

Financial and Sustainability Reporting A Structured Literature Review

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Abstract: *In the context of institutional pressure and increasing stakeholders' interest in sustainability reporting as a complementary dimension to financial reporting, the concerns of the academic environment are materializing through the development and integration of new paradigms in the specialized literature. From this perspective, this research answers the following questions: What was the research trend, research methods, but also theories regarding financial and sustainability reporting? What were the factors that generated changes in financial and sustainability reporting? What was the relationship between the requirements of financial and sustainability reporting frameworks and the main thematic directions of the academic literature? The research methodology is based on a structured literature review (SLR) that involved the identification and analysis of articles published in the period 2020–2024, coded based on conceptual and methodological criteria. The three-dimensional results of the research highlight: the evolution from predominantly theoretical contributions to empirical studies based on advanced econometric models and the use of a varied portfolio of theories; changes in financial and sustainability reporting are generated both by institutional and stakeholders' pressures, as well as by the strengthening of the regulatory framework, especially at the European level; there is a convergence between the developments in the regulatory framework and the research directions in the specialized literature, with research focusing on dual materiality, information connectivity and the integration of financial reporting with sustainability reporting.*

Keywords: financial reporting, sustainability reporting, ESG, Web of Science, structured literature review.

Introduction

Growing concerns about financial crises, corporate failures, climate change and social pressures have prompted a profound reassessment of how companies communicate their performance to stakeholders. In this context economic, social and environmental reporting has become an essential tool for understanding the impact of organizations on society and the environment (Haji & Anifowose, 2016).

To address these challenges, corporate reporting practices have evolved from traditional financial reporting to extended reporting, which includes non-financial and sustainability information. Voluntary disclosure of this information is increasingly common being associated with higher transparency and improved corporate accountability (Dumay et al., 2016; Vaz et al., 2016). At the same time, sustainability reporting and integrated reporting are considered means by

which organizations reduce information asymmetries and strengthen their legitimacy (Benvenuto et al., 2023; Jayasiri et al., 2023).

In addition to voluntary developments the regulatory framework has gained an increasingly important role. Initiatives such as Directive 2014/95/EU and new regulations on sustainability reporting have contributed to the shift from voluntary to mandatory reporting of ESG information (Christensen, et al., 2021; García-Benau et al., 2022). At the same time, discussions on international standardization of non-financial reporting highlight challenges related to comparability and homogenization.

Recent literature shows that ESG activities influence firm performance and the quality of financial reporting, but the results are mixed. Some studies highlight positive effects by reducing the cost of capital and increasing transparency, while others report high costs and possible negative effects on firm value (Nguyen, 2020; Shaikh, 2022; Özer et al., 2024).

Regarding reporting frameworks, research highlights the limitations of general standards and the difficulties of applying them in heterogeneous sectors. Thus, the idea of developing sectoral standards adapted to the specifics of organizations is supported, especially in the case of institutions with a hybrid mission (Costa et al., 2022; Krasodomska et al., 2021).

Against the backdrop of the dynamics of interest in financial and sustainability reporting, the objective of the research is to identify and analyze research trends, the factors that determined the changes in the research field and the relationship between reporting frameworks and the topics addressed in the specialized literature. In this regard, we resorted to the structured literature review (SLR) method based on articles published in the Web of Science database. The option for this source is based on the high level of academic recognition of the included publications, as well as their impact in the specialized literature, highlighted by the consistent number of citations (Lungu et al., 2016). The indexing of a paper in the Web of Science is an indicator of its quality and visibility at an international level (Lungu et al., 2009). Regarding the use of the SLR method, it allows for a systematic and rigorous analysis of scientific production, avoiding the limits of narrative reviews and allowing the identification of main themes, trends and research gaps (Massaro et al., 2016; Dumay et al., 2016). The analyzed literature highlights the fact that integrated reporting, ESG reporting and non-financial reporting are still in phases of conceptual and institutional consolidation, being marked by debates on the standardization, materiality and economic impact of these reports (Dumay et al., 2016). At the same time, empirical research shows the existence of heterogeneous results regarding the relationship between ESG practices, company performance and reporting quality, as well as the role of governance and the regulatory framework in guiding these practices (Christensen et al., 2021; de Villiers et al., 2022).

In this context, starting from the dedicated literature, this research addresses the following research questions: RQ1. What was the research trend, research methods and theories regarding financial and sustainability reporting? RQ2. What were the factors that generated changes in financial and sustainability reporting? RQ3. What was the relationship between the requirements of financial and sustainability reporting frameworks and the main thematic directions of the academic literature?

The paper is structured as follows: the first section is dedicated to the review of the specialized literature; the second section includes the research methodology while the research results are presented in the third section. The research conclusions, limitations and future research directions are included in the last section of the paper.

Literature review

In the dedicated literature, sustainability reporting is considered an essential communication tool through which companies respond to pressures exerted by the institutional environment and stakeholders with the role of strengthening organizational legitimacy and reducing information asymmetries. Benvenuto et al. (2023), through a systematic analysis of the literature, highlights the fact that the adoption of sustainability reporting is influenced by both internal factors, such as the structure and characteristics of corporate governance, and external factors of an institutional, legal and cultural nature.

