

ABSTRACT

This study aims to examine and obtain empirical evidence regarding the role of sustainability performance and sustainability disclosure on financial performance with corporate risk as an intervening variable conducted in manufacturing companies in Indonesia 2016-2019.

The sample in this study used manufacturing companies with a total sample of 18 companies selected by purposive sampling technique. This study uses Partial Least Square (PLS). The data obtained were then analyzed with the help of the SmartPLS 3.2 application.

The results showed that sustainability performance had no effect on financial performance, sustainability disclosure had a positive effect on financial performance, sustainability performance had no effect on corporate risk, sustainability disclosure had no effect on corporate risk, and corporate risk had a positive effect on financial performance. This finding indicates that company risk cannot be an intervening variable of the relationship between sustainability performance and sustainability disclosure with financial performance.

Keywords: Sustainability performance, sustainability disclosure, corporate risk, financial performance.