

ABSTRACT

This paper investigates the effect of corporate social responsibility reporting on financial performance and stock return use triple bottom line of 130 stock market companies in developing countries Libya and Jordan. Twenty reporting criteria were developed for every line of reporting areas: economic, social, and environmental categories. We construct of corporate social responsibility reporting index based on global reporting initiative guidelines.

The main objective of this study is to examine the effect of the corporate social responsibility reporting on the financial performance and stock return on the level of reporting. To achieve that, collected data from website annual reports. The sample included companies criteria used to select availability data firms for a period of 5 years (2008-2012). SPSS analysis used to examine hypothesis consistent with stakeholder theory and signalling theory proxied by tools of measurement use return on assets, return on equity, and return on liabilities.

The extent of reporting is higher for firms with larger size, liquidity and financial leverage. We also find that the extent of overall triple bottom line report is higher for data firms, with three reporting respectively also being the key driver. This result could be attributed to the differences in national cultures. Our results indicate that total Corporate social responsibility by triple bottom line reporting (combining economic, social, and environmental categories).

Our results show consistent with the stakeholder theory, and signalling theory. Data companies' is not reporting of all corporate social issues are affected by economy, social and environment. In addition, higher social reporting is associated with more financial performance, and size, type of industry affect the amount of corporate reporting .

This result controlled by variables, size of firms and type of industry by linear regression analysis for corporate Social Responsibility Reporting by using three Dimensions (economy, social, environment) on financial performance proxied by tools of measurement (ROA) , (DER) and (Liq)

Based on the analysis and the result corporate social responsibility reporting in Libya and Jordan still not optimistic, that affected by triple bottom line and higher corporate social responsibility reporting is associated with financial performance. Our findings imply that global reporting initiative guidelines organize corporate social responsibility reporting.

Keywords: Corporate social responsibility reporting • triple bottom-line • financial performance • Global reporting initiative • stock return • Libyan stock market • Amman stock exchange.