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Maryna Dielini¹

PECULARITIES OF THE PROCESS OF NON-FINANCIAL REPORTING FORMATION IN UKRAINE

Under the condition of sustainable development, corporate social responsibility (CSR) becomes more important, and can be the key to improving the company's image and competitiveness on the market. Areas and forms of CSR implementation are numerous, one of which is the company's reporting on socially responsible practices. The importance of non-financial reporting is also emphasized by the Concept of state policy in the field of promoting corporate social responsibility in Ukraine until 2030 that highlights the necessity to publish non-financial reporting, which substantiates the topic of this scientific article.

The purpose of the article is to determine the features of the introduction and dissemination of the practice of compiling and forms of non-financial reporting in Ukraine as a direction of manifestation of social responsibility of business.

Methods of the article include analytical, statistical, comparison, and extrapolation ones etc.

Theoretical analysis allows determining the main standards by which non-financial reports can be generated. These include: Global Reporting Initiative (GRI), UN Global Compact Report, AA1000 Standard, SA 8000: 2001 Social Responsibility Standard, and ISO 26000 Standard. Among the most common are the GRI Standard and UN Global Compact Report.

The practical results of the study reveal that in Ukraine the number of GRI reports has increased compared to 2008, but this development is uneven. A comparison of the number of non-financial reports in Ukraine and Europe according to the Corporate Register found out that the number of reports in European countries has different trends: a decrease in 2017-2018 in some countries (UK, Germany, and France) and a subsequent revival to gradual growth in all countries.

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Analysis of the Transparency Index, calculated by the Center for the Development of Corporate Social Responsibility that considers the websites of companies based on CSR information for the period 2012-2020 reflects a change of countries that are leaders in this indicator. A positive characteristic is that among the TOP-10 companies there are not only private enterprises, but also state-owned ones. Overall indicators of CSR practices tend to increase and reflect the growing importance of this area of corporate social responsibility.

Keywords: corporate social responsibility, non-financial reporting, Global Reporting Initiative (GRI), Transparency Index, sustainable development

Problem statement. As Ukraine has joined the global initiative on sustainable development, social responsibility of business acquires additional weight, which can correspond to the three dimensions of sustainable development: social, environmental and economic ones. One of the problems of Ukrainian entrepreneurship is the underdevelopment of CSR and insufficient awareness of its positive consequences. Currently, certain steps in this direction are being taken at the state level, in particular, the adoption of the Concept for the Implementation of the State Policy in the Field of Promotion of Corporate Social Responsibility in Ukraine for the Period up to 2030. One of the most important aspects of CSR development is the reporting that businesses can generate about their socially responsible practices. The dissemination of non-financial or financial reporting practices and forms with elements of social practice reporting is relevant and important for businesses both in the domestic market and when looking for foreign partners. This is justified by the fact that non-financial reporting is one of the main sources of information disclosure in the implementation of CSR. In international practice, companies implementing corporate social responsibility are considered to be more stable, oriented in their activities towards the Sustainable Development Goals and contemporary social and environmental challenges, they are virtuous competitors and answerable to their obligations. Therefore, it is important for Ukrainian enterprises to both disseminate the implementation of CSR practices and publicize them in the form of reports.

The purpose of this article is to define the peculiarities of implementation and dissemination of non-financial reporting practices and forms of presentation in Ukraine as a guideline of corporate social responsibility.

CSR development is dealt with in scientific works of Ukraine's scientists such as V. Kholiavka, Kh. Leshko, Ya. Oliinyk, M. Kucheriava, A. Zinchenko, L. Korytnyk, as well as by foreign ones - M. Latapí Agudelo, L. Jóhannsdóttir, B. Davídsdóttir, M. Socoliuc, V. Grosu, E. Hlaciuc,

S. Stanciu, M. Tamvada. However, in spite of the significant scientific heritage, there are issues requiring further research, namely in terms of studying the current stage of development of non-financial reporting practices in Ukraine and the forms on which they are developed.

The presentation of research materials. Social responsibility of business can be defined as responsibility of companies to their stakeholders for their activities [1]. The forms of manifestation of CSR are quite diverse, ranging from responsibility to the company's employees to responsibility to the society where the company is operating. Stakeholders can include all the parties that the company faces during its operation and who have some kind of interest in its responsible operation: employees, owners, consumers, partners, competitors, community, and state.

Among the areas of CSR implementation are the following:

- decent wages, equal pay for men and women;
- creation of comfortable and safe working conditions and opportunities for professional and personal development;
- honest competition and absence of price discrimination;
- consideration of the needs of consumers in the production of goods and provision of services;
- production of high quality products;
- taking into account the needs of society;
- operating within the framework of the Sustainable Development Goals;
- social accountability;
- legal business conduct, legal employment, timely payment of taxes.

