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The Effect of Carbon Emissions Disclosure and Corporate Social Responsibility on the Firm Value with Environmental Performance as Variable Control

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Abstract

This study Aimed to Investigate how the influence of carbon emission disclosure on the firm value with environmental performance as control variables and the effect of corporate social responsibility to the firm value with profitability, leverage and board of commissioner as control variables.

The study population consisted of all manufacturing companies listed in Indonesia Stock Exchange from 2010 to 2013. By using purposive sampling method, the number of samples were obtained as many as 48, which is derived from 12 companies for 4 years. The data consisted of annual reports and corporate sustainability report.

The results of the study, showed that the disclosure of carbon emissions correlated negatively and significantly influence the value of the company. Then, the disclosure of corporate social responsibility correlates positively and significantly influence the value of the company.

Keywords: Emission Carbon Disclosure, Corporate Social Responsibility, Firm Value

I. Introduction

Corporate Social Responsibility is a form of corporate responsibility in correcting social inequality and environmental damage that occurs as a result of operational activities of the company. If the company goes smoothly, the company's stock value will increase (Retno and Priantinah, 2012). Corporate Social Responsibility is an accounting concept that can bring companies to carry out their responsibilities to the environment and society. Theoretically, the implementation of Corporate Social Responsibility is expected to be a positive influence on the value of the company. Barbara Gunawan and suharti Sri Utami (2008) show that the disclosure of Corporate Social Responsibility positive effect on firm value.

Besides revealing the Corporate Social Responsibility, companies are also required to disclose carbon emissions. Carbon emissions are carbon release to the atmosphere. Humans require greenhouse gas in sufficient quantities to ensure the earth warm enough to be occupied by humans and other living creatures. However, if the release of the excessive carbon emissions, the greenhouse gas emissions that arise can lead to global warming that could affect the temperature of the earth. Carbon emissions reporting is a corporate responsibility towards stakeholders, with corporate activities are intended to be accepted by the public, because they want to know how much greenhouse gas is emitted from operating activities of the company.

Disclosure of carbon emissions is an issue emerging in various countries related to the impact of climate change on the survival of the organization is no exception in Indonesia. In Indonesia, the disclosure of carbon emissions is a kind of voluntary disclosure where not many organizations or business entities in Indonesia that reveal this type of information. Information disclosure of carbon emissions is one of the important information for stakeholders, especially for investors who are more interested in companies that disclose information about their environment that are useful as consideration for investment decisions.

Results of research conducted by Ella Mae Matsumura et al indicate that the negative correlation between carbon emissions and the value of the company. The study reveals that for every additional thousand metric tons of carbon emissions, the value of the company decreased the average - average \$ 212,000.B.

The study will answer the following questions: (1) Does the disclosure of carbon emissions affect the value of the company with control variables Environmental Performance?, (2) Are CSR effect on the value of the company with control variables Profitability, Leverage and the Board of Commissioners?

II. literature and development hypothesis

Theory of Legitimacy. Legitimacy society is a strategic factor for companies in order to develop the company into the future. It can be used as a vehicle for the construction of the company's strategy, especially related to efforts to position themselves in the middle of society which is advancing its interests (Nor Hadi, 2011).

Stakeholder Theory, companies are not just responsible for the owner (shareholder) as occurs during this time, but shifted to a broader, namely in the areas of social (stakeholder). This phenomenon occurs because of the demands of society due to negative externalities that arise as well as social inequality that occurred (Harahap, 2002 in Nor Hadi, 2011: 93). To that end, the responsibility of the company that was originally only in the measure limited to economic indicators (economic focused) in the financial statements, must now be shifted to take into account factors - social factors (social Dimensions) to stakeholders, both internal and external.

Social Contract Theory, social contract (social contract) appears their interrelation in social life, in order that happen harmony, harmony and balance, including on the environment. The existence of the company is determined by the community, in which the interplay between them - affect. To that end, for a balance (equality), it needs a social contract (social contract) either explicitly or implicitly that an agreement of mutual protection of his interests (Nor Hadi, 2011).

Firm value. Firm value is willing to pay the price a prospective buyer if the company is sold. The higher the firm value the greater the prosperity that will be received by the owner of the company (Husnan and Pudjiastuti (2002). According to Nurlela and Islahuddin (2008) The firm value can deliver prosperity to the shareholders if the share price rises. So if the stock price rises, the prosperity of the holder stock also increased. In order to get a high value of the company would require good management as well as from the company's management.