Jayasiri et al. (2023), through an analysis of the literature published between 2009 and 2020 highlights that the adoption of integrated reporting is influenced by pressures exerted by stakeholders, institutional requirements and corporate governance mechanisms, integrated reporting being considered an essential tool for increasing transparency, strengthening organizational legitimacy and supporting integrated thinking within companies.

Also, the results of the research conducted by Nguyen (2020) highlight a significant negative relationship between the degree of adherence to the Global Reporting Initiative (GRI) standards and the value of the firm, concluding that extensive sustainability reporting does not automatically lead to increased shareholder value, an effect explained by the associated costs and the possible diversion of resources from the main financial objectives. Other studies in the specialized literature (Özer et al., 2024) highlight a significant positive relationship between ESG scores and the quality of financial reporting suggesting that firms with higher ESG performances tend to exhibit a lower level of results management and a higher degree of information transparency.

The results of Shaikh's (2022) research highlight that the total ESG score is negatively associated with financial performance, both from an accounting perspective (ROA, ROE) and from a market perspective (Tobin's Q), while the component analysis shows that the environmental and social dimensions have adverse effects and the governance dimension has a positive impact on operational efficiency and market value.

Krasodomska et al. (2021) argue that extended external reporting (EER) can significantly contribute to rebuilding trust between companies and users but this objective cannot be achieved without credible assurance mechanisms. Difficulties such as the diversity of reporting frameworks, the low level of maturity of internal control systems, the prevalence of assurance at a limited level, and the lack of a unified regulatory framework are also highlighted. At the same time, there is an upward trend in international harmonization and development of guidelines for the application of ISAE 3000 on extended external reporting (EER), aimed at increasing the comparability and quality of assurance processes.

By reporting on good practices regarding ESG reporting in the context of the implementation of the European Green Deal and the intensification of transparency requirements for companies and financial institutions, Dănilă et al. (2022) highlight that new European regulations, such as Directive 2014/95/EU and Regulation (EU) 2020/852 on the taxonomy of sustainable activities, determine the standardization of non-financial reporting and the emphasis on the role of Green Asset Ratio indicators in the banking sector. The study shows that although many organizations have made progress in integrating ESG factors into their policies, difficulties persist related to the heterogeneity of reporting frameworks, lack of data and high costs of information collection.

Another approach to the effects of the implementation of Directive 2014/95/EU on the reporting of non-financial information among Spanish listed companies is carried out by García-

Benau et al. (2022). From the perspective of the first year of mandatory application of the directive, the results reveal that some companies do not fully comply with the reporting requirements while large companies, more profitable and operating in certain sectors, are more likely to publish non-financial information, usually in the form of a separate sustainability report.

Wang et al. (2024) examine the impact of connectivity between financial and non-financial information in annual reports on capital market reactions in the context of the UK's shift from Enhanced Business Review (EBR) to Strategic Reporting (SR). Using proprietary data from PwC UK for FTSE 350 companies, the authors show that higher quality SR reporting is associated with higher stock market liquidity, lower cost of capital and more accurate and less dispersed analyst forecasts. The results show that the benefits are more significant with SR than with EBR and conclude that a more connected and forward-looking reporting framework is valued by market participants.

Christensen et al. (2021) analyze the potential economic effects of introducing mandatory reporting on corporate social responsibility (CSR) and sustainability. The authors synthesize theoretical and empirical evidence on the impact of such a mandate on capital markets, firm behavior, and different categories of stakeholders, highlighting both the benefits in terms of transparency and comparability as well as the costs of implementation and the risks of unintended effects. The study also discusses the challenges related to standard-setting, the materiality of reported information, and the importance of effective enforcement and assurance mechanisms for reporting.

Costa et al. (2022) investigate the application of the Italian Banking Association (ABI) sector reporting standard within microfinance institutions, analyzing whether a standard specific to the banking sector improves the volume and quality of non-financial reporting. The results show that the ABI standard is useful overall but it proves insufficient for certain areas, especially for community-related information, where its relevance is reduced. The study concludes that the "one-size-fits-all" approach is limited in the context of hybrid organizations and supports the need for standards better adapted to the sector specificities and mission of the institutions analyzed.

Methodology

Research method

The SRL method was adopted in this research due to the evolving nature of the financial and sustainability reporting field. Moreover, recent literature highlights those technological developments, including the emergence of artificial intelligence-enabled auditing techniques, also contribute to the evolution of financial and sustainability reporting practices (Hu et al., 2021). In recent years, this field has experienced accelerated development, stimulated by the introduction of mandatory international regulations on non-financial reporting (e.g., the CSRD Directive in the EU) and by the increased expectations of stakeholders regarding transparency and corporate responsibility (Frankel et al., 2025; IFRS Foundation, 2022). The concept of integrated reporting, although formalized by the IIRC in 2010 and consolidated by 2016 (Dumay et al., 2016), is still in a stage of maturation of the literature, characterized by a diversification of theoretical and methodological approaches. In the context of recent transformations in financial and sustainability reporting - including the convergence towards harmonized standards (e.g. ISSB) and the emphasis on long-term value creation - the SRL method provides the necessary tools to structure and synthesize existing knowledge in a scientific, transparent and reproducible way.