Government involvement in this process is important for the development of social responsibility in Ukraine because of the need to inform businesses about its positive effects. The state is now taking certain steps in this direction, namely: On January 24, 2020. The Cabinet of Ministers of Ukraine issued the order "On approval of the Concept of state policy implementation in the sphere of promotion of CSR in Ukraine for the period up to 2030".

Before that, there was an attempt to present a draft "National Concept for the Development of Corporate Social Responsibility", which was created within the Advisory Council for the drafting of the National Concept of Corporate Social Responsibility to the Verkhovna Rada Committee on Industrial and Regulatory Policy and Entrepreneurship (this committee functioned during 2009-2010). [2].

According to the Concept approved in 2020, it is acknowledged that Ukraine's further development and its accession to the European Union and the OECD is impossible without the introduction of modern mechanisms of interaction between the state and business, business and society, etc. [3].

Its implementation is envisaged by 2030, in two phases - by 2025 and by 2030. The concept outlines directions for the development of CSR in the areas of environmental protection, employment, and development of labor relations. Among other ways of solving the problem in the development of CSR is the encouragement of business entities to pursue open policy of information disclosure, including both financial and non-financial reporting, and the publication of reports in this area. Among expected results is an increased number of voluntary public reports [3].

The Social Performance Report is important for assessing the social responsibility of companies. The evaluation of CSR is a complex process due to different approaches to understanding its directions, tools and forms of implementation. Several methods are used for evaluation: analysis of social reporting, qualitative and quantitative methods, and index and rating methods [4]. In our research, we will analyze the practice of non-financial reporting in Ukraine, which is an important indicator of the development of CSR in this country's companies. At the beginning, we will define non-financial reporting as company reports on social issues or socially responsible practices. These reports do not provide data on the company's business performance, but provide both social and management or environmental information. The content and scope of such reports depends on many factors: the company's size, the programs implemented by the company, the amount of funds allocated for their implementation, the report's purpose, etc.

Three forms of non-financial reports are distinguished: optional-style reports, comprehensive reports (based on economic, environmental, and social results), and standardized reports [5].

For a complete analysis, we will define the types of non-financial reports defined by the global community: Global Reporting Initiative (GRI), UN Global Compact Report, AA1000 Standard, SA 8000:2001 "Social Responsibility" Standard, and ISO 26000. Some of the best known at the moment are the first two ones.

The Global Reporting Initiative (GRI) is a set of guidelines for creating voluntary sustainability reports on three dimensions, such as: economic, environmental, and social business outcomes [6, 7]. The UN Global Compact is the world's largest initiative encouraging businesses to shape their operations around the Sustainable Development Goals [8]. These initiatives provide for the development of CSR around the world and allow reporting on previously developed standards.

Other standards mentioned above include the development of a report assessing success in the economic, social and ecological environment, based on dialogue with stakeholders (AA1000 standard), an assessment of

company performance in eight areas related to work organization (SA 8000:2001 standard "Social Responsibility"), and the basic principles of BAS (ISO 26000 standard).

The author's previous research noted that there was a trend in Ukraine towards non-financial reporting by large Ukraine's companies and foreign TNCs operating in our market. Currently this tendency is still ongoing. It is important to note that in 2016, a non-financial report according to the GRI standard was compiled for the first time by a state-owned enterprise [8].

In order to understand the development of non-financial reporting, let us analyze the data on GRI reporting (Figure 1).

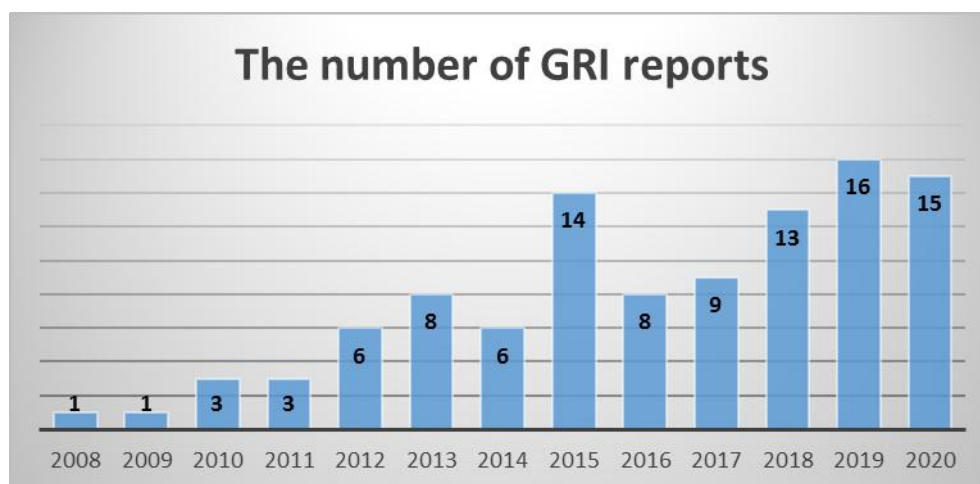


Figure 1. The number of GRI standard reports in Ukraine 2008-2020

Source: is based on [9, 10].

