

**Abstract of the doctoral dissertation entitled**  
**"Determinants of non-financial information disclosures in the activity reports**  
**of companies listed on the Warsaw Stock Exchange"**  
**written under the scientific guidance of dr hab. Marzena Strojek-Filus, Prof. UE.**

The reality of the 21<sup>st</sup> century, characterised by the universal access to the Internet and modern IT solutions, has significantly influenced and changed the information needs of the society. It also had an impact on the language of modern business - accounting. The basic source of information about an entity, which is the financial statement, is currently an insufficient source of information. It turns out that for modern investors, in addition to the classic financial data, such information as the impact of the entity's activities on the natural environment, its involvement in the life of the local community or relations with employees and their families play an important role. Intangible resources, which determine the company's market success, such as customer trust and a positive image, are also of great importance. Presentation of the recalled resources is not possible only by using classic financial statements. Therefore, non-financial information that is disclosed by entities as part of the activity report plays an important role. Combining information from the classic report with non-financial disclosures should, in its assumption, lead to the user receiving comprehensive information about the enterprise.

The issue of disclosing non-financial information has been raised for a long time in foreign literature on the subject, however, in Polish scientific studies, this is a relatively new issue. Compared to foreign literature on the subject, in Poland there is still a lack of research conducted on a large sample that would pay attention not only to the scope of disclosed non-financial information but also to the factors that determine it. Therefore, the main objective of the work was to examine the conditions for diverse reporting of non-financial data disclosed as a part of the activity reports of companies listed on the Warsaw Stock Exchange.

The main goal of the dissertation was to verify the main research hypothesis, according to which the reporting non-financial information in the activity reports of the companies listed on the Warsaw Stock Exchange is conditioned by both internal and external factors, in particular, the size of the unit, the regulatory sphere, as well as industry and economic factors.

The primary research method used in the theoretical part was a critical analysis of Polish and foreign literature on the subject. Additionally, both Polish and international legal acts as well as drafts of legal acts were analysed. Given the specificity of non-financial disclosures, non-mandatory standards and guidelines for non-financial information have also been reviewed.

In the empirical part of the dissertation, as part of a pilot study, a manual analysis of the contents of activity reports of selected companies listed on the Warsaw Stock Exchange was conducted. In the main part of the study, a dictionary method of automated content analysis was executed, using W-Labs Professional Report Analyzer 3.0, bespoke software designed and created for the purposes of the research. Besides, proprietary indicators for non-financial disclosures were constructed and analysed.

The dissertation consists of four chapters. The first three chapters are of a theoretical nature. The last, most extensive chapter is the effect of the empirical research carried out by the author.

The first chapter presents the goals of a modern enterprise and the concept of sustainable development in business. It was emphasised that the changing business environment of modern enterprises is also reflected in the accounting system. The first chapter of the dissertation led to a positive verification of the hypothesis that modern accounting has seen an increase in the importance of non-financial information.

In the second chapter, external and internal factors affecting the scope of non-financial data reporting have been identified and classified. Based on a comprehensive analysis of the literature on the subject, the factors conditioning the scope of non-financial disclosures were divided into two groups: endogenous and exogenous. Attention was also paid to the impact of legal regulations and non-financial policy of the entity on the disclosed non-financial information. The chapter provides a comprehensive analysis of Polish and foreign legal regulations, as well as optional guidelines and standards that undoubtedly affect the disclosure of non-financial information.

The author also proposed a definition of an entity's non-financial policy, which is a very important endogenous factor in disclosing non-financial information. The culmination of chapter two was a proposition of classification of factors determining the scope of non-financial reporting. The second chapter positively verified the hypothesis that internal and external factors affect the data reporting in activity reports in a different way.

The third chapter deals with the subjectivity and credibility of the disclosed non-financial information. This issue is particularly important given the observed research gap in this respect from the point of view of Polish regulations on balance sheet law. As part of the third chapter, the author drew attention to the important role of internal audit and the ethical attitude of the entity, which may have a decisive impact on the disclosure of non-financial information. Desirable qualities for non-financial statements have also been proposed. In order to isolate them, it was verified whether the quality features of classic reports can be transferred to the non-financial statements. Chapter three positively verified the hypothesis that the specificity of

non-financial data and the lack of a binding template makes supervision over non-financial reporting difficult.