In this research, the SRL method is used as a tool for organizing and systematizing existing evidence allowing for a coherent comparison of theoretically, methodologically and thematically

relevant studies, identifying convergences and divergences between results and highlighting areas where academic consensus is limited or absent. Thus, the SRL method is not used for evaluative purposes, but as a method of ordering knowledge which creates a solid analytical basis for interpreting developments in the field.

The Research Sample

To conduct SLR on financial and sustainability reporting a quantitative research methodology is used. The SLR method establishes in a scientific manner the necessary premises for identifying gaps in the specialized literature, formulating research hypotheses and identifying future directions of investigation (Lungu et al., 2018). Proposed by Massaro et al. (2016), SLR is a method that facilitates the development of perspectives and critiques on the current state of a field of knowledge.

The SRL methodology is based on established methodological works (Guthrie et al., 2012; Dumay et al., 2016; Massaro et al., 2016; Pisani et al., 2017; Lungu et al., 2018) recognized as benchmarks in accounting research. At the same time, recent literature confirms the relevance and continued applicability of this approach in studies on financial and sustainability reporting (Benvenuto et al., 2023) highlighting the combined use of SLR and bibliometric analysis in current research. Thus, we coded a sample consisting of 32 articles downloaded from the Web of Science regarding “financial reporting” and “sustainability reporting”, respectively. The sample was established after going through several filtering stages, as follows.

The first stage consisted of a computerized examination in November 2025 of the Web of Science database using search terms such as “financial reporting”, “sustainability reporting”, and generated a number of 5788 indexed articles which were subsequently refined. As part of the article selection and filtering process, we first applied a quick filter to include only open access articles, resulting in 2966 indexed articles. This was followed by a filtering by document type limiting ourselves to “reviewed article” and “article”, resulting in 2862 articles. Continuing the selection, we restricted the search to papers written in English, thus reducing the number to 2778 articles. Subsequently, we limited the selection to the specific field of “Business Economics”, which led to a number of 996 articles.

To select only relevant research topics, we filtered the typology of research areas and selected Business Finance and Economics. Applying this filtering reduced the total number of articles to 555. Finally, we filtered the database by the indexes: Social Science Citation Index (SSCI) and SCI – Expanded and resulted in 240 articles. By applying the filter on the period 2020-2024 we obtained a sample of 138 articles.

The period 2020–2024 was deliberately selected to capture the most recent and transformative stage of financial and sustainability reporting. The year 2020 represents a turning point following the COVID-19 pandemic, which intensified concerns regarding transparency, organizational resilience, and the integration of ESG information into decision-making processes. This timeframe also coincides with major regulatory developments, including the establishment of the International Sustainability Standards Board (ISSB) in 2021, the publication of IFRS S1 and IFRS S2 standards in 2023, and the adoption of the Corporate Sustainability Reporting Directive (CSRD) in the European Union. Limiting the analysis to 2024 reflects the most recent complete year available at the time of data collection and allows the study to capture the early consolidation phase of the sustainability reporting framework.

The final sample of 138 articles should be interpreted in line with the methodological logic of a structured literature review (SLR). As noted by Massaro et al. (2016) and Dumay et al.

(2016), the aim of an structured literature review is not numerical exhaustiveness but the identification of a coherent and relevant body of studies selected through transparent and replicable criteria. Following the PRISMA protocol, successive filters were applied regarding the time period, Web of Science indexing, and direct relevance to the intersection of financial and sustainability reporting. Although the literature in both areas is extensive, many studies address the topics separately or only tangentially. Therefore, the resulting sample represents a focused and methodologically justified selection consistent with the objectives of the study.

As emphasized by Broadbent and Guthrie (2008) and Guthrie et al. (2012), the value of an structured literature review lies in the rigor of the analytical framework and the consistency of the coding process rather than in the absolute size of the sample. Accordingly, the final number of articles reflects a deliberate methodological delimitation designed to ensure comparability and relevance.

In the second stage, the sample of 138 articles was manually processed to eliminate articles that did not fall within the scope of financial and sustainability reporting research. In this regard, we examined the "keywords" and "abstract" sections to eliminate articles that did not contain the phrases "financial reporting" and "sustainability reporting", and we obtained 50 articles. From this number, articles that had less than 10 citations were excluded, resulting in a formal database of 32 articles, published in the period 2020-2024 of which: 12 articles include the concept of "financial reporting" among the keywords, 16 articles include the concept of "sustainability reporting" and 4 articles include both keywords.

In the academic literature, structured literature reviews (SLRs) frequently rely on relatively small but rigorously defined samples in order to enable an in-depth and comparable analysis of research themes and methods (Massaro et al., 2016). Accordingly, the 32 articles included in this study represent the outcome of the systematic selection process specific to the structured literature review methodology, rather than the totality of publications addressing financial and sustainability reporting during the analyzed period.

Analytical Framework

To answer the research questions RQ1 *"What was the research trend, research methods and theories regarding financial and sustainability reporting?"* and RQ2 *"What were the factors that generated changes in financial and sustainability reporting?"*, as well as RQ3. *"What was the relationship between the requirements of financial and sustainability reporting frameworks and the main thematic directions of the academic literature?"*, we defined the analytical framework of the research, based on the criteria existing in the specialized literature (Broadbent & Guthrie, 2008; Guthrie et al., 2012; Dumay et al., 2016; Lungu et al., 2018).

