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The Impact of Economic Factors on Companies' Non - Quantitative Information Reporting

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Abstract

The purpose of this research is to examine whether specific economic factors-such as revenue, number of employees, net results for the period, total assets, total equity, growth rate, return on equity, revenue per employee, and revenue-to-equity ratio-influence the provision of non-quantitative information, as required by Greek legislation. This study examines the extent to which a sample of 81 companies in the agricultural supplies sector in Greece, over the period 2019–2023, complies with the requirements of Greek legislation, primarily Laws 4548/2018, 4308/2014 and Circular 62784/2017, regarding the non-quantitative information reporting on the entity's performance, business risk management, environmental and labor issues. Finally, this study investigates whether the pre-mentioned economic factors influence the reporting of non-quantitative information. The final statistical model demonstrates high explanatory power, with an R^2 of 0.743. The three independent variables of the final statistical model, which are the number of employees, the turnover per employee, and the turnover to total assets, are positively related to the dependent variable of the non-quantitative information quality. Among these, the turnover-to-total assets ratio exhibits the strongest explanatory significance. This study contributes to the literature by providing sector-specific empirical evidence on quality within a mandatory national reporting framework.

JEL Classifications: M41, M14, M42, M48, Q56.

Keywords: Non - Quantitative Information, Regulatory Compliance, Management Report, ESG Reporting.

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1. Introduction

Corporate reporting has evolved significantly beyond traditional financial statements to encompass non-quantitative information that addresses environmental, social, and governance (ESG) issues, as well as risk management (Soras et al., 2024a). This transformation reflects growing recognition that corporate performance cannot be adequately assessed solely through financial metrics. Non-quantitative reporting has emerged as a critical mechanism for corporate accountability, enabling stakeholders to evaluate companies' broader impacts on society and the environment.

This research examines how and since when Greek legislation, which has incorporated all European Union directives, requires Greek companies to submit reports with non-quantitative information, to what extent Greek companies comply with these requirements, and finally, whether the magnitude of certain quantitative (financial) variables affects the quality of corporate non-quantitative reporting. Within the framework of this research, we examined the extent to which companies in the agricultural supplies sector, have complied with Greek legislation requirements regarding non-quantitative reporting, primarily on ESG and risk management issues, during the period from January 1, 2019, to December 31, 2023.

Despite increasing interest in non-quantitative reporting, primarily stemming from ESG issues, relevant studies show that these reports are inadequate and have not shown improvement both in developing countries (Taurigana, 2021) and in developed countries such as Sweden, where new corporate laws requiring ESG disclosure have not increased either the quantity of these reports or the quality of non-quantitative information (Arvidsson & Dumay, 2022).

The Management Reports of the Directors' Board, which constitute part of the financial statements, provide non-quantitative information regarding companies' social and environmental performance, corporate governance and risk management, while the remaining financial reports provide traditional quantitative information regarding companies' financial performance, namely the usual accounting accounts (Soras & Christopoulos, 2024). Non-quantitative information is particularly important, because it relates to ESG issues, which have global impacts, i.e. the climate changes, with increasing importance over time. Consequently, companies must be very serious about submitting non-quantitative information to stakeholders (Soras et al., 2025). Non-quantitative reporting on ESG issues, as well as risk management issues, constitutes an important accountability mechanism of company management to stakeholders (Soras et al., 2024b). Responsible non-quantitative reporting improves the company's image, motivates its workforce, and creates significant competitive advantage (Cho et al., 2015; Journeault et al., 2021).

However, non-quantitative information reports exhibit inconsistency (Bradford et al., 2017), are usually voluntary, and are not governed by mandatory principles or reporting standards (Pinnuck et al., 2021), resulting in a lack of standardization and difficulty in verification. The aforementioned

deficiencies, combined with data diversity and complex key performance indicators, increase the need for assurance, accountability, and holistic oversight of information regarding ESG and risk management issues (Kotsantonis & Serafeim, 2019).

The Greek legal framework governing the practices of submitting quantitative and non - quantitative information, based mainly on L. 4308/2014 (Greek Accounting Standards) and L. 4548/2018 (Reform of the law on sociétés anonymes), as well as on the clarifying circular of the Ministry of Economy 62784/2017, has been in mandatory effect since January 1, 2019. This framework stipulates that the Management Report must contain non - quantitative information related to the company performance, business risk management, and the treatment of environmental and labor issues (Soras et al., 2025).

The European legislative framework obliges European companies to publish non - quantitative information, with the publication start date determined according to their size. The European Directive 2014/95/EU (NFRD), which was subsequently replaced by European Directive (EU) 2022/2464 (CSRD), has gradually implemented the provision of non - quantitative information. The European Directive (EU) 2022/2464 (CSRD) mandates ESG report submission, depending on the type and size of various companies, resulting in approximately 50,000 companies in Europe having begun submitting ESG reports based on the new European Sustainability Reporting Standards (ESRS) for the year ending December 31, 2024, and thereafter.

In this study, we examine whether the Management Report of Directors' Board, which is prepared annually and approved by the General Meeting of Shareholders, contains information regarding ESG issues and risk management, as defined by L. 4548/2018 (Article 150) and Circular 62784/2017. It should be emphasized that this requirement applies to all Greek companies with double-entry bookkeeping systems, regardless of size, and came into effect on January 1, 2019, i.e. five years earlier than the mandatory commencement of non - quantitative reporting by large public-interest entities, banking institutions, and insurance companies according to European Directive (EU) 2022/2464 (CSRD).

We have selected to review this sector, because it uses a lot of chemical materials for the production of the fertilizers and the plant protection products, has a strong environmental footprint, is the cornerstone of the food chain and employs a large number of workers and employees, who are classified as heavy and unhealthy professionals, due to their exposure to the chemicals. (Soras & Christopoulos, 2025).

This study contributes to the growing international literature on non- quantitative reporting in several important ways. First, while much of the existing research focuses on large listed firms or voluntary disclosure regimes, this research investigates non-quantitative reporting within

a mandatory legislative framework, specifically the Greek regulatory environment established by Laws 4548/2018 and 4308/2014. Second, the study provides sector-specific empirical evidence from the agricultural supplies industry, a sector with significant environmental and social implications, but which has received limited attention in the ESG reporting literature. Third, the research develops a detailed scoring methodology based directly on legislative disclosure criteria, allowing a systematic evaluation of reporting quality across four regulatory dimensions: corporate governance, risk management, environmental issues, and labor-social issues.

