if it is related to social responsibility reports.

6- Approach Used: To try to answer the problem of research and test the validity of its hypotheses, the descriptive and analytical approach was followed.

7- Research Structure:

To answer the problem of our research, test its hypotheses, and to achieve its objectives, we divided it into the following axes:

First: social responsibility reports

Second: the transparency of accounting information

Third: The relationship of social responsibility reports with the transparency of accounting information

Fourth: the field study

Analysis of Previous Studies:

Sustainability accounting reports play a big role in achieving the transparency of financial performance. (Abdullah and Al-Bashari, 2018, p. 298) addressed the importance of developing the level of accounting disclosure in the traditional financial statements of industrial establishments through the disclosure of non-financial information, and the industrial establishments' need to add confidence and credibility to financial reports through the disclosure of environmental and social information, and activating the environmental and social dimension of industrial establishments in their future programs in order to achieve community goals. The study (Carp, et al. 2019, p. 658) examines the impact of sustainability reports on corporate growth as a result of adopting environmentally and socially responsible behavior. It concluded that the sustainability information that has been interpreted from the investors' point of view is not reliable and that its ability to integrate to change the direction of decision is low and requires expansion of the scope of scientific research by highlighting the participation of sustainable reports as a factor in improving companies' growth strategies.

(Al-Amin, et al., 2017) indicated how to define the terms of sustainability accounting reports in theory and possible methods of measurement and disclosure, and the extent of the impact of sustainability accounting reports through the report on environmental, social and economic accounting, on increasing the transparency of disclosure financial performance in the published data. They also emphasized that the appointment of sustainability committees in banks leads to an increase in accountants' skills and gaining experience on sustainability, and that the commitment to preparing the triple sustainability report implies the implementation of the triple sustainability accounting standards for the economic, social and environmental aspects of sustainability accounting.

While (Guidry & Patten 2010) pointed out market reactions to the first - time issuance of corporate sustainability reports this evidence that quality matters, by relying on the methodology of forecasting the market return of the corporation's share, and that the institution that has a high-quality sustainability report, the market reactions towards it are more positive.

As for (Loannis Loannou and George Serafeim, 2011) they emphasized that there is an impact of the disclosure of social responsibility on sustainability reports. Examining the impact of voluntary sustainability reports with multiple standards of social responsibility and management practices for business leaders through adopting the instructions of voluntary sustainability reports, and that both sustainable development and employee training have become a higher priority for institutions.

This was confirmed as (Shamil, et al, 2014) showed in his study "The influence of board characteristics on sustainability reporting" which is likely to be affected by the size and growth of organizations, that board size and dual

leadership correlate positively with sustainability reporting, and that more modern organizations are more likely to adopt sustainability reports.

(Bhatia, A., & Tuli, S. 2017) indicated in their study that examines the relationship between sustainability reporting by companies and selected corporate specific attributes. It also highlights that the scope of sustainability reporting differs from company to company and industry to industry. However, company's profits, leverage, growth and advertising intensity are negatively related with the extent of sustainability disclosure. Other variables are found to be insignificant.

This study adds to the growing literature on international sustainability disclosure practices and their determinants. Hence, it has its implications for a number of interested groups as investors, accounting bodies, regulatory authorities, companies, government, stock exchanges, general public, academicians and researchers.

Through the previous analysis of previous studies, it was found that the current study will complement the findings of previous researchers by evaluating the role of disclosure of social responsibility reports in enhancing the transparency of accounting information and its comparability to the adoption of unified standards that contribute to the development of sustainability reports based on GRI principles.

1- Social Responsibility Reports:

Social responsibility reports are considered as the final outcome of adopting the standards of the Global Reporting Initiative (GRI) in reporting on social responsibility, and based on that, we address in this axis the dimensions of social responsibility that are required to be measured and reported in social responsibility reports according to the (GRI) standards. It also touches upon the rules that the GRI standards have advised to be adopted during the preparation of social responsibility reports, and then addresses the advantages that are achieved by preparing these reports.