Using the set of criteria from the specialized literature, we coded the 32 articles downloaded from the Web of Science based on the concepts of "financial reporting" and "sustainability reporting". The coding involved the six established criteria and the formulation of two new criteria specific to the research topic, with the aim of explicitly capturing the relationship between reporting frameworks and thematic directions of academic research: Criterion A. *Jurisdiction*, Criterion B. *Organizational orientation*, Criterion C. *Research location*, Criterion D. *Data source*, Criterion E. *Research methodology*, Criterion F. *Analyses and models used*, Criterion G. *Type of reporting analyzed*, Criterion H. *Regulatory level*.

Criterion A. *Jurisdiction* was constructed to capture both the geographical area of the studies and the degree of specificity of the context analyzed. We differentiated, first between research with an international approach and those circumscribed to a national or regional

framework (e.g., Europe). Subsequently, for each jurisdictional level, subcategories were identified that allow the distinction between studies with general coverage, studies focused on a specific industry, and studies oriented towards a specific organizational framework.

Thus articles that analyze several countries or regions, without targeting a specific industry, were classified as A1.1. International – General, while works focused on a specific sector were classified as A1.2. International – Industry. Similarly, research conducted in a single country was assigned to the categories A 2.1. National – General or A2.2. National – Industry, depending on the degree of sector specificity. Situations in which the analyses focus on a single organization were grouped separately in the category A.3. Single organization. Compared to previous approaches in the literature (Dumay et al., 2016; Lungu et al., 2018), the structure of criterion A was adapted and expanded to allow the inclusion of recent contexts, such as European-level research, respectively international studies focused on ESG reporting.

According to Dumay et al. (2016) and Lungu et al. (2018) the criterion B. *Organizational orientation* was defined, through which the articles were classified according to the type of entities analyzed. This criterion allows the differentiation of studies in relation to the nature of the organizations investigated by defining several categories (B1–B6) such as: listed companies, small and medium-sized entities (SMEs), private entities that do not fall into the SME category, public sector institutions, non-profit organizations, as well as other types of entities that are not explicitly found in the previous categories.

Continuing the methodological approach, criterion C. *Research location* was built based on the framework proposed by Lungu et al. (2018), capturing the geographical origin of the entities analyzed in the studies included in the review. The structure of the criterion includes eight distinct territorial categories, which reflect the main geographical areas encountered in the specialized literature: United States of America and Canada (C1), Australia (C2), European Union without the United Kingdom (C3), South Africa (C5), Asia–Pacific region (C6) and the United Kingdom. Studies that cannot be explicitly associated with a specific region or that have a global approach were classified in the category “Other” (C8).

Criterion D. *Data source*, adapted from Pisani et al. (2017) and Lungu et al. (2018) classifies studies according to the origin of the information used. The following categories were considered: corporate sources from specialized databases (D1), primary data collected by the authors through interviews or questionnaires (D2), databases of professional or regulatory bodies (D3), internal company data (D4) and information from capital markets (D5). The multiple source category (D6) includes studies that combine several types of data and the other sources category (D7) brings together articles that use sources that are not found in the previous categories or for which the source is not explicitly mentioned.

Criterion E. *Research methodology* identifies two major categories of studies: theoretical (E1) and empirical (E2). Category E1 includes conceptual articles and literature reviews while E2 encompasses empirical research, detailed according to approach into: qualitative studies (E2.1), quantitative studies (E2.2) and mixed studies (E2.3). The structuring of this criterion is based on previous methodological contributions in the specialized literature, in particular on the studies carried out by Pisani et al. (2017), Dumay et al. (2016), Guthrie et al. (2012) and Lungu et al. (2018).

Criterion F. *Analysis and methods used* identifies how the articles analyze or develop conceptual and practical approaches to financial and sustainability reporting. Based on the approaches in the literature (Dumay et al., 2016; Dumay and Garanina, 2013; Guthrie et al., 2012; Lungu et al., 2018), the studies were classified into three categories: do not use or propose

frameworks/models; capitalize on existing models, frameworks or tools; propose or develop new frameworks, models or tools.

Criterion G. *The type of reporting analyzed* serves to identify the nature of the information reported in the studies included in the analysis. Based on the content of the articles, the reports are classified into several categories, such as: financial reporting, sustainability/CSR reporting, ESG reporting, non-financial reporting and integrated reporting. Studies that analyze both financial and non-financial reporting were also considered, as well as research aimed at ensuring reporting. This criterion adapted from Lungu et al (2018) allows capturing major directions of interest in the literature and differentiating between studies focused exclusively on financial information and those that extend the scope of reporting to social, environmental and governance dimensions.

Criterion H. *Regulatory level* aims to classify the studies analyzed according to the mandatory or voluntary nature of the reporting investigated. Based on the regulatory framework considered in each article, reporting is classified into categories such as: voluntary reporting, mandatory reporting respectively mixed situations, in which the transition from voluntary to mandatory is underway or the coexistence of the two regimes is explicitly discussed.

