

ABSTRACT

This research aims to discuss whether the disclosure of sustainability reports and external assurance is related to the cost of equity capital. The independent variable is the disclosure of the sustainability report, while the dependent variable in the research is the cost of equity capital. Besides that, the theory used in this research is the signaling theory.

This research uses secondary data obtained using the sample acquisition method that is purposive sampling. Research data is secondary data from sustainability reports and annual reports from companies listed on the Indonesia and Singapore Stock Exchanges.

The results of this study indicate that there is a negative influence between the level of disclosure of the sustainability report on the cost of equity capital. While for external assurance, there was no moderating role in strengthening or weakening the disclosure of the sustainability report and the cost of equity capital.

Keywords: disclosure of sustainability report, external assurance, cost of equity capital.