As we can see, during 12 years under review, there was an uneven development of non-financial reporting according to this standard. A steady positive trend was observed until 2014, when the number of reports according to this standard was equal to the 2012 figure. In 2015, the number of reports more than doubled, before declining again. From 2017 to 2019, the number of reports increased with a slight decrease in 2020. Thus, it can be said that the trend in reporting to this standard is positive with slight decreases in 2014, 2016 and 2020. This can be explained by various factors - the outbreak of hostilities in Ukraine and the spread of the COVID-19 pandemic.

Corporate Register, the world platform of corporate social responsibility, analyses social responsibility reports submitted as non-financial reports or financial reports containing at least 6 sheets of non-financial information. Information from this platform for Ukraine and European countries is shown in Table 1. This table shows the number of

reports (NRs) evaluated by this platform and the percentage of the ratio of these reports to the number of companies.

Table 1

Non-financial reports published in Ukraine and Europe

Country	2016		2017		2018		2019		2020	
	NRs	%	NRs	%	NRs	%	NRs	%	NRs	%
Ukraine	9	0.001	14	0.001	10	0.001	10	0.001	10	0.001
Austria	149	0.046	140	0.042	151	0.048	155	0.047	148	-
Belgium	162	0.026	157	0.025	136	0.021	150	0.022	152	-
Bulgaria	7	0.002	6	0.002	5	0.001	6	0.002	7	-
United Kingdom	819	0.039	792	0.037	695	0.032	738	-	817	-
Greece	41	0.005	56	0.008	53	0.007	50	0.007	46	-
Denmark	172	0.079	189	0.085	193	0.086	206	0.090	204	-
Estonia	10	0.014	11	0.015	14	0.018	12	0.015	15	-
Iceland	10	0.014	10	0.014	11	0.015	11	0.014	10	0.013
Spain	519	0.019	533	0.020	516	0.019	549	0.020	522	-
Italy	371	0.010	393	0.011	493	0.013	540	0.015	564	-
Cyprus	5	0.010	6	0.011	11	0.020	15	0.026	15	-
Latvia	3	0.003	4	0.004	8	0.007	8	0.007	8	-
Lithuania	9	0.005	9	0.008	11	0.005	12	0.005	9	-
Luxembourg	28	0.087	30	0.089	43	0.125	55	0.156	63	-
Malta	5	0.017	3	0.010	4	0.013	8	0.025	7	-
Netherlands	333	0.029	314	0.027	285	0.023	296	0.023	298	-
Germany	675	0.027	651	0.026	688	0.026	771	0.030	767	-
Poland	47	0.003	51	0.003	60	0.003	52	0.003	59	-
Portugal	113	0.014	85	0.010	92	0.010	91	0.010	86	-
Romania	11	0.002	14	0.003	23	0.005	22	0.004	21	-
Slovakia	7	0.002	6	0.001	7	0.001	8	0.003	5	-
Slovenia	12	0.009	14	0.010	13	0.009	12	0.008	10	-
Hungary	22	0.004	19	0.003	15	0.003	17	0.003	18	-
Finland	112	0.049	123	0.053	133	0.058	142	0.061	147	-
France	579	0.019	588	0.021	566	0.020	628	0.021	611	-
Croatia	20	0.014	16	0.011	19	0.012	18	0.010	19	-
Czech Republic	15	0.001	17	0.002	17	0.002	18	0.002	17	-
Sweden	335	0.048	343	0.048	394	0.062	442	0.068	449	-

Source: based on [11–14].

Thorough analysis will be facilitated by comparing the data with the number of companies in these countries. For this purpose, official data from Eurostat were used, which up to 2019 provides the number of all active companies in EU countries, which, however, do not belong to the financial sector. For Ukraine, data from the State Statistics Service was used. For Iceland, data from the Icelandic Statistics Service was used for the data analysis.

Table 1 contains data on non-financial reports published between 2016 and 2020 by companies in Ukraine and other European countries. Among the European countries, almost all EU countries (except Ireland), the United Kingdom and Iceland are represented. Data on the number of companies in 2020 are given for only two countries (Ukraine and Iceland); Eurostat does not provide country-specific data for that year.

According to these data, the results for Ukraine differ from the data for GRI reports shown in Figure 1.

For Ukraine, we see a decrease in the number of reports after 2017, but the ratio of reports to businesses remains unchanged at 0.001%, which is one of the smallest figures among the countries under review.