Carbon Emissions. Carbon emissions are carbon release to the atmosphere. Carbon emissions associated greenhouse gas emissions, the main contributor to climate change (ecolife.com). CO2 emissions from time to time continue to increase both at the global, regional, national to a state or local to an area. This happens because of the growing use of energy from organic materials (fossil), land use change and forest fires, as well as the increase in anthropogenic (Slamet S (Researcher Lapan), 2002 in Jannah, 2014). One contributor to the carbon footprint is the operational activities of the company. Companies in the face of climate change are expected to disclose their activities that contribute to the improvement of climate change one of them with carbon emission disclosure.

Corporate social responsibility. According to Ghana (2006) in Nor Hadi (2011), defines that real corporate social responsibility (CSR) provide in building corporate capacity building towards ensuring the company's going concern. Therein, including sensitive effort (respect) to the adoption of systemic cultures (local wisdom) into the company's business strategy, including the skill of workers, communities, and governments.

The purpose of the CSR is as a form of corporate social responsibility for the impact - environmental impact caused. Uncertain world conditions such as the global warming, increasing poverty and deteriorating health forced the Company to perform its responsibilities. Hendriksen (in Nurlela and Islahuddin, 2008), defines the disclosure (disclosure) as the presentation of the information needed for optimal operation of an efficient capital market. No disclosure is compulsory (mandatory) ie disclosure shall be made by the company based on specific rules or standards, and there are voluntary (voluntary) which is the disclosure of additional information from the company. Disclosures regarding social and environmental activities have been governed by the regulation. One of them made by IAI contained in SFAS No. 1 (revised 2012) paragraph twelve, namely:

"Entities can also be present, apart from the financial statements, reports on the environment and report value added (value added statement), especially for industries where environmental factors play an important role and for an industry that considers its employees as a group of users report plays an important role. Additional reports are beyond the scope of the Financial Accounting Standards".

a. Environmental performance

The environmental performance of companies according Suratno et al. (2006) is the company's performance in creating a good environment (green). The environmental performance of companies in this study was measured through PROPER or Performance Rating Program in Environmental Management is an instrument used by the Ministry of Environment to measure the level of compliance was based on state laws.

b. profitability

Profitability is the end result of a number of policies and decisions made by the company. Profitability is the ratio to assess the company's ability to make a profit (Kashmir, 2014).

c. leverage

According to Kashmir (2014), the leverage ratio is a ratio used to measure the extent to which the company's assets are financed by debt.

d. board of Commissioners

Commissioners have the authority to oversee and provide guidance and direction on the management of the company. With the authority held, the board can provide a strong enough influence to put pressure on management to disclose CSR. By revealing the company's social information, the better the company image (Gray et al., 1988 in Anggraini, 2006). Commissioners would want to increase the company's image.

B. The Theoretical framework and hypothesis development

1. Effect of Carbon Emissions Disclosure on Corporate Value with Environmental Performance control variables.

Disclosure of carbon emissions (Carbon Emission Disclosure) is an issue that began to develop in various countries related to the impact of climate change on the survival of the organization is no exception in Indonesia. In Indonesia, the disclosure of carbon emissions is a kind of voluntary disclosure where not many organizations or business entities in Indonesia that reveal this type of information. Disclosure of information relating to carbon emissions is one of the things that are important to stakeholders, especially investors who tend to be more interested in companies that disclose environmental due consideration to invest.

Carbon Emission Disclosure is one example of environmental disclosure that are part of the additional reports have stated in the IAS. In general, the Company will disclose information if such information would enhance shareholder value. Conversely, if this information could prejudice the position or the company's reputation, the company will withhold the information. Ella Mae Matsumura, Rachma Prakash and C.Vera Sandra Munoz (2014) examined the effects of firm value of carbon emissions and carbon disclosures where there are known negative relationship between carbon emissions on firm value.

Disclosure of carbon emissions is influenced by the environmental performance. Environmental performance relates to how well organizations manage the environmental aspects of activities, products, services as well as the effect on the environment.

Based on the above, the hypothesis that can be formulated are:

H1: Disclosures carbon emissions have an effect on the value of the company to control variable environmental performance

2. Effect of Corporate Social Responsibility Disclosure on Corporate Value with the control variables Profitability, Leverage and BOC.

