

CORPORATE GOVERNANCE CHARACTERISTICS AND CORPORATE SOCIAL RESPONSIBILITY

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ABSTRACT

This study aims to analyze the characteristics of corporate governance influencing CSR disclosure in banking. Implementing good corporate governance allows the company's stakeholders to receive accurate and transparent information about the company's internal conditions through CSR disclosure. Thus, good corporate governance can affect the company's relationship with its stakeholders to maintain long-term sustainability. The research sample obtained was 180 companies from banking sector companies listed on the Indonesia Stock Exchange for the 2016-2020 period. A multiple linear regression test was used to test the research model. The study results found that foreign ownership, state ownership, size of the board of commissioners, and the proportion of women on the board of commissioners significantly positively affected CSR.

Meanwhile, the proportion of foreign members on the board of commissioners is known to have a significant adverse effect on CSR. In addition, the results showed that diffusion ownership, the size of the board of directors, the proportion of women on the board of directors, chairman of the board of directors, chairman of the board of commissioners, and the proportion of foreign members on the board of directors did not affect CSR. However, there are differences in the level of information disclosed. Furthermore, it can be concluded that the characteristics of corporate governance used in this study do not fully affect CSR disclosure in banks. This research enriches the existing literature, considering that the banking sector is often excluded from CSR studies because of its specific legal regulations and perceived small environmental impact. In addition, in developing countries, very few studies still analyze the effect of board characteristics on bank CSR disclosures. Furthermore, this study emphasizes important implications for the banking sector, shareholders, and regulatory bodies

INTRODUCTION

Economic developments and increasingly fierce business competition have made companies increasingly required to be socially responsible. To maintain its business continuity, the company must pay attention to its actions to receive a positive response from all stakeholders. Therefore, an accounting concept called corporate social responsibility (CSR) emerged, where the concept allows stakeholders to assess the company's social performance. CSR is generally disclosed to the public through the company's annual report (Fitriyah, 2020). Paying attention to CSR will allow a company to grow sustainably.

Haji (2013) found that CSR practices and disclosures in companies' annual reports in developing countries have increased. Likewise, in Indonesia, many companies are starting to realize the importance of CSR for the sustainability of their business, so CSR disclosure in company annual reports is also getting more attention (Siregar and Bachtiar, 2010). CSR disclosures are related to corporate governance, carried out by the company's management. These principles include transparency, accountability, responsibility, independence, and fairness. Good corporate governance allows the company to maintain long-term sustainability because it affects its relationship with shareholders (Fitriyah, 2020). Applying such principles will enable stakeholders to obtain information about the company's internal conditions, one of which is CSR. Furthermore, the implementation of corporate governance influences the

company's action decisions so that it reflects the policies, strategies, targets, and expected results of the company's CSR implementation. Thus, corporate governance is essential in implementing and disclosing CSR.

The corporate governance characteristics focused on in this study include ownership structure, the board size, and board diversity. Previous CSR disclosure studies have analyzed corporate governance characteristics' impact but have not included board diversity (Esa and Ghazali, 2012; Rao and Tilt, 2016; Sriayu and Mimba, 2013; Susanto and Joshua, 2018). The research results by Sriayu and Mimba (2013) show that ownership structure positively affects CSR disclosure. Meanwhile, Susanto and Joshua (2018) state the opposite result. Research by Esa and Ghazali (2012) shows that board size positively affects CSR disclosure. However, the opposite result was found in the research of Rao and Tilt (2016). In addition, this study also included the control variable, firm size. Susanto and Joshua (2018) show that company size affects CSR disclosure positively. However, Esa and Ghazali (2012) found the opposite. This study again analyzes the impact of ownership structure, the board size, and board diversity on CSR disclosure from these inconsistent results.

The banking sector companies listed on the IDX for the 2016-2020 period are the objects of this research. Banks function as intermediary institutions, mainly lending to the public (Siringoringo, 2012). Therefore, banks play an essential role in the movement of the economy and in improving social welfare. In addition, along with the development of today's business world, banks have become institutions trusted by the public, so public expectations arise regarding bank professionalism (Matuszak *et al.*, 2019). Several studies have been conducted to analyze CSR disclosures in companies, but not many have focused on banks (Rao and Tilt, 2016; Sembiring, 2006; Siregar and Bachtiar, 2010).