In the next stage, the selected articles were read and manually coded according to the previously defined criteria. The coding process was carried out by the authors, aiming at the uniform application of the criteria and verification of the consistency of the results obtained.

Results and discussions

Research characteristics for financial and sustainability reporting during 2020-2024

The analysis of the articles included in the sample (Table 1) reveals the dispersion in a relatively high number of scientific journals, which reflects the multidisciplinary interest in the topic of financial and sustainability reporting. Most articles were published in the Spanish Accounting Review and the Sustainability, Accounting, Management and Policy Journal each bringing together 9.4% of the total works included in the sample. These are followed by the International Journal of Finance & Economics, Review of Accounting Studies and Journal of International Financial, Management & Accounting, journals hosting 6.3% of the analyzed articles. The rest of the publications include a single article each, a situation that indicates a high degree of fragmentation and a balanced distribution of research between several accounting, finance and management journals. Overall these results suggest that the scope of financial and sustainability reporting is not concentrated in a single “main” journal, but is developed through contributions published in numerous academic journals, belonging mainly to the Business & Finance and Accounting categories.

To answer research question RQ1 on trends in the development of the literature on financial and sustainability reporting, the distribution of articles by year of publication and the field of the journals in which they were published were analyzed (Table 2). The results highlight a significant increase in academic interest starting in 2021, with a peak in 2022 when 34.38% of the articles in the sample were published. Approximately 75% of the studies appear in the period 2021–2024 indicating that financial and sustainability reporting is a relatively recent topic undergoing an intense process of conceptual and methodological consolidation.

The high share of articles published in accounting journals (46.87%) confirms the anchoring of the subject in accounting research while the significant contributions from finance journals (18.75%) and economics and management journals (34.38%) reveal the expansion of interest towards aspects related to performance, financial markets and management. This dynamic also responds to the hypothesis formulated in RQ2 according to which the evolution of the

regulatory framework and recent institutional pressures have been important factors in amplifying research in the field of financial reporting and sustainability.

Meta – analysis

This section provides a synthesis analysis of the articles included in the sample and aims to capture recent developments in the literature on financial and sustainability reporting. While Dumay et al. (2016) concluded that integrated reporting was, at that time, in the “first stage” of its development, dominated by the awareness and conceptualization phase, the results of the present study indicate that during the period 2020–2024, the field gradually moved towards a stage of empirical maturation and impact assessment. The significant increase in the number of articles published after 2020 along with the diversification of research topics and the strengthening of the regulatory framework, reveals a migration of emphasis from simple conceptual discussions to the analysis of the economic, social and institutional consequences of reporting (Table no. 3). Recent literature no longer focuses solely on defining sustainability reporting but also analyzes its relationship with firm performance, cost of capital, corporate governance, financial stability and managerial decision-making processes, as well as the quality and assurance of reported information.

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Criterion A. Jurisdiction

The analysis of the articles included in the sample highlights a balanced distribution of studies by jurisdiction suggesting that financial and sustainability reporting is analyzed from both an international and a national perspective. The largest share is held by studies with an international approach (16 articles), which mainly investigate global trends in ESG reporting and its economic consequences (e.g. Shaikh, 2022). This research is largely comparative and aims to capture differences between countries in the degree of adoption of sustainability reporting, the role of institutional pressures and the effects of convergence of reporting standards.

Studies conducted at national level (15 articles) focus mainly on analyzing the effects of specific regulations on non-financial reporting and sustainability. For example, research on the impact of the transposition of Directive 2014/95/EU and the transition to CSRD highlights how the national regulatory context influences the volume and quality of ESG disclosures (García-Benau et al., 2022). Other studies examine particular sectors, such as the banking system or industries with a major impact on the environment, highlighting sector specificities in sustainability reporting (Chiaramonte et al., 2022).

A small number of papers focus on a single organization but they provide detailed insights into internal sustainability reporting processes, the role of corporate governance and managerial decisions regarding information transparency (Vigneau et. al 2022). These case studies delve into how companies respond to stakeholders’ pressures and integrate financial and non-financial information into their reporting processes. Overall, the distribution of articles by jurisdiction confirms that financial and sustainability reporting is a field studied both through international macro analyses and through research anchored in specific national contexts highlighting its dependence on the institutional environment and regulatory framework.

Criterion B. Organizational orientation

Studying the articles according to organizational orientation highlights that most research is focused on listed companies which represent the largest share in the sample (15 articles). The explanation is related to the high visibility of these entities, extensive reporting obligations and data availability. Numerous studies analyze the relationship between ESG reporting and the

performance of listed companies, the cost of capital or the reaction of financial markets (e.g. Shaikh, 2022; Chiaramonte et al., 2022). Several articles also investigate the role of the board of directors in determining the level of sustainability reporting for listed companies (Arayssi et al., 2019).

A significant part of the literature focuses on private companies that are not listed on the stock exchange (11 articles), including companies in sectors with high environmental or social impact. These studies highlight that sustainability reporting is no longer a practice associated with large listed companies, but is also expanding to other types of organizations driven by institutional, fiscal or reputational pressures. For example, research on the circular economy and environmental accounting analyzes how private companies structure their reporting on emissions, resources and climate risks. Studies dedicated to SMEs are fewer (2 articles), but provide relevant insights into the challenges related to implementing sustainability reporting in organizations with limited resources. These studies highlight the difficulties of SMEs in collecting non-financial data, applying reporting standards and accessing external expertise but also the potential of ESG reporting to support access to finance and strengthening reputation.