Among the countries represented, lower figures for the number of reports can be seen for EU member states such as Bulgaria, Latvia, Lithuania, Malta and Slovakia. When taking into consideration the number of companies, their results are more positive than in our country. Bulgaria, for example, is slightly better in figures than Ukraine with 0.002% (the same figures as in Ukraine were only in 2018). Latvia and Lithuania have different ratios of reports to the number of companies, but both are generally more positive than in Ukraine. In Latvia, for example, the percentage of non-financial reports increased from 0.003% to 0.007% during the period under review. In Lithuania, it rose from 0.005% to 0.008% in 2017, with a subsequent decline to 0.005%. Malta's non-financial reporting results per total number of companies are much higher than those of Ukraine, although the trend in 2017 was negative. Thus, starting from the figure of 0.017% in 2016, Malta reached 0.025% in 2019, being one of the best among the new member countries that joined in 2004. Only Cyprus, which is on a steady upward trend in this indicator, has better results, from 0.010% in 2016 to 0.026% in 2019. These results reflect that the number of reports in the countries under consideration cannot be considered in isolation from the number of companies. After all, the number of the former may be small, but a country may also have a small number of companies compared to the countries leading in the number of non-financial reports.

The UK, Germany, France, Italy and Spain had the highest number of non-financial reports published. And the trends in the publication of these

reports over the period under review were mixed, both in these and in the other countries. In the UK, there was a decline in published reports from 2016 to 2018, followed by a positive trend. In Germany, the number of published reports decreased in 2017, followed by an increase up to and including 2019. If we compare the reporting rate with the number of companies in these countries, we see that the ratio varies from country to country and that a high number of reports does not always correlate with a high ratio of company reports. Although the UK has a high non-financial reporting rate, the report-to-company ratio is also quite high (from 0.039% in 2016 to 0.032% in 2018), while Italy and Spain have slightly lower ratios. Thus, Spain's average is 0.0195% for 2016-2019, while Italy's is trending upwards (from 0.010% in 2016 to 0.015% in 2019). Italy had only a positive trend in the number of non-financial reports during the period under review.

France had a negative trend in the number of reports published in 2018 and the ratio of reports to businesses over the analyzed period has an average value of 0.020%, which is higher than in Spain and Italy.

Analysis of the German data shows that the ratio of non-financial reports to businesses is higher than in previous countries, but lower than in the UK (0.027% in 2016, 0.026% in 2017 and 2018 and 0.030% in 2019).

Among the countries that have low non-financial reporting rates in terms of the number of published reports are Greece, Estonia, Romania and Hungary. Analysis of the report-to-company ratio differs: Greece had a ratio of 0.05% in 2016 and 0.007% in 2019, which is higher than in Ukraine, but still quite low; Estonia has a low number of reports published, while its report-to-company ratio is, in contrast, higher than in other countries (Estonia has even higher ratios than Italy in some years). Romania's and Hungary's figures are low both in terms of non-financial reporting and the report-to-company ratio: in Romania in 2016 - 0.002% and in 2019 - 0.004%; in Hungary in 2016 - 0.004% and 0.003% in 2019.

Countries with a positive trend in non-financial reporting include Denmark (the number of reports declined by 2 in 2020), Finland, Sweden (with only a positive trend). Luxembourg also has a positive trend, although its reporting rate is not high. These countries also have the highest report-to-company ratios. In Sweden, for example, the report-to-company ratio in 2016 and 2017 was 0.048%, in 2018 - 0.062% and in 2019 - 0.068%. Finland had the following figures: in 2016 - 0.049%, in 2017 - 0.053%, in 2018 - 0.058%, and 0.061% in 2019. Denmark has one of the highest report-to-company ratios. Thus, this figure rose from 0.079% in 2016 to 0.090% in 2019. The highest rates of non-financial reporting can be seen in Luxembourg, which has a relatively low reporting rate, but shows the highest rates for the percentage of these reports to the number of companies.

In general, it can be seen that the number of reports is lowest in the countries that became EU members in 2004 and 2007, although some of the new member states have higher ratios than the old member states (e.g. Cyprus, Malta, and Estonia). The small number of reports and high ratios can be explained by the country's size and the number of companies operating there. Countries that publish more reports could be influenced by government policy requiring non-financial reporting or disclosure of social aspects of companies' operations. To this end, let us compare the experience of European countries in terms of regulating the mandatory nature of non-financial reporting. The number of countries that publish more reports may be due to government policies requiring non-financial reporting or disclosure of various social aspects of companies. To this end, let us compare the experience of European countries in terms of regulating the mandatory nature of non-financial reporting.

Thus, similar results in the UK, France, Denmark and other countries can be explained by the legislative documents adopted in these countries. It should be noted that the EU has Directive 2014/95/EU, also called the Non-Financial Reporting Directive (NFRD). This document regulates EU rules on non-financial reporting applicable to large companies with more than 500 employees and covers approximately 11700 large companies in the EU [15]. The UK has the Companies Act, which requires companies to disclose general information on environmental issues, employee relations policies, etc. The Danish Act on State Accounting of 1995 requires more than 1000 companies to publish annual reports. Also, in 2008, the Government Action Plan on CSR was adopted. According to this Action Plan, mandatory CSR reporting for large companies was initiated. Also, France introduced mandatory and detailed corporate non-financial reporting in 2001. The example of Slovenia is useful. Since 2005, Slovenian businesses have been regulated by the Companies Act, which made reporting on environmental responsibility and employee rights compulsory [16]. Sweden, in compliance with the above-mentioned EU Directive, amended the Annual Reports Act and established non-financial reporting requirements for companies with more than 250 employees and a certain level of turnover [17]. The above non-financial reporting initiatives in some EU countries substantiate the results of Table 1. Therefore, studying foreign experience is important for the development of non-financial reporting practices in Ukraine.

