



## SIMPOSIUM ILMIAH AKUNTANSI 5

### THE INFLUENCE OF PROFITABILITY, LIQUIDITY, AND COMPANY SIZE THE DISCLOSURE OF SUSTAINABILITY REPORTS

Rizky Tiopani Harefa<sup>1</sup>, Minda Muliana Sebayang<sup>2</sup> Retnawati Siregar<sup>3</sup>

Department of Accounting, Universitas Medan Area, Indonesia

#### ARTICLE INFO

##### Article history:

Received:

Revised:

Accepted:

##### Keywords:

Sustainability Reports,  
Profitability, Liquidity, and  
Company Size

This is an open-access article  
under the [CC BY](#) license.



#### ABSTRACT

This study aims to analyse the effect of profitability, liquidity, and company size on the disclosure of sustainability reports. The population in this study are banking companies listed on the Indonesia Stock Exchange (IDX) for the period 2019-2022. The sample selection method uses purposive sampling method, so that the data obtained based on the sample criteria are 19 banking companies that disclose sustainability reports and financial reports consecutively during the 2019-2022 period. The number of observations in the study was 76 data. The type of data used in this study is secondary data obtained from the IDX website and the company website. The data analysis technique used is descriptive analysis and multiple linear regression analysis with the help of the SPSS Version 25 application. The results of this study indicate that the profitability variable has no effect on the disclosure of sustainability reports while the liquidity and company size variables partially have a positive and significant effect on the disclosure of sustainability reports. Simultaneously, the variables of profitability, liquidity and company size have a positive and significant effect on the disclosure of sustainability reports..

#### Corresponding Author:

**Rizky Tiopani Harefa**

Department of Accounting, Universitas Medan Area, Indonesia

Email : [rizkytiopani@outlook.com](mailto:rizkytiopani@outlook.com)

#### INTRODUCTION

Financial reporting is a method for collecting and displaying financial data about an organisations. Reports show the financial performance of a company over a period of time. Financial statements relate to the process of documentation and distribution of financial information to stakeholders. Management, investors, and shareholders rely on financial statements for decision making. Financial reporting is important because it makes it easier to prepare financial records, analyse financial ratios, plan strategies, make decisions, and purchase capital. In addition, financial statements are used by shareholders and investors for analysis and decision making (Vaidya, 2020).

Sustainability reports are a key platform for communicating sustainability performance and its impacts, both positive and negative. In addition to economic reasons, the report communicates the external performance of the company. Sustainability reporting standards define reporting principles, standard disclosures and application guidelines for organisations or businesses preparing sustainability reports. Sustainability is a balance between people, planet, profit known as the Tripple Bottom Line (TBL), companies must be responsible for their positive or negative impacts on economic, social and environmental aspects. GRI (Global Reporting Initiative) is a network-based organisation dedicated to the continuous improvement and implementation of the world's most frequently used sustainability reporting methodology (Sukaharsono & Andayani, 2021).

Sustainability reporting can relate to reporting to stakeholders about an organisation's strategies, priorities, policies, and practices related to sustainability issues, the organisation's sustainability performance, and the sustainability impacts that operations have. Sustainability reporting also addresses how organisations are dependent on the environment, society and the economy, sustainability-related risks and opportunities, and organisational sustainability-related responsibilities and accountabilities (Laine dkk., 2021).

Profitability with the Return on Assets (ROA) ratio is a statistic used to assess the efficiency and profitability of an entity by comparing net income with total assets owned. ROA shows the company's ability to generate profits from its assets and summarises the extent to which the company can create profits by utilising all its assets, the higher the ROA, the higher the net profit generated by the company (Kasmir, 2019).

Liquidity with *Loan to Deposit Ratio* (LDR) is a ratio used to calculate the composition of loans granted in relation to the amount of public funds and own capital used. According to government regulations, the credit ratio to maximum deposits is 110%. The lower the company's LDR level, the more liquid a company (Kasmir, 2019).

Company size is a value that indicates the size of a business. There are many proxies that can be used to represent a company, including the number of employees, stock market value, total assets, and total revenue. There are three types of companies based on their size: large, medium, and small. The larger the company, the more likely management is to practice earnings smoothing compared to small companies, because large companies are considered to have greater prospects for developing business expansion because they have large total assets and are easier to obtain funding from creditors for corporate capital. This can be measured using various measures, including total assets, revenue, number of employees, market capitalisation, and net income (Sudarno dkk., 2022).

