

ABSTRACT

Sustainability reporting represents a company's commitment to advancing sustainability through the provision of information concerning economic, environmental, and social efficiency. In Indonesia, the legal framework for sustainability reporting is established by the 1997 and 2007 legislation, namely Law No. 23 of 1997 and Law No. 40 of 2007. These laws require companies to provide accurate information on environmental management and social responsibility. Furthermore, OJK Regulation No. 51/POJK.03/2017 stipulates that the preparation of sustainability reports for public companies is mandatory from January 1 to December 31, 2020. While the number of companies publishing sustainability reports has increased from 58 in 2018 to 139 in 2020, a significant number of companies still refrain from doing so, despite the existence of pertinent regulations. This study aims to analyze the effect of company characteristics on sustainability report disclosure in the energy sector in Indonesia.

The study employed a purposive sampling technique with a population comprising energy sector companies listed on the IDX during the 2022-2023 period, yielding a sample size of 54. Secondary data were obtained from www.idx.com and the company's official website. Data analysis was conducted using SPSS 25, employing multiple linear regression methods.

The results demonstrated that the variables of profitability, company size, leverage, and growth opportunity exert simultaneous effects on sustainability reports. Partially, company size exerts a significant and positive effect on sustainability reports, while growth opportunity exerts a significant but negative effect. Profitability and leverage exert no significant effects. The average sustainability report indicator according to the GRI standard used by energy sector companies is 64.68%.

Keywords: Sustainability report, profitability, company size, leverage, growth opportunity, energy sector, GRI 2021.