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The Influence of Majority Ownership, Profitability, Size of the Board of Directors, and Frequency of Board of Commissioners Meetings on Sustainability Report Disclosure

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Majority Ownership; Profitability; The Size of The Directors Board, Frequency of Board of Commissioners Meetings.

ABSTRACT

Purpose – This study aims to determine the effect of majority ownership, profitability, the size of the directors board, and frequency of board of commissioners meetings on sustainability report disclosure.

Design/methodology/approach– The data were tested using multiple linear regression method. The population used are LQ45 companies listed in Indonesian Stock Exchange (IDX) during the years 2017-2020. This study uses purposive sampling method and obtained 80 LQ45 companies for four years of observation.

Findings– The results of this study indicated that the size of the directors board has a significant effect on sustainability report disclosure. While majority ownership, profitability, and frequency of board of commissioners meetings have no effect on sustainability report disclosure.

Research limitations/implications– The board of directors is the highest element of management that has responsibility for gaining legitimacy. Companies that have a low number of boards of directors will disclose a higher sustainability report. A small board of directors will result in the effectiveness of coordination, communication and control of the CEO and result in participation that has a positive impact on monitoring information disclosure.

Practical implications – Companies are expected to pay attention to sustainability reports disclosure because more high demands from stakeholders for non-financial information of each company.

Originality/value – This study uses the majority ownership variable where this variable is very rarely used and uses the LQ45 company because previous research has focused on each industrial sector.

INTRODUCTION

Several years ago, the sustainability report became the aspect of development that was most concerned. This perception arises because many of the company's operational activities have resulted in various losses in Indonesia related to the environment, such as floods and landslides caused by PT. Aneka Tambang in Jakarta, the case of PT. Unilever, which disposed of B3 waste in plantation areas so that many local livestock died. The case of PT Adaro which caused many mining pits to which many children killed and the case of PT Vale Indonesia which damaged forests and affected the preservation of flora and fauna.

The cases that occur are evidence of the company's selfishness and indifference to its business activities. The company is solely oriented to profit maximization without regard to the impact of the surrounding environment. This is in stark contrast to the Triple Bottom Line theory proposed by Elkington (1997) that the purpose of business is not only to seek profit, but also to be responsible to society (people) and the earth (planet).

Sustainable Development Goals (SDG's) is a development agenda for people and the planet for the benefit of the world. The agenda has 17 goals and 169 achievements set by the United Nations and is expected to be achieved by 2030. One of the things that companies in Indonesia do to contribute to the achievement of the SDGs is through a Sustainability Report. The development of reporting allows companies not only to report from a financial perspective, but also from a non-financial perspective (Kusumawati et al., 2021)

Stocker et al., (2020) defines a sustainability report as a social responsibility report that is conceptualized to inform all stakeholders about the economic, social, and environmental impacts of the institution's performance over a certain period. Sustainability report disclosure is a communication that represents management with stakeholders that informs more than the agency's own profit disclosure which only provides information about how to make a profit.

In Indonesia, awareness of protecting the environment is regulated by the Limited Liability Company Law No. 40 : 74 of 2007, where companies that carry out business activities related to natural resources are obliged or mandatory to

carry out social and environmental responsibilities (Goddess, 2019). However, until now there is no regulation that contains provisions for disclosing social environmental responsibility separately as a sustainability report, so that sustainability reports in Indonesia are still voluntary. The company voluntarily publishes this report without any special obligation, which is different from financial statements.

There are still very few publications of sustainability reports in Indonesia. Based on GRI data and the Indonesia Stock Exchange show that in April 23, 2019, there are 629 companies, only 110 companies published sustainability reports. However, due to government regulations regarding compliance with environmental regulations, this will not reduce the company's interest in disclosing sustainability reports.

According to Ernst & Young (2013) research revealed that there are parties who play an important role in the use of sustainability report information, namely 39% for consumer needs, 29% for employees, 25% for company leaders, and 24% for investors. This research states that the issuance of a sustainability report can increase the value of the company by 59% and 57% reduce the risk of mitigation due to economic activities that affect business sustainability.

Sustainability report issuance is influenced by several factors, namely majority ownership, profitability, and corporate governance. Majority ownership, namely shareholders who hold shares of at least 50% of the total capital or equity of the company so that this party has considerable control rights over the management of the company. Larger ownership structures will be encouraged to publish sustainability reports because they want to provide strict guarantees even with high quality (de Beelde & Tuybens, 2015).