1.1 - Dimensions of Corporate Social Responsibility:

The contemporary architecture of corporate social responsibility being measured includes the following dimensions (Marom, Y. 2010, p. 14):

- a. Employee Relations: This dimension measures companies' performance in caring for their employees and includes the following issues: labor relations management, anti-discrimination practices, and employee safety.
- b. Employees' rights: This dimension evaluates companies' performance in relation to employee rights, which indicates abuse of labor markets and inhuman working conditions.
- c. Product: This dimension measures companies' performance in relation to the quality and safety of their products, advertising practices and after-sales services.

d. **Environment:** This dimension evaluates companies' performance in the field of environmental preservation, including their efforts to limit the negative effects of their activities and products on the environment and reduce pollution to legal limits.

e. **Society:** This dimension assesses the performance of companies in terms of their contribution to the societies in which they operate. This dimension includes the following issues: their treatment of the local population, their contribution to education and health, and commitment to charitable donations.

f. **Corporate Governance:** This dimension evaluates corporate performance in relation to appropriate business behavior, including transparency, appropriate reporting to shareholders, accountability to the public, and corruption issues.

1.2 - Rules for Preparing Sustainability Reports:

Under GRI standards, companies can choose one of the following two options when preparing their sustainability reports (Al-Jajawi, Al-Khafaji, Undated, p. 70):

a. **Core option:** Contains the essential elements of sustainability reporting, and provides the background that shows the company the impacts of its economic, social and environmental performance and its governance performance.

b. **Detailed (comprehensive) option:** which is based on the basic option by requiring general additional disclosures regarding the company's strategy, analysis, governance, ethics and integrity. In addition, the company is obligated to report its performance in more detail by announcing all indicators related to the identified material aspects. (ibid, p. 70). Both options focus on the process of identifying (material aspects) that reflect significant economic, environmental and social impacts of the company, or that strongly influence stakeholder assessments and decisions (ibid. p. 7).

1.3- Advantages of the Sustainability Report:

Various efforts have highlighted that good sustainability performance and sustainability reporting have multiple advantages, including the following (Abdel Moneim, et al, 2013, pp. 169 -170):

- a. The sustainability report is a measure of the effectiveness of the initiatives launched and organized.
- b. As a guide and reference for future initiatives.
- c. To act as a catalyst for creativity.
- d. To help and facilitate new business opportunities.
- e. The ability to improve the level of impact on society.
- f. Reducing risks.
- g. Cost efficiency.
- h. To monitor progress.
- i. Supporting clients in order to achieve their aspirations.
- j. Potential to improve brand value.
- k. To involve influential people in the information exchange process.

- l. Detail what the institution does on environmental, health and safety issues.
- m. Establishing the principles of governance in order to achieve sustainable development.
- n. Providing an advanced and efficient infrastructure that forms a solid base for building sustainable cities and building a vibrant economy that provides long-term growth.

2- Transparency of Accounting Information in the Sustainable Report :

Informing companies about their social responsibility provides a greater degree of visibility about the performance of companies and their level of success in managing their activities, as transparency in information in general and in accounting information in particular is an important factor that helps to make informed decisions, raise the efficiency of the market and increase transactions in it as well as increase confidence in the information published in it and other multiple advantages that are achieved by transparency in accounting information.

2.1- The Concept of Transparency of Accounting Information:

Transparency in disclosure is: “The accounting outputs through financial reports are characterized by the highest quality of accounting information and the completeness of their qualitative characteristics and that they leave no ambiguity or suspicion among their users and enable them to make decisions as if they see what is inside the company” (Al-Jajawi, Al Fathallah, 2016, p. 36), where transparency is ensured in the financial reports through full disclosure and providing a fair presentation of the useful and necessary information for making economic (investment) decisions that have a wide range of users and market participants. (ibid, p. 13).

2.2 The Importance of Transparency in Accounting Disclosure:

The importance of transparency in accounting disclosure can be illustrated through the following points (Al-Jajawi, Al-Jumaili, p. 17):

- a. The lack of transparency in some legislations and laws and the lack of clarity of texts is a reason for personal judgment in a way that does not serve the public interest.
- b. The role of transparency appears in that it discloses information that is clear, accurate, appropriate with time requirements and important to all parties that exchange interests with the company.
- c. The role of transparency also appears in reviving markets by achieving credibility in providing financial information.