The following are the results of preliminary research that has been conducted on 5 banking companies regarding the percentage of sustainable report items disclosed in the sustainability report in accordance with the company's global reporting initiative standards periodically in the 2019-2022 period:

**Table 1**  
**Percentage of Sustainability Report Disclosure**

No	Code	Company Name	Percentage Result			
			Period			
			2019	2020	2021	2022
1	BNII	PT. Bank Maybank Indonesia Tbk	0,15%	0,12%	0,32%	0,20%
2	BNLI	PT. Bank Permata Tbk	0,24%	0,26%	0,13%	0,18%
3	BNGA	PT. Bank Cimb Niaga Tbk	0,25%	0,44%	0,40%	0,55%
4	MAYA	PT. Bank Mayapada Internasional Tbk	0,18%	0,18%	0,18%	0,19%
5	MEGA	PT. Bank Mega Tbk	0,04%	0,06%	0,17%	0,34%

Source: Data Processing Results, 2023

Based on Table 1, it shows the phenomenon of disclosure of sustainability reports in the banking sector listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. At PT Bank Maybank Indonesia Tbk, the disclosure of sustainability reports in 2019 was 0.15% and in 2020 it decreased to 0.12% and in 2021 it increased to 0.32% and in 2022 it decreased to 0.20%. At PT Bank Permata Tbk in 2019 the disclosure of sustainability reports was 0.24%, in 2020 it increased to 0.26%, in 2021 it experienced a considerable decrease, namely to 0.13% and in 2020 as much as 0.18%. in contrast to PT Bank Mega Tbk which experienced an increase in the items disclosed each year. in its sustainability report. From the phenomenon described, it can be concluded that banking companies are still not consistent in disclosing the items of their sustainability reports in accordance with the GRI standard where the company should fully disclose 89 items.

Research on sustainability reports is currently growing, which indicates that sustainability reports are starting to be widely disclosed by companies. The following previous studies have examined the effect of profitability, liquidity, and company size on the disclosure of sustainability reports:

**Table 2**  
**Research GAP**

Peneliti	Variabel Independen	Variabel Dependen	Hasil Penelitian
Liana, (2019)	Profitability	Sustainability Report Disclosure	Positively Affected
Syakirli et al., (2019)			Negatively Affected
Hidayah et al., (2019)	Liquidity		Positively Affected
Desi & Sopian, (2020)			Negatively Affected
Safitri & Saifudin, (2019)	Company Size		Negatively Affected
Yunan et al., (2021)			Positively Affected

Source: Data Processing Results, 2023

## THEORETICAL BASIS AND HYPOTHESIS DEVELOPMENT

### Legitimacy Theory

Dowling dan Pfeffer (1975) ) suggest Legitimacy as a condition in which a company with a value system that is congruent with a larger value system within the scope of the system itself. In relation to this research, legitimacy theory can be used as a perspective where the company's efforts to date, from various indicators that can be fulfilled by the company in upholding its social responsibility and the level of relationship between the company and the community, are carried out by the company to position itself in society to fit the norms and expectations of legitimacy that exist in a particular society (Syairozi & Media, 2019). Companies will not gain credibility and operating support without legitimacy, therefore the existence of legitimacy is very important for companies so that companies will use various ways to gain, maintain and improve their legitimacy in the eyes of their stakeholders (Fitriandi, 2022).

### Hypothesis Development

#### The Effect of Profitability on Sustainability Report Disclosure

Profitability is one of the elements that gives management more space and leeway to implement and deliver social responsibility programmes, so that the level of disclosure in presenting sustainability reports increases. Fadhilah (2018) revealed in his research that profitability has no effect on disclosure of sustainability reports, Liana (2019) found that profitability has a positive effect on disclosure of sustainability reports, Desi & Sopian (2020) revealed that profitability has a positive and insignificant effect on disclosure of sustainability reports, Hermawan & Sutarti (2021) in their research found that profitability has a positive effect on disclosure of sustainability reports

**H1: Profitability has no effect on the disclosure of sustainability reports**

#### The Effect of Liquidity on Sustainability Report Disclosure

A company with a high level of liquidity indicates a great ability to pay its short-term obligations on time. Companies that have high liquidity will create a strong and positive image in the eyes of its stakeholders. A company with a high level of liquidity signifies a great ability to pay its short-term obligations on time. Companies that have high liquidity will create a strong and positive image in the eyes of their stakeholders.