Overall, the results indicate that financial and sustainability reporting is predominantly analyzed in the context of large, listed companies, but the literature is gradually diversifying to include SMEs, private firms and non-profit organizations. This trend reflects the process of progressive generalization of sustainability reporting across different types of organizations, consistent with the expansion of regulatory requirements and stakeholders' pressures.

Criterion C. *Research location*

Of the total number of articles analyzed, a significant part of the studies is concentrated in the European space, especially at the European Union level (12 articles) which reflects the importance of recent European regulations in the field of sustainability reporting. Numerous studies examine the impact of Directive 2014/95/EU and the transition to CSRD on the volume and quality of information reported by companies as well as the reaction of capital markets to these changes (e.g. García-Benau et al., 2022).

A similar share is held by the "Other/Mixed" category (12 articles), which brings together studies conducted in several regions simultaneously. These studies do not only target several European countries, but also include comparisons between Europe and Asia, Europe and Australia or between developed and emerging economies. They analyze ESG reporting and sustainability reporting from a transnational and transcontinental perspective, highlighting regulatory differences, market maturity levels, and institutional specificities of each region (Shaikh, 2022). Therefore, this category contributes to understanding the convergence and divergence of reporting practices globally.

Studies from the USA and Canada (3 articles) focus on the alleged effects of ESG reporting on financial performance and stability in strong economies where sustainability reporting has long been predominantly voluntary.

The Asia-Pacific region is represented by a smaller number of articles but they make important contributions to the analysis of ESG reporting in emerging economies offering a complementary perspective to the European one which is mainly focused on mandatory regulation. Overall, the geographical distribution highlights two major directions: on the one hand, the concentration in Europe, as a result of the intensification of regulations on sustainability reporting, and on the other hand the development of transnational and transcontinental comparative studies which allow for the global analysis of financial and sustainability reporting practices.

Criterion D. *Data Source*

Analysis of articles by data source shows the prevalence of studies based on secondary data from company reports and corporate databases. Most research uses information from annual reports, sustainability reports, integrated reports and ESG scores, frequently combined with financial indicators extracted from specialized databases to examine the relationship between reporting and performance (e.g. Shaikh, 2022; Chiaramonte et al., 2022).

A smaller number of studies use primary data, collected through questionnaires or interviews providing insights into the motivations of managers and auditors in the process of sustainability reporting and external assurance. Some articles also use data from stock markets to analyze investor reactions to ESG information. Overall, a dominant quantitative orientation emerges complemented by qualitative research that delve deeper into internal reporting processes.

Criterion E. *Research Methodology*

In relation to this criterion we found that the research methodology is predominantly empirical with most studies based on the analysis of financial and non-financial data reported by companies. The high proportion of empirical studies reflects the tendency of recent literature to base conclusions on concrete evidence and statistical tests regarding the relationship between sustainability reporting, company performance and capital market reaction. In contrast, only a small number of articles are theoretical or review-type aiming to systematize the existing literature and outline future research directions.

Empirical studies are divided into quantitative and qualitative research with the former clearly dominating. Quantitative research mainly uses econometric models applied to large samples of firms and long periods of time aiming to test hypotheses regarding the effects of ESG reporting on financial performance, banking stability, cost of capital or market value (e.g. Chiaramonte et al., 2022; Shaikh, 2022). Commonly used methods include panel regressions, fixed and random effects models, Difference-in-Differences, as well as models based on ESG scores provided by specialized databases. Some articles also apply advanced techniques such as Generalized Method of Moments (GMM) or probability score models to control for endogeneity and sample selection issues.

A smaller part of the studies adopts qualitative methodologies based on content analysis of reports, questionnaires or interviews with managers, auditors and other stakeholders. This research provides information on the internal processes of organizations, on how the sustainability report is built as well as on perceptions regarding the value of non-financial information. For example, some studies analyze how companies integrate financial and environmental information in a single report or the reasons of managers for adopting integrated reporting.

At a theoretical level, the identified articles mainly use stakeholder theory, legitimacy theory and institutional theory to explain the motivations for sustainability reporting respectively the role of social and regulatory pressures in its adoption (Christensen et al., 2021). Other studies are based on agency theory and signaling theory analyzing how the disclosure of ESG information contributes to reducing information asymmetries and improving the reputation of organizations in financial markets. Overall the results show a significant evolution compared to the previous period when the literature was dominated by conceptual contributions: current research is characterized by an increased focus on empirical testing and on assessing the economic and financial impact of sustainability reporting confirming the methodological maturation of the field.

Criterion F. *Analysis and models used*

Coding the articles according to this criterion shows that studies on financial and sustainability reporting predominantly use quantitative models, especially regressions applied to panel data. The most common approaches include fixed and random effects models, complemented by robustness tests and descriptive statistics. In the case of research assessing the impact of regulations on ESG reporting, Difference-in-Differences models are often used, which allow estimating the effect of a regulation by comparing the evolution of firms affected by the policy with the evolution of a control group before and after implementation.

