

ABSTRACT

This study investigated the extent and content of environmental information disclosures provided in the annual reports of companies listed on Indonesian Stock Exchange (IDX), and tested whether there were any relation between the amount of environmental disclosure and ownership structures consist of foreign ownership, institutional ownership, managerial ownership, public ownership and government ownership.

As dependent variable, environmental disclosure was measured by Index Environmental Reporting (IER) based on Suhadrjanto, Tower and Brown research in 2008. Control variables in this study consisted of firm size, leverage and profitability. By using a purposive sampling method, 78 listed companies of industry group were selected for inclusion in the study based on their 2012 annual reports and data were analyzed using multiple regression.

The results indicated that institutional ownership was the only structure which had a positive and significant effect on the environmental disclosure in Indonesia, while foreign ownership, managerial ownership, public ownership and government ownership were insignificant.

Keywords: Environmental Disclosures, Ownership Structure, IER, firm size, leverage, profitability.