Based on PP (2012) No. 47, banks should not be obligated to implement CSR. Nevertheless, most banks continue implementing CSR programs and reporting them to the public. Therefore, this study replicates Matuszak *et al.* (2019) due to inconsistent empirical results. Studies on corporate governance characteristics and CSR disclosure in banking in developing countries are still rare. This study contributes to the accounting and economics literature by adding to the empirical results of voluntary disclosures from highly regulated industries in developing countries. This study also discusses research gaps by analyzing the relationship between board characteristics and CSR reporting in Indonesia as a representative model of a two-tier system.

Corporate Social Responsibility (CSR) and Corporate Social Responsibility Disclosure (CSR D)

ISO 26000 describes CSR as a form of corporate responsibility for the impacts of decisions made (Rahmi, 2011). So in implementing the decision, the company must pay attention to its stakeholders and maintain the community's welfare by following applicable law. Furthermore, research by Vurro and Perrini (2011) describes CSR as a company's efforts to achieve a match between actions and demands received while maximizing the company's chances of survival. Thus, it can be said that CSR is a form of corporate responsibility to stakeholders to maximize the positive impact of the decisions made so that the company can achieve long-term sustainability.

To realize this sustainability, the company must disclose the CSR activities that have been carried out so that the stakeholders know it. Gray *et al.* (1995) define CSR D as a communication process between companies and stakeholders regarding the social and environmental impacts of the activities that have been carried out. In addition, Suhardjanto and Nugraheni (2012) found that CSR D affects firm value because investors consider CSR D in investing.

Ownership Structure and CSR Disclosure

The ownership structure describes the percentage of ownership by parties who own company shares. It is known as the distribution of power and the shareholders' influence on a company's operational activities (Susanto and Joshua, 2018). The larger the percentage of ownership, it is expected that managers will be more motivated and responsible for making better performance to improve shareholders' welfare (Purwanty *et al.*, 2017). This study uses three types of ownership structures, namely foreign ownership (foreign ownership), state ownership (state ownership), and dispersed ownership (FF). FF represents the diffusion of ownership which describes the spread of ownership of a company. The more spread out, the wider the CSR disclosure. With extensive disclosure, companies can obtain owner satisfaction (Coffie *et al.*, 2018).

H_1 : The greater the dispersed ownership, the higher the CSR disclosure.

Furthermore, Oh *et al.* (2011) found that more extensive foreign ownership in a company has a more decisive influence than foreign practices because of the differences in the value and knowledge of foreign investors. So that the pressure received by companies from foreign owners to disclose CSR is high. From these findings, the second hypothesis is as follows.

H_2 : The greater the foreign ownership, the higher the CSR disclosure.

State-owned enterprises tend to be more receptive to social pressure from the public. Haji (2013) found that state ownership affects the extent and quality of CSR disclosure. State-owned enterprises should be more sensitive regarding social activities because they are more in the eyes of the public and even indirectly owned by the community. Thus, state-owned companies can take more socially responsible actions and disclose information about them to legitimize their existence because every company's actions will get more attention from the public. The greater the percentage of state ownership, the more social responsibility activities are carried out to legitimize the company.

H_3 : The greater the state ownership, the higher the CSR disclosure

Board Size and CSR Disclosure

Indonesia adopts a two-tier system, so functions are separated between the board of directors and the board of commissioners. UU (2007) No. 40 concerning Limited Liability Companies stipulates that the scope of the board of directors is to manage the company for the benefit. Meanwhile, the board of commissioners supervises the board of directors. Sembiring (2006) states that the larger the board of commissioners, the easier and more effective supervision will be. When associated with CSR disclosure, the pressure on management to disclose CSR information will be higher because there is direct supervision from the board of commissioners. Coffie *et al.* (2018) found that the size of the board of directors positively correlates with CSR disclosure.

H_4 : The larger the size of the board of directors, the higher the CSR disclosure.

H_5 : The more the board of commissioners, the higher the CSR disclosure

Board Diversity and CSR Disclosure

Orazalin (2019) proved a positive relationship between gender diversity and CSR disclosure. The more women in the composition of the board, and the more diverse the board, the higher the level of the breadth of CSR disclosure will be. According to Matuszak *et al.* (2019), women are more sensitive to social and environmental issues, thus influencing management decisions. Also, the presence of foreign councils is considered to add diverse experiences, so foreign boards are expected to support CSR activities and disclosures (Abu Qa'dan and Suwaidan, 2019).