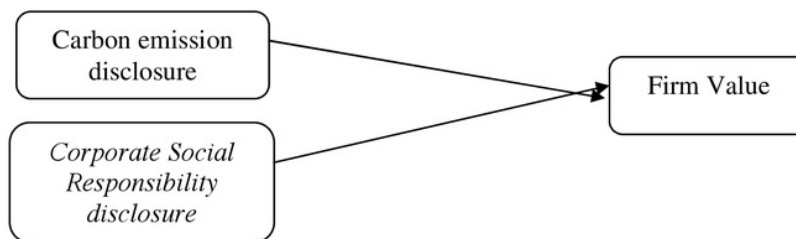
The main objective of the company is to increase the value of the company. The value of the company will be assured of sustained growth if companies pay attention to the economic, social and environmental as sustainability is a balance between economic interests, the environment and society. Therefore, the presence of good CSR practice, the expected value of the company will be assessed properly by the investor (Nurlela and Islahuddin, 2008).

CSR disclosure is influenced by, among others, profitability, leverage and commissioners. The size of a company can affect the disclosure of information in their financial statements. In general, large companies will disclose more information than smaller companies. Besides CSR is also influenced by the profitability, profitability is a factor that gives the freedom and flexibility to management to express CSR company to shareholders. So, the higher the level of profitability of the company, the greater disclosure of social information conducted by the company.

The higher the leverage, the CSR will be higher. Companies with higher leverage ratios trying to convey even more information. Sembiring (2005) in his research found results that if the number of commissioners bigger, of course, supervision more effective so that the pressure on management will be even greater in terms of CSR disclosure.

Thus, the hypothesis in this study are as follows:

H2: Disclosure of Corporate Social Responsibility has a significant effect on the value of the company to control variable profitability, leverage and commissioners.



III. Research methods

A. Definition and Variable Operationalization

1. Dependent Variables

Market value, using Tobin's Q ratio is as follows:

$$Q = \frac{EMV + D}{EBV + D}$$

Where:

Q = Value of Companies

EMV = market value of equity (Equity Market Value), which is obtained from the closing share price (closing price) end x number of shares

EBV = book value of equity (Equity Book Value), which is obtained from the difference between total assets with total liabilities.

D = The book value of total liabilities / debts.

2. Independent Variables

a) **Disclosure of Carbon Emissions = (X1)**, were measured using dummy variables, namely:

Score 0: If the company does not disclose the items on the list of questions.

Score 1: If the company disclose the items on the list of questions

Disclosure of carbon emissions were measured using several items were adopted from the research Choi et al (2013). The details of the theme of social disclosure can be found in appendix 1.

b) **Disclosure of corporate social responsibility = (X2)** were measured using dummy variables, namely:

Score 0: If the company does not disclose the items on the list of questions.

Score 1: If the company disclose the items on the list of questions

CSR Index (CSRI) measurement instruments to be used in this study refers to Sembiring (2005). Adopted from research conducted by Hackston and Milne (1996). The seventh category is divided into 90 items of disclosure. Based on Bapepam Regulation No. VIII.G.2 about annual reports and the suitability of the item to be applied in Indonesia, the adjustment then performed. Twelve items eliminated because it is less suitable to be applied to the conditions in Indonesia, so in total the remaining 78 items of disclosure. (Sembiring, 2005). The details of the theme of social disclosure can be found in appendix 2.

3. Control Variables

a) **Environmental Performance** is measured by the achievement of the company PROPER program which is one of the efforts made by the Ministry of Environment (MOE). PROPER performance rating system includes a rating company within five (5) colors namely:

- Gold: Very very good; score = 5
- Green: Excellent; score = 4
- Blue: Good score = 3
- Red: Bad; score = 2
- Black: Very bad score = 1

b). **Profitability** is measured the company's profitability ratio analysis, Return on Assets (ROA). To measure the profitability of the formula used is as follows:

$$ROA = \frac{\text{Net Profit}}{\text{Total Assets}}$$

c) **Leverage** is the debt to equity ratio is used as a proxy for measuring leverage. Referring to research Retno and Priantinah (2012), debt to equity ratio (DER) is measured by the formula:

$$DER = \frac{\text{Total Debt}}{\text{Total Equity}}$$

d) **The Board of Commissioners**, is consistent with Sembiring (2005), namely in terms of the number of board members of the company. The measurement using the formula:

$$\text{Board of Commissioners,} = \frac{\sum \text{Commissioners Board of Corporate}}{\text{Population and Sample}}$$

The population of this research is all manufacturing companies listed in Indonesia Stock Exchange. Sample selection is done by using purposive sampling method with the purpose to obtain a representative sample in accordance with the specified criteria. The criteria for the sample to be used are:

1. The company is listed on the Stock Exchange during the period of observation for the years 2010-2013.
2. The Company issued financial statements ending December 31 include full social disclosure and available to the public as well as having a positive earnings during the years 2010-2013.
3. Companies that implicitly or explicitly disclose carbon emissions (includes at least one policy related to emissions of carbon / greenhouse gas or reveal at least one item of disclosure of carbon emissions).

