1. Introduction

Financial statements are a mechanism that companies use to maintain relationships with stakeholders (Sofia, 2018). Companies in Indonesia use the Standard of Financial Accounting (PSAK) to compile financial statements. According to PSAK 2023 (effective January 1st, 2023), the focus of financial statements is to reveal details regarding a company's financial position, achievement, and adjustment in its financial position intended to help make economic decisions. Information that is reliable and not misleading is required. Financial statements can be claimed as high quality if the information provided is relevant and faithfully represents reality, and can be trusted, thus making integrated reporting important for the company.

According to Statement of Financial Accounting Concept (SFAC) No. 2, information in integrated reporting can be seen when financial statements are presented fairly, unbiasedly, and honestly. Integrated reporting must include two main information characteristics in financial statements: relevance and reliability (Fajar & Nurbaiti, 2020).

Besides having two main information characteristics, integrated reporting has eight basic elements. The eight basic elements are an organizational overview and external environment, governance, business model, risks and opportunities, strategy and resource allocation, performance, outlook, and the basis of preparation and presentation. (The International Integrated Reporting Council, 2013).

The business description and outside environment discuss its organization, such as corporate values and culture. Governance describes the organization's managerial behavior framework by explaining the job position and description. The business model is a company's plan which defines the products or services it will sell, including information about inputs used in goods and output produced from goods. Business risks and opportunities identify specific risks and opportunities for the organization. Strategy and resource allocation at least discuss the planning and general purpose that the organization must do to achieve its goals. Company performance at least includes the company's past and present performance. Outlook means how the organization responds to challenges, including information about resources to deal with uncertainty. Meanwhile, the basis of preparation and presentation is a standard company for compiling financial information and evaluating risks.

Countries have already implemented integrated reporting. South Africa became the first country that requires all companies to create integrated reporting (Pratama et al., 2019). Australia has implemented integrated reporting. Germany has also implemented integrated reporting, but the companies are not yet required to report. Until now, some countries have not required integrated reporting, including Indonesia.

In December 2019, China announced an outbreak of Coronavirus Disease 2019 (Covid-19). Covid-19 can be very contagious and spreads quickly, and Indonesia confirms that the first case of Covid-19 was detected on 2nd od March, 2020. To prevent the potential spread of Covid-19, the government issued several policies. One of those policies is Large-Scale Social Restrictions or LSSR (Indonesian: *Pembatasan Sosial Berskala Besar* or PSBB), which resulted in economic issues in Indonesia due to the decrease in people's purchasing and selling power.

Amid a downturn in the Indonesian economy, the health sector showed a good company performance, seen on IDX HEALTH in 2020. The health sector has experienced an increase in stock indexes, while Jakarta Composite Index (JCI) and LQ45 experienced a downturn in stock indexes to a negative point. As the only sector that was not negatively affected by Covid-19 (Putri & Yulfiswandi, 2022), the health sector is interesting to be an object of the research.

Corporate governance is essential in integrated reporting because good corporate governance creates added value for all stakeholders. Poor corporate governance will trigger management to make financial statements that give a positive impression and impact the company, so the financial statements are not presented honestly. The lack of integrated reporting causes many frauds or manipulation of financial data by the company. Fraud or manipulation of financial data could decrease users' trust because it can mislead users in making decisions. If users no longer trust the company, the investors will think again about investing in that company, so that the company's capital decreases.

Companies need good corporate governance to help control business activities and achieve their objectives. Governance is a system, policies, and procedures that help operational activities in the right direction. It requires a strong commitment from top management, commissioners, and operational employees. Good corporate governance gives employees a positive and strong faith that the company is running according to the guidelines (Haryanto et al., 2022). This study measures corporate governance mechanisms by institutional ownership, managerial ownership, and gender diversity.

Institutional ownership is a proportion of share ownership in a company that an institute owns. Institutional investors play a monitoring role in management performance (Yendrawati & Hidayat, 2021). Managers will pay more attention to company performance because institutional investors monitor management performance. It means that institutional ownership could affect integrated reporting. Research that has been conducted by (Yendrawati & Hidayat, 2021), (Zouari & Dhifi, 2022), and (Budiharjo et al., 2020) indicate that institutional ownership has a positive influence on integrated reporting. However, different results were obtained in the research by (Moeljadi et al., 2022), which concluded that there is no significant influence on integrated reporting.

Managerial ownership shows a dual role as a manager and an investor in the same company (Yendrawati & Hidayat, 2021). The existence of managers who own the company shares makes the managers more responsible for preparation and presentation. Managers know the consequences of inaccurate information on financial statements, so they will act honestly to enhance the standard of integrated reporting. Research of Yendrawati & Hidayat (2021), and Budiharjo et al. (2020) show that managerial ownership positively influences integrated reporting. Sormin (2021) and Zouari & Dhifi (2022) found the opposite result that managerial ownership negatively influences integrated reporting. Meanwhile, Nurbaiti et al. (2021) stated that there is no relationship between managerial ownership and integrated reporting.

Gender diversity influences everyone to do work. Gender affects each individual’s work because women are more thorough and neater than men (Huse, 2014). Gender diversity can bring new knowledge, opinions, experiences, and insights in diverse ways to solve problems within the company (Ambarsari et al., 2018). Gender diversity in the workplace will have access to multiple views and opinions due to the different backgrounds. As suggested by Iredele (2019) and Kılıç & Kuzey (2018), gender diversity influences integrated reporting. While research by Pratama et al. (2021), Isnurhadi et al. (2020), and Cooray et al. (2020) stated that gender diversity does not influence integrated reporting.

The study makes the following contribution to the literature. First, an assessment of the impact of institutional and managerial ownership and gender diversity on integrated reporting simultaneously. Second, an assessment of the impact of institutional and managerial ownership and gender diversity on integrated reporting partially.