This article is structured as follows: Section 2 presents the conceptual approaches of the literature review, Section 3 describes the data and research methodology, Section 4 presents the results and discussion, and Section 5 concludes with implications and recommendations.

2. Literature Review

As the theoretical background for this article, we have employed the agency theory, the stakeholder theory and the legitimacy theory to justify the necessity for non-quantitative reporting. These theoretical frameworks provide complementary perspectives on why companies engage in non-quantitative reporting and what factors influence the quality of such disclosures.

2.1. Agency Theory

Agency Theory (Jensen & Meckling, 1976) assumes that all individuals have personal interests, which leads to conflicts between resource owners (shareholders) and resource managers (executives). A significant information asymmetry problem arises because resource managers, who deal with the company's daily transactions, possess substantially more information than resource owners. Resource holders (shareholders) appoint a board of directors to control and monitor the actions of resource managers. The board of directors attempts to minimize information asymmetry problems by adopting a system of internal control and monitoring procedures.

One of these monitoring procedures is to verify that company management complies with Greek legislation requirements and provides the required non - quantitative information to the Shareholders' General Meeting. The foundation of the Agency Theory is the shareholders' wealth maximization; therefore, managers must disclose to shareholders the company's annual performance by submitting the Management Report to the Annual General Meeting of Shareholders not only for information but also for approval, representing the accountability of the resource managers to the resource owners.

2.2. Stakeholder Theory

Stakeholder Theory maintains that shareholder wealth maximization is impossible to achieve without considering all stakeholders, because the interests of shareholders and other stakeholders are compatible (Baumfield, 2016). Company management must serve both internal stakeholders, such as employees, executives, and owners, and external stakeholders, such as society, suppliers, government, creditors, and customers. While many definitions and theories about stakeholders have been developed, the company's management must consistently serve both the shareholders and the stakeholders (Murdock, 2010), and also the stakeholders should be informed before initiating any corporate action (Parmar et al., 2010).

Stakeholder theory is a theory of organizational management and business ethics that considers the multiple groups affected by business entities, such as employees, suppliers, local communities, creditors, and others (Lin, 2018). Company management decisions and actions affect not only shareholders who want to increase their wealth, but also the society, where the company operates and is significantly affected by the company's activities. Social and environmental disruptions increase society's interest in information and management practices regarding ESG issues and risks. Corporate non - quantitative reporting constitutes an important mechanism for the accountability of the management to the society, where the company is operating. Company management can reduce information asymmetry with stakeholders, by demonstrating its commitment through non - quantitative reporting on ESG and risk management issues (Zorio et al., 2013).

Stakeholder theory has managed not only to establish itself in business ethics fields, but also to penetrate methods of determining corporate social responsibility, such as ISO 26000 and Global Reporting Initiative (CRI), which are based on stakeholder theory principles (Duckworth & Moore, 2010).

2.3. Legitimacy Theory

The basic assumption of legitimacy theory (Suchman, 1995) is that company actions must be desirable, appropriate, and socially acceptable to a system of values and beliefs. Company activities should continuously comply with standards, as defined by the society, where it is operating. The only way to ensure that these activities are acceptable to stakeholder communities is to provide them with adequate, relevant, and substantial information, either quantitative (financial) information, which is traditionally offered through published balance sheets and profit – loss accounts, or primarily non - quantitative information, which is traditionally not as accessible as quantitative (financial) information.

If activities do not meet society's expectations, there is a legitimacy gap (Guthrie et al., 2007) that must be addressed not only by legislators, who draft relevant laws and regulations, but also by regulatory authorities, who must continuously monitor and intervene, if companies do not comply

with relevant laws and regulations. Regulatory authority audits and interventions are deemed necessary, because there are cases where corporate information to society contains deliberate errors and inaccuracies intended to create a false corporate image pleasing in the eyes of social partners but not real, representing the phenomenon of greenwashing (Zervoudi et al., 2025).

2.4. The legal framework

The legal framework that has been used in our research consists of the following laws and regulations.

Greek Legislation:

- Law 4548, 13 June 2018, "Reform of the law of joint stock companies".
- Law 4308, 24 November 2014, "Greek Accounting Standards, related regulations, and other provisions".
- Circular 62784/2017 of Ministry of Economy. "Commercial publicity of the annual financial statements, the relevant reports (audit, management of the Board of Directors, non-financial situation, payments to governments) and the Corporate Governance Statement in accordance with the provisions of law 4308/2014. Time and method of converging the regular General Assembly and the Shareholders' Assembly".

United Europe Legislation:

- Directive (EU) 2022/2464 of the European Parliament and of the Council of 14 December 2022 amending Regulation (EU) No 537/2014, Directive 2004/109/EC, Directive 2006/43/EC, and Directive 2013/34/EU as regards sustainability reporting by companies.
- Directive 2014/95/EU of the European Parliament and of the Council of 22 October 2014 amending Directive 2013/34/EU as regards the disclosure of non-financial and diversity information by certain large undertakings and groups.

2.5. Integration of Theoretical Perspectives

These three theoretical frameworks, i.e. agency theory, stakeholder theory, and legitimacy theory, provide complementary explanations for non - quantitative reporting practices. Agency theory focuses on the reduction of information asymmetry between management and shareholders, emphasizing the monitoring and accountability functions of disclosure. Stakeholder theory broadens the scope to include all parties affected by corporate activities, recognizing that sustainable value creation requires satisfying multiple stakeholder groups. Legitimacy theory emphasizes the social contract between companies and society, highlighting the role of disclosure in maintaining organizational legitimacy and social acceptance.

Together, these theories suggest that companies with greater resources, higher efficiency, and larger scale should demonstrate better non - quantitative reporting practices. Such companies face

stronger pressures from multiple stakeholder groups, have more complex agency relationships requiring enhanced monitoring, and possess greater visibility requiring careful management of their social legitimacy. These theoretical predictions form the basis for our empirical investigation of the relationship between financial performance indicators and non-quantitative reporting quality.

Although the existing literature provides important insights into the determinants of non-financial reporting, several gaps remain. First, much of the empirical research focuses on voluntary reporting environments or on large publicly listed corporations, leaving limited evidence regarding disclosure behavior in mandatory national reporting frameworks. Second, relatively little attention has been paid to sector-specific disclosure practices, particularly in industries with strong environmental and social impacts. Third, the relationship between firm-level economic characteristics and the quality of legally required non-quantitative disclosures remains insufficiently explored in the literature.