In principle, financial statements are summaries or lists as a form of accountability from management to institutions that assess banking performance to see the work or achievements of the company so that the company's financial statements reflect management's performance in managing company resources (Achyani, Eskasari et al 2021).

Profitability is the ratio used to estimate profit over time and to measure the efficiency of the entire budget used to generate profits (Khafid & Mulyaningsih, 2015). The high profitability

encourages companies to issue more detailed reports in order to create investor confidence. The higher the profitability of the company, the higher the company will make disclosures.

Governance mechanisms and structures in Indonesia can serve as infrastructure to drive practice and publishing *sustainability reports*. Good GCG implementation proves that the management has carried out its functions and work optimally so that the company is able to carry out the sustainability actions listed in the sustainability report.

There are several previous studies regarding the disclosure of sustainability reports. Research conducted by Mujiani & Jayanti (2021) states that profitability has an effect on the sustainability report, while the independent board of directors and commissioners have no effect on the sustainability report. Then the research done Sofa & Respati (2020) states that the board of directors variable affects the disclosure of the sustainability report, while the independent board of commissioners and profitability have no effect on the sustainability report. This research was conducted on LQ45 sector companies listed on the Indonesia Stock Exchange (IDX) in 2017-2020. The LQ45 company was chosen because previous research tends to focus on each industrial sector.

Based on the issues that have been described and the inconsistent results of previous research, this study aims to analyze "The Influence of Majority Ownership, Profitability, Size of the Board of Directors and Frequency of Board of Commissioners Meetings on Disclosure of Sustainability Reports (Empirical Study on LQ45 Sector Companies Listed in Indonesia Stock Exchange 2017-2020)"

Literature Review and Hypothesis Development

Agency theory is a contractual relationship between the principal (the owner of the company) and the agent (the manager). This relationship is made for a service where the principal delegates the best decision-making authority to the agent. In relation to sustainability reports, corporate governance plays a role in triggering companies to carry out sustainability reports. (Kuzey & Uyar, 2017) revealed that the sustainability report can be an effort to overcome agency problems and is a form of company transparency. In agency theory

describes the relationship between the principal (owner) and the agent (manager). Working relationship between owner and manager in the form of a work contract (Scott in Utami, 2005). The manager is contracted and trusted by the owner to run company operations. He must be responsible responsible for optimizing profits for owners and can attract new investors.

Conflicts can occur between the principal as the owner and the agent as management. This can happen because the owner is not able to monitor the day-to-day management activities to ensure that the management is running in the interests of the shareholders. Information discrepancies between management and company owners can mislead owners about the company's financial performance. So, agency theory is the relationship between principals and agents with various interests that can cause conflicts between them (Wahyono, Eskasari, et al 2019)

Stakeholder theory is a theory that describes the company's management efforts to meet stakeholder expectations. The normative stakeholder theory assumes that companies in carrying out their economic activities must meet the expectations of all stakeholders, not only the owners of the company. In this case, it can be concluded that the sustainability report is a report that is used as a basis for consideration for investors or stakeholders in making decisions so that it becomes a strategy where the organization can maintain relations with its stakeholders. (Puspitandari & Septiani, 2017)

Legitimacy theory is a theory that focuses on the interaction between companies and society. Legitimacy theory encourages companies to ensure that their activities and performance are well received by society. Reports on corporate social and environmental responsibility activities as outlined in the Sustainability Report can be used by companies to prove that the company has carried out social responsibility.

Sustainability report, which is a form of report disclosed by the company with the aim of conveying its transparency to all stakeholders regarding social, environmental and good governance performance. Sustainability reports are made on a voluntary basis in which this report is returned from the awareness of the company itself, as well as demands from stakeholders and internal control (Rudyanto & Siregar, 2018).

Companies with a high level of share ownership concentration tend to disclose sustainability reports. Because through majority ownership it can be seen that a larger ownership structure requires providing guarantees or company transparency even with high quality (de Beelde & Tuybens, 2015).

According to stakeholder theory through the General Meeting of Shareholders (GMS) the majority shareholder has the authority to determine the company's sustainability activities. Shareholders with high concentration are able to exert higher pressure by continuously monitoring sustainability activities. Therefore, the pressure of the majority shareholder can improve the quality of corporate social responsibility disclosure, namely through the issuance of a sustainability report.

Based on the description above, the following hypotheses can be developed:

H1: Majority Ownership affects the Sustainability Report Disclosure.

