

ABSTRACT

This study aims to determine the effect of company size, profitability, leverage, and quality of corporate governance on the quality of disclosure of corporate social responsibility (CSR) information, as well as the impact of the quality of disclosure of corporate social responsibility (CSR) information on the cost of equity.

The population in this study were all companies that followed the IICG ranking in 2011-2016. Sampling is done by purposive sampling method, and produces a sample of 92 companies. Data collection is done by analyzing financial statements, sustainability reports and company annual reports from the sample company website, the Indonesia Stock Exchange website and SWA Indonesia magazine. The analysis technique used in this study is multiple regression analysis techniques and simple regression.

The results of hypothesis testing in this study indicate that the size of the company and leverage does not affect the quality of disclosure of information on corporate social responsibility (CSR). Profitability and quality of corporate governance show a significant positive effect on the quality of disclosure of corporate social responsibility (CSR) information. The results of hypothesis testing also show that the quality of information disclosure of corporate social responsibility (CSR) has a significant negative effect on the cost of equity.

Keywords: company size, profitability, leverage, corporate social responsibility, corporate governance, cost of equity