Addressing these gaps, this study investigates the determinants of non-quantitative reporting quality within the Greek mandatory reporting framework and provides sector-specific evidence from the agricultural supplies industry. By linking financial performance indicators with legally defined disclosure requirements, the study contributes to the international literature on ESG reporting in regulated environments.

2.6 Research Questions and Hypotheses Development

The theoretical frameworks discussed in the literature review—agency theory, stakeholder theory, and legitimacy theory—suggest that companies disclose non-financial and ESG-related information in order to reduce information asymmetry, respond to stakeholder expectations, and maintain organizational legitimacy. These theories imply that companies with greater organizational resources, visibility, and operational efficiency may face stronger pressures to provide more comprehensive and higher-quality disclosures.

Prior empirical studies have shown that firm characteristics such as size, financial capacity, and operational efficiency influence the extent and quality of non-financial reporting (Cho et al., 2015; Bradford et al., 2017; Arvidsson & Dumay, 2022). Larger companies typically face greater public scrutiny and stronger stakeholder demands for transparency, which often leads to more extensive disclosure practices. Similarly, companies with stronger economic performance and higher productivity may have greater capacity to invest in reporting systems and sustainability-related information disclosure.

Within mandatory reporting frameworks, such as those established by European legislation and implemented through national laws, companies are legally required to provide certain categories of non-quantitative information. However, even under mandatory regimes, the quality and

completeness of disclosures may vary significantly across firms, depending on their economic characteristics and organizational capabilities.

Based on these theoretical arguments and the empirical literature, the present study investigates the relationship between company's level economic factors and the quality of non-quantitative reporting within the Greek mandatory disclosure framework.

Accordingly, the study addresses the following research questions:

RQ1: To what extent do companies comply with the Greek legislative requirements regarding non-quantitative information reporting in the Management Report?

RQ2: Do company's level economic characteristics influence the quality of non-quantitative information disclosure?

Building on these research questions and the theoretical framework, the following hypotheses are formulated.

Hypotheses

H1 – Company's Size

Larger companies typically face greater stakeholder pressure and higher visibility in the market, which increases the demand for transparency and accountability. Agency theory also suggests that larger organizations tend to experience more complex agency relationships, increasing the need for monitoring and disclosure mechanisms.

Therefore, larger companies are expected to provide more extensive and higher-quality non-quantitative disclosures.

H1 Company's size is positively associated with the quality of non-quantitative information reporting.

H2 – Operational Efficiency

Companies that utilize their resources more efficiently tend to demonstrate stronger management practices and more developed internal systems. Such firms may be better able to collect, process, and disclose non-financial information. From a legitimacy perspective, efficient companies also have incentives to communicate their performance to stakeholders through transparent reporting.

H2: Companies with higher operational efficiency exhibit higher-quality non-quantitative information reporting.

H3 – Productivity

Higher productivity, measured through indicators such as revenue per employee, may reflect more advanced management systems and organizational capabilities. Companies with higher productivity may therefore possess greater capacity to produce structured and comprehensive disclosure reports.

H3: Company's productivity is positively associated with the quality of non-quantitative information reporting.

3. Data and Methodology

3.1. Regulatory Framework and Evaluation Criteria

In accordance with the regulation 62784/2017, which specifies the disclosure of the annual financial statements, all companies in Greece should publish their financial statements, namely balance sheet, profit and loss statement, notes and management report, within 20 days after their approval from the Shareholders' General Meetings, in the Register of Greek General Chamber, a database easily accessible to any stakeholder.

The study has been focused on the management report, which is prepared annually by the Directors' Board for the General Meeting of Shareholders, in accordance with the article 150 of L. 4548/2018, and includes a comprehensive analysis of the company's evolution and performance, related to the size and complexity of the company's activities. The Management Report should also include non - quantitative information and key performance indicators, relevant to the company's activities.

The combination of L. 4548/2018 (article 150) with Circular 62784/2017 defines the content of Management Reports to the General Meeting, while the article 179 of the L. 4548/2018 defines the penalties for the Directors' Board members, if they do not ensure that the Management Report to the Shareholders' General Meeting contains the required non - quantitative information. According to Circular 62784/2017, the Management Report to the General Meeting must contain information on issues, classified into four axes-objectives. If each axis-objective contains all the information required by the Circular 62784/2017, the Management Report will be scored at 25%. If it provides all information on all four axes-objectives, the Management Report will be scored at 100%.

Axis-objective 1: Corporate Governance Issues (25% total weight)

This axis requires information on eight sub-issues, which have equal weight in evaluation, so each issue included in the Management Report adds 3.125% to the total score: (1) Business model, (2) Objectives, values, and strategies, (3) Management principles and systems, (4) Performance indicators (quantitative and non-quantitative), (5) Value chain, (6) Assets, (7) Projected development, and (8) Report on the existence of branches.

Axis-objective 2: Risk Management (25% total weight)

This axis contains four sub-issues, which have equal weight in evaluation, so for each issue reported, 6.250% is added to the total score: (1) Supply chain risk, (2) Future prospects and regulatory framework risks, (3) Financial and credit risk, price change risk, and (4) Other risks.

Axis-objective 3: Environmental Issues (25% total weight)

This axis requires information on four sub-issues, which have equal weight in evaluation, so each issue included in the Management Report adds 6.250% to the total score: (1) Report of actual and potential environmental impacts, (2) Disclosure of procedures, (3) Report on green product and service development, and (4) Research and development activities.

Axis-objective 4: Labor and Social Issues (25% total weight)

This axis requires information on eight sub-issues, which have equal weight in evaluation, so each issue included in the Management Report adds 3.125% to the total score: (1) Diversity and equal opportunity policy, (2) Respect for workers' rights and union freedom, (3) Occupational health and safety, (4) Training systems, (5) Promotion methods, (6) Employee welfare and benefits, (7) Community engagement, and (8) Social responsibility initiatives.

To enhance the reliability of the evaluation process, the scoring procedure was based strictly on the disclosure requirements explicitly defined in Circular 62784/2017 and the relevant provisions of Law 4548/2018. Each disclosure item was assessed using clearly defined criteria derived from the regulatory framework, which minimizes subjective interpretation. This approach ensures consistency in the evaluation of management reports and allows the methodology to be replicated in future studies examining compliance with non-quantitative reporting regulations.

