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**FROM SUSTAINABILITY TO INTEGRATED REPORTING – THE POLITICAL
PERSPECTIVE OF INSTITUTIONAL THEORY**

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Abstract. In a world dominated by extreme business competition, corporations start to reconsider their strategies and concentrate more on their stakeholders. In order to sustain the non-financial initiatives of the business environment the International Integrated Reporting Committee initiates integrated reporting to interrelate financial and non-financial information. The diffusion and adoption of integrated reports precedes theory and emerges from corporate reporting practice. However, the diffusion of IR did not occur proportionally, thus differing according to region/country. The purpose of this paper is to present the adoption of integrated reporting from an institutional perspective by analyzing the influence of the legal origin of countries whose companies report in an integrated manner. Our methodology assumes the computation of a disclosure index for each company/report for which we performed an analysis on the regional concentration of the integrated reporting formation. Finally, we compare the results of the civil law versus common law countries according to the values of the disclosure index. The findings suggest that IR disclosure level is higher in common law countries than in civil law countries. The current paper aims to bring a contribution into the corporate reporting literature by adding knowledge for a newly developed research topic- integrated reporting.

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