TABLE 3.1

**TABLE 3.1
 PEMILIHAN SAMPEL PENELITIAN**

Criteria of Sampel	Total of company
Manufactur compnay are listed on Indonesian Exchange Stock in the end of 2013.	137
Data is Tidak tersedia data yang lengkap terkait dengan variabel – variabel yang digunakan dalam penelitian dalam laporan tahunan	(125)
Total sample Size	12

Source : Secondary data 2014 are processed

C. Data Collection Techniques

The data collection is done by the method of documentation that is searching the annual reports to be elected to the sample. The annual report was obtained from the publication of the Indonesia Stock Exchange through idx.co.id in the period 2010 - 2013. The data was obtained from the data PROPER publication of the Ministry of Environment in 2010-2013.

D. Method of Analysis

Hypothesis testing

a) Test Coefficient of Determination

The coefficient of determination (R^2) was essentially measure how far the ability of the model to explain variations in the dependent variable. The coefficient of determination is between zero and one.

b) Significance Simultaneous Test (F-Test)

F-test was conducted to test whether the regression model used fit. F test can also be done by looking at the significant value of F at the output regression analysis using SPSS with significance level of 0.05 ($\alpha = 5\%$).

c) Individual Parameter Significance Tests (t-test)

T statistical tests conducted to show how far the influence of the independent variables individually in explaining the variation of the dependent variable. The t-test can also be done by looking at the significant value of t each - each variable in the regression results using SPSS output with a significance level of 0.05 ($\alpha = 5\%$).

d) Multiple Linear Regression Testing

The collected data were analyzed using statistical analysis tools that multiple linear regression analysis (multiple regression analysis) with a model of the following equation:

$$Y = \alpha + \beta_1 CED + \beta_2 CSRI + \beta_3 EP + \beta_4 Prof + \beta_5 Lev + \beta_6 BOC + e$$

Note:

α = Constant

$\beta_1 - \beta_6$ = Regression Coefficients

Y = Firm Value

CED = Carbon Emissions Disclosure

CSRI = Corporate Social Responsibility Index

EP = Environmental Performance PROPER

Prof = Profitability/ Return on Assets)

Lev = Leverage /DER

BOC = Board of Commisioner

e = Error

IV. RESULTS AND DISCUSSION

Hypothesis testing

1. Test Coefficient of Determination

Based on the results of SPSS output in the annex to Adjusted R Square column, the value of determination coefficient of 0.911. This means that the dependent variable in the model can be explained by the independent variable and amounted to 91.1% of control variable, that variable is explained by the Firm Value , Carbon Emissions Disclosure, Disclosure of Corporate Social Responsibility, Environmental Performance, Profitability, Leverage and BOC together, while the remaining 8.9% is explained by other variables not included in this study.

2. Significant Simultaneous Test (Test F)

SIMULTANEOUS SIGNIFICANT TEST (TEST F)

**UJI SIGNIFIKAN SIMULTAN (UJI F)
 ANOVA^a**

Model	Sum of Squares	df	Mean Square	F	Sig.
Regression	605.656	6	100.943	81.204	.000 ^b
Residual	50.966	41	1.243		
Total	656.622	47			

a. Firm value
 b. Predictors: (Constant), BOC, Lev, EP, Prof, CED, CSRI
 (Source: Processing of data by SPSS V.21)

Based on the results in the attachment SPSS output obtained results of independent variable (X) can affect the dependent variable (Y) significantly. ANOVA or F Test obtained calculated F value of 81.204 with probability 0,000. The probability is smaller than the limit value significantly ($\alpha = 0.05$), which shows that independent variables namely Carbon Emissions Disclosure, Disclosure of Corporate Social Responsibility as well as the control variable Environmental Performance, Profitability, Leverage and BOC together - both have a significant effect on The firm value.