3.2. Data Collection

All companies in Greece that maintain double-entry bookkeeping systems must publish their financial statements within 20 days, after approval by the Annual General Meeting of Shareholders in the Registry of the General Chamber of Commerce of Greece (GEMI), which is a database easily accessible to any interested party. We selected all companies in the agricultural supplies sector that have published financial statements for the years 2019 to 2023 in the Registry of Greek General Chamber of Commerce. In December 2024, we manually retrieved the financial statements and the management reports of sample companies for the years 2019 to 2023 from the Registry database. The manual retrieval was necessary because the documents were in PDF format and not available for electronic extraction. Our sample consists of 81 companies throughout Greece for five years, giving us a total population of 405 financial statements to examine, covering 69,52% of the total market share of this sector.

3.3. Research Objectives and Variables

This research has two primary objectives. The first objective is to determine to what extent companies comply with Greek legislation requirements regarding non - quantitative reporting. At this stage of the research, the Management Report is used as the source. Each Management Report is evaluated according to the scoring system described above, with scores ranging from 0% to 100%. The empirical analysis presented in this study is designed to test the research questions and hypotheses developed in Section 2.6.

The second objective is to determine the correlation between the Non - Quantitative Reporting Evaluation Score (dependent variable) and certain financial metrics and ratios (independent variables). The independent variables examined include Revenues (turnover of the company), Number of Employees (total workforce size), Total Assets (total value of company assets), Period Results (net profit or loss), Total Equity (total shareholders' equity), Growth Rate (year-over-year growth in revenues), Revenues per Employee (productivity measure), Profitability Index (ROE), and Revenues to Total Assets (asset efficiency ratio).

3.4. Statistical Methodology

To examine the relationship between financial variables and non-quantitative reporting quality, we have employed multiple regression analysis. Multiple regression allows us to assess the simultaneous effect of multiple independent variables on a single dependent variable, while controlling for the influence of other factors (Anderson et al., 2014). We have developed several regression models iteratively, removing variables that were not statistically significant or that created interpretation difficulties. Model fit was assessed using the coefficient of determination (R^2) and adjusted R^2 , which indicate the proportion of variance in the dependent variable explained by the independent variables. Statistical significance was evaluated using F-tests for overall model significance and t-tests for individual coefficients, with $p < 0.05$ considered statistically significant.

To ensure the reliability of our regression results, we tested for multicollinearity using two diagnostic measures: Tolerance, where values less than 0.1 indicate serious multicollinearity (Menard, 2002) and Variance Inflation Factor (VIF), where values greater than 10 suggest serious multicollinearity, while values between 5-10 indicate moderate multicollinearity, and values less than 5 represent acceptable levels (Hair et al., 2010; Kutner et al., 2004).

In our statistical models, we chose a zero-constant term ($\beta_0 = 0$), based on the logical assumption that when all financial variables are zero, such as turnover, total assets, number of employees, period results, and equity, it means the company is not active. Therefore, it has nothing to report as information, either quantitative or non - quantitative, except for the fact of cessation of work and operations. Consequently, the dependent variable Non - Quantitative Reporting Evaluation Score

should logically be zero. This means that the hypothesis that the regression curve passes through the origin of axes is not only logically, but also economically grounded (Triacca, 2022).

4. Results and Discussion

4.1 Descriptive Analysis of Non-Financial Reporting Compliance

Regarding the first objective, which is to determine to what extent companies comply with Greek legislation requirements, we evaluated the non - quantitative reporting on ESG and risk management issues provided by companies in the agricultural supplies sector. The scoring scale ranged from 0% to 100%, based on the four axes - objectives described in the methodology section.

The evaluation results show an annual average of 63.135% for the year 2019, 64.306% for the year 2020, 67.731% for the year 2021, 69.313% for the year 2022, and 70.625% for the year 2023). The five-year average evaluation score is 67.022%, indicating a moderate level of transparency and compliance with Greek legislation requirements. The increase from 63.135% (2019) to 70.625% (2023) represents a positive trajectory and demonstrates increasing effort by sector companies to meet reporting requirements. This indicates that while companies in the agricultural supplies sector are making efforts to comply with non - quantitative reporting requirements, there remains substantial room for improvement. An upward trend is observable, particularly from 2021 onward. This improvement can be attributed to several factors, like as the increasing awareness of ESG issues among corporate management, growing pressure from stakeholders for transparency, gradual improvements in the regulatory framework and enforcement mechanisms, learning effects as companies gain experience with reporting requirements, and increased availability of guidance and best practices.

The moderate compliance rating of 67.022%, due to the lack of awareness about specific reporting requirements, insufficient internal systems and processes for collecting non- quantitative data, limited resources dedicated to non - quantitative reporting activities, absence of strong enforcement mechanisms and penalties for non-compliance, perception that non- quantitative reporting provides limited business value, and technical challenges in measuring and reporting certain ESG metrics. These findings align with previous research suggesting that non - quantitative reporting remains inadequate despite increasing regulatory requirements, both in developing countries (Taurigana, 2021) and developed countries, such as Sweden (Arvidsson & Dumay, 2022).

4.2 Regression Analysis: Financial Determinants of Reporting Quality

Having completed the scoring of the compliance of non - quantitative information, arising from the management reports of all sample companies, with Greek legislation requirements, we proceeded to

examine, whether certain financial variables influence non - quantitative reporting quality. We applied multiple regression analysis with the dependent variable being the Assessment of Non - Quantitative Information Disclosure and independent variables being Revenues, Number of Employees, Total Assets, Results, Equity, Growth Rate, Revenues per Employee, ROE, and Revenues to Total Assets. The regression analysis aims to empirically test the hypotheses developed in Section 2.6 regarding the relationship between firm characteristics and the quality of non-quantitative reporting. In particular, the analysis examines whether firm size, operational efficiency, and productivity are positively associated with the quality of non-quantitative information disclosure. The progressive simplification of the model structure allows the main determinants of non-quantitative reporting quality to be identified more clearly, while maintaining strong explanatory power across all specifications.

4.2.1 Model Development Process

To identify the most appropriate empirical specification, a stepwise model development process was followed. The analysis began with a comprehensive regression model including all independent variables. Subsequently, statistically insignificant variables were gradually removed in order to obtain a more parsimonious and interpretable model. This iterative process resulted in four regression models, allowing the stability and robustness of the results to be examined across alternative specifications.