H_6 : The greater the proportion of women on the board of directors, the higher the CSR disclosure.

H_7 : The greater the proportion of women on the board of commissioners, the higher the CSR disclosure.

H_8 : Women as chairpersons on the board of directors have a significant positive impact on the level of CSR reporting.

H_9 : Women as chairman of the board of commissioners have a significant positive impact on the level of CSR reporting.

H_{10} : The more foreign composition on the board of directors, the higher the CSR disclosure.

H_{11} : The more foreign composition on the board of commissioners, the higher the CSR disclosure

This study includes firm size as a control variable. The size of large companies is considered more sustainable because the resources they have are greater in number when compared to companies with small sizes (Kamil and Herusetya, 2012). In addition, the larger the company, the greater the supervision and attention it receives from the public (Matuszak *et al.*, 2019). Siregar and Bachtiar (2010) stated that the larger the company, the greater the assets owned to be distributed at the cost of CSR.

RESEARCH METHODS

The sample selection used several criteria. First, banks are listed on the IDX for 2016-2020. Second, banks that do not take corporate actions such as mergers, acquisitions, or liquidations. Third, the bank publishes annual financial statements ending every December 31, and the currency unit used is Rupiah. Fourth, banks that include CSR disclosure reports in a row. The total sample obtained is 180 company years.

The variables in this study consisted of the dependent, independent, and control variables. The dependent variable in this study is the CSR disclosure index measured by the same technique as the research conducted by Matuszak *et al.* (2019). The disclosure index was generated through a review of the CSR literature, 2016 GRI Standards, and a review of bank statements. It combines several items into more general groups and incorporates aspects specific to the banking sector. There are 29 disclosure items in the CSR measurement index. Furthermore, the disclosed item will be given a score of '1' and '0' if it is not disclosed. The CSR disclosure score will be calculated by comparing the number of items disclosed with those that should be disclosed.

The independent variables of this study are the ownership structure and characteristics of the board. Diffusion of ownership (FF) shows that share ownership is spread, measured according to the percentage of shares owned by the public with less than 5%, excluding shares owned by management and treasury. A dummy measures foreign ownership (FSIS). Score '1' if it has more foreign shareholders than Indonesian shareholders, and '0' otherwise. State ownership (STS) is measured based on the percentage of state-owned shares. LnMB shows the size of the board of directors by calculating the natural logarithm of the total members of the board of directors. LnSB by calculating the natural logarithm of the entire board of commissioners.

The composition of female members on the board of directors (ShareWMB) shows the proportion of the number of women on the board of directors. The composition of female members on the board of commissioners (ShareWSB) compares the number of women on the board of commissioners to the total number of commissioners. This study also distinguishes between the variables of the female board of directors (CMBWom) and female commissioners (CSBWom). Score '1' if the board of directors or commissioners' chairman is a woman. The composition of foreigners on the board of directors (ShareFMB) is measured by calculating the proportion of foreign members on the board of directors. Foreign composition on the board of

commissioners (ShareFSB): Assessed by looking at how significant the share of foreigners on the board of commissioners is. The control variable used is the size of the bank by calculating the natural logarithm value of the total assets of each bank. The data obtained will be tested using a multiple linear regression test. The model used for the test is as follows:

$$\begin{aligned}
 CSR_{it} = & \beta_0 + \beta_{1,it}FF + \beta_{2,it}FSIS + \beta_{3,it}STS + \beta_{4,it}LnMB + \beta_{5,it}LnSB + \\
 & \beta_{6,it}ShareWMB + \beta_{7,it}ShareWSB + \beta_{8,it}CMBWom + \beta_{9,it}CSBWom + \\
 & \beta_{10,it}ShareFMB + \beta_{11,it}ShareFSB + \beta_{12,it}LnTA + \varepsilon_{it} \dots \dots \dots (1)
 \end{aligned}$$

CSR_i; Disclose index. *FF*; dispersed ownership. *FSIS*; foreign ownership. *STS*; stated-owned enterprises. *LnMB*; the size of the board of directors. *LnSB*; the size of the board of commissioners. *ShareWMB*; the proportion of women on the board of directors. *ShareWSB*; the proportion of women on the board of commissioners. *CMBWom*; Women as chairpersons on the board of directors. *CSBWom*; Women as chairman of the board of commissioners. *ShareFMB*; foreign composition on the board of directors. *ShareFSB*; foreign composition on the board of commissioners.