As a continuation of the research and to attain the aim of the article, let us analyze the dynamics of non-financial reporting in Ukraine. In our country, it is also possible on the basis of analysis of the Transparency Index, which is calculated in Ukraine since 2011-2012 by the Centre for CSR Development Ukraine (CSR Ukraine). Corporate Social Responsibility

(CSR) in our study will be considered as a concept identical to Social responsibility of business. The Centre defines the Index of Transparency and Accountability of Companies in Ukraine for Implemented CSR Technologies and Public Awareness of CSR Policies and Practices [18].

Table 2 shows the leaders in the Transparency Index during 2012-2020.

Table 2

Transparency Index Leaders in Ukraine, 2012-2020

Rating	2012	2015	2016	2017	2019	2020
1	SCM	ArcelorMittal Kryvyi Rih	ArcelorMittal Kryvyi Rih DTEK	Myronivsky Hliboproduct	JSB UKRGASBANK	PJSC VF Ukraine
2	DTEK	Obolon		DTEK	Carlsberg Ukraine	JSC PUMB
3	Metinvest	DTEK	SCM	NNEGC Energoatom	JSC PUMB	DTEK Group
4	ArcelorMittal Kryvyi Rih	Metinvest	Concern Galnaftogaz	ArcelorMittal Kryvyi Rih	NNEGC Energoatom	JSB UKRGAS-BANK
5	Kyivstar	Foxtrot Group	Naftogaz Kernel Trade	NNEGC Ukrenergo LLC Lifecell	NJSC Naftogaz of Ukraine	Coca-Cola Beverages Ukraine Limited NNEGC Energoatom
6	Interpipe Ukraine	Kernel Trade			NNEGC Ukrenergo	
7	Concern Galnaftogaz	SCM	Metinvest	NJSC Naftogaz of Ukraine	Private company "ArcelorMittal Kryvyi Rih"	Myronivsky Hliboproduct
8	Dniprospets-stal	Concern Galnaftogaz	PJSC "Myronivsky Hliboproduct"	Nova Poshta LLC	PJSC "Ukrhydroenergo"	PJSC "Ukrhydro-energo" JSC "Ukrzaliznytsia"
9	METRO Cash & Carry	Dniprospets-stal	SAV-Distribution LLC	SCM Carlsberg Ukraine	JSC "Farmak"	
10	MTC	Nestle Ukraine	NNEGC Energoatom		JSC "Ukrzaliznytsia"	NJSC Naftogaz of Ukraine

Source: compiled by the author based on [18-22].

In the top 10 companies according to Transparency Index for 2012-2020, shown in Table 2, we can see the change of leaders: while in 2012, 2015, 2016 and 2017, SCM, DTEK and Arcelor Mittal were at the top of the

rating, Arcelor Mittal has lowered its rating to the 7th position (2019), and in 2020, it is not in the top 10.

In 2020, the TOP-10 included such companies as PJSC VF Ukraine, JSC PUMB, DTEK Group, JSC Ukrgasbank, Coca-Cola Beverages Ukraine Limited, NNEGC Energoatom, Myronivsky Hliboproduct, PJSC "Ukrhydroenergo", JSC "Ukrzaliznytsia", and NJSC "Naftogaz of Ukraine". Compared to 2019, such companies as JSC PUMB and JSC Ukrzaliznytsia improved the level of transparency. PJSC "Ukrhydroenergo" in 2019-2020 retained its position. Comparing the figures of "Carlsberg Ukraine" in 2017, 2019 and 2020, it should be noted that the company in 2019 improved its rating to 2nd position, but in 2020 was not in the TOP-10.

In 2020, the most information on the criterion "Corporate Governance" was provided by JSC "PUMB", PJSC "Ukrhydroenergo", Myronivsky Hliboproduct, JSC Ukrgasbank, JSC "Ukrainian Railways", and NNEGC Ukrenergo.

It should be noted that in 2020, five private companies and five state-owned companies were among the top 10. In 2019 - six state-owned companies and four private ones.

The 2020 survey was based on an analysis of the top 50 taxpayers and six companies that voluntarily joined the assessment, based on ESG (social, environmental and governance) criteria. According to this Report, 46% of the companies analyzed posted their company's CSR strategy or CSR goals on their websites. Almost 20% posted their commitment to the Sustainable Development Goals and 59% posted Codes of Ethics. Non-financial reports were posted by 16 companies: 10 of them posted a report according to GRI standards, 2 companies posted a report according to the UN Global Compact (baseline), 2 companies posted information on non-financial indicators with GRI elements and 2 companies posted unstructured reports on CSR.