Transparency provides information and data that reduce the degree of uncertainty and increase the ability of financial markets to assess risks.

3- The relationship of social responsibility reports to the transparency of accounting information in the sustainable report :

The transparency of accounting information is reflected in the social responsibility reports through the following:

- a. Disclosure of the sustainability dimensions according to (GRI.G4) requirements, which is reflected in the company's market value (Yaqoub, Ibtihaj Ismail, 2019: pp. 11-12).
- b. Contributing to making political and non-political decisions, determining, directing and controlling the right economic paths, as well as managing the company's activities and business in an efficient manner (Al-Abdullah, Al-Jajawi, no date: pp. 3-4).
- c. Contributing to setting stock prices, including contributing to raising market efficiency (Al-Jajawi, no date: pp. 5-6).
- d. Contributing to reducing information asymmetry, thus determining the real prices of stocks, raising the efficiency of the market, increasing the volume of operations, providing liquidity, giving accurate forecasts, and reducing the cost of ownership (Al-Jajawi, Al-Jumaili, p. 57).
- e. Contribute to directing more individual savings and making successful companies obtain more additional funds (Al-Jajawi, no date: p. 5).

Through the foregoing, the transparency of accounting information is reflected through the social responsibility reports in the extent to which social responsibility reports (or sustainability reports) contribute to determining the market value of the company as well as the extent of its contribution to making political and non-political decisions, as well as determining the correct economic paths, directing and controlling them, and managing activities and businesses. The company is efficiently, as is also evident in the extent to which the information of social responsibility reports contributes to determining share prices, including raising the efficiency of the market, as well as reducing information asymmetry, directing individual savings more, and successful companies obtaining more additional funds.

In general, we conclude that the sustainability report is a criterion for judging the company's performance, specifically aspects of social responsibility (educational, health, social, and economic) and reveals its methodology and understanding of those aspects. This results in a relationship and a close relationship between disclosure of social responsibility as a noble social, ethical and humanitarian action in accordance with regulatory and strategic frameworks and transparency of sustainability reports. In addition, there is a need to promote a culture of social responsibility and disclose it to business owners and its effective role in the advancement of society and invest in human capital, which is one of the pillars of long-term sustainable development, to build a generation capable of facing challenges.

4- The Practical Aspect:

4-1 Society and Statistical Methods:

Through this research, we will try to identify the extent of the contribution of social responsibility reports in enhancing the transparency of accounting information within the sustainability reports, through a group of questions on a group of workers in the various listed Iraqi companies with the aim of investigating their views on this matter. Statistical methods were also used within the SPSS program, represented in both the arithmetic means, the

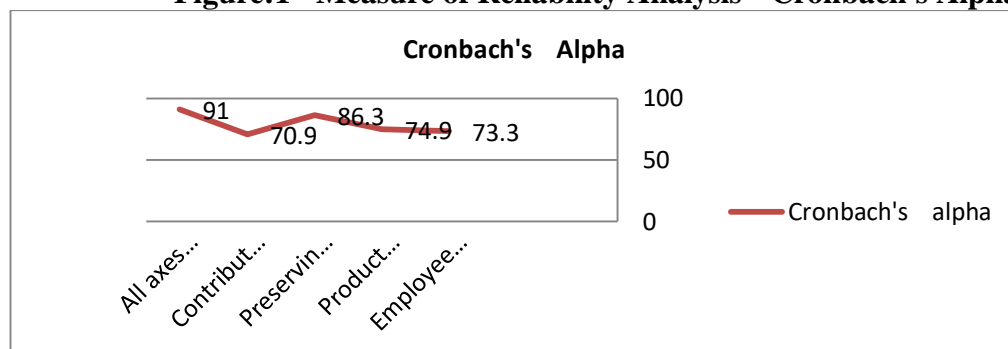
standard deviation, and the reliability coefficient to indicate the internal consistency of the questionnaire, and 50 answered questionnaires were collected from different companies, and thus the number of valid questionnaires subject to analysis was 50.