RESULTS AND DISCUSSION

The descriptive statistics in Table 1 were carried out for the independent and control variables, which were not dummy variables. From Table 1, it is known that the average *CSR_i* is known to exceed 50%. Therefore, the index shows most of the samples have disclosed CSR according to the indicators used in this study. Furthermore, the 11% percentage shown in the *STS* average also shows that most of the sample are not state-owned banks, so it can be said that most banks in Indonesia are privately owned banks.

Table 1. Descriptive Statistics

Variable	Obs.	Min.	Max.	Mean	Std. Dev.
<i>CSR_i</i>	180	0.069	0.966	0.52625	0.218038
FF	180	0.000	0.643	0.23217	0.169672
STS	180	0.000	0.799	0.11122	0.245946
LnMB	180	1.099	2.485	1.84381	0.407426
LnSB	180	0.693	2.398	1.53964	0.419306
ShareWMB	180	0.000	0.750	0.18981	0.183107
ShareWSB	180	0.000	0.500	0.13152	0.143458
ShareFMB	180	0.000	0.571	0.08474	0.135773
ShareFSB	180	0.000	0.556	0.13814	0.199054
LnTA	180	14.674	21.137	17.70750	1.655323

There is no indication of a multicollinearity problem (mean VIF = 3.66, and the tolerance value was more than 0.1). Furthermore, the research data were free from autocorrelation problems (DW = 1.525). Moreover, Spearman's Rank Correlation showed no heteroscedasticity problem in the research data (mean sig. (2-tailed) = 0.71). Based on these results, the model is feasible to test the hypothesis.

In table 3, the F-test shows that the independent and control variables simultaneously affect the dependent variable (*sig.* = 0.000). *Adjusted R²* describes the independent variable, and the control explains the dependent variable by 55.1%. In contrast, other factors outside the model explain the remaining 44.9%.

Table 2. Dummy Variable

Variable	Proportion
<i>FSIS</i>	33.89%
<i>CMBWom</i>	7.22%
<i>CSBWom</i>	10.56%

Table 3 shows that *FF* has no significant effect on CSR disclosure (β_1 : 0.074; *sig*: 0.205). This result may be due to the composition of the study sample with a reasonably low ownership spread. The data can be seen from the mean *FF* (Table 2), which shows a value of 0.232 or 23.2%. Thus, these scattered shareholder expectations may not significantly impact CSR reporting. In addition, the results of this study may also be due to the rights of minority investors being violated by majority investors such as state governments or foreign investors (Matuszak *et al.*, 2019). This condition limits the behavior of minority investors due to the more significant influence exerted by the majority investors on the company's CSR disclosures. Thus, it can be concluded that H_1 is rejected.

Foreign ownership (*FSIS*) has a significant positive effect on CSR disclosure (β_2 : 0.187; *sig*: 0.003). Thus, H_2 was accepted. These results align with Oh *et al.* (2011). It can be said that today most companies in Asia are influenced by Western-style management systems, which are assumed to have a higher social contribution. By considering stakeholder theory, the more significant the proportion of foreign ownership in a company, the higher the pressure the company feels to meet its expectations, especially regarding higher social contributions. So it can be said that foreigners own the more a company, the more information related to CSR will be disclosed more transparently and widely (Orazalin, 2019). In addition, foreign investors also want to show the company's clients or customers that the company is reliable and responsible (Oh *et al.*, 2011). It is made in such a way because a good image will affect client loyalty to the company.

Tabel 3. Regression Result

Variable	Coeff.	t	Sig.
<i>(Constant)</i>	-.935	-4.446	.000
<i>FF</i>	.074	.825	.205
<i>FSIS</i>	.187	2.776	.003
<i>STS</i>	.176	2.721	.003
<i>LnMB</i>	-.084	-1.276	.102
<i>LnSB</i>	.118	2.282	.012
<i>ShareWMB</i>	.034	.494	.311
<i>ShareWSB</i>	.192	1.913	.028
<i>CMBWom</i>	.070	1.462	.073
<i>CSBWom</i>	-.008	-.188	.425
<i>ShareFMB</i>	-.180	-1.119	.132
<i>ShareFSB</i>	-.319	-2.856	.002
<i>LnTA</i>	.077	4.312	.000
<i>Adjusted R²</i>	0.551		
<i>F</i>	19.276		
<i>Sig.</i>	.000		