The 100 largest taxpaying companies in Ukraine were assessed in 2019. Non-financial reports were submitted by 13 companies (13%), six out of 13 prepared a report according to GRI standards, four - with elements of GRI standards, two prepared a report according to the UN Global Compact (baseline) and one prepared an unstructured report. Among the companies analyzed, 10% mentioned the company's contribution to the Sustainable Development Goals.

Figure 2 shows the share of reports by different standards in 2019-2020.

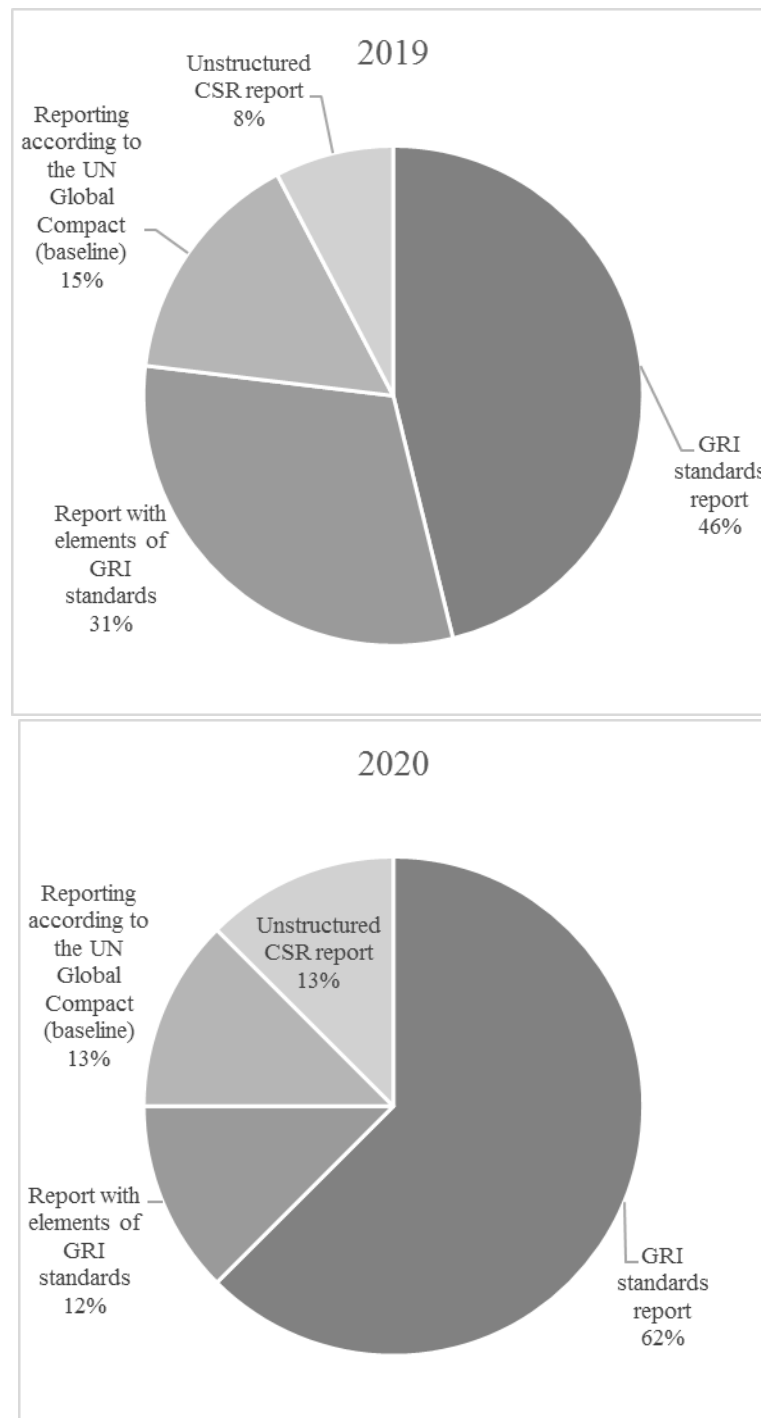


Figure 2. Non-financial reports by different standards (according to the Transparency Index)

Source: compiled by the author based on [19, 20].

In Figure 2, we see that most of the reports produced by companies analyzed in the Transparency Index in 2019 and 2020 were compiled according to GRI standards (46% in 2019 and 62% in 2020). Reports with

elements of GRI standards in 2019 accounted for 31% and in 2020 - 12% of total. The share of reporting according to the UN Global Compact is almost the same (15% in 2019, 13% in 2020). Thus, among the analyzed companies in Ukraine, the report according to GRI standards is developed by most of them.