Values obtained Fhitung 81.204 2.330 whereas F table value obtained by df numerator and denominator 41 = 6 (excel formula "= FINV (0.05; 6; 41) so that F count larger than F table, it shows that the independent variables namely Carbon Emissions Disclosure, Disclosure Corporate Social Responsibility as well as the Environmental performance as control variable, Profitability, Leverage and BOC simultaneously have a significant influence on the value of the Company.

3. Partial test (t test) and Multiple Regression Analysis

**PARTIAL TEST (TEST t)
 Coefficientsa**

Model	Standardized Coefficients	T	Sig.
	Beta		
(Constanta)		-4.279	.000
Carbon Emision	-.250	-2.064	.045
CSRI	.370	2.722	.009
1 Performance Env	-.031	-.436	.665
Profitabilitas	.928	18.033	.000
Leverage	.412	7.712	.000
BOC	-.067	-1.182	.244

Source: Processing of data by SPSS V.21

Based on the results of data processing in the multiple linear regression model were obtained as follows:
 $FV = -4.943 - 4.740 CED + 12.078 CSRI - 0.134 PE + 33.674 Prof. + 2.259 LEV - 0.143 BOC + e$

1. Effect of Carbon Emissions Disclosure Of Firm Value with Environmental Performance Control Variables.
 The results showed Disclosure of Carbon Emissions has a negative and significant impact with significant t - 2.064 and 0.045. Carbon Emissions Disclosure regression coefficients showed a value of -4.740 with a significant value of 0.045. Significant value of 0.045 is less than 0.05 this means that the variable partial disclosure of Carbon Emissions has significant influence, a sign of regression coefficient is negative, this means an increase in Carbon Emissions Disclosure will push down the value of the Company. Likewise, the reduction in Carbon Emissions Disclosure would encourage an increase in the value of the Company. It can be concluded that the disclosure of Carbon Emissions has a negative and significant impact on the value of the Company.
 It can be concluded that the first hypothesis, namely Carbon Emissions Disclosure has a significant impact on the firm value with a variable control on the Environmental Performance of the manufacturing company listed on the Stock Exchange in 2010 - 2013 has been demonstrated yet have a relationship in the opposite direction.
 The results are consistent with the results of research Ella Mae Matsumura et. al (2014), that the Carbon Emissions Disclosure in the company has a negative effect on the firm value, resulting in an increase in carbon emissions disclosure, firm values decreased. Ella Mae Matsumura et al claimed a negative relationship between

carbon emissions and the firm value, the study found that for every additional thousand metric tons of carbon emissions, the firm value decreased the average - average \$ 212,000.

From the negative influences that exist between the relationship of carbon emissions with the firm value, the question arises: "If capital markets punish any company with the number of carbon emissions, then why the company is willing to expose their carbon emissions data?". From this it was found that the management has considered the costs and benefits to be derived from the disclosure of carbon emissions and companies prefer to disclose carbon emissions if the gains outweigh the costs incurred.

This indicates that investors indirectly penalizing companies that disclose their carbon emissions, but more severe penalties will be imposed for companies that do not convey information related to their carbon emissions because the government would sanction. When companies submit disclosure of carbon emissions, this means that the company had complied with government regulations on efforts to reduce emissions. On the other hand, the firm value will decline as a result of the disclosure of carbon emissions. If the company does not disclose carbon emissions, then the company would likely pay higher and the effect on the value of the company.

Based on the results of correlation analysis, it can be seen if the control variables Environmental performance has a significant correlation to the Carbon Emissions Disclosure. The results are consistent with the results of research and Fraas Dawkins (2011), Environmental Performance Disclosures have a positive relationship with the environment that is climate change. Increased environmental performance rating (PROPER), allowing the company is committed to disclose greenhouse gas emissions more broadly.

2. Effect of Corporate Social Responsibility Disclosure on Corporate Value with the control variables Profitability, Leverage and BOC.

The results showed Disclosure CSR has a positive and significant impact with significant t 2.722 and 0.009. CSR Disclosure regression coefficient indicates the value of 12.078 with significant value 0,009. Significant value of 0.009 less than 0.05. This means that the variable of disclosure of CSR partially has a significant influence on the firm value, a sign of regression coefficient is positive, this means increased disclosure of CSR will encourage an increase in value of the Company. Likewise, the decline in CSR disclosure will encourage an increase in the value of the Company. It can be concluded that the disclosure of CSR has a significant positive effect on the value of the Company.