The Statistical Model 1 (table 1), which included all independent variables, demonstrates a high explanatory power, with an adjusted R² value of 0.777, indicating that approximately 77.7% of the variance in the dependent variable Assessment of Non - Quantitative Information Disclosure is explained by the independent variables included in the statistic model 1. The overall F-statistic (F = 160.03, p < 0.001) confirms the model's statistical significance, suggesting that, collectively, the independent variables exert a meaningful influence on the dependent variable. The sample size (n = 405) further strengthens the robustness and reliability of these findings.

Table 1: Regression - Statistic Model 1

<i>Regression Statistics</i>					
Multiple R	0,886				
R-squared	0,784				
Adjusted R-squared	0,777				
Standard Error	0,347				
Sample Size	405				
ANOVA	df	SS	MS	F	p-value

Regression	9	173,058	19,229	160,028	7,4E-126	
Residual	396	47,583	0,120			
Total	405	220,641				
	<i>Coefficients</i>	<i>Standard Error</i>	<i>t</i>	<i>τιμή-P</i>	<i>Lower 95%</i>	<i>Upper 95%</i>
Intercept	0	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y
Revenue	-9,9E-09	1,2E-09	-8,0E+00	1,8E-14	-1,2E-08	-7,4E-09
Number of Employees	0,006	0,001	5,495	7,0E-08	0,004	0,008
Total Assets	1,3E-08	3,3E-09	3,929	1,0E-04	6,5E-09	1,9E-08
Results	-1,9E-08	1,3E-08	-1,514	0,131	-4,4E-08	5,7E-09
Equity	1,1E-09	3,9E-09	0,291	0,771	-6,5E-09	8,8E-09
Growth Rate	-4,4E-04	0,011	-0,040	0,968	-0,022	0,021
Revenue per Employee	2,2E-07	5,9E-08	3,676	2,7E-04	1,0E-07	3,3E-07
ROE	-0,007	0,010	-0,697	0,486	-0,027	0,013
Revenue to Total Assets	0,246	0,024	10,172	9,6E-22	0,198	0,293

At the individual level, a positive and statistically significant association was observed between the assessment of non-quantitative disclosure and the variables Number of Employees ($p < 0.001$), Total Assets ($p = 0.0001$), Revenues per Employee ($p = 0.00027$) and Revenues to Total Assets Ratio ($p < 0.001$). These results indicate that companies with larger workforces, greater assets and higher operational efficiency tend to achieve higher evaluations in non-quantitative information disclosure. In essence, organizational size, economic capacity, and resource productivity appear to enhance the quality and comprehensiveness of the non-quantitative information disclosed to stakeholders. Such findings align with the broader literature suggesting that larger and more mature companies are more likely to adopt sophisticated disclosure practices and transparent communication policies.

Conversely, the variable Revenues exhibited a negative and statistically significant coefficient ($\beta = -9.86 \times 10^{-9}$, $p < 0.001$). This indicates that, when controlling for other factors, an increase in revenues is associated with a decrease in the assessment of non-quantitative information disclosure. However, this negative relationship should not be interpreted as evidence that larger companies provide lower levels of non-quantitative information disclosure. Rather, it is likely a result of multicollinearity among variables that represent different aspects of company's size and efficiency.

Multicollinearity arises when independent variables are highly correlated with each other, leading to instability in the estimated regression coefficients and potential sign reversals. In this case, the

strong theoretical and empirical overlap between the measures of the company's scale may have distributed their shared explanatory power unevenly across the model, resulting in the negative sign for turnover. Despite this, the overall effect of company's size on non-quantitative information disclosure remains positive. To confirm this interpretation, the calculation of Variance Inflation Factors (VIFs) would be recommended, as high VIF values (>5 or >10) would substantiate the presence of multicollinearity.

In contrast, the variables Results, Equity, Growth Rate, and Return on Equity (ROE) were found to be statistically insignificant ($p > 0.05$), implying that short-term profitability and financial performance do not have a direct impact on the extent of non-quantitative information disclosure. This may reflect the fact that such disclosures are more closely linked to strategic, governance, and reputational considerations than to purely financial outcomes.

We proceeded to develop a second statistical model (table 2) by removing statistically non-significant variables, namely Results, Equity, Growth Rate and ROE (Return on Equity). This refinement maintained high levels of explanatory power (adjusted R^2 equal to 0.783), and the statistical model 2 remained statistically significant ($p < 0.001$).

Table 2: Regression - Statistic Model 2

Regression Statistics						
Multiple R	0,885					
R-squared	0,783					
Adjusted R-squared	0,778					
Standard Error	0,346					
Sample Size	405					
ANOVA	df	SS	MS	F	p-value	
Regression	5	172,687	34,537	288,085	5,8E-130	
Residual	400	47,954	0,120			
Total	405	220,641				
	Coefficients	Standard Error	t	τιμή-P	Lower 95%	Upper 95%
Intercept	0	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y
Revenue	-9,7E-09	1,2E-09	-7,990	1,5E-14	-1,2E-08	-7,3E-09
Number of Employees	0,006	0,001	5,867	9,3E-09	0,004	0,008
Total Assets	1,1E-08	2,9E-09	3,989	7,9E-05	5,8E-09	1,7E-08

Revenue per Employee	2,3E-07	5,8E-08	4,049	6,2E-05	1,2E-07	3,5E-07
Revenue to Total Assets	0,238	0,024	10,07	2,1E-21	0,191	0,284

All independent variables included in statistical model 2 are statistically significant ($p < 0.001$), confirming the strong explanatory capacity of the model. The results indicate that variables reflecting company's size and operational efficiency play a decisive role in the Assessment of Non - Quantitative Information Disclosure. The Number of Employees, Total Assets, Revenue per Employee, and Revenue to Total Assets exhibit positive and significant relationships with the dependent variable. This suggests that larger, more resourceful, and more efficient firms tend to disclose higher-quality non-quantitative information, likely due to their greater organizational capacity, structured governance systems, and stronger accountability obligations.

The variable Revenues shows a negative, but significant coefficient. This inverse sign, however, does not imply that higher revenues reduce non-quantitative information disclosure; rather, it likely reflects multicollinearity among highly correlated size - related indicators, i.e. Revenues, Total Assets, Revenues to Total Assets. Subsequently, the variable with negative coefficients, i.e. The variable Revenues was excluded from the third statistical model (table 3), which includes only the significant independent variables with positive coefficients, namely Number of Employees, Total Assets, Revenues per Employee and Revenues to Total Assets, and demonstrates a high explanatory capacity.