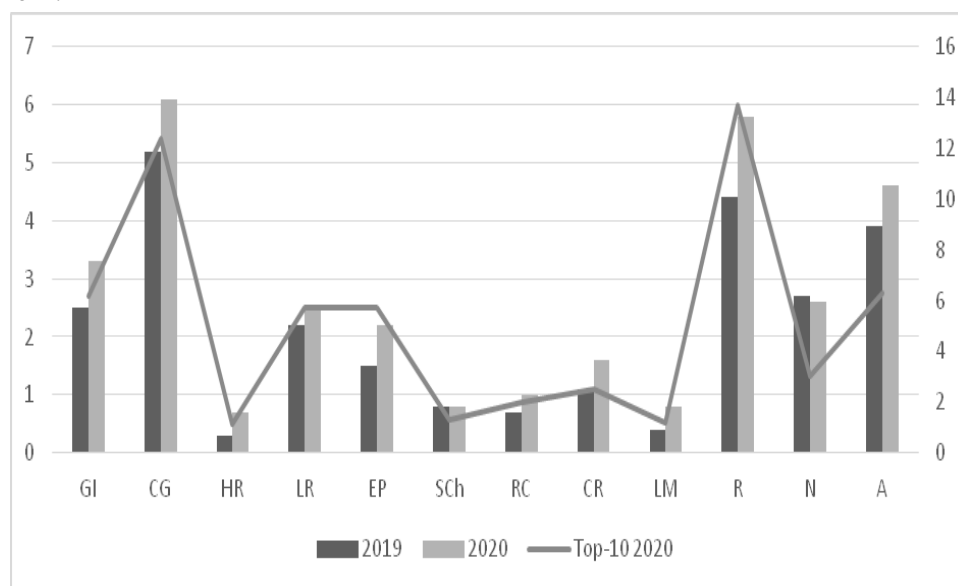


Figure 3. The average level of company disclosure according to Transparency Index category in 2019-2020

Source: compiled by the author [19].

Figure 3 shows the average level of disclosing information by companies according to the Transparency Index categories in 2019-2020. Here is the average level of the Transparency Index in 2019 and 2020, as well as the indicator of the top 10 companies' ranking leaders. Indicators were calculated for the following categories: General information about the company and CSR policy (GI), Corporate governance (CG), Human rights (HR), Labor relations (LR), Environmental protection (EP), CSR implementation in the supply chain (Sch), Responsible consumption (RC), Community relations (CR), Leadership of management and company (LM), Reporting (R), Navigation (N), Accessibility (A).

In Figure 3 we see that the average level of information coverage about the company in general and CSR in particular increased in 2020 compared to 2019. The indicator of the leading companies in 2020 is almost twice as high as the average - 6.2. Among the companies that provided better information coverage, including CSR, are the Ukrainian Sea Ports

Authority, PJSC Carlsberg Ukraine, Coca-Cola Beverages Ukraine Limited and DTEK Group.

The criterion "Corporate Governance" evaluates the information on the governing bodies and their functions. This criterion also includes information on remuneration policy, CSR management, anti-corruption policy, etc. For this criterion, the average level between 2019 and 2020 increased by 0.9 and the indicator of the leading companies is twice higher than the average - 12.4 (the average level in 2020 was 6.1).

The average level of information about human rights is also increasing, although compared to other criteria this indicator is the lowest. The results of the leading companies for this criterion are not much higher than the average.

The analysis of the other criteria reflects growth for all of them except for embedding in the supply chain (it remains unchanged in 2019-2020) and navigation, whose evaluation reduced.

The largest increase in 2020 was by 1.4 points by the criterion of reporting. These results indicate an increase in transparency and social responsibility of companies. This is particularly important in the context of the spread of the COVID-19 pandemic, when social responsibility of companies was expected to decline due to quarantine restrictions and the financial difficulties they faced.

Conclusions

In general, it can be noted that social responsibility has many manifestations, forms and directions of implementation. The development of social responsibility in the current environment serves as an essential means of improving the company's image and increasing its competitiveness.

The company's social responsibility is realized through responsibility for its activities to different stakeholder groups. In this way, the company improves its image both to its employees, which helps to reduce employee turnover, increases productivity and the quality of its products, and to consumers, which attracts consumers and increases their number. Social responsibility towards consumers can manifest itself in the production of quality products, the use of high quality raw materials and a focus on consumer needs. In addition, when a company enters the global market to find partners and trust in the enterprise, CSR is one of the key factors. Financial or non-financial reports become the main source of information on social responsibility practices on the part of companies. This is why reporting is one of the areas of CSR implementation. There are now several

non-financial reporting standards in the world by which companies can produce their reports. In Ukraine, the number of companies issuing non-financial reports, particularly according to the GRI standard, has increased since 2008. The trend is uneven, but in general, it shows a positive trend.