Profitability can be defined as the ability of a company to earn profits to increase shareholder value. The higher the profitability in the company, the higher the information disclosed by the manager. This is because managers want to convince investors through the profitability and ability of managers. According to the legitimacy theory, the higher the profitability, the greater the disclosure of the sustainability report. Companies with good performance will increase shareholder value in the formation of a brand image related to stakeholder trust (Lucia & Panggabean, 2018). Research conducted by Lucia & Panggabean (2018) shows that profitability has an effect on the disclosure of sustainability reporting. This is in line with research conducted by Liana (2019) and (Mujiani & Jayanti (2021).

Based on the description above, the following hypotheses were developed:

H2: Profitability affects the disclosure of the Sustainability Report.

One of the ways to establish good corporate governance is through the disclosure of a sustainability report. Through sustainability reports, managers can increase the extent of information disclosure addressed to users (Hapsoro & Fadhillah, 2017). Based on agency theory, the company's board of directors is fully responsible for

the company related to good corporate governance (Lucia & Panggabean, 2018).

The size of the board of directors is considered to be able to influence the monitoring, decision-making and disclosure processes. The more the board of directors in the company, the easier it is to monitor the duties of management in running the business and the greater the management in disclosing the implementation of corporate social responsibility. Seftianne and Handayani (2011) elucidate firm size describing how big or small a company is. Firm size is considered capable of influencing firm value because the more extensive the firm size or firm scale, the easier it will be for the company to obtain funding sources, both internal and external.

Research conducted by Ikhsan & Wijayanti (2021) shows that the board of directors has an effect on the disclosure of the sustainability report. This is in line with research conducted by Sofa & Respati (2020) and Khoiriyah et al., (2020). Based on the description above, the following hypotheses were developed:

H3: The size of the Board of Directors affects the disclosure of the Sustainability Report

According to Law no. 40 of 2017 concerning Limited Liability Companies in Chapter VII Article 108 it is stated that the board of commissioners is obliged to supervise management policies, both regarding the company and the company's business, and provide input to the directors for the benefit of the company in accordance with the company's objectives. To achieve the duties of the board of commissioners optimally, the board of commissioners needs to hold a meeting or a meeting called the board of commissioners meeting.

The composition of the board of commissioners is one of the board's related characteristics with earnings information content. Through his role in carrying out the supervisory function, composition the board of commissioners can influence parties management in preparing financial reports so that a profit report can be obtained quality (Farida, 2012).

The board of commissioners meeting is a process carried out by the board of commissioners to make joint decisions regarding future company policies. This means that the more often the board of commissioners holds meetings, the more effective the supervisory function of management

will be. Thus, it is hoped that the more optimal the supervisory function will be, the wider the company's environmental disclosure will be.

Research conducted by Diono & Prabowo (2017) shows that the frequency of board of commissioners' meetings has an effect on the disclosure of the sustainability report. This is in line with research conducted by Priska (2013) and Ariningtika & Kiswara (2013). Based on the description above, the following hypotheses were developed:

H4: The frequency of the Board of Commissioners' Meetings has an effect on the disclosure of the Sustainability Report.

RESEARCH METHODS

This type of research is quantitative research. The type of data used is secondary data obtained from the official website of the Indonesia Stock Exchange, namely www.idx.co.id as well as the official website of each company. The population used in this study is the LQ45 sector companies listed on the IDX for the 2017-2020 period with a total of 180 companies. Sampling using purposive sampling method, with the following criteria: 1) Companies that consistently enter the LQ45 index for four consecutive years for the 2017-2020 period, 2) LQ45 sector companies that publish sustainability reports for four consecutive years for the 2017-2020 period, and 3) LQ45 sector companies that publish annual reports for four consecutive years for the 2017-2020 period. Based on the sample selection, a sample of 20 companies per period or 80 companies listed in the LQ45 index for the 2017-2020 period was obtained.