**H2: Liquidity has a positive and significant effect on the disclosure of sustainability reports**

#### The Effect of Company Size on Sustainability Report Disclosure

A larger company size will require greater expenditure to gain company legitimacy. This happens because companies tend to share more detailed information. This legitimacy is needed by the company to direct the social values of its operations in accordance with the norms of community behaviour. This is supported by the opinion of Dowling and Pfeffer who state that as long as the two systems, both the social values inherent in corporate activities and the

norms of behaviour that exist in the social system of society, can coexist, then this is a form of corporate legitimacy. Liana (2019) revealed in her research that company size has no effect on disclosure of sustainability reports.. Suarjana et al., (2021) revealed in their research that company size has a positive effect on disclosure of sustainability reports.

### **H3: Company size has a positive and significant effect on the disclosure of sustainability reports**

#### **The Effect of Profitability, Liquidity and Company Size on Sustainability Report Disclosure**

In this study, researchers also want to see the effect of the relationship between profitability, liquidity and company size on simultaneous disclosure of sustainability reports, whether there is an influence on disclosure of sustainability reports. Khoriyah et al., (2020) Yunan et al., (2021) Damayanty et al., (2022) Widyawati et al., (2022) ) which states that the variables of profitability, liquidity and company size simultaneously have an influence on sustainability report disclosure.

### **H4: Profitability, Liquidity and Company Size have a positive and significant effect on the disclosure of sustainability reports.**

## **RESEARCH METHODS**

The research design used in this research is quantitative research with a causal associative approach, because the purpose of this research is to identify the cause-and-effect relationship between the independent variable and the dependent variable. The associative research approach is used to analyse the relationship between two or more variables. While the causal relationship, is a causal relationship, there are independent variables and dependent variables (Sugiyono, 2022). The population in this study uses all banking companies listed on the IDX for the 2019-2022 period that publish sustainability reports, namely there are 47 banking companies. In this study, the data collection technique used Non-probability sampling is a sampling technique that does not provide equal opportunities for each element or member of the population to be sampled using a purposive sampling approach is a sampling technique with certain standards (Sugiyono, 2022). The following are the sample selection criteria in this study:

**Table 3**

**Research Sample Criteria**

Description	Total
Banking companies listed on the IDX during the period 2019-2022	47
Banking companies that delisted on the IDX during the period 2019-2022	(2)
Banking companies that did not publish sustainability reports during the period 2019-2022	(26)
Number of samples selected	19
<b>Number of samples used in the study (4 years x 19 selected sample companies)</b>	<b>76</b>

Source: Data Processing Results, 2023

Based on Table 3, it can be seen that there are 19 companies that meet the sample criteria in this study with the data to be used as many as 76 financial reports and sustainability reports obtained from the company's official website and the IDX official website with the following research years 2019-2022. The following is a list of companies that are companies:

**Table 4**

**List of Research Sample Companies**

No	Code	Compay Name
1	BBCA	PT. Bank Central Asia Tbk.
2	BBMD	PT. Bank Mestika Dharma Tbk.
3	BBNI	PT. Bank Negara Indonesia (persero) Tbk.
4	BBRI	PT. Bank Rakyat Indonesia (persero) Tbk.
5	BBTN	PT. Bank Tabungan Negara (persero) Tbk.

6	BJBR	PT. Bank Pembangunan Daerah Jawa Barat dan Banten Tbk.
7	BJTM	PT. Bank Pembangunan Daerah Jawa Timur Tbk.
8	BDMN	PT. Bank Danamon Indonesia Tbk.
9	BMRI	PT. Bank Mandiri Tbk.
10	BNLI	PT. Bank Permata Tbk.
11	BNGA	PT. Bank CIMB Niaga Tbk.
12	BNII	PT. Bank Maybank Indonesia Tbk.
13	BTPN	PT. Bank BTPN Tbk.
14	BTPS	PT. Bank BTPN Syariah Tbk.
15	MAYA	PT. Bank Mayapada Internasional Tbk.
16	MASB	PT. Bank Multiarta Sentosa Tbk.
17	MEGA	PT. Bank Mega Tbk.
18	NISP	PT. Bank OCBC NISP Tbk
19	BBKP	PT. Bank KB Bukopin Tbk.