The analysis of data from the Corporate register platform providing data on the number of non-financial reports they identify (reports that cover social, environmental or other non-commercial issues in some form) and comparison of this data with the number of companies shows that the non-financial reporting rate in Ukraine is low, especially compared to other EU and European countries. Among the leaders are Denmark, Finland, Sweden and Luxembourg, which are not the highest by the number of reports, but have the highest report-company ratios, which indicates the need to consider the number of companies when analyzing this issue.

Our country has also a Transparency Index since 2012, which is developed by the Centre for CSR Development and can be considered a kind of rating indicator for CSR. It should be noted that over the period under review, the leaders have been changing and the number of state-owned companies among the top 10 has been increasing. An analysis of the Index by different categories reflects an increase (except for a few criteria) in the average level of coverage of information and an improvement in the ease of finding this information. The indicator of reporting has grown most among the companies under review. The peculiarities of non-financial reporting in our country are the lack of a unified standard (although the majority of companies prepare reports according to the GRI standard), lack of regulation at the legislative level (there is no requirement for mandatory reporting of information, which may reflect socially responsible practices). It is noteworthy that non-financial reports in Ukraine are prepared not only by representatives of foreign companies, but also by Ukrainian companies, which is explained by the desire to form a positive image, retain and expand market positions, and attract highly qualified personnel to the company. In addition, state-owned companies also generate non-financial reports and are among the leaders in this matter, which is a positive aspect contributing to the development of social responsibility of Ukraine's entrepreneurship.

Thus, we can monitor the use of CSR by Ukrainian businesses, which will have a positive impact on our entrepreneurship and contribute to the sustainable development of the economy.

The prospects for further research include an in-depth analysis of reports generated by Ukrainian companies, a comparison of Ukraine's and foreign legislation on the mandatory submission of non-financial reports and

publication of information on CSR practices and identification of possible directions for the development of non-financial reporting in Ukraine.

P.S. of 03.04.2022.

The research paper was written at the beginning of military operations in Ukraine. It can be assumed that the implementation of social responsibility of businesses will change its forms of manifestation, which will be reflected in non-financial reporting. Businesses are now oriented both towards material support for the Ukrainian Armed Forces and towards providing the necessary means, materials, equipment, and support for people who were affected by the hostilities, lost their homes, need food and medical treatment, etc. It is not yet possible to provide statistics in the absence of previous reports. More informed conclusions could be drawn once official information is made publicly available by companies.

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ОСОБЛИВОСТІ ПРОЦЕСУ ФОРМУВАННЯ НЕФІНАНСОВОЇ ЗВІТНОСТІ В УКРАЇНІ

В умовах сталого розвитку набуває важливого значення соціальна відповідальність бізнесу (СВБ) як запорука підвищення іміджу підприємства та його конкурентоспроможності. Напрями та форми реалізації СВБ чисельні, однією з них є звітність підприємства за соціально-відповідальні практики. Важливість нефінансового звітування підкреслено також Концепцією реалізації державної політики у сфері сприяння розвитку соціальної відповідальності бізнесу в Україні на період до 2030 р., де серед іншого виділено й необхідність публікації нефінансової звітності, що й актуалізує тему наукової статті.

Метою статті є визначення особливостей упровадження та поширення практики складання і форм подання нефінансової

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звітності в Україні як пряму прояву соціальної відповідальності бізнесу.

Використано методи аналітичний, статистичний, порівняння, екстраполяції. Теоретичний аналіз допоміг визначити основні стандарти, за якими можуть бути сформовані нефінансові звіти. Серед них можна виокремити Глобальну ініціативу зі звітності (GRI), Звіт у рамках Глобального договору ООН, Стандарт AA1000, Стандарт SA 8000:2001 "Соціальна відповідальність", Стандарт ISO 26000. Одними з найпоширеніших є стандарт GRI та звіт у рамках Глобального договору ООН.

Практичні результати дослідження дали змогу виявити, що порівняно з 2008 р. кількість звітів за стандартом GRI в Україні зросла, але процес відбувається нерівномірно. Порівняння кількості нефінансових звітів в Україні та у країнах Європи за інформацією Corporate Register виявило, що кількість звітів по країнах Європи має різні тенденції: зі зменшенням в деяких країнах (Великій Британії, Німеччині, Франції) у 2017–2018 рр. до наступного зростання і до поступового зростання в усіх країнах.

Аналіз Індексу прозорості, що розраховується центром "Розвиток корпоративної соціальної відповідальності" й аналізує сайти компаній за інформацією щодо СВБ, за період 2012–2020 рр. показав зміну країн – лідерів за цим показником. Позитивним є те, що у ТОП-10 компаній увійшли не тільки приватні підприємства, а й державні. Загальні показники висвітлення СВБ-практик мають тенденцію до зростання та відображають більше розуміння важливості цього напрямку соціальної відповідальності бізнесу.

Ключові слова: соціальна відповідальність бізнесу, нефінансова звітність, Глобальна ініціатива зі звітності (GRI), Індекс прозорості, сталий розвиток