In this study, the dependent variable used is the disclosure of the sustainability report. While the independent variables in this study are majority ownership, profitability, size of the board of directors, and frequency of board of commissioners meetings. The measurements used are as follows:

The dependent variable in this study is expressed in the sustainability reporting disclosure index (SRDI). The measurement of SRDI is by providing a checklist according to the GRI-G4 indicator. If the company discloses the sustainability report, it is given a value of 1 and if it does not disclose it is given a value of 0. Furthermore, the scores for each item are added up and divided based

on GRI-G4 which is 91 items. The calculation of the Sustainability Reporting Disclosure Index (SRDI) is formulated as follows:

$$SRDI = \frac{\text{totals of items disclosed}}{91}$$

Majority ownership is defined as share ownership by parties who have a large percentage of non-public or public companies. The classification of the majority shareholder is based on the composition of the number of shareholdings and the rights they have. (Eryadi et al., 2020). The calculation of majority ownership is formulated as follows:

$$\text{Majority Ownership} = \frac{\text{Total of shares owned by the majority}}{\text{Number of shares outstanding}}$$

Profitability is the ability of an entity or company to earn a profit in terms of sales, total assets and own capital. Profitability in this study uses a return on assets (ROA) proxy, which is a ratio to measure the company's ability to generate profits by using total assets. ROA assesses how much the rate of return on assets owned by the company (Liana, 2019) ROA calculations can use measurements by using the following formula:

$$ROA = \frac{\text{Net profit after tax}}{\text{Total assets}}$$

The size of the board of directors can be interpreted as the number of directors sitting in the company. The variable size of the board of directors in this study was measured using a ratio scale and the calculation of the size of the board of directors could use measurements made by (Isa & Muhammad, 2015) with the following formula:

$$DDSIZE = \Sigma \text{ member of the board of directors in one year}$$

The frequency of meetings of the board of commissioners can be defined as the number of meetings by the board of commissioners held within a year. The frequency of the board of commissioners meeting is expressed in a ratio scale and the measurement of the board of commissioners meeting can use the measurements made by (Marsha & Ghozali, 2017), with the following formula:

DKMEET = Σ board of commissioners meeting in one year

In this study, the analysis used is linear regression analysis multiple, with the following equation:

$$SRDI = +MYR\alpha\beta + ROA + DDSIZE + DKMEET + \beta\beta\beta\epsilon$$

With the following information:

SRDI = Sustainability Reporting Disclosure Index

MYR = Majority Ownership

ROA = Profitability

DDSIZE = Size of the Board of Directors

DKMEET = Board of Commissioners Meeting Frequency

α = constant

β = Regression Coefficient

ϵ = Error

RESULTS AND DISCUSSION

Descriptive analysis in this study is to provide a descriptive description of the variables seen from the minimum value, maximum value, average value (mean) and standard deviation. If the standard deviation value is smaller than the mean value, it is considered that the variable tends to increase. The results of the descriptive analysis are as follows:

Table 1. Descriptive Statistics Test Results

Variable	N	Minimum	Maximum	Average	Std. Deviation
SRDI	80	0.13	0.63	0.3136	0.12081
MYOR	80	0.44	0.85	0.6006	0.08155
ROA	80	-0.06	0.47	0.0692	0.11171
DDSIZE	80	4.00	12.00	7,8750	2.31328
DKMEET	80	5.00	51.00	15.5000	12,49405

Source: Secondary data processed, 2021

Based on table 1 above, it is known that the minimum SRDI (sustainability report disclosure index) value is 0.13 at the PT Bank Mandiri (Persero) Tbk company in 2017 and the maximum value is 0.63 at the PT Bukit Asam Tbk company in 2018. The average value of 80 samples of 0.3136 and a standard deviation of 0.12081.

The results of the majority ownership variable show that the minimum MYOR value is 0.44 at the Vale Indonesia Tbk company in 2020 and the maximum value is 0.85 at the PT Unilever Indonesia Tbk company. The mean value of the 80 samples was 0.6066 and the standard deviation was 0.08155.

The results of the profitability variable show that the minimum ROA value is -0.06 at the XL Axiata Tbk company in 2018 and the maximum value is 0.47 at the Unilever Indonesia Tbk company. The mean value of 80 samples is 0.0692 and the standard deviation is 0.11171.

The results of the variable size of the board of directors show that the minimum value of DDSIZE is 4.00 at Vale Indonesia Tbk in 2017 and the maximum value is 12.00 at Bank Central Asia Tbk. The average value of the 80 samples was 7.8750 and the standard deviation was 2.31328.

The results of the variable frequency of board of commissioners' meetings show that the minimum value of DKMEET is 5.00 at Bank Rakyat Indonesia (Persero) Tbk in 2019 and the maximum value is 51.00 at Bank Tabungan Negara (Persero) Tbk in 2017 with an average value of 80 samples of 15.5000 and standard deviation of 12.49405.