Table 3: Regression - Statistic Model 3

Regression Statistics						
Multiple R	0,865					
R-squared	0,748					
Adjusted R-squared	0,744					
Standard Error	0,372					
Sample Size	405					
ANOVA	df	SS	MS	F	p-value	
Regression	4	165,034	41,258	297,526	2,0E-118	
Residual	401	55,607	0,139			
Total	405	220,641				
	Coefficients	Standard Error	t	τιμή-P	Lower 95%	Upper 95%
Intercept	0	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y

Number of Employees	0,006	0,001	5,508	6,5E-08	0,004	0,008
Total Assets	3,5E-09	2,9E-09	1,2E+00	2,2E-01	-2,2E-09	9,2E-09
Revenue per Employee	-7,3E-09	5,3E-08	-1,4E-01	8,9E-01	-1,1E-07	9,7E-08
Revenue to Total Assets	0,271	0,025	10,856	3,0E-24	0,222	0,321

The adjusted R² value (0.744) indicates that approximately 74.4% of the variance in the dependent variable Assessment of Non - Quantitative Information Disclosure is explained by the statistical model 3, which is statistically significant (F = 297.53, p < 0.001), confirming its robustness and reliability.

The variable Number of Employees has a positive and highly significant effect (p < 0.001), suggesting that companies with larger workforces tend to provide more extensive and higher-quality non-quantitative information, reflecting stronger organizational capacity and formalized disclosure systems. The variable Revenues to Total Assets emerges as the most influential and significant variable (p < 0.001), indicating that companies utilizing their assets more efficiently demonstrate higher levels of transparency and reporting quality.

By contrast, Total Assets and Revenues per Employee exhibit statistically insignificant coefficients, implying that their effects are captured through other size, or efficiency - related variables. Overall, the model confirms that organizational scale and operational efficiency are the principal determinants of non – quantitative disclosure quality, reinforcing the link between effective resource utilization and enhanced corporate transparency.

4.2.2 Multicollinearity Diagnostics

Since we arrived at a reliable statistical model, we calculated the Tolerance and VIF indicators to verify whether multicollinearity was adequately limited. Examining each variable in the third model, we found that there is no serious multicollinearity. All variables presented VIF values significantly smaller than the limit of 10, which is considered the upper threshold of acceptable multicollinearity (Kutner et al., 2004). The two independent variables Revenues per Employee and Revenues to Total Assets presented values lower than even the more stringent limit of 5 (Hair et al., 2010). Simultaneously, the Tolerance indicators for all independent variables exceeded the minimum acceptable limit of 0.1 (Menard, 2002). These diagnostic results confirm that the independent variables in our model contribute primarily and independently to shaping the dependent variable, without excessive overlap or redundancy.

4.2.3 Final Statistical Model

To obtain a more parsimonious specification, the independent variable Total Assets was excluded from the third model, as it did not demonstrate statistical significance. Although the variable Revenue per Employee exhibited a statistically insignificant coefficient in Model 3, it was retained in the final

specification because it showed a positive and statistically significant effect in Model 2 and represents an important indicator of firm productivity. Retaining this variable allows the model to capture the potential influence of operational productivity on reporting quality while maintaining theoretical consistency with the hypotheses developed in the study.

Table 4: Regression - Statistic Model 4

Regression Statistics						
Multiple R	0,864					
R-squared	0,747					
Adjusted R-squared	0,743					
Standard Error	0,373					
Sample Size	405					
ANOVA	df	SS	MS	F	p-value	
Regression	3	164,829	54,943	395,738	1,9E-119	
Residual	402	55,812	0,139			
Total	405	220,641				
	Coefficients	Standard Error	t	τιμή-P	Lower 95%	Upper 95%
Intercept	0	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y	#Δ/Y
Number of Employees	0,007	0,001	13,853	5,9E-36	0,006	0,008
Revenue per Employee	5,0E-08	2,5E-08	1,970	5,0E-02	9,3E-11	9,9E-08
Revenue to Total Assets	0,254	0,020	12,437	2,9E-30	0,214	0,294

The final statistical model (table 4) demonstrates excellent fit and interpretability with Multiple R = 0.864, indicating very high correlation between the independent variables and the dependent variable, $R^2 = 0.747$, meaning the model explains 74.7% of variance in non-quantitative reporting quality, Adjusted $R^2 = 0.743$, which is equal to previous one, confirming that the variable Total Assets did not add any meaningful explanatory power, and F-statistic = 395.74 with $p < 0.001$ (specifically 1.95×10^{-119}) demonstrating extremely high statistical significance.

Multicollinearity tests ($VIF < 2$) confirmed the independence of predictors. The results indicate that company's size, productivity, and asset efficiency are key drivers of non-quantitative disclosure quality.

The statistical model 2 is identified as the optimal statistical specification, while the statistical model 4 serves as a thrifty verification model demonstrating the consistency and stability of the findings.

The interpretation of independent variables in the final model is as follows:

- The variable Number of Employees has a coefficient (β) of 0.006980163 with p-value of 5.93474E-36. The extremely low p-value indicates very high statistical significance. The positive coefficient shows that companies with larger workforces provide significantly better non - quantitative reporting. For each additional employee, the non - quantitative reporting score increases by approximately 0.007 percentage points, holding other variables constant. This finding aligns with agency theory, as larger organizations face greater agency problems and thus require more extensive monitoring and disclosure mechanisms. It also supports stakeholder theory, as companies with more employees have larger networks of stakeholders with information needs.

- The variable Revenues per Employee has a coefficient (β) of 4.9525E-08 with p-value of 0.0496, which is marginally statistically significant. For every 1 unit increase in Revenue per Employee, the non - quantitative reporting score increases by 4.95E-08 percentage points. Companies that generate more revenue per employee tend to be more efficient operations overall, and this efficiency extends to their reporting practices. Higher productivity may also indicate stronger competitive position and better management systems, which facilitate better disclosure practices.

- The variable Revenues to Total Assets has a coefficient (β) of 0.253883772 with p-value of 2.86737E-30. This represents the strongest effect among the three variables, demonstrating that asset efficiency is the most important financial predictor of non-financial reporting quality. Companies that generate more revenue per unit of assets invested are more efficient in their operations, and this operational excellence is reflected in their disclosure practices. The strong effect of this variable aligns with legitimacy theory, as efficient, well-managed companies have stronger incentives to demonstrate their performance through comprehensive disclosure to maintain social acceptance and reputation.