Some studies apply advanced econometric methods, such as the Generalized Method of Moments (GMM), to address the endogeneity issue and to analyze dynamic relationships between sustainability reporting and firm performance. In addition to these approaches, some of the articles use content analysis to measure the level of ESG disclosures and to construct reporting indices. Overall, the F criterion highlights a pronounced orientation towards rigorous empirical analyses and the assessment of the concrete impact of financial and sustainability reporting.

Criterion G. *Type of reporting analyzed*

The analysis of the articles included in the sample shows that the specialized literature focuses mainly on sustainability reporting and ESG reporting approached both from the perspective of the level and quality of disclosures and from the perspective of their impact on the performance of companies. For example, Shaikh (2022) and Nguyen et al. (2020) investigate how ESG practices and reporting influence economic performance highlighting heterogeneous results depending on the institutional and sector context. Another important direction is integrated reporting and the connectivity between financial and non-financial information, a theme analyzed by Dumay et al. (2016) and Jayasiri (2023) who highlight the fact that the integration of information has not only a reporting dimension, but also a strategic one linked to integrated thinking.

Also, some of the literature examines non-financial reporting in the context of European regulations and the shift from voluntary to mandatory reporting as is the case with the studies by García-Benau et al. (2022) and Costa et al. (2022) which analyze the effects of Directive 2014/95/EU on the expansion and standardization of sustainability reporting. Overall, the criterion regarding the type of reporting analyzed highlights the transition of the literature from traditional financial reporting to extended reporting, oriented towards environmental, social and governance dimensions as well as the increasing interest in the integration and quality of reported information.

Criterion H. *Regulatory level*

In terms of regulatory level the literature on financial and sustainability reporting is situated at the intersection of voluntary and mandatory reporting, reflecting the current transition of the regulatory framework. A significant part of the studies examine mandatory reporting, in particular as an effect of Directive 2014/95/EU on non-financial reporting and the new European initiatives associated with the Green Deal highlighting changes in the extent and quality of information disclosed (García-Benau et al., 2022; Costa et al., 2022). In parallel, a number of articles investigate voluntary reporting in which companies choose to publish ESG information as a tool for legitimization, strategic differentiation or reduction of information asymmetry, an aspect highlighted in studies on ESG reporting and financial performance (Shaikh, 2022; Chiaramonte et al., 2022).

Research on integrated reporting and information connectivity also indicates that in many jurisdictions it is still largely voluntary, driven by stakeholders and market pressure rather than strict regulation. Overall, criterion H shows that the literature reflects a shift from a voluntary

reporting model to an increasingly regulated one marked by strengthening standards and increasing transparency requirements in the area of financial and sustainability reporting.

Conclusion

Research based on SLR highlights an accelerated development of the financial and sustainability reporting perimeter both from a conceptual and methodological point of view. Considering the research question RQ1 *What has been the research trend, the research methods and the theories regarding financial and sustainability reporting?* the analysis of the articles shows a shift from predominantly theoretical contributions to empirical studies based on advanced econometric models which investigate the relationship between ESG reporting, company performance, financial reporting quality and capital markets reaction. At the same time, the literature reveals the use of a varied range of theories – stakeholder theory, legitimacy theory, institutional theory and agency theory – confirming the multidimensional nature of sustainability reporting.

Regarding RQ2 *What were the factors that generated changes in financial and sustainability reporting?* the results indicate that the changes in the field of financial and sustainability reporting are generated both by institutional and stakeholders pressures, as well as by the strengthening of the regulatory framework, especially at the European level. The introduction of mandatory non-financial reporting and the expansion of ESG standards have led to significant transformations in companies' reporting practices, but also in the orientation of academic research which has shifted towards assessing the economic and social impact of these regulations.

Regarding RQ3 *What was the relationship between the requirements of financial and sustainability reporting frameworks and the main thematic directions of the academic literature?* the results show a clear convergence between the developments in the regulatory framework and the thematic directions of the literature, with recent research focusing on dual materiality, information connectivity and the integration of financial reporting with sustainability reporting.

The study provides a structured and updated picture of the specialized literature on financial and sustainability reporting, but is not limited to inventorying publications, instead mapping the scope of research according to jurisdiction, type of reporting, methodology used, level of regulation and data source, thus providing an analytical framework that can be replicated in future research. It contributes to the existing literature in three main ways. First, it provides an updated systematization of research on financial and sustainability reporting for the period 2020–2024, capturing the recent evolution of the field and the consolidation of the institutional framework governing sustainability reporting. Second, by introducing additional coding criteria related to the type of reporting analyzed and the level of regulation, the study highlights the relationship between regulatory developments and the thematic orientation of academic research. Third, the comparative analysis of financial, sustainability, and mixed studies offers an integrated perspective on how the convergence of financial and non-financial information shapes the contemporary research agenda.

The study can be considered among the first SLR analyses examining the literature on financial and sustainability reporting in the context of the transition toward a harmonized regulatory framework, marked by the adoption of the CSRD at the European level and the issuance of ISSB standards at the international level. In this sense, the research captures a distinct stage in the evolution of the field, characterized by the transition from predominantly voluntary practices to a more regulated and standardized reporting framework.