The model used in this analysis is a multiple linear regression model. Therefore, before being included in the multiple linear model, the classical assumption test must be carried out which consists of normality test, multicollinearity test, heteroscedasticity test and autocorrelation test.

The normality test in this study used the One Sample Kolmogorov-Smirnov Test. The normality test aims to test whether the variables in the study are normally distributed. A good regression model is one that has a normal data distribution. If the significance number (sig) 0.05 then the data is normally distributed.

Table 2. Normality Test Results

Variable	KS value	asympt. Sig (2-tailed)	Description
Unstandardized Residual	0.809	0.529	Normal distributed data

Source: Secondary data processed, 2021

Based on the calculation results in Table 2, it can be seen that the value of the One Sample Kolmogorov-Smirnov Test is 0.809 with a probability value (p-value) of 0.529. The conclusion from the

results of these calculations is the probability value of $0.529 > 0.05$; thus indicating that the data in this study are normally distributed.

Multicollinearity test aims to determine whether there is a correlation between independent variables. To detect the presence or absence of multicollinearity in a study is to look at the tolerance value (TV) and variance inflation factor (VIF). Multicollinearity occurs if the TV is below 0.10 and the VIF value is above 10. The results of the multicollinearity test are as follows:

Table 3. Multicollinearity Test Results

Variable	Tolerance	VIF	Description
MYOR	0.589	1,697	There is no multicollinearity
ROA	0.486	2,059	There is no multicollinearity
DDSIZE	0.694	1.441	There is no multicollinearity
DKMEET	0.629	1,590	There is no multicollinearity

Source: Secondary data processed, 2021

The results of the multicollinearity test in table 3 above show that all independent variables have a tolerance value (TV) greater than 0.10 and a variance inflation factor (VIF) value of less than 10. So it can be concluded that there is a linear relationship between the independent variables in the model. regression does not occur multicollinearity.

The autocorrelation test aims to determine whether or not there is a correlation between the confounding variable in a certain period and the confounding variable in the t-1 period (previous). If the study uses secondary data, then use the autocorrelation test. In this study, the autocorrelation test used the Run test. The results of the autocorrelation test are presented in table 4.

Table 4. Autocorrelation Test Results

Variable	asympt. Sig (2-tailed)	Description
<i>Unstandardized Residual</i>	0.368	There is no autocorrelation

Source: Secondary data processed, 2021

Based on table 4, it is known that the value of the Run test test is 0.368. With the Run test test value of 0.368 which is more than 0.05; it can be concluded that the regression model in this study has no autocorrelation problem.

Heteroscedasticity test aims to determine whether in the regression model there is an inequality of variance from the residual of one observation to another observation. In this study to detect the presence of heteroscedasticity using the Spearman's rho test. The results of the autocorrelation test are presented in table 5

Table 5. Heteroscedasticity Test Results

Variable	asympt. Sig (2-tailed)	Description
MYOR	0.640	There is no heteroscedasticity
ROA	0.567	There is no heteroscedasticity
DDSIZE	0.263	There is no heteroscedasticity
DKMEET	0.236	There is no heteroscedasticity

Source: Secondary data processed, 2021

Based on table 5, it is known that the significance value of each variable is above 0.05 so it can be concluded that the regression model in this study has no heteroscedasticity problem.

The results of hypothesis testing with multiple linear regression analysis are presented in table 6. These are as follows:

Table 6. Hypothesis Testing Results

Variable	Regression Coefficient	Significance	Description
constant	0.553		
MYOR	-0.118	0.406	H1 rejected
ROA	0.030	0.845	H2 rejected
DDSIZE	-0.296	0.025	H3 accepted
DKMEET	-0.069	0.616	H4 rejected
Adjusted R2	0.078		
F value	2,672	0.038	

Source: Secondary data processed, 2021

The regression equation according to the results of multiple linear analysis is as follows:

$$SRDI = 0.553 - 0.118MYOR + 0.030ROA - 0.296DDSIZE - 0.069DKMEET + \epsilon$$

The results of the adjusted R square test (coefficient of determination) show a value of 0.078 or 7.8%. which shows that the ability to explain the independent variables of majority ownership, profitability, size of the board of directors, and

frequency of board of commissioners meetings on the dependent variable of the sustainability report is 7.8%, while 92.2% is explained by other variables outside the four independent variables that are not included in model.