The fourth and most extensive chapter is empirical in nature. The author conducted her research using specialised software for automatic content analysis of the reports, which allowed the study to cover a large sample. As part of the chapter, the method of conducting pilot studies was presented, as a result of which keywords were chosen. They were later used to conduct automated analysis in the main part of the study. In total, the research sample consisted of nearly 800 activity reports from the years 2012-2017.

In this chapter proprietary indicators were built, measuring non-financial data disclosures, prospective information disclosures, as well as the ratio of disclosures to the volume of reports. The next stage was a statistical analysis of the obtained results. The author analysed the variance of the indicators obtained, broken down into the time horizon in which the study was conducted, broken down into macro sectors, sectors and stock indices. It was also examined how individual conditions correlate with each other and with the amount of non-financial information disclosed.

While analysing the differences in the non-financial data disclosures, it has been noticed that there are also differences in the amount of disclosed information between companies representing specific macro sectors and stock indices. Among the macro sectors in which the amount of non-financial information disclosed was the highest, the fuel and energy, chemistry and raw materials as well as finances macro sectors were listed. On the other hand, the smallest amount of information disclosed concerned companies from the health care, consumer goods and trade and services macro sectors. When considering the affiliation of the analysed companies to a particular stock index, most disclosures were observed in the companies belonging to the WIG30 index, followed by mWIG40 and sWIG80.

The above observations may indicate that the scope of non-financial disclosures is influenced by the size of the company and its financial situation, as well as awareness of the role that non-financial information can play when building the entity's image. Therefore, the hypothesis that the selected factors, such as industry or the size of the company, affect the scope of non-financial data reporting in the entity's activity report, has been positively verified.

The reasons for the variance in the distribution of disclosures among entities can be partly seen in the non-financial policy strategies adopted by the companies. The observed increase in the amount of disclosures in the last year of the study also confirmed the important role of the regulatory sphere.

While analysing the activity reports of Polish companies, the issue of information "overloading" was also addressed. From year to year, an increase in the volume of reports was observed. An empirical analysis of the impact of the volume of reports on their usefulness using the IC<sub>1</sub> and IC<sub>2</sub> indicators confirmed that the increase in the volume of reports, which is not followed by a commensurate increase in the amount of non-financial information disclosed, is a factor negatively affecting the usefulness of the reports. Thus, an increase in the volume of reports may be justified, but only if it entails a real increase in the amount of information provided. Otherwise, it will lead to the negative phenomenon of "information overload". The presented conclusions resulting from the analysis of IC<sub>1</sub> and IC<sub>2</sub> indicators have allowed for a partly positive verification of the hypothesis that the volume of the report may be a factor negatively affecting its usefulness.

The analysis of trends in the level of prospective disclosures has shown that an increase in this type of disclosures is observed in Poland. However, the maximum observed value did not exceed 10% of the report volume. Given that information about the entity's future operations is now a significant factor affecting investment decisions of users of the reports, it should be assumed that this is an area that should be developed in the future.

The formal confirmation of observations regarding the determinants of non-financial information disclosures was the proposed linear regression model. It proved a significant impact of all selected determining factors. Thus, it was confirmed that the size of the company, belonging to a particular macro sector and stock market index, as well as the time horizon of the audit are factors determining the scope of non-financial information disclosures. The resulting linear regression model explained 33% of the variation in the analysed total non-financial disclosures indicator, INF. This confirms that other factors also influence the disclosure of non-financial information. Undoubtedly, important determinants of non-financial information disclosures are the regulatory sphere and the non-financial policy of the enterprise. However, statistical analysis is not possible for these two factors. Surely, this does not mean that these factors are not important. On the contrary, especially in the case of non-financial policy, the impact of the actions taken can be significant.

The considerations both in the theoretical and empirical part contributed to the achievement of the main goal of the study, which was to examine the determinants of the diverse reporting of non-financial data disclosed as part of the activity reports published by the companies listed on the Warsaw Stock Exchange. The conducted research and the resulting conclusions allowed for a positive verification of the main hypothesis, while also helping to identify new research areas that the author intends to develop in the future.