



DOI 10.2478/sbe-2022-0034

SBE no. 17(2) 2022

## SUSTAINABILITY REPORTING BY DISCLOSING ECONOMIC, SOCIAL AND ENVIRONMENTAL PERFORMANCE

**NUGRAHANI Tri Siwi**

*Faculty of Business, Universitas PGRI Yogyakarta, Indonesia*

**ARTANTO Dwi Ari**

*Faculty of Business, Universitas PGRI Yogyakarta, Indonesia*

### **Abstract:**

*This study examines the effect of sustainability reporting on financial performance from economic, social and environmental dimensions. The research sample consisted of 31 companies that published sustainability reports during 2015-2019. The results showed that the economic and environmental dimensions showed a negative effect on ROA. This means that companies that disclose economic and environmental performance will reduce the achievement of ROA. while disclosure of social performance will not affect ROA. This study proves that the theory of stakeholders is not sufficient to meet the achievement of profitability and companies need to look at the substantive aspects of sustainability reporting.*

**Key words:** *sustainability reporting, economic, social and environmental dimensions*

### **1. Introduction**

Companies are required to always prepare financial reports that not only contain financial information but also contain non-financial information including the economy (profit), social (people), and environment (planet) which is called the Triple Bottom Line / TBL (John Elkington, 1997). Some call those who call the Corporate Social Responsibility (CSR) report or social responsibility report or sustainability report (SR) as a form of fulfilling the company's obligations in reporting performance achievements including the company's social and environmental performance. Voluntary preparation of sustainability reports improves company performance ratings (Avetisyan & Ferrary, 2013).

In recent years, the company's sustainability activities have exponentially increased worldwide by reporting sustainability (Boiral, 2013; Diouf & Boiral, 2017; and KPMG, 2019) in various countries, as indicated by the increasing number of sustainability reporting from the 250 companies in 31 countries from 1999 - 2000 it was 35%, in 2005 it increased to 64% and in 2015 it was 92% including for-profit companies (Searcy & Buslovich, 2014; and Cho, Michelon, & Patten, 2012) (Searcy & Buslovich, 2014; and Cho, Michelon, & Patten, 2012) non-profit and social companies (Costa, Lages, & Hortinha, 2015). This evolution is being developed by a new set of institutions including multinational companies from emerging markets encouraging new practices with

fundamental changes in maintaining the legitimacy of companies to comply with ethical, social systems, rules, values, and norms (Deephhouse, Bundy, Tost, & Suchman, 2018; and Zhang, Deephouse, van Gorp, & Ebberts, 2020) as desired by stakeholders (Waddock, 2008). Besides that (Rodriguez-Fernandez, 2016) shows a very large influence of the institution on practicing corporate social performance from isomorphic pressures (DiMaggio & Powell, 1983; and Mazutis, 2018).

Sustainability reports include quantitative and qualitative information on financial, social, environmental (GRI, 2011). Several studies have focused on disclosure of sustainability information to capture the level of standardization of information disclosure based on the GRI indicators (Martínez-Ferrero & García-Sánchez, 2017; and Rezaee & Tuo, 2019) assessing the quality of sustainability disclosure based on GRI implementation, assessing the level of compliance with the GRI guidelines, although it has little effect on the quality of information reported (Junior, Best, & Cotter, 2014), however, sustainability reports can also improve company performance, as evidenced by the achievement of increased profitability. This study contributes by proving that the economic and environmental dimensions put forward by the company do not always increase profitability, while the social dimensions can affect profitability but not significantly. Also by using the theory of stakeholders, the sustainability report can prove that companies tend to fulfill their obligations by disclosing both economic, environmental, and social information due to pressure from the community and government. For more details, it can be seen from the description or discussion results.