4 - 2 Results of Analysis and Discussion:

4-2-1: Measuring the Stability of the Resolution:

Cronbach's alpha is used to calculate the reliability coefficients for the survey tools that use response groups of the Likert scale type, whether it is triple, pentagonal or seventh, where Cronbach's alpha estimates the reliability of the tool's responses which were assessed by the subjects indicating the stability of the tools. The results of the reliability analysis according to the Cronbach's alpha scale were as shown in Figure 1:

Figure:1 Measure of Reliability Analysis - Cronbach's Alpha



Source: prepared by the researcher based on the data of the (SPSS) program.

The results in the figure above indicate that the Cronbach's Alpha coefficient for the total axes of the questionnaire combined reached (0.91), i.e., (91%), which is greater than (0,7), which is a statistically good value. The axes are statistically acceptable as their values are greater than (0.7). This gives us an indication of the validity and reliability of the questionnaire and its validity for analysis.

4 - 2 - 2 Analysis of the questionnaire:

a. Analysis of the paragraphs of the first axis: The results of the analysis of the paragraphs of the questionnaire were as follows:

Table 1: The analysis of the paragraphs of the focus of measuring the extent of commitment to disclose the level of their compliance with employee rights and relations shows

No.	Ferries	Mean	S.D	Rank
1	When the company reports on its social responsibility, the wage ratio for the entry-level level is disclosed compared to the local minimum wage.	3.30	0.90	08
2	The company discloses the estimated value of the liabilities specified for the benefit plan and other retirement plans that will be covered from its public resources.	3.38	0.87	07

3	The company discloses the average hours of training carried out by its employees.	3.70	0.97	05
4	The company discloses the programs it undertakes to improve employee skills.	4.16	0.65	01
5	The company discloses the percentage of employees who have undergone periodic reviews of performance and career development.	3.86	0.92	04
6	The company discloses types of injuries, rates of injuries, occupational diseases, and number of work-related deaths.	3.90	0.93	03
7	The company discloses the total number of employees who took childcare leave.	3.68	0.91	06
8	The company discloses the incentives it provides to employees.	3.94	0.97	02
	Total axis of employee rights and relations	3.74	0.53	/

Source: Prepared by the researchers based on SPSS data.

Table (1) shows that the arithmetic meanings of the majority of the paragraphs indicate the existence of quasi-agreement among the study sample, and the agreement increases in Paragraph No. (04) (The company discloses the programs it undertakes to improve employee skills), whose mean reached (4.16) and with a standard deviation (0.65), which ranked first in the responses of the study sample, and this means that when companies disclose their social responsibility, they disclose the programs they implement to improve employee skills, followed by paragraphs (08), (06), (05), (03), (07), (02), (01), with arithmetic means (3.94), (3.90), (3.86), (3.70), (3.68), (3.38), (3.30), and standard deviations (0.97), (0.93), (0.92), (0.97), (0.91), (0.87), (0.90), respectively, that is, companies disclose the incentives they provide to employees, types of injuries, rates of occupational injuries and diseases, number of work-related deaths, percentage of employees who undergo periodic reviews of performance and career development, average hours of training carried out by employees, and the total number of employees who took childcare leave, and the estimated value of the obligations, specific benefit plan and other retirement plans to be covered from its public resources, and the wage ratio for the entry-level compared to the local minimum wage.

From the foregoing, it can be said in general that the vision of all sample members about the extent to which companies are committed to disclosing the level of their compliance with employee rights and relations is positive as indicated in Table (1), where the total arithmetic mean of this variable is (3.74) with a standard deviation estimated at (0.53), and this indicates that most of the respondents of the study sample fully agree that the companies for which they work disclose the level of their fulfillment of employee rights and relations.

b. Analysis of the paragraphs of the second axis: measuring the extent of companies' commitment to disclosing the level of quality and safety of their products:

Table 2 shows paragraphs analysis of the focus of measuring the extent of companies' commitment to disclose the level of quality and safety of their products

