ABSTRACT

This research aimed to examine the effect of disclosure of social and environmental disclosure to the asymmetry of information in the annual report issued by the company. This research examined the annual reports of 100 companies that perform voluntary disclosure is disclosure of social and environmental disclosure in the Indonesia Stock Exchange since 2012-2013.

Disclosure of social and environmental disclosure be investigated by using the method of content analysis. The research uses secondary data based on random sampling method. Method of data processing using a linear OLS regression with a significant level of 10%.

The results show that the disclosure of social and environmental disclosure affect the asymmetry of information in the annual report and each disclosure have a negative direction, which means the higher the disclosure of social and environmental disclosure will reduce the asymmetry of information.

Keywords: Disclosure of social, environmental disclosure, annual reports, asymmetry of information, content analysis.