## **2. Literature Review and Hypothesis Development**

### **2.1. Sustainability Reporting and Economic Dimensions**

According to stakeholder theory, companies need to improve company monitoring by comparing the performance of competitors by increasing institutional shares (Bertels & Pelozo, 2006; Krista Bondy, 2012; Handelman & Arnold, 1999; and Waddock, 2008). One of the manifestations of the company in meeting society demands is that the company prepares a sustainability report, which shows that the company's survival depends on community support (Gray, Kouhy, & Lavers, 1995) and (Gray, Dey, Owen, Evans, & Zadek, 1997). According to Martínez-Ferrero & Frías-Aceituno (2015) between companies and stakeholders (Madsen & Rodgers, 2015) need to link CSR with financial performance. Companies need to focus on sustainable practices by paying attention to profit, society, and the environment so that their actions are well accepted by the community (Bäckström & Karlsson, 2015). The company contributes to sustainable development as a business commitment by paying attention to employees, and the wider community to improve welfare (Aggarwal, 2013). According to Borgstein, (2016) sustainability is a strategy to carry out operations in a manner related to governance standards to meet existing needs without sacrificing the needs of future generations. Sustainability represents how an organization communicates performance and progress against the targets it has set, for the company's operations, for all stakeholders. Companies must have a concept of sustainability in carrying out social and environmental responsibility by using a global framework with a language that is consistent and can be measured according to objectives so that it is clearer and easier to understand (Suryono & Prastiwi, 2011). This concept has become known as sustainability reporting.

Rezaee & Tuo, (2019) tested the company's compliance with GRI in a sustainability report that revealed voluntary activities because the formal rules were unclear so that it could be biased (Michelon, Pilonato, & Ricceri, 2015). The Sustainability Report has 3 dimensions of measurement, namely economic, social, and environmental dimensions, where the economic dimension is operating results or company profits as the main objective of business activities. Reddy & Gordon, (2010) tested the Sustainability Report had a significant effect on financial performance on the New Zealand Stock Exchange (NZX). Companies that disclose social responsibility can increase company

value and increase investor confidence which will appreciate companies that disclose SR more than companies that do not disclose SR (Nasih, Harymawan, Paramitasari, & Handayani, 2019).

Sustainability reports are also used by government institutions, for example from the ministry of the environment to assess the company's performance on the environment in any organizational reporting. As in Indonesia, regulations on CSR disclosure can be found in the regulations issued by Bapepam and UU No 40 Tahun 2007 (RI, 2007) concerning Limited Liability Companies. The disclosure of sustainability reports in the stipulated regulations is in the form of an independent report, although there are still many CSR implementations that are disclosed at the same time as the company's annual report.

.Many kinds of studies on sustainability in Indonesia have been carried out, including (Suryono & Prastiwi, 2011; Bukhori & Sopian, 2017; and Susanto & Tarigan, 2011) which test sustainability with ROA, likewise, the study of Dewi & Sudana, (2015). The results showed that simultaneously all the dimensions of the sustainability report, namely the economic, environmental, and social dimensions have a significant positive effect on the company's financial performance, but partially only economic performance has a positive and insignificant effect. The aspect of economic sustainability relates to the impact of an organization on the economic situation for its stakeholders and the economic system at the local, national and global levels (GRI, 2015). Activities that can be taken to increase profit by doing cost efficiency are increasing productivity through simplification of processes, reducing inefficient activities, saving process and service time. Cost efficiency efforts can be achieved if the company uses the most economical materials possible by cutting costs as low as possible (Santioso & Chandra, 2012).

According to Nofianto & Agustina, (2014) companies have a big influence on improving the micro and macro economy and will invite investors and customers to join as fund supporters and users of company products. The company will pay more attention to the intensity of stakeholder demands including paying attention to economic performance in the sustainability report (Suharni, Wibisono, & Siswanto, 2014). Companies must maintain the relationship between their stakeholders by accommodating the wants and needs of their stakeholders (Gray et al., 1997) so that it is necessary to disclose sustainability reports to answer the demands of stakeholders. Dewi & Sudana, (2015) prove that the intensity of sustainability reporting disclosure in the economic aspect has a positive effect on return on assets in ISRA winning companies. Based on the above explanation regarding the economic dimension of SR and its effect on profitability, the submission of hypothesis one is:

**Hypothesis 1:** *The economic dimension in the sustainability report affects the company's financial performance.*

## **2.2. SR and Social Dimensions**

The social dimension means that the company pays attention to the interests of stakeholders because community support is very important for the survival of the company. Companies need to be committed to striving to provide maximum benefits from the company's operating activities that have an impact on society through social responsibility (Suharni et al., 2014). Companies do not only pay salaries to employees, companies must also pay attention to the aspects of work safety, open and fair employment opportunities, a comfortable and safe work environment, retirement programs, and occupational health.

Undang Undang PT No 40 Tahun 2007 concerning Limited Liability Companies Article 74 paragraph (1) of the PT Law reads, "Companies that carry out their business activities in the fields and/or related to natural resources are obliged to carry out social and environmental responsibility". The process of contributing to social obligations by paying attention to national development in terms of economic, social, and environmental aspects is contained in the concept of Corporate Social

Responsibility (CSR) or known as corporate social responsibility. Sustainability reports with the social category aim to gain recognition from outside parties regarding company activities that can improve the company's image in the eyes of investors, which ultimately increases the company's value (N. Burhan & Rahmanti, 2012). Sustainability with a social dimension discusses the impact that an organization has on the social system in which the organization operates as a form of corporate social responsibility. The social category includes labor, human rights, and responsibility for products (GRI, 2015). Companies need to show social activities as a form of responsibility for the company's existence towards society's ethics and norms. The company's concern in anticipating community-related issues certainly becomes a special attraction for investors to invest so that this can be a factor to increase sales and profits. So that the company continues to exist by carrying out activities that have a positive impact on the surrounding community through social responsibility Suharni et al., (2014) and Dewi & Sudana, (2015) which affect financial performance. Based on the information above regarding the social dimensions of SR and profitability, the second hypothesis is:

**Hypothesis 2: The social dimension in the sustainability report affects the company's financial performance.**

### **2.3. SR and Environmental Dimensions**

The environmental dimension is defined as something related to all areas of human life. Companies that disclose environmental aspects have a positive influence on company profitability (Restuningdiah, 2010). Companies that express the intensity of their environment well will make stakeholders trust and pay attention to the company so that they have more awareness in paying attention to the environment.

Company sustainability must be maintained related to the interests of primary stakeholders, namely investors. Performance issues and environmental disclosures have an impact on stock price fluctuations. Investors are now increasingly sensitive to developing issues regarding the companies they invest in and are increasingly observant in choosing the shares of the companies to buy. Environmental performance has a positive effect on financial performance or increases the company's market value Setiawan, H, & Pranaditya, (2018); and Djuitaningsih & Ristiawati (2015) proving that environmental performance and foreign ownership have a positive influence on financial performance as measured by Return on Asset (ROA) where companies that perform better environmental activities will get a good response from stakeholders and have an impact on increasing company revenue in the long run. The phenomenon of environmental damage caused by company activities often occurs because the company only focuses on profit performance without paying attention to the aspects of the surrounding environment. Sustainability reports in Indonesia are still voluntary, meaning that there are no regulations that require this disclosure, such as transparency regarding the environmental impacts caused by companies.

The environmental dimension of sustainability relates to an organization's impact on living and non-living natural systems, including land, air, water, and ecosystems. The environmental category includes energy and water, the one-third output of biodiversity, transportation, and the impact of using products and services, as well as environmental compliance and costs (GRI, 2015). The adoption of corporate sustainability practices has changed significantly in recent years and is influenced by the company's operational context Martínez-Ferrero & García-Sánchez, (2017); Michelin et al., (2015); Mariño-Romero, Hernández-Mogollón, Campón-Cerro, & Folgado-Fernández, (2020) and Yip, Staden, & Cahan, (2011).

In connection with the explanation of environmental dimensions with profitability, the third hypothesis is:

**Hypothesis 3: The environmental dimension in the sustainability report affects the company's financial performance.**

### 3. Data and Methodology

#### 3.1. Study Sample and Data Collection

This study uses a sample of companies that are listed on the Indonesia Stock Exchange and which publish sustainability reports for 2015-2019. The sampling technique was using the purposive sampling method. The sample criteria are as follows:

- The company published financial reports and sustainability reports which were recorded in the National Center for Sustainability Report Chapter Indonesia in 2015-2019.
- Companies that have consistently published their Sustainability Report in the 2015-2019 period.

#### 3.2. Measurement of study variables

The dependent variable is financial performance (Y), namely the company's ability to obtain profitability as measured by ROA (Return on Assets), which is the ratio between Net Profit and Total Assets (Gunawan, 2019). While the independent variables are:

- The economic dimension (X1) is a disclosure of activities related to company operations or activities related to the achievement of company profits. There are 9 indicators of economic dimension items. Measurement of the economic dimension variable, namely the SR index by calculating the number of economic dimension items disclosed divided by the total of all economic dimension items
- The social dimension (X2) is the company's disclosure about the company's social activities. 16 items that measure the social dimension. Measurement of social dimensions with the SR index is a comparison between the number of social dimension disclosures divided by the total of all social dimension items
- The environmental dimension (X3) is a disclosure of activities related to the environment. 34 items that measure the dimensions of the environment. Measurement of environmental dimensions with the SR index, namely the number of environmental disclosure items divided by the total of all environmental dimension items.

#### 3.3. Study Models

After reviewing theoretical studies and empirical research, we decided to build a model that shows the relationship between economic dimensions, social dimensions, and environmental dimensions in testing financial performance. We can present model the equation as follows:

$$ROA = \alpha + \beta_1 \text{ Economic Dimension} + \beta_2 \text{ Social Dimension} + \beta_3 \text{ Environmental Dimension} + e$$

### 4. Results and Discussion

This study used a sample of 31 companies that reported complete sustainability reporting. Initially, the data consisted of 43 companies, but because 13 companies did not report completely, they were not included in the study sample. The research data was obtained from the Sustainability Reporting report through [www.idx.com](http://www.idx.com). and company sustainability reports that are taken through the respective companies' websites. The details of the companies that published the SR reports in this sample are as follows:

**Table 1. Company Sector**

| No. | Type of Company                                             | Total        |
|-----|-------------------------------------------------------------|--------------|
| 1.  | Finance sector                                              | 10 companies |
| 2.  | The Property, Real Estate, and Building Construction Sector | 5 companies  |

|    |                                                                                               |             |
|----|-----------------------------------------------------------------------------------------------|-------------|
| 3. | Mining Sector                                                                                 | 6 companies |
| 4. | Infrastructure, Utilities and Transportation Sector                                           | 3 companies |
| 5. | Miscellaneous Industry Sector, agriculture, services and investment, chemical industry sector | 7 companies |

Source: [www.IDX.go.id](http://www.IDX.go.id)

Based on the SR Dimensions, measured according to the GRI 3.1 guidelines can be shown as follows:

**Table 2. Item Global Reporting Initiative (GRI)**

| Economic Dimensions      | Social Dimension       | Environmental Dimension                                                                                                                                              |
|--------------------------|------------------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Economic performance     | Employment practices   | Material                                                                                                                                                             |
| Market Presence          | Human rights           | Energy                                                                                                                                                               |
| Indirect Economic Impact | Public                 | Water                                                                                                                                                                |
| Procurement Practices    | Product Responsibility | Biodiversity, including:<br>Emissions, Water and waste disposal, products and services, environmental assessments, and complaint mechanisms for environmental issues |

Table 2 contains the GRI items used to assess the SR of the company, the social dimension contains the most assessment items totaling 48 indicators. The economic dimension contains only 9 and 34 indicators for assessing the social dimension. Of the total indicators of the GRI assessment, there are 91 indicators. The average research sample company revealed the economic dimension, namely 0.0495, meaning that almost 50% of the companies were willing to disclose economic performance, including market conditions and procurement practices. goods, from the social dimension, shows an average of 0.07124 means that 70% of companies disclose social performance, including labor practices, human rights, product responsibility. While the environmental dimension shows an average of 0.03998, meaning that only 30% of companies disclose environmental performance (Table 3). This shows that the awareness of companies in Indonesia to disclose environmental performance is still low because it is less than 50%. When viewed from the achievement of profitability measured by ROA, it shows an average of 0.0723, which means that 70% of companies reporting SR can obtain a fairly high ROA. The following is descriptive statistical data:

**Table 3. Descriptive Statistical Test Results**

|                       | Mean   | Std. Deviation | Minimum | Maximum |
|-----------------------|--------|----------------|---------|---------|
| Financial performance | 0.0723 | 0.10164        | -0.06   | 0.51    |
| Economy               | 0.0495 | 0.06476        | 0.01    | 0.50    |
| Environment           | 0.0737 | 0.03998        | 0.01    | 0.18    |
| Social                | 0.0930 | 0.07124        | 0.01    | 0.37    |

Hypothesis test results (Table 4) show the significance of the economic dimension variable at 0.032, which means that the hypothesis is supported. However, the t value shows a minus direction, meaning that companies that disclose the economic dimension will decrease their profitability (ROA). This result is consistent with previous studies that the economic dimension does not improve financial performance (Susanto & Tarigan, 2011; and Dewi & Sudana, 2015). This study is not consistent with the study of Nofianto & Agustina (2014); and Bukhori & Sopian (2017). The coefficient value of the economic dimension is -1.849, which means that every increase in the

economic dimension will reduce the ROA by 184.90%. This means that companies are reluctant to disclose their economic performance (Dewi & Sudana, 2015) because profitability can be reduced. This study proves that the stakeholder theory that explains company power depends on stakeholder support, so naturally, companies are reluctant to disclose the economic dimension because of decreased profitability.

**Table 4. Hypothesis testing and standard coefficient**

| Independent Variable | Standard coefficient | Value t | Sig   | Information      |
|----------------------|----------------------|---------|-------|------------------|
| Economy              | -1.849               | -2.220  | 0.032 | H1 Not Supported |
| Social               | 0.157                | 0.419   | 0.677 | H2 Not Supported |
| Environment          | -1.707               | -2.574  | 0.014 | H3 Supported     |

The social dimension does not affect financial performance, it is indicated by the t value of 0.419 with a significance of 0.667. If the company discloses social performance, it will not increase ROA. Likewise, it is seen from the environmental dimension coefficient of 0.157, so if the company discloses social performance it will not increase ROA. The results are consistent with Bukhori & Sopian, (2017) social performance has no significant effect on financial performance. The results are inconsistent with the study of Kurniawan, Sofyani, & Rahmawati, (2018); Suharni et al., (2014); Dewi & Sudana, (2015); and Susanto & Tarigan, (2011). It can be concluded that companies that disclose social performance do not affect profitability, so naturally, companies are still reluctant to disclose social performance. By following stakeholder theory, company power is highly dependent on community support, including determining social performance disclosure policies.

The results of the environmental dimension hypothesis test show a significance value of 0.014 and the t value shows a negative direction, namely -2.257. This means that companies that disclose environmental performance will reduce ROA. The environmental coefficient value of -1.707 means that every disclosure of 1 environmental dimension will reduce financial performance by 170.70%. So it is only natural that companies are reluctant to disclose environmental performance because profits will decrease. The study is consistent with Susanto & Tarigan, (2011) and Dewi & Sudana, (2015) stated that environmental performance disclosure does not affect profitability (ROA) but instead decreases. Study results do not support (Restuningdiah, 2010; Setiawan et al., 2018; Djuitaningsih & Ristiawati, 2015; N. Burhan & Rahmanti, 2012). This study proves that it is by following the stakeholder theory which emphasizes that companies need to get support from the community if the company is going to survive.

When tested simultaneously, it shows an F value of 3.555 and a significance of 0.000, which means that together the variables of economic, social, and environmental dimensions affect the achievement of profitability. This study is consistent with (Reddy & Gordon, 2010; Nasution & Adhariani, 2016; Suryono & Prastiwi, 2011; Bukhori & Sopian, 2017; Susanto & Tarigan, 2011; Dewi & Sudana, 2015). It can be a consideration for a company if it is to disclose a sustainability report, using the results together from the economic, social, and environmental dimensions because it will improve financial performance, so that stakeholders tend to support company policies because profitability increases (table 5).

**Table 5. Value of Adjusted R2 and F Value**

| Adjusted R Square | F     | Sig   |
|-------------------|-------|-------|
| 0.238             | 3.555 | 0.006 |

## 5. Conclusions

This research proves that until now the SR report has not been fully profitable for the company, which is shown from the study results if the company reveals the economic dimension will reduce financial performance, likewise if the company discloses the environment it will also reduce profitability. Meanwhile, if the company discloses social performance, it will not affect profitability. This study contributes to the fact that the sustainability reports recommended by the government and company obligations reveal that economic, social, and environmental activities are not profitable for the company. This study contributes that a review of stakeholder theory can prove that a company that will disclose a sustainability report by showing economic, social, and environmental performance will be more profitable if it is jointly stated because it will increase its profitability.

The results of the study are not by following with the hypothesis but are under stakeholder theory due to pressure from the community and the government to make the company prepare SR reports by showing non-financial information, because the company realizes that the sustainability of the company is largely determined by community support (Gray et al., 1995). It is appropriate for companies to disclose sustainability reports that may only fulfill obligations but have not been fully reviewed from their effectiveness.

Future studies should re-examine with institutional theory mimetic whether the company is profitable or not by disclosing a sustainability report by showing whether separately or in combination, may be better able to explain beneficial and detrimental activities so that companies are more selective in using sustainability disclosures.

## 6. References

- Aggarwal, P. (2013). Impact of Sustainability Performance of Company on its Financial Performance: A Study of Listed Indian Companies. *Impact of Sustainability Performance of Company on Its Financial Performance: A Study of Listed Indian Companies*, 13(11).
- Avetisyan, E., & Ferrary, M. (2013). Dynamics of Stakeholders' Implications in the Institutionalization of the CSR Field in France and in the United States. *Journal of Business Ethics*, 115(1), 115–133. <https://doi.org/10.1007/s10551-012-1386-3>
- Bäckström, S.-L., & Karlsson, J. (2015). *Corporate Sustainability and Financial Performance-The influence of board diversity in a Swedish context*.
- Bertels, S., & Peloza, J. (2006). Managing CSR reputation in an era of ratcheting expectations. *CIBC Centre for Corporate Governance and Risk Management*.
- Boiral, O. (2013). Sustainability reports as simulacra? A counter-account of A and A+ GRI reports. *Accounting, Auditing & Accountability Journal*, 26(7), 1036–1071. <https://doi.org/10.1108/AAAJ-04-2012-00998>
- Borgstein, A. J. (2016). Global Markets: A Comparative Analysis Of Sustainability Requirements And Disclosure. <https://www.researchgate.net/>.
- Bukhori, M. R. T., & Sopian, D. (2017). Pengaruh Pengungkapan Sustainability Report Terhadap Kinerja Keuangan. *Jurnal SIKAP (Sistem Informasi, Keuangan, Auditing Dan Perpajakan)*, 2(1), 35. <https://doi.org/10.32897/sikap.v2i1.62>
- Cho, C. H., Michelon, G., & Patten, D. M. (2012). Impression management in sustainability reports: An empirical investigation of the use of graphs. *Accounting and the Public Interest*, 12(1), 16–37. <https://doi.org/10.2308/apin-10249>
- Costa, C., Lages, L. F., & Hortinha, P. (2015). The bright and dark side of CSR in export markets: Its impact on innovation and performance. *International Business Review*, 24(5), 749–757. <https://doi.org/10.1016/j.ibusrev.2015.01.008>

- Deephhouse, D. L., Bundy, J., Tost, L. P., & Suchman, M. C. (2018). Organizational Legitimacy: Six Key Questions. *The SAGE Handbook of Organizational Institutionalism*, 27–52. <https://doi.org/10.4135/9781446280669.n2>
- Dewi, K. E. C., & Sudana, I. P. (2015). Sustainability Reporting Dan Profitabilitas (Studi Pada Pemenang Indonesian Sustainability Reporting Awards). *Jurnal Ilmiah Akuntansi Dan Bisnis*, 10(1), 1–7.
- DiMaggio, P. J., & Powell, W. W. (1983). The Iron Cage Revisited : Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, 48(2), 147–160.
- Diouf, D., & Boiral, O. (2017). The quality of sustainability reports and impression management: A stakeholder perspective. *Accounting, Auditing and Accountability Journal*, 30(3), 643–667. <https://doi.org/10.1108/AAAJ-04-2015-2044>
- Djuitaningsih, T., & Ristiawati, E. E. (2015). Pengaruh Kinerja Lingkungan Dan Kepemilikan Asing Terhadap Kinerja Finansial Perusahaan. *Jurnal Akuntansi Universitas Jember*, 9(2), 31. <https://doi.org/10.19184/jauj.v9i2.1238>
- Global Reporting Initiative. (2011). GRI Level C Report Template. *Analysis*, 1–17.
- Gray, R., Dey, C., Owen, D., Evans, R., & Zadek, S. (1997). Struggling with the praxis of social accounting: Stakeholders, accountability, audits and procedures. *Accounting, Auditing & Accountability Journal*, 10(3), 325–364. <https://doi.org/10.1108/09513579710178106>
- Gray, R., Kouhy, R., & Lavers, S. (1995). Corporate social and environmental reporting. *Accounting, Auditing & Accountability Journal*, 8(2), 47–77.
- GRI. (2015). Interpretations on the G4 Guidelines, issued by the Global Sustainability Standards Board, are located at the end of this document, and are to be considered by all users. In *Gri G4*.
- Gunawan, A. (2019). Analisis Kinerja Keuangan Pada Perusahaan Plastik dan Kemasan yang Terdaftar di Bursa Efek Indonesia. *Jurnal KRISNA: Kumpulan Riset Akuntansi*, Vol. 10, N(Kinerja Keuangan), 109–115. Retrieved from <http://dx.doi.org/10.22225/kr.10.2.904.109-115%0D>
- Handelman, J. M., & Arnold, S. J. (1999). The role of marketing actions with a social dimension: Appeals to the institutional environment. *Journal of Marketing*, 63(3), 33–48. <https://doi.org/10.2307/1251774>
- Junior, R. M., Best, P. J., & Cotter, J. (2014). Sustainability Reporting and Assurance: A Historical Analysis on a World-Wide Phenomenon. *Journal of Business Ethics*, 120(1), 1–11. <https://doi.org/10.1007/s10551-013-1637-y>
- KMPG. (2019). *Non Financial Reporting*.
- Krista Bondy, J. M. and D. M. (2012). An Institution of Corporate Social Responsibility (CSR) in Multi-National Corporations (MNCs): Form and Implications Author(s): *Journal of Business Ethics*, 111(2), 281–299. <https://doi.org/DOI 10.1007/s 10551-012-1208-7>
- Kurniawan, T., Sofyani, H., & Rahmawati, E. (2018). *Pengungkapan Sustainability Report dan Nilai Perusahaan : Studi Empiris di Indonesia dan Singapura*. XVI(1), 1–20.
- Madsen, P. M., & Rodgers, Z. J. (2015). Looking good by doing good: The antecedents and consequences of stakeholder attention to corporate disaster relief. *Strategic Management Journal*, 36(5), 776–794. <https://doi.org/10.1002/smj.2246>
- Mariño-Romero, J. M., Hernández-Mogollón, J. M., Campón-Cerro, A. M., & Folgado-Fernández, J. A. (2020). Corporate social responsibility in hotels: A proposal of a measurement of its performance through marketing variables. *Sustainability (Switzerland)*, 12(7). <https://doi.org/10.3390/su12072961>
- Martínez-Ferrero, J., & Frías-Aceituno, J. V. (2015). Relationship between sustainable development and financial performance: International empirical research. *Business Strategy and the Environment*, 24(1), 20–39. <https://doi.org/10.1002/bse.1803>

- Martínez-Ferrero, J., & García-Sánchez, I. M. (2017). Coercive, normative and mimetic isomorphism as determinants of the voluntary assurance of sustainability reports. *International Business Review*, 26(1), 102–118. <https://doi.org/10.1016/j.ibusrev.2016.05.009>
- Mazutis, D. (2018). Much Ado about Nothing: The Glacial Pace of CSR Implementation in Practice. *Corporate Social Responsibility*, 177–243. <https://doi.org/10.1108/s2514-175920180000002011>
- Michelon, G., Pilonato, S., & Ricceri, F. (2015). CSR reporting practices and the quality of disclosure: An empirical analysis. *Critical Perspectives on Accounting*, 33, 59–78. <https://doi.org/10.1016/j.cpa.2014.10.003>
- N. Burhan, A. H., & Rahmanti, W. (2012). the Impact of Sustainability Reporting on Company Performance. *Journal of Economics, Business, and Accountancy | Ventura*, 15(2), 257. <https://doi.org/10.14414/jebav.v15i2.79>
- Nasih, M., Harymawan, I., Paramitasari, Y. I., & Handayani, A. (2019). Carbon emissions, firm size, and corporate governance structure: Evidence from the mining and agricultural industries in Indonesia. *Sustainability (Switzerland)*, 11(9). <https://doi.org/10.3390/su11092483>
- Nofianto, E., & Agustina, L. (2014). Analisis Pengaruh Sustainability Report Terhadap Kinerja Keuangan Perusahaan. *Accounting Analysis Journal*, 3(3), 343–351. <https://doi.org/10.15294/aaaj.v3i3.4205>
- Reddy, K., & Gordon, L. W. (2010). The effect of sustainability reporting on financial performance: An empirical study using listed companies. *Journal of Asia Entrepreneurship and Sustainability*, 6(2), 19–42.
- Restuningdiah, N. (2010). Kinerja Lingkungan terhadap Return on Asset melalui Corporate Social Responsibility Disclosure. *Jurnal Keuangan Dan Perbankan*, 14(2), 191–204.
- Rezaee, Z., & Tuo, L. (2019). Are the Quantity and Quality of Sustainability Disclosures Associated with the Innate and Discretionary Earnings Quality? *Journal of Business Ethics*, 155(3), 763–786. <https://doi.org/10.1007/s10551-017-3546-y>
- RI, U. P. N. 40. (2007). Undang Undang RI No. 40 Tahun 2007 Tentang Perseroan Terbatas. In *RI*.
- Rodriguez-Fernandez, M. (2016). Social responsibility and financial performance: The role of good corporate governance. *BRQ Business Research Quarterly*, 19(2), 137–151. <https://doi.org/10.1016/j.brq.2015.08.001>
- Santioso, L., & Chandra, E. (2012). Pengaruh profitabilitas, ukuran perusahaan, leverage, umur perusahaan, dan dewan ko... □. *Jurnal Bisnis Dan Akuntansi*, 14(1), 17–30.
- Searcy, C., & Buslovich, R. (2014). Corporate Perspectives on the Development and Use of Sustainability Reports. *Journal of Business Ethics*, 121(2), 149–169. <https://doi.org/10.1007/s10551-013-1701-7>
- Setiawan, W., H. L. B., & Pranaditya, A. (2018). Pengaruh Kinerja Lingkungan, Biaya Lingkungan Dan Ukuran Perusahaan Terhadap Kinerja Keuangan Dengan Corporate Social Responsibility (CSR) Sebagai Variabel Intervening (Studi Kasus Perusahaan Studi Kasus pada Perusahaan Manufaktur yang terdaftar di Bursa. *Journal Of Accounting 2018*, VIII(1), 1–12.
- Suharni, S., Wibisono, N., & Siswanto, G. M. (2014). Pengaruh Stakeholder Power , Strategic Posture , Dan Kinerja Ekonomi Terhadap Pengungkapan CSR ( Corporate Social Responsibility ). *Ekomaks Volume*, 3, 1–20.
- Suryono, H., & Prastiwi, A. (2011). Pengaruh Karakteristik Perusahaan Dan Corporate Governance (CG) Terhadap Praktik Pengungkapan Sustainability Report (SR) ( Studi Pada Perusahaan – Perusahaan yang Listed (Go-Public) di Bursa Efek Indonesia (BEI) Periode 2007 - 2009 ). *Simposium Nasional Akuntansi XIV Aceh 2011*, 21–22.
- Susanto, Y. K., & Tarigan, J. (2011). Pengaruh Pengungkapan Sustainability Report Terhadap Kinerja Keuangan Perusahaan. *Universitas Diponegoro*, 6(1), 1–29.
- Waddock, S. (2008). Building a new institutional infrastructure for corporate responsibility. *Academy of Management Perspectives*, 22(3), 87–108. <https://doi.org/10.5465/AMP.2008.34587997>

- Yip, E., Staden, C. Van, & Cahan, S. (2011). Corporate social responsibility and earnings management: The role of political cost. *Australasian Accounting, Business and Finance Journal*, 5(3). <https://doi.org/10.18510/hssr.2019.75172>
- Zhang, J., Deephouse, D. L., van Gorp, D., & Ebbers, H. (2020). Individuals' Perceptions of the Legitimacy of Emerging Market Multinationals: Ethical Foundations and Construct Validation. *Journal of Business Ethics*, (0123456789). <https://doi.org/10.1007/s10551-020-04599-x>