Companies that perform well and sustained CSR will have a high value in the eyes of investors and vice versa, the company negligent in carrying out CSR will lead the company's value decreases. This is supported by stakeholder theory, that the company is not the only entity that operates for its own sake, but should benefit all of its stakeholders, both primary and secondary stakeholders. Because basically the existence of a company is strongly influenced by the support provided by their stakeholders to the company. Companies that pay attention and be able to meet the interests of stakeholders will generally received a positive response from investors who will look at the value of the company is high. Instead, companies are only concerned with their own interests will produce a negative response from investors who will look at the value of the company is low.

The results of this study different from the results of research conducted by Reny M. Diah Retno and Denies Priantinah (2012) that the disclosure of CSR partially does not have a significant effect on the Company's value. Implementation of CSR in the company is not a factor that determine the firm value. Laras Surya Ramadhani and Basuki Hadiprajitno (2012) states that variable of Corporate Social Responsibility Disclosure has no influence on firm value, which means that the wider CSR disclosure by the company do not affect the rise / fall of Firm Values. But the results of this study is consistent to the results of research Suharti Barbara and Gunawan Sri Utami (2008) that the Corporate Social Responsibility positive effect on firm value, it means that CSR is a factor of affecting the high or low firm value.

Based on the results of correlation analysis, it can be seen if the control variables Profitability, Leverage and BOC have a correlation and significant to the disclosure of CSR. The results of this study are consistent with the results of research Reny M. Diah Retno and Denies Priantinah (2012) and Sembiring (2005). The results showed a significant correlation between the control variables Profitability with CSR disclosure. This is consistent with the results of the study (Retno and Priantinah, 2012). Positive correlation coefficient means that companies that have a high level of profitability will disclose CSR information that has been done. This is because the CSR activity is not activity that is harmful and not beneficial for the sustainability of the company. Rather CSR activity is a strategic step that will provide a long-term positive effects for the company (Retno and Priantinah, 2012). Theoretically, according to Kokubu et. al (2001) in Sembiring (2005) states that there is a positive relationship between the economic performance of a company with social responsibility disclosure. This is associated with agency theory with the premise that the greater the profit that would make companies disclose social information more widely.

The results also showed a significant correlation between the control variables BOC with CSR disclosure. Positive correlation coefficient means that the more the number of members of the Board of Commissioners in a company, then the CSR disclosure made by a company will be more extensive (Sembiring, 2005). The results of

this study support the theory of agency and managed in accordance with the opinion of Collier and Gregory (1999) in Sembiring (2005) which states that the greater the number of members of the Board of Commissioners, it will be easier to control and monitoring conducted by the CEO will be more effective. Disclosures are associated with CSR, the pressure on the management will also be great to express it.

Conclusions

The results of this study indicate that, The disclosure of carbon emissions significantly and negatively related to firm value with environmental performance as control variable. The disclosure of Corporate Social Responsibility has positive and significant impact on the firm value with the profitability, leverage and commissioners as control variables of.

Hypothesis testing results show that the more extensive disclosures in carbon emissions by the company the lower the value the company and vice versa, the higher the carbon emission disclosure by the company the higher the value of the company. This indicates that investors indirectly penalizing companies that disclose their carbon emissions, but more severe penalties will be imposed for companies that do not convey information related to their emissions because the government would sanction. In the control variables of environmental performance has a significant positive correlation on the disclosure of carbon emissions. This is due to increased environmental performance rating (PROPER), allowing the company is committed to disclose greenhouse gas emissions more broadly.

The test results also show that more extensive disclosure practices and Corporate Social Responsibility conducted by the firm the higher the value of the company and vice versa, the lower the CSR of the company the lower the value of the company. Corporate Social Responsibility positive effect on firm value indicates that the practice of Corporate Social Responsibility and disclosures made by the company in good and sustainable can enhance the company's image in the eyes of stakeholders. The positive response and support of stakeholders can help the company to continue to grow and ensure the survival of the company. Therefore, companies with good CSR practices deemed able to continue to survive and continue to thrive in the long term so that the company will have a high value.

In the control variables correlated significantly to the profitability of CSR disclosure, increasing the company's profitability will improve and expand the information disclosure of CSR. In the control variable leverage, has a negative and significant correlation on the disclosure of CSR, this means the company will reduce CSR disclosure in order not to be a highlight of the debtholders. In the control variables commissioners have significant correlation on the disclosure of CSR, the greater the commissioners, more parties can exercise oversight over management so many detailed information to be opened in the annual report.

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