No.	Ferries	Mean	S.D	Rank
1	When the company reports on its social responsibility, the total number of documented complaints received regarding breach of customer privacy and loss of data is disclosed.	3.32	0.97	04
2	The company discloses whether its procedures for identifying information about products and services and placing identification labels on them require identifying the sources of the components of the product or service.	3.86	1.12	01
3	The company discloses whether its procedures for identifying information about products and services and placing identification labels on them require information for the safe use of the product or service.	3.70	0.97	03
4	The company discloses the total number of cases of non-compliance with the regulations related to the identification of information about products and services and the identification of stickers on them that led to a fine or warning.	3.12	0.91	05
5	The company discloses the total number of cases of non-compliance with the regulations related to marketing communications that resulted in a fine or a warning.	3.10	0.95	06
6	The company discloses the percentage of significant product and service categories whose health and safety impacts are being evaluated for the purpose of improvement.	3.86	0.85	02
	Total product quality and safety axis	3.49	0.64	/

Source: Prepared by the researchers based on SPSS data.

It is clear from Table (2) above that the arithmetic meanings for the majority of the paragraphs indicate the existence of a quasi-agreement between the study sample members, and the highest agreement reached in paragraph (02) (The company discloses whether its procedures for information about products and services and placing identification labels on them requiring the sources of the components of the product or service) with an arithmetic mean (3.86) and a standard deviation of (1.12), and it ranked first in the responses of the respondents, and this means that when the companies disclose their social responsibility, they disclose whether its procedures for identifying information about products and services and placing identification labels on them require identification of the sources of the components of the product or service, followed in order of importance by paragraphs (06), (03), (01), (04), (05), as it reached its mathematical mean (3.86), (3.70), (3.32), (3.12), (3.10), and their standard deviations (0.85), (0.97), (0.91) and (0.95) respectively, that is,

companies disclose the percentage of important product and service categories whose health and safety impacts are assessed for the purpose of improving them, and whether its procedures for identifying information about products and services and placing identification labels on them require information on the safe use of the product or service, the total number of documented complaints received related to the violation of customer privacy and loss of his data, and the total number of cases of non-compliance with the regulations related to the identification of information about products and services and the identification of stickers on them which resulted in a fine or warning, and the total number of instances of non-compliance with regulations related to marketing communications that resulted in a fine or warning.

From the above, it can be said in general that all the sample members had a positive view of the companies' commitment to disclosing the level of quality and safety of their products as indicated in Table No. (2), as the total arithmetic mean of this variable was (3.49) with a standard deviation (0.64), and this means that from the point of view of the study sample, the companies in which they work disclose the level of quality and safety of their products.

c. Analysis of the third axis paragraphs: measuring companies' commitment to disclosing the level of their contribution to preserving the environment.

Table 3: Paragraphs analysis of the focus of measuring the companies' commitment to disclose the level of their contribution to preserving the environment.

No.	Ferries	Mean	S.D	Rank
1	When the company reports its social responsibility, the percentage of new suppliers that have been audited using environmental standards is disclosed.	3.48	1.03	06
2	The company also discloses how many suppliers it is found to have actual and potential negative environmental impacts.	3.48	1.18	07
3	The company discloses the total monetary value of fines and the total number of non-monetary penalties resulting from its non-compliance with environmental laws and regulations.	3.26	0.96	08
4	The company discloses the total weight and disposal of the waste.	3.86	1.03	02
5	The company discloses significant emissions into the air.	3.68	1.18	03
6	The company discloses the significant impacts of its activities, products and services on biodiversity.	3.50	1.03	05
7	The company is disclosing the volume of recycled water and its use.	3.68	0.99	04
8	The company discloses the total energy consumed.	4.02	0.71	01
	Total axis of preserving the environment	3.62	0.73	/

Source: Prepared by the researchers based on SPSS data.