Source: Data Processing Results, 2023

The research instruments used are financial reports and corporate sustainability reports. The type of data applied in this study is a type of quantitative data which includes financial reports and sustainability reports from banking companies that have been registered and verified and listed on the IDX for the 2019-2022 period. The data used in this study are secondary data based on time series and cross section data. (Sugiyono, 2022). The following is a description of the variables, indicators and scales used in this study:

Sustainability report disclosure (Y) is proxied as Sustainability Report Disclosure Index (SRDI). The following is the explanation of the formula:

$$SRDI = \frac{\text{Number of items disclosed (K)}}{\text{Number of items expected to be disclosed (N)}}$$

Sumber: (GRI, 2018)

Profitability ( $X_1$ ) is proxied by the Return on Assets (ROA) ratio. ROA reflects the company's effectiveness in generating profits from its assets, and summarises the extent to which the company is able to generate profits through the use of all its assets. This ratio is calculated by dividing net profit by total assets. The following is the explanation of the formula:

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

Source: (Kasmir, 2019)

Liquidity ( $X_2$ ) is proxied using the Loan to Deposit ratio (LDR). The loan to deposit ratio is used to measure the company's ability to pay its short-term liabilities that are due immediately when billed using the total current assets of the company. The formula used in this measurement is to divide the total liability account against total deposits and equity, following the explanation:

$$LDR = \frac{\text{Total Loan}}{\text{Total Deposit}}$$

Source: (Kasmir, 2019)

Company Size ( $X_3$ ) proxied by using Log of Total Assets. Company size refers to the dimensions or scale of a company in terms of its capacity, operations, or resources. This can be measured using various methods such as total assets, revenue, number of employees, market capitalisation, or net income. The value of total assets is usually greater than other financial variables, so the total asset variable is smoothed into Log Assets or Ln Total Assets. The following is a description of the formula:

Company Size = Ln (Total Assets)

Source: (Sudarno, 2022)

### Data Analysis Technique

The data analysis techniques used in this study are described as follows:

#### Descriptive Statistics

According to Sugiyono (2022) Descriptive statistics is a statistical strategy for analysing data that provides a summary or explanation of the data collected without drawing broad conclusions or making broad generalisations. Data is described in descriptive statistics with parameters such as average, minimum, maximum, and standard deviation for each variable.

#### Classical Assumption Test

Classical assumption test before performing multiple linear regression analysis. This test is carried out to ensure that the regression coefficient is unbiased, consistent, and has estimation accuracy. The classical assumption test is used to show that the tests carried out avoid data normality, multicollinearity, and autocorrelation, and heteroscedasticity, so that linear regression analysis can be tested.

#### Normality Test

The normality test aims to assess whether the research data included in the regression model follows a normal distribution or not. The Kolmogorov-Smirnov (1- Sample K-S) statistical test is used in this case. If the significance value is greater than 0.05, it means that the data has a normal distribution. Conversely, if the significance value is smaller than 0.05, it can be concluded that the data does not follow a normal distribution. (Ghozali, 2021).

#### Multicollinearity Test

The multicollinearity test aims to investigate the relationship between independent variables in a regression model. The presence of multicollinearity can also be examined through tolerance values and variance inflation factors (VIF). Tolerance is used to indicate the presence of multicollinearity, with 10 as the threshold. When the VIF value is less than or equal to 10, there is no indication of multicollinearity. However, if the VIF value equals or exceeds 10, then there is a possibility of multicollinearity (Ghozali, 2021).