From a practical perspective, the findings are relevant for regulatory bodies, as they highlight the direct impact of the harmonization of the regulatory framework on research directions

and, implicitly, on organizational reporting practices. Furthermore, for accounting professionals and reporting entities, the analysis emphasizes the need to integrate financial and non-financial information and the importance of adapting to emerging ESG transparency requirements. At the same time, for the academic community, the study identifies underexplored areas and provides directions for future research.

As to the limitations of the research, one of them is that the selection of articles was carried out based on a single database and predefined keywords which may lead to the omission of relevant contributions. On the other hand, the coding of articles, although rigorously carried out, involves an inherent degree of subjectivity and the analysis focuses on articles published in a specific period which means that the results capture a dynamic, but temporally limited image of the field. Based on these limitations, several future research directions can be outlined. In this regard, we propose to investigate the role of digital technology and artificial intelligence in the process of reporting and ensuring ESG information.

Figures and tables

Table 1. Distribution of articles in academic journals

Journal	No. of articles	% of total
Spanish Accounting Review	3	9,40
Sustainability, Accounting, Management and Policy Journal	3	9,40
International Journal of Finance & Economics	2	6,30
Review of Accounting Studies	2	6,30
Journal of International Financial, Management & Accounting	2	6,30
Journal of Competitiveness	1	3,10
The British Accounting Review	1	3,10
Economic Computation and Economic Cybernetics Studies and Research	1	3,10
Journal of Business Economics and Management	1	3,10
New Political Economy	1	3,10
Journal of Management Development	1	3,10
Journal of Multinational Financial Management	1	3,10
Journal of Accounting, Finance and Business Studies	1	3,10
Agricultural Economics	1	3,10
Corporate Governance	1	3,10
Economic Analysis and Policy	1	3,10
Borsa Istanbul Review	1	3,10
Accounting & Finance	1	3,10
Amfiteatru Economic	1	3,10
European Accounting Review	1	3,10
The European Journal of Finance	1	3,10
International Review of Financial Analysis	1	3,10
Contemporary Accounting Research	1	3,10
Technological and Economic Development of Economy	1	3,10
Ecological Economics	1	3,10
Total	32	100

Source: Authors' own processing,

**Table 2. The evolution of research on financial and sustainability reporting
(2020 – 2024)**

Publishing year	Total	%	Accounting Journals		Finance Journals		Economics, Management and Public Policies Journals	
			No.	%	No.	%	No.	%
2020	6	18,75	2	6,25	1	3,13	3	9,38
2021	7	21,87	5	15,63	0	0	2	6,25
2022	11	34,38	6	18,75	3	9,37	2	6,25
2023	4	12,5	1	3,12	0	0	3	9,38
2024	4	12,5	1	3,12	2	6,25	1	3,12
Total of articles	32	100	15	46,87	6	18,75	11	34,38

Source: Authors' own processing.

Table 3. Framework

A. Jurisdiction	B. Organizational orientation
A.1. International (16 articles) A.1.1. International – General (15 articles) A.1.2. – International – Industry (1 article) A.2. National (15 articles) A.2.1. National – General (14 articles) A.2.2. National – Industry (1 article) A.3. One organization (1 article)	B.1. Listed on the stock exchange (15 articles) B.2. Private - SMEs (2 articles) B.3. Private – Other (11 articles) B.4. Public sector B.5. Not for profit (1 article) B.6. General/Other (3 articles)
C. Research location	D. Data source
C.1. USA/ Canada (3 articles) C.2. Australia C.3. European Union (without UK)(12 articles) C.5. South Africa C.6. Asia – Pacific (2 articles) C. 7. United Kingdom (3 articles) C.8. Other/ Mixed (12 articles)	D.1. Corporate sources (7 articles) D.2. Primary data of the author (3 articles) D.3. Professional organizations D.4. Companies' internal data (3 articles) D.5. Stock market index D.6. Multiple sources (11 articles) D.7. Other sources (8 articles)
E. Research methodology	F. Analysis and models used
E.1. Theoretical (1 article) E.2. Empirical (28 articles) E.2.1. Qualitative (10 articles) E.2.2. Quantitative (18 articles) E.2.3. Multiple (3 articles)	F.1. No proposals F.2. A previous analysis is applied or taken into account (31 articles) F.3. Proposes a new analysis (1 article)
G. Type of reporting analyzed	H. Regulatory level
G.1. Financial reporting (3 articles) G.2. Non-financial reporting (4 articles) G.3. Integrated reporting (2 articles) G.4. ESG reporting (5 articles) G.5. GRI/CSRD sustainability reporting (13 articles) G.6. Multiple frameworks (5 articles)	H.1. Voluntary reporting (15 articles) H.2. Mandatory reporting (8 articles) H.3. Mixed reporting (7 articles) H.4. Transition reporting (NFRD - CSRD) (2 articles)

Source: Developed from Lungu et al. (2018); Dumay et al. (2016);Guthrie et al. (2012); Dumay & Garanina (2013); Broadbent & Guthrie (2008); Pisani et al. (2017).

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