The regression results obtained Fcount value of 2.672 with a probability of 0.038. The probability value is smaller than the significance value, it means that the regression model is fit. These results indicate that simultaneously the disclosure of sustainability reports can be influenced by the variables of majority ownership, profitability, size of the board of directors, and the frequency of board of commissioners' meetings.

Based on the t-test, it shows that majority ownership has a significance value of 0.406, which is greater than 0.05, so H1 is rejected. These results indicate that majority ownership has no effect on the disclosure of the sustainability report. according to Sari (2017) revealed that companies with majority ownership usually make decisions based on their personal interests and general policy directions that will benefit them as majority shareholders. Disclosure of sustainability reports for majority ownership is also considered to only increase expenses so generally this type of company is not interested in disclosing sustainability reports. These results are in line with research Eryadi et al., (2020) that majority ownership has no effect on the disclosure of the sustainability report, and Angelstig et al., (2016) who also found something similar.

Based on the t test, it shows that profitability has a significance value of 0.845 which is greater than 0.05, so H2 is rejected. These results indicate that profitability has no effect on the disclosure of the sustainability report. Based on the legitimacy theory, when the company has high profits, the company does not need to report disturbing things about the company's financial success. On the other hand, when the level of profitability is low, the company expects users of the report to read "good news" about the company's performance, which can be in the form of social and environmental activities carried out by the company. These results are in line with research Ikhsan & Wijayanti (2021) that profitability has no effect on the disclosure of the sustainability report, and Eryadi et al., (2020) who also found something similar.

Based on the t test, it shows that the size of the board of directors has a significance value of 0.025

which is lower than 0.05, so H3 is accepted. These results indicate that the size of the board of directors affects the disclosure of the sustainability report. Based on the negative value of the beta coefficient, it shows that companies that have a large number of boards of directors tend to make lower sustainability report disclosures. (Latifah et al., 2019) argues that the larger the board of directors, the potential for friction and conflict will arise because it will result in ineffective coordination, decision making, and control of the CEO. On the other hand, if the size of the board is smaller, it will result in participation that has a positive impact in carrying out the monitoring function of information disclosure so that the disclosure of the sustainability report is wider and higher. These results are in line with research Sofa & Respati (2020) that the size of the board of directors affects the disclosure of the sustainability report, and Khoiriyah et al., (2020) who found something similar.

Based on the t-test, it shows that the frequency of board of commissioners meetings has a significance value of 0.616 which is greater than 0.05, so H4 is rejected. These results indicate that the frequency of board of commissioners' meetings has no effect on the disclosure of the sustainability report. The frequency of how often meetings are held by the board of commissioners does not play a role in the disclosure of the sustainability report. There is no relationship between the frequency of board of commissioners meeting with the level of voluntary disclosure. The meetings held by the board of commissioners are considered less effective because there is a possibility of vote dominance from members of the commissioners who are more concerned with personal interests so as to override the interests of the company. Sulistyawati & Qadriatin (2018) which states the same thing.

Theoretical Implications and Managerial Implications

The theoretical implication of this research is to contribute in the field of management accounting, namely obtaining empirical evidence that the size of the board of directors has an effect on the disclosure of the sustainability report. This research is expected to be the basis for further research to obtain empirical evidence about the factors that influence the sustainability report.

The managerial implication in this research is the need for a competent or professional board of directors in the company. The existence of a board of directors in the company will affect the disclosure of the sustainability report. The board of directors is the highest management element that has the responsibility to gain legitimacy. Companies that have a low number of boards of directors will disclose higher sustainability reports. Because the low number of the board of directors will result in the effectiveness of the coordination, communication and control of the CEO and result in participation that has a positive impact on monitoring the company's disclosure of information.

CONCLUSION

Board of directors size affect the disclosure of sustainability reports on LQ45 sector companies

listed on the Indonesia Stock Exchange. Majority ownership has no effect on the disclosure of sustainability reports in LQ45 sector companies listed on the Indonesia Stock Exchange. Profitability has no effect on the disclosure of sustainability reports in LQ45 sector companies listed on the Indonesia Stock Exchange, the frequency of board of commissioners' meetings does not affect the disclosure of sustainability reports on LQ45 sector companies listed on the Indonesia Stock Exchange. Further researchers are advised to look for other independent variables that are thought to affect the sustainability report disclosure and look for moderating variables that can strengthen or weaken the influence of independent variables on sustainability report disclosure, and further researchers are advised to use samples from all companies listed on the IDX and extend the research period so that research results can be generalized.

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