#### Autocorrelation Test

The autocorrelation test aims to test whether in the linear regression model there is a correlation relationship between error disorders in period  $t$  and error disorders in the previous period,  $t-1$ . If there is such a relationship, this indicates the presence of autocorrelation (Ghozali, 2021, 162). The criteria for this test are as follows:

1. If  $0 < d < d_L$ , then there is positive autocorrelation
2. If  $d_L < d < d_U$ , then there is no certainty of autocorrelation or not
3. If  $4 - d_L < d < 4$ , then there is negative autocorrelation
4. If  $4 - d_U < d < 4 - d_L$ , then there is no certainty of autocorrelation or not
5. If  $d_U < d < 4 - d_U$ , then there is no positive or negative autocorrelation

#### Heteroscedasticity Test

According to Ghozali (2021, 178) The heteroscedasticity test is conducted to test whether there is unequal variation from residuals or observations to other observations in the regression model. If the residual variation between observations remains constant, this is called homoscedasticity, while if the variation is different, this is called heteroscedasticity. The optimal regression model is one that has no heteroscedasticity, better known as homoscedasticity.

#### Multiple Regression Analysis

In this study, the analytical technique used is *multiple regression analysis* using *Staticcal Product and Service Solution* (SPSS) software, this analytical approach is applied to test the effect of profitability, liquidity, and company size ratios on the level of disclosure of sustainability reports (Ghozali, 2021). The following is a description of the model in this study:

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + e$$

**Description:**

Y	:	Sustainability Report Disclosure
a	:	Constant
$\beta_1 \beta_2 \beta_3$	:	Slope atau Regression Coefficient
X <sub>1</sub>	:	Profitability
X <sub>2</sub>	:	Liquidity
X <sub>3</sub>	:	Company Size
e	:	Error

**Hypothesis Test****Partial Hypothesis Test (t Test)**

The partial significance test aims to measure how much impact each independent variable has in explaining variations in the dependent variable individually. This test is basically carried out to evaluate the extent to which an independent variable in isolation can explain changes in the dependent variable. In this study, the significance level used is 0.05 ( $\alpha = 5\%$ ) (Ghozali, 2021). The criteria for hypothesis acceptance or rejection are as follows:

1. If the significant value  $< 0,05$  then  $H_0$  is rejected and  $H_a$  is accepted, which means that the independent variable has a significant effect on the dependent variable.
2. If the significant value  $> 0,05$  then  $H_0$  is accepted and  $H_a$  is rejected, which means that the independent variable has no significant effect on the dependent variable.

**Simultaneous Hypothesis Test (F Test)**

According to Ghozali (2021) explains that the F test is a method of testing the overall significance of the observed and estimated regression lines. The F test is used to evaluate the impact of the independent variables on the dependent variable as a whole. The F test calculation involves the ANOVA table or F test, where if the  $F_{count}$  value exceeds the  $F_{table}$  value, then the independent variable is considered to have a significant effect on the dependent variable.

1.  $H_0$  is accepted and  $H_a$  is rejected if  $F_{count} < F_{table}$ , meaning that the independent variables together do not have a significant effect on the dependent variable.
2.  $H_0$  is rejected and  $H_a$  is accepted if  $F_{count} > F_{table}$ , meaning that the independent variables together have a significant effect on the dependent variable.

**Test Coefficient of Determination ( $R^2$ )**

According to Ghozali (2021, 142) the coefficient of determination ( $R^2$ ) has the aim of measuring how much impact the independent variable has on the dependent variable. The range of coefficient of determination values ranges between zero and one. If the value of  $R^2$  is small, this indicates that the capacity of the independent variable in explaining the variation in the dependent variable is very limited. For every additional independent variable,  $R^2$  must increase regardless of whether the independent variable has a significant effect on the dependent variable. *asti meningkat tanpa melihat apakah variabel independen tersebut berpengaruh secara signifikan terhadap variabel dependen.* Mathematically, if the value of  $R^2 = 1$ , then adjusted  $R^2 = 1$  while if the value of  $R^2 = 0$ , then adjusted  $R^2 = (1-k)/(n-k)$ . If  $k > 1$ , then the adjusted  $R^2$  will be negative.

