

ABSTRACT

Number of companies adopting sustainability report assurance is increasing rapidly. Prior researches have explored factors that might drive companies to voluntarily adopt assurance on their sustainability reports. But, few researches focus on the quality of sustainability report assurance statements provided. The first objective of this research is to investigate how the quality of assurance statement differs among different assurance providers. The second objective of the research is to explore whether quality of assurance statement is jointly affected by national legal environment where company is located and the company's choice of assurance provider.

Population of this Research is Fortune Global 500 Companies 2014 list. Final sample of this research is 135 companies. Independent sample t-test is used to test how the quality of assurance statement differs among different assurance providers. Multivariate regression analysis is used to test whether quality of assurance statement is jointly affected by national legal environment and assurance provider.

The analysis' result indicates that national legal environment has a negative and significant effect on assurance statement quality. Assurance provider also has a negative and significant effect on quality of assurance statement, while industry has a negative and slightly significant effect on it.

Keywords: assurance, sustainability report, assurance quality