It is evident from Table (3) above that the arithmetic meanings of the majority of the paragraphs indicate the existence of quasi-agreement among the study sample. Paragraph (8) ranked first and the highest agreement with an arithmetic mean of (4.02) and a standard deviation (0.71) among the answers of the respondents of the study sample, and this means that when the companies are informed of their social responsibility, they disclose the total energy consumed, followed by paragraphs (4), (5), (7), (6), (1), (2), (3), with arithmetic means (3.86), (3.68), (3.50), (3.48), (3.26), and with standard deviations of (1.03), (1.18), (0.99), (1.03), (1.18), (0.96) respectively, that is, the companies disclose the total weight of waste and its disposal method, significant emissions to air, volume of recycled water and its use, significant impacts of activities, products and services on biodiversity, percentage of new suppliers that have been audited using environmental criteria, number of suppliers found to have significant actual and potential negative environmental impacts, and value total cash for fines and the total number of non-monetary penalties resulting from a failure to pay its compliance with environmental laws and regulations.

In summary, it can be said in general that the vision of all sample members about the extent to which companies are committed to disclosing the level of their contribution to preserving the environment is positive, as indicated in Table No. (3), where the arithmetic mean of this variable collectively was (3.62) with a deviation A standard score of (0.73), and this indicates that most of the responses of the study sample agree that the companies where they work disclose their level of contribution to preserving the environment.

d. Analysis of the fourth axis paragraphs: measuring the extent of companies' commitment to disclosing the level of their contribution to society.

Table 4: Paragraphs analysis of the focus of measuring the extent of companies' commitment to disclose the level of their contribution to society.

No.	Ferries	Mean	S.D	Rank
1	When the company reports on its social responsibility, the percentage of purchases made from local suppliers is disclosed.	3.8	0.84	01
2	The company discloses the percentage of senior management personnel that are hired from the local community.	3.62	0.92	02
3	The company discloses the total monetary value of fines and the total number of non-monetary penalties for non-compliance with laws and regulations in the social and economic sphere.	3.30	0.99	04
4	The company discloses the percentage of new suppliers that have undergone an audit using social criteria.	3.62	1.03	03
	Total axis of contribution to society	3.58	0.69	/

Source: Prepared by the researchers based on SPSS data.

It is evident from Table (4) above that the arithmetic meanings of the majority of the paragraphs indicate the existence of quasi-agreement among the members of the study sample. Paragraph (1) ranked first and the highest agreement with an arithmetic mean of (3.8) and a standard deviation of (0.84), which occupied the first rank of the responses of the sample members, and this means that the companies when informing about their social responsibility disclose the percentage of purchases made from local suppliers, followed by paragraphs (2), (4), (3), and their arithmetic averages (3.64) (3.54), (3.30), and their standard deviations (0.92), (1.03), (0.99) respectively, that is, the companies disclose the percentage of senior administrative employees who are hired from the local community, the percentage of new suppliers who were audited using social criteria, the total monetary value of fines and the total number of non-monetary penalties for non-compliance with laws and regulations in the socio-economic sphere.

In general, we conclude from the foregoing that the vision of all sample members about the extent to which companies are committed to disclosing the level of their contribution to society is positive, as the arithmetic mean of this variable collectively is (3.56) and a standard deviation (0.69), respectively, and this indicates that most of the answers The study sample individuals fully agrees that the companies where they work disclose their level of contribution to society.

e. Analysis of the axes of the combined questionnaire:

Table 5: Analysis of the paragraphs of the four axes combined

No.	Ferries	Mean	S.D
	The four hubs combined	3.61	0.53

Source: Prepared by the researchers based on SPSS data.

It is clear from Table No. (5) that: The vision of all sample members about the four axes of the questionnaire is positive, and this is confirmed by the value of the arithmetic mean of the questionnaire axes combined, as it reached (3.61) and a standard deviation of (0.53), which means agreement of the research sample in total, the companies where they work disclose sufficiently the information on the level of their fulfillment of the rights and employee relations and the information about the level of their contribution to preserving the environment and the information on the level of their contribution to society in which the disclosure is very strong, which makes us say that the companies must adopt a unified basis during its disclosure of this information represented by (GRI) standards in order to make it comparable, and thus the disclosure in social responsibility reports contributes to enhancing the transparency of accounting information within the sustainability reports, by making this information comparable, whether between companies of the same sector or in the same company, over a number of years.

5- CONCLUSION

Through what has been studied and analyzed regarding the answer to the research problem that says, "To what extent can the disclosure of social

responsibility contribute to enhancing the transparency of the information of the sustainable report?"