## RESEARCH RESULTS AND DISCUSSION

**Table 5**

### Descriptive Statistics Testing Results

Descriptive Statistics						
	N	Minimum	Maximum	Sum	Mean	Std. Deviation
Profitability	76	-0,0559	0,0910	1,1594	0,015255	0,0202926
Liquidity	76	0,3776	5,1999	80,7354	1,062308	0,9675380
Company Size	76	16,4119	21,4127	1444,1383	19,001820	1,3561237
Sustainability Report Disclosure	76	0,0449	0,6854	21,2166	0,279165	0,1388350
Valid N (listwise)	76					

Source: Output SPSS 25, 2023

Based on the results of descriptive statistical testing above, it can be concluded as follows:

1. Disclosure of sustainability reports (Y) obtained a *minimum* value of 0.0449, a *maximum* of 0.6854 and a total of 21.2166. The *mean* value obtained is 0.279165 with a *standard deviation* value of 0.1388350. *Standard deviation* which is smaller than the *mean* value indicates good data distribution.
2. Profitability ( $x_1$ ) obtained a *minimum* value of -0.0559, a *maximum* value of 0.0910 and a total of 1.594. The *mean* value is 0.015255 with a *standard deviation* value of 0.0202926. A smaller *standard deviation* indicates a good data distribution.
3. Liquidity ( $x_2$ ) obtained a *minimum* value of 0.3776, a *maximum* value of 5.1999 and a total of 80.7354. The *mean* value obtained is 1.062308 with a *standard deviation* value of 0.9675380. A smaller *standard deviation* indicates a good data distribution.
4. Company size ( $x_3$ ) obtained a *minimum* value of 16.4119, a *maximum* value of 21.4127 and a total of 1444.1383. The *mean* value is 19.001820 with a *standard deviation* value of 01.3561237. A smaller *standard deviation* indicates a good data distribution.

## Classical Assumption Test

**Table 6**

### Results of Data Normality Testing with Kolmogorov-Smirnov

One-Sample Kolmogorov-Smirnov Test		
		Unstandardized Residual
N		76
Normal Parameters <sup>a,b</sup>	Mean	0,000000
	Std. Deviation	0,1226797
Most Extreme Differences	Absolute	0,106
	Positive	0,106
	Negative	-0,048
Test Statistic		0,106
Asymp. Sig. (2-tailed)		0,200 <sup>c,d</sup>

Source: Output SPSS 25, 2023

Normality test results Statistical tests are used to test the normality assumptions of the data sample. The statistical test commonly used in normality tests is the 1-samples nonparametric is the Kolmogorov-Smirnov test. Based on the results of the Kolmogorov Smirnov test that has been carried out, a significant value of  $0.200 > 0.05$  is obtained, it can be concluded that the data is normally distributed and vice versa.

**Table 7**

### Multicollinearity Testing Results

Model	Collinearity Statistics	
	Tolerance	VIF



1	(Constant)		
	Profitability	0,573	1,745
	Liquidity	0,523	1,912
	Company Size	0,880	1,136

Source: Output SPSS 25, 2023

1. In Profitability ( $X_1$ ) it gets a tolerance value of 0.573 and a VIF value of 1.745. So it can be concluded that the profitability variable does not experience multicollinearity problems because the tolerance value is higher than 0.10 and the VIF value is less than 10.

2. In Liquidity ( $X_2$ ) it gets a tolerance value of 0.523 and a VIF value of 1.912. So it can be concluded that the profitability variable does not experience multicollinearity problems because the tolerance value is higher than 0.10 and the VIF value is smaller than 10.

3. In Company Size ( $X_3$ ) gets a tolerance value of 0.880 and a VIF value of 1.136. So it can be concluded that the profitability variable does not experience multicollinearity problems because the tolerance value is higher than 0.10 and the VIF value is smaller than 10.

**Table 8**

**Heteroscedasticity Test Results With Glejser**

Description		Significance
1	(Constant)	0,532
	Profitability	0,854
	Liquidity	0,495
	Company Size	0,157

Source: Output SPSS 25, 2023

Based on the table above, it can be seen that the significance value of the three variables is greater than 0.05. The results of this test indicate that there are no symptoms of heteroscedasticity. So it can be concluded from the scatter plot graph and the Glejser test that there are no symptoms of heteroscedasticity in this regression model.

**Table 9**

**Autocorrelation Test Results**

Model	Durbin Watson	Durbin-Upper	Durbin-Lower
1	1,157	1,710	1,546
		DU <sup>table</sup> (3;76)	DL <sup>table</sup> (3;76)

Source: Output SPSS 25, 2023

Based on the *Durbin Watson* test using SPSS, the result is 1.157. *Durbin Upper* obtained a value of 1,710 and *Durbin Lower* obtained a value of 1,546. The DU and DL results are obtained through the *Durbin Watson* table with a total of  $n$  (research sample) of 76 data and  $k$  (independent variables) totalling 3 independent variables. That based on the results of the data above it can be concluded that there are no autocorrelation symptoms in this study with the following conditions.