State-owned enterprises (*STS*) significantly positively affect CSR disclosure (β_3 : 0.176; *sig*: 0.003). Hypothesis 3 is accepted. This result is in line with the findings of Campbell (2007),

which states that governments in developing countries tend to control essential resources and play an increasingly important role in setting rules to create norms, especially those related to CSR activities. The results of this study are also in line with research conducted by Muttakin and Subramaniam (2015), which found that state-owned enterprises have a significant positive effect on CSR disclosure. State-owned enterprises tend to be more monitored and cared for by the public, so companies will increasingly receive pressure from the public to pay more attention to CSR implementation. In addition, with extensive government ownership in a company, the government will also be directly involved in the reporting of CSR activities that have been carried out so that there will be direct supervision regarding what is reported and the extent of the information disclosed. The acceptance of H_2 and H_3 triggers the rejection of H_1 . Although contradicting Susanto and Joshua (2018), these results are in line with the research of Matuszak *et al.* (2019). These results illustrate that investors do not have sufficient rights to influence companies regarding CSR disclosure. Their rights are limited because of most investors, such as state governments or foreign investors.

The size of the board of directors (LnMB) does not affect CSRI (β_4 : -0.084; *sig*: 0.102), meaning that hypothesis 4 is rejected. These results align with research conducted by Orazalin (2019) and Sufian and Zahan (2013). The causal factor that can be considered for this result is the separation of functions and competencies between the board of directors and the board of commissioners, making it more difficult for directors to access information about the company. Because of these difficulties, the board of directors performs their duties less effectively (Matuszak *et al.*, 2019). Companies with a one-tier system will make it easier for the board because the operational and supervisory functions become one. All information about the company is in one container. In addition, Guest (2009) conducted research in the United Kingdom and stated that the small number of board members meant the board did not have a wide range of expertise. It takes extra human resources to make CSR disclosures because many aspects need to be considered, so it is necessary to consider the board size to do the work.

Based on Table 3, the size of the board of commissioners (LnSB) has a significant positive effect on CSR disclosure (β_5 : 0.118; *sig*: 0.012). Hypothesis 5 is accepted. This result is in line with research conducted by Novianti & Eriandani (2022) and Siregar & Bachtiar (2010), which stated that the larger the size of a board of commissioners, the wider the CSR disclosures carried out. This result is based on the argument of Coller, and Gregory (1999) in Sembiring (2006), which states that the large size of the board of commissioners will make controlling the CEO easier, and the effectiveness of supervision by the board of commissioners will be higher. This result confirms the stakeholder theory, where a large board of commissioners represents shareholders and other stakeholders (Pucheta-Martínez dan Gallego-Álvarez, 2018). Therefore, a large board of commissioners, and company management, will also be increasingly required to disclose CSR more broadly.

ShareWMB shows that this variable has no significant effect on CSR disclosure (β_6 : 0.034; *sig*: 0.311). Hypothesis 6 is rejected. This result is in line with the research conducted by Yarram dan Adapa (2021), which states that the share of women on the board of directors does not affect CSR disclosure. Except at a certain aggregate level, the share of women will only affect CSR disclosure. Due to the limited scope of the behavior of female directors and burdensome work pressures. In addition, another contributing factor is that female directors may be isolated because they have been excluded from the social networks female directors, so there is limited access for female directors to speak. The results of this test can also be related to hypothesis 7, where the composition of women on the board of commissioners affects CSR disclosure. Tremendous pressure on the board of directors due to the large composition of women on the board of commissioners. The composition of women on the board of directors does not affect CSR disclosure because what determines the composition of women on the board of commissioners is more decisive.

ShareWSB has a significant positive effect on CSR disclosure ($\beta_7:0.192$, *sig.* 0.028). Hypothesis 7 is accepted. The results of this study can be based on the argument that women are more sensitive to social and environmental problems, so they have different personalities, experiences, values, points of view, leadership styles, and ways of communicating with their male counterparts (Matuszak *et al.*, 2019; Orazalin, 2019). With the function of the board of commissioners, there will be demands for the board of directors who are authorized to influence management decisions to pay more attention to social and environmental performance. Thus, it can be said that the greater the share of women on the board of commissioners of a company, the greater the pressure the board of directors receives to disclose CSR more broadly.

Women as chairman of the board of directors (CMBWom) have no significant effect on CSR disclosure (*sig.* 0.073). Women as chairman of the commissioners (CSBWom) also proved to have no significant effect on CSR disclosure (*sig.* 0.425). This result is because of the limited scope of female directors' behavior and burdensome work pressures. In addition, another contributing factor is that female directors may be isolated because they are excluded from the social networks of female directors, so there is limited access for female directors to speak (Yarram dan Adapa, 2021). The function of the board of commissioners is only to supervise and provide advice to the board of directors, so the gender of the chairman of the board of commissioners does not affect the extent of CSR disclosure. Thus, hypotheses 8 and 9 cannot be accepted.

The foreign composition of the board of directors (ShareFMB) and commissioners (ShareFSB) does not significantly affect CSR disclosure. Therefore, hypotheses 10 and 11 were rejected. This result is in line with the research conducted by Lau *et al.* (2014) and Beji *et al.* (2020). Foreign directors seem to pay attention to local social development. In addition, with the presence of a foreign director, the company may have easy access to a broader social network, have better communication skills, and diversify and international expertise (Tihanyi *et al.*, 2005). However, this result may be since the share of foreign members on the board of directors is insufficient to produce a significant effect (Oh *et al.*, 2011), so the decision results are still dominated by the votes of the native directors. There is a statement that there are several factors that cause the absence of a significant positive influence between foreign boards of commissioners and CSR disclosure, including differences in the leadership styles of foreign members and the absence of a high sense of belonging to the company (Rahma and Aldi, 2020). So there is not enough motivation to create high corporate value. In addition, in research conducted in America where a one-tier system is applied, foreign boards make the company's performance worse due to ineffective monitoring and create value only when the company is highly dependent on foreign markets (Masulis *et al.*, 2012).

The control variable, company size, represented by the LnTA variable, shows that company size affects CSR disclosure positively and significantly. Similar results were found by Matuszak *et al.* (2019). Consider the legitimacy theory, where large companies will receive tremendous social pressure. The amount of social pressure will increase public attention to the actions taken by the company so that large companies will try to meet social expectations so that the "social contract" can be maintained. CSR disclosure can be a company's effort to maintain the "social contract."

CONCLUSIONS AND SUGGESTION

Based on the study results, it can be said that the banking sector companies listed on the IDX for the 2016-2020 period have carried out CSR activities recommended by the Indonesian government and disclosed them. However, there are differences in the level of information disclosed. As it is known that only 4 out of 11 hypotheses are accepted in this study, so the researcher concludes that the characteristics of corporate governance do not fully affect CSR disclosure in banks. Investors or stakeholders often consider the characteristics of corporate

governance to make decisions. However, based on the results of this study, it can be said that in assessing a company by looking at its CSR disclosures, investors or other stakeholders must look at how banks carry out the CSR disclosure from time to time. Therefore, investors or stakeholders cannot only pay attention to corporate governance characteristics to discover how to disclose CSR by banks.

The findings of this study have important implications for policymakers, regulators, practitioners, the banking industry, and stakeholders. First, the findings show that commercial banks in Indonesia have implemented CSR reporting practices. However, the level of disclosure of social and environmental information is not too high. The findings show that the size of the board of directors increases CSR reporting. Policymakers, regulators, and banks should advance corporate governance practices and promote transparency of CSR disclosures. The findings also suggest that board gender diversity positively impacts CSR reporting, thereby highlighting the role of female directors in promoting CSR practices in a developing country like Indonesia. Meanwhile, this study shows that banks with foreign ownership and government ownership disclose more comprehensive CSR information from the ownership perspective.

In this study, the researcher faced several limitations. First, the sample size is limited because some banks do not meet the predetermined criteria. Second, there are obstacles in obtaining research journals related to the board of commissioners because most of the research related to CSR disclosure is carried out in countries that implement a one-tier system. Third, the only source of data related to CSR is obtained by researchers from the annual report and sustainability report. If the company has other media channels for CSR information, then researchers are not reachable. Several recommendations are given to further researchers. First, future research should include new variables to find other factors that influence CSR disclosure. For indicators of CSR disclosure, further research can consider the GRI Standards so that the data obtained will be comprehensive. Further research is also expected to reach other sources the company uses as a channel of information related to CSR disclosure.

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