In this way, the final statistical model became cleaner and more efficient. It explains the same amount of variance with fewer variables. This is a desirable quality in statistical modeling that enhances both interpretability and generalizability.

Overall, the empirical results provide support for the hypotheses developed in this study. The positive and statistically significant relationship between the number of employees and non-quantitative reporting quality supports **Hypothesis 1**, indicating that larger firms tend to disclose higher-quality non-financial information. Similarly, the positive association between revenue-to-total-assets ratio and reporting quality supports **Hypothesis 2**, suggesting that firms with higher operational efficiency provide more comprehensive disclosures. Finally, the marginally significant relationship

between revenue per employee and reporting quality provides partial support for **Hypothesis 3**, indicating that higher productivity may also contribute to improved disclosure practices.

Additional model specifications were also examined during the regression analysis process. The consistency of the key results across alternative model formulations indicates that the identified relationships between firm characteristics and non-quantitative reporting quality are robust and not driven by a particular model specification.

4.3 Theoretical Interpretation of Findings

The empirical findings of this study provide support for the hypotheses derived from agency theory, stakeholder theory, and legitimacy theory. The results indicate that company's size, productivity, and operational efficiency are positively associated with the quality of non-quantitative reporting, confirming the theoretical expectation that companies with greater resources, visibility, and organizational capacity tend to provide more comprehensive disclosures.

From an agency theory perspective (Jensen & Meckling, 1976), disclosure of non - quantitative information reduces information asymmetry between management and shareholders. Large companies with high efficiency and productivity have more resources, but also face greater agency costs due to more complex operations and more dispersed ownership. These companies have stronger incentives to provide transparent and reliable information to reduce agency costs and strengthen investor confidence. The positive correlation between company size (Number of Employees) and reporting quality supports this interpretation, i.e. the larger companies face greater agency problems and thus invest more in monitoring and disclosure mechanisms.

According to stakeholder theory (Freeman, 1984), companies that effectively manage their resources are usually more sensitized to stakeholder requirements. Increased productivity (Revenues per Employee) and efficiency (Revenues to Total Assets) typically result from more effective internal processes, which often include greater social responsibility and emphasis on transparency. These companies provide comprehensive non - quantitative information on ESG and risk management issues to satisfy stakeholder demands and maintain trust relationships with employees, customers, suppliers, communities, and other stakeholder groups. Well-managed, efficient companies recognize that maintaining positive stakeholder relationships is essential for long-term value creation.

From the perspective of legitimacy theory (Suchman, 1995; Deegan, 2002), providing detailed non - quantitative information constitutes an accountability tool aimed at maintaining or strengthening a company's social acceptance. More efficient and productive companies, which usually have greater market visibility and influence, face stronger pressures to demonstrate their legitimacy. These companies have stronger incentives to show their compliance with social expectations and legal requirements through more extensive non - quantitative reporting, in order to strengthen their

legitimacy in the eyes of social partners, regulatory authorities, and the broader market. Companies that fail to maintain legitimacy risk losing their social license to operate, facing reputational damage, regulatory sanctions, or stakeholder backlash.

The findings suggest that transparency and quality of non - quantitative information are not merely means of legal compliance, but also strategic tools for enhancing trust, social acceptance, and corporate reputation. Companies with strong financial performance have both the resources and the strategic motivation to invest in high quality non - quantitative reporting. Such reporting serves multiple functions, i.e. reducing agency costs, satisfying stakeholder information needs, and maintaining organizational legitimacy.

4.4 Practical Implications

The research findings have several important practical implications for corporate management, regulators, and policymakers. For corporate management, the positive relationship between financial performance and non – quantitative reporting quality suggests that strong, efficient companies already recognize the strategic value of transparency. However, the moderate average compliance level (67.022%) indicates that even successful companies have room for improvement. Management should view non - quantitative reporting, not as a compliance burden, but as an opportunity to communicate their performance and values to stakeholders, differentiate themselves from competitors, and enhance reputation. Investing in systems and processes for collecting, analyzing, and reporting non - quantitative information can yield strategic benefits beyond mere compliance.

For smaller or less efficient companies, the findings suggest that these companies tend to provide less comprehensive non - quantitative reporting. These companies may face resource constraints that limit their ability to invest in reporting systems. However, they also face reputational risks, if they fail to meet stakeholder expectations for transparency. Regulators and industry associations could provide targeted support, guidance, and resources to help smaller companies improve their reporting practices, without imposing disproportionate burdens.

For regulators and policymakers, the moderate compliance level despite mandatory reporting requirements since 2019 suggests that current enforcement mechanisms may be insufficient. Regulators should consider whether stronger monitoring, penalties for non-compliance, or incentives for high quality reporting might improve overall compliance levels. Additionally, providing clearer guidance, standardized templates, and examples of best practices could reduce barriers to compliance, particularly for smaller companies.

For stakeholders, the findings demonstrate that financial performance indicators can serve as partial proxies for non - quantitative reporting quality. Stakeholders evaluating companies' ESG performance and transparency should consider not only non - quantitative information reporting, but

also underlying financial performance indicators that correlate with reporting quality. However, stakeholders should also remain vigilant for potential greenwashing, where companies provide impressive-looking reports that lack substantive information or contain misleading claims (Zervoudi et al., 2025).

4.5 Study Limitations

Despite the significant findings, this analysis is subject to certain limitations that should be considered when interpreting the results. First, the results are based on data from a specific sector, agriculture supplies sector, which limits the generalization of conclusions to other industry sectors. Different industries face different stakeholder pressures, regulatory environments, and operational characteristics that may influence reporting practices. This sector was selected precisely because of its significant environmental and social impacts, which may create stronger incentives for disclosure than in other sectors.

Second, using only accounting and financial variables may not capture the effect of important qualitative factors that could influence non - quantitative reporting quality. Such factors might include ISO certifications, statutory audit of financial statements by external auditors, company age and organizational maturity, geographic location and local stakeholder pressures, company ownership structure (family-owned, publicly traded, foreign ownership), board composition and governance characteristics, industry association memberships, and management education and professional backgrounds. Future research could examine how these non – quantitative factors interact with financial variables to shape reporting practices.

Third, our evaluation methodology, while systematic and based on legal requirements, assigns equal weight to all items within each axis-objective. In practice, some elements of non - quantitative reporting may be more important than others for specific companies or stakeholders. A more sophisticated approach might weight reporting items based on their materiality or stakeholder priorities. Finally, our study covers the period 2019-2023, which includes the disruptions of the COVID - 19 pandemic, while the long - term effects of the pandemic on reporting practices may not yet be fully apparent in the selected period 2019 - 2023 (Christopoulos et al., 2019).

5. Conclusions

This study examined the compliance of companies in the agricultural supplies sector in Greece with non-quantitative reporting requirements regarding ESG issues and risk management. In particular, the analysis addressed two main research questions: first, the extent to which companies comply with the Greek legislative requirements regarding non-quantitative information reporting, and second,

whether firm-level economic characteristics influence the quality of such disclosures. The empirical analysis of 81 companies over the period 2019 –2023 provides important insights into both aspects.

5.1 Summary of Key Findings

Our analysis of 81 companies over the five-year period 2019-2023 (405 financial statements covering 69.52% of the sector's market share) reveals several important findings. First, the average evaluation score for corporate non - quantitative reporting is 67.022% for the five-year period, indicating a moderate level of transparency. While companies are making efforts to comply with Greek legislation requirements that came into effect on January 1, 2019, the overall performance cannot be characterized as satisfactory based on modern market and social requirements. The sector needs to make substantially greater efforts toward better non -quantitative reporting. These findings provide a direct answer to **Research Question 1**, indicating that while companies demonstrate a moderate level of compliance with the legal disclosure requirements, significant scope for improvement remains.

Second, there is continuous improvement in corporate non - quantitative reporting over time, with scores increasing from 63.135% in 2019 to 70.625% in 2023. This positive trajectory suggests that companies are gradually adapting to reporting requirements and that regulatory frameworks are having some effect. However, the pace of improvement is modest, and significant gaps remain.

Third, the final statistical model 4 reveals a high statistically significant correlation ($R^2 = 0.747$) between non - quantitative reporting quality and three independent variables, namely Number of Employees, Revenues per Employee, and Revenues to Total Assets. These results address Research Question 2 and demonstrate that firm size, productivity, and asset efficiency are significant determinants of non-quantitative reporting quality. The findings confirm the hypotheses developed in the study and indicate that firms with stronger organizational capacity and more efficient resource utilization tend to provide higher-quality ESG-related disclosures.

5.2 Theoretical Contributions

These empirical findings contribute to the international literature on non-quantitative and ESG disclosure in several ways. First, the study provides country-specific evidence from Greece within a mandatory regulatory framework, offering insights into how firms respond to legally required non-quantitative disclosure obligations. While many previous studies examine voluntary ESG reporting or focus on large publicly listed companies, this research examines disclosure practices across a broader population of firms operating under national legislation. Second, by focusing on the agricultural supplies sector, the research adds sectoral evidence from an industry with significant environmental and social impacts, which has received relatively limited attention in previous empirical studies. Third, the use of a legislation-based scoring methodology derived from specific regulatory disclosure

requirements allows for a detailed evaluation of reporting quality that is closely aligned with legal compliance and regulatory expectations.

The research contributes to the literature by providing empirical evidence from a specific industrial sector in Greece and demonstrates that transparency and quality of non - quantitative information are not only means of compliance, but also strategic tools for enhancing trust, social acceptance, and corporate reputation. The findings suggest that productivity (revenues per employee), efficiency (revenues to total assets), and size (human resource size) are positively and statistically significantly connected to corporate non - quantitative reporting quality. In this way, the study contributes to the growing body of international research examining the determinants of ESG disclosure quality within emerging mandatory reporting regimes.

5.3 Practical Recommendations

For corporate management, we recommend treating non - quantitative reporting as a strategic communication tool rather than merely a compliance requirement. Companies should invest in robust data collection and reporting systems, integrate ESG considerations into strategic planning and decision-making processes, provide training to staff responsible for non - quantitative reporting, and engage with stakeholders to understand their information needs and expectations.

For regulators and policymakers, we recommend strengthening enforcement mechanisms and monitoring of compliance with non - quantitative reporting requirements, providing guidance, templates, and examples of best practices to facilitate compliance, considering differentiated requirements for smaller companies, while maintaining transparency standards, creating incentives for high-quality disclosure beyond minimum compliance, and promoting awareness of the strategic value of non-financial reporting among business communities.

For smaller companies with limited resources, we recommend starting with materiality assessments to focus on most relevant ESG issues, leveraging industry associations and peer networks for guidance and support, adopting standardized reporting frameworks to reduce complexity, and viewing non-financial reporting as an investment in stakeholder relationships rather than a cost burden.

5.4 Directions for Future Research

Future research could expand this analysis to other industry sectors to assess whether the relationships identified in this study hold across different contexts. Research incorporating qualitative factors such as governance characteristics, management commitment, and organizational culture would enrich our understanding of reporting quality determinants. Additionally, studies examining the impact of the new CSRD requirements and ESRS standards on reporting practices in Greece would be timely and valuable. Finally, research investigating whether improved non - quantitative reporting

translates into better ESG performance outcomes would help establish the effectiveness of disclosure regulations.

Beyond its academic contribution, this research also has policy relevance. As the European Union gradually implements the Corporate Sustainability Reporting Directive (CSRD) and the European Sustainability Reporting Standards (ESRS), understanding the determinants of non-quantitative disclosure quality becomes increasingly important. Evidence from the Greek regulatory environment can provide useful insights for policymakers regarding how firms respond to mandatory sustainability disclosure requirements and which firm characteristics are associated with higher reporting quality.

5.5 Final Remarks

This research demonstrates that while Greek companies in the agricultural supplies sector have made progress in non-financial reporting since the implementation of mandatory requirements in 2019, significant room for improvement remains. The positive relationship between financial performance indicators and reporting quality suggests that strong companies recognize the strategic value of transparency, but broader efforts are needed to raise overall compliance and quality levels. As sustainability concerns intensify and stakeholder demands for transparency grow, high-quality non-financial reporting will increasingly become not just a regulatory requirement but a competitive necessity. Companies that embrace this reality and invest in robust reporting systems will be better positioned to maintain stakeholder trust, enhance their reputation, and secure their long-term sustainability. By linking company's economic characteristics with the quality of legally required non-quantitative disclosures, the study contributes to the broader understanding of ESG reporting practices in mandatory regulatory environments.

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