1.  $DU < DW < 4-DU$
2.  $1,710 < 1,157 < 4 - DU$
3.  $1,710 < 1,157 < 2,290$

Based on the results and provisions of autocorrelation that have been carried out, it can be concluded that there are no symptoms of autocorrelation and can be continued for further tests.

**Multiple Regression Analysis Testing Results**

In this study, multiple linear regression analysis can be seen in the table below this:

**Table 10**  
**Multiple Regression Analysis Testing Results**

Coefficients <sup>a</sup>					
Model		Unstandardized Coefficients		Standardized Coefficients	t
		B	Std. Error	Beta	
	(Constant)	-0,669	0,223		-3,005
	Profitabilitas	-1,484	0,941	-0,217	-1,576
	Likuiditas	0,041	0,021	0,288	1,988
	Ukuran Perusahaan	0,049	0,011	0,477	4,294

Source: Output SPSS 25, 2023

Based on research model and the results of the multiple linear regression analysis above, the following equation can be obtained:

$$Y = -0,669 - 1,484 X_1 + 0,041 X_2 + 0,049 X_3 + e$$

1. The constant (a) of -0,669 states that if profitability ( $X_1$ ), liquidity ( $X_2$ ), and company size ( $X_3$ ) are considered to be 0, then the disclosure of sustainability reports is expected to have a value of around -0,669.
2. The liquidity regression coefficient value is obtained at 0.041 which shows a positive unidirectional relationship. This states that, if the liquidity variable increases by 0.01, the sustainability report disclosure variable will increase by 0.041, if other variables remain constant.
3. The regression coefficient value of company size is obtained at 0.049 which shows a positive unidirectional relationship. This states that, if the company size variable increases by 0.01, the sustainability report disclosure variable will increase by 0.049, if other variables remain constant.

### Hypothesis Testing Results

#### Partial hypothesis Testing Results (t Test)

It is known that the t table value is 1.666 (df = 73,  $\alpha = 0.05$ ). Based on the partial t test results presented in table 4.10 above, it can be explained that:

1. Profitability  $t_{\text{tabel}}$  namely  $n-k = 76-3 = 73$  is 1,666 with a significance value of 0,05.  $T_{\text{count}}$  is obtained at 1,576 with a significance value of 0,119. It can be concluded that  $t_{\text{count}} 1,576 < t_{\text{table}} 1,666$ , then  $H_0$  is accepted and  $H_1$  rejected, meaning that there is no effect of profitability on the disclosure of sustainability reports. The significance value is  $0,488 > 0,05$  so  $H_0$  is accepted. The results of this study indicate that profitability partially has no effect on the disclosure of sustainability reports. This shows that the first hypothesis ( $H_1$ ) is rejected.
2. Liquidity  $t_{\text{table}}$  namely  $n-k = 76-3 = 73$ , is obtained at 1,666 with a significance value of 0,05, the  $t_{\text{count}}$  is obtained at 1,998 with a significance value of 0,050. It can be concluded that  $t_{\text{count}} 1,998 > t_{\text{table}} 1,666$  then  $H_0$  rejected dan  $H_1$  is accepted, meaning that liquidity affects the disclosure of sustainability reports, with a significance value of  $0,05 \leq 0,05$ . The liquidity coefficient of 1,998 shows a positive number, meaning that liquidity has a positive and significant effect on the disclosure of sustainability reports. This shows that the second hypothesis ( $H_2$ ) is accepted.
3. Company Size  $t_{\text{table}}$  namely  $n-k = 76-3 = 73$  is obtained at 1,666 with a significance value of 0,05,  $t_{\text{count}}$  is obtained at 4,294, with a significance value of 0,000. Available at it is concluded that  $t_{\text{count}} 4,294 > 1,666$  then  $H_0$  is rejected, meaning that there is an effect of company size on the disclosure of sustainability reports with a significance  $0,000 < 0,05$ . The company size coefficient of 4,294 shows a positive number, meaning that company size has a positive and significant effect on the disclosure of sustainability reports. This shows that the third hypothesis ( $H_3$ ) is accepted.

#### