ABSTRACT

The objectives of this research were to examine and analyse the correlation of company characteristics and corporate governance on the disclosure of sustainability reports. The characteristics of the company in question were in the form of company size, leverage level, profitability level, and liquidity level, while the said corporate governance was in the form of frequency of meetings of the council directors and audit committee.

Business entities listed on the Indonesia Stock Exchange (IDX) for the period 2014 to 2018 were the objects of this study. Data needed to be collected was in the form of financial reports, annual reports, and sustainability reports if available. The sampling technique used in this study was purposive sampling technique established certain characteristics of the sample in line with the research objectives. There were 301 companies used as samples. Data were then collected and processed using Statistical Package for the Social Sciences (SPSS) Version 22 software which was analysed using logistic regression models.

The test results in this study explain that company size, profitability, and the council directors have positive effect on the sustainability report disclosure, while leverage and the audit committee do not have significant effect on the sustainability report disclosure. In addition, there are also significant negative results indicated by the variable liquidity on the sustainability report disclosure. It is explained that low-liquidity companies are usually more motivated to publish more additional information, even though the company's condition is in a bad condition, investors will still want to invest in the company.

Keywords: Sustainability Report Disclosure, Company Characteristics, Company Governance.