The research found the following:

First: Results:

a. Companies disclose their level of fulfillment of employee rights and relations, by disclosing the programs they undertake to improve employee skills, the incentives they provide to employees, types of injuries, rates of occupational injuries and diseases, number of work-related deaths, and the percentage of employees who have undergone periodic reviews of performance and career development. The average hours of training carried out by employees, the total number of employees who took childcare leave, the estimated value of the obligations specified for the benefit plan and other retirement plans that will be covered from its public resources, and the wage ratio for the entry-level compared to the local minimum wage, whose calculations ranged between 3.30 and 4.16.

b. The companies disclose the level of their contribution to preserving the environment, by disclosing the total energy consumed, the total weight of the waste and the method of disposal, the large emissions to the air, the volume of recycled water and its use, the important impacts of activities, products and services on biodiversity, and the percentage. For new suppliers who were audited using environmental standards, the number of suppliers who were found to have significant actual and potential negative environmental impacts, the total monetary value of fines and the total number of non-monetary penalties resulting from their non-compliance with environmental laws and regulations, whose calculation averages ranged between 3.26 and 4.02 .

c. The companies which disclose the level of their contribution to the community. They disclose the percentage of purchases made from local suppliers, the percentage of senior administrative staff who are hired from the local community, the percentage of new suppliers who have been audited using social criteria, and the total cash value. For fines and the total number of non-monetary penalties for non-compliance with laws and regulations in the socio-economic field, whose calculation averages ranged between 3.30 and 3.76.

d. The companies disclose the level of quality and safety of their products. They disclose whether their procedures for identifying information about products and services and placing identification labels on them require identification of the sources of the components of the product or service, and the percentage of important product and service categories whose health and safety impacts are evaluated in order to improve them. And whether its procedures for identifying information about products and services and placing identification labels on them require information on the safe use of the product or service, the total number of documented complaints received related to the breach of customer privacy and loss of his data, and the total

number of cases of non-compliance with the regulations related to the identification of information about products and services and the identification of labels on them that led to no fine or a warning, and the total number of cases of non-compliance with the regulations related to marketing communications that resulted in a fine or warning, whose calculation averages ranged between 3.10 and 3.66.

e. The companies adequately disclose all four aspects (information on the level of their fulfillment of employee rights and relations, information on the level of their contribution to preserving the environment, information on the level of their contribution to society, and information on the level of quality and safety of their products) that reached an arithmetic average for all the survey axes (3.61) and a standard deviation of (0.53).

f. Disclosure in social responsibility reports contributes to enhancing the transparency of accounting information within the sustainable report by making this information comparable, whether between companies of the same sector or within the same company.

Second: Proving the Hypothesis: It is possible to partially judge the acceptance of the alternative hypothesis and the rejection of the zero hypothesis, and then it can be said that “the disclosure of social responsibility contributes to enhancing the transparency of the accounting information in the sustainable report.”

Third: Recommendation: The necessity of adopting companies on a unified basis (represented by the (GRI) standards) during their disclosure of information on the level of their fulfillment of rights and employee relations, information on the level of their contribution to preserving the environment, information on the level of their contribution to society, as well as information on the quality and safety of their products. This is to make them comparable and thus ultimately enhance the transparency of accounting information.

Fourth: Future Studies: The researchers recommend that future studies related to this field should continue to include the following:

- 1- The effect of voluntary disclosure of social responsibility on reduced uncertainty among stakeholders.
- 2- The effect of accounting disclosure on the environmental dimension and social responsibility in support of professional assurance services.
- 3- The effect of the auditor's assertion on social disclosure in investment decisions and credit granting.

6. REFERENCES

1. Abdullah, Musab Al-Tayeb Mohsen, Al-Bashary, Mustafa Najm, 2018, “The role of sustainability accounting in improving the level of non-financial disclosure of industrial establishments: a field study on the

- Sudanese industrial sector”, PhD thesis, Sudan University of Science and Technology, College of Commercial Studies.
2. Al-Amin, Walid Muhammad Mahmoud, Hassan, Abdul-Majid Abdullah, Sanad, Yasser Taj Al-Sir Muhammad, (2017), The Role of Sustainability Accounting Reports in Achieving Transparency of Financial Performance in Sudanese Banks (a field study on the Export Development and Industrial Development Banks).
 3. Carp, M., Păvăloaia, L., Afrăsinei, M. B., & Georgescu, I. E. (2019). Is sustainability reporting a business strategy for firm’s growth? Empirical study on the Romanian capital market. *Sustainability*, 11(3).
 4. Al-Amin, Walid Muhammad Mahmoud, Hassan, Abdul-Majid Abdullah, Sanad, Yasser Taj Al-Sir Muhammad, (2017), The Role of Sustainability Accounting Reports in Achieving Transparency of Financial Performance in Sudanese Banks (a field study on the Export Development and Industrial Development Banks).
 5. Guidry & Patten (2010), Market reactions to the first-time issuance of corporate sustainability reports – Evidence that quality matters.
 6. Ioannis Ioannou and George Serafeim (2011), The Consequences of Mandatory Corporate Sustainability Reporting.
 7. Shamil, M. M., Shaikh, J. M., Ho, P. L., & Krishnan, A. (2014). The influence of board characteristics on sustainability reporting. *Asian Review of Accounting*.
 8. Bhatia, A., & Tuli, S. (2017). Corporate attributes affecting sustainability reporting: an Indian perspective. *International Journal of Law and Management*.
 9. Marom, Y. (2010). *Corporate social and financial performance: the case of companies in Israel* (Doctoral dissertation, Anglia Ruskin University).
 10. Al-Jajawi, Talal Muhammad Ali, Al-Khafaji, Iman Jawad Ahmed, (No History), The Role of the Global Reporting Initiative Standards in Achieving Sustainability Reports, College of Business and Economics, University of Kerbala.
 11. Al-Jajawi, Talal Muhammad Ali, Al-Khafaji, Iman Jawad Ahmed, previous reference.
 12. Abdel Moneim, Osama, Al-Ajlouni, Ahmad Taha Al-Ajlouni, (2013), Sustainability Reports: The Real Embodiment of Corporate Governance - A Field Study from the Perspective of Jordanian External Auditors, Anbar University Journal of Economic and Management Sciences, Volume (5), Issue 10.
 13. Al-Jajawi, Talal Muhammad Ali, Al Fathallah, Muhammad, (2016), Transparency in the disclosure of accounting information, Dar Al-Ayyam for Publishing and Distribution, Amman.
 14. Al-Jajawi, Talal Muhammad Ali, Al-Jumaili, Hoda Amin Aliwi, (2016), “Measuring the Degree of Transparency in the Accounting Disclosure of Industrial Companies,” 1st Edition, Dar Al-Ayyam Publishing and Distribution.
 15. Al-Jajawi, Talal Muhammad Ali, Al-Jumaili, Hoda Amin Aliwi, previous reference.

16. Yaqoub, Ibtihaj Ismail, (2019), "Reporting on sustainability accounting according to the requirements of (GRI.G4) and its reflection on the market value of companies listed in the Iraqi financial market: a field study, research presented to the fourth annual joint scientific conference of the College of Management and Economics - University of Basra and Shatt Al-Arab University College tagged Iraqi economy in light of the 2030 sustainable development agenda for the period 4-17 /4/2019.
17. Al-Abdullah, Riyadh, Al-Jajawi, Talal Muhammad Ali, (without history), a philosophical perspective on the relationship between politics and accounting and its implications for accounting standards - the case of Iraq.
18. Al-Jajawi, Talal Muhammad Ali (no date), "The Impact of the Day of the Week and Other Factors on the Prices and Movement of Shares - A Test Study in Baghdad Stock Exchange.
19. Al-Jajawi, Talal Muhammad Ali, Al-Jumaili, Hoda Amin Aliwi, previous reference.
20. Al-Jajawi, Talal Muhammad Ali, (without history), Investors' behavior and trends in the financial market - a survey of a sample of investors in the Baghdad Stock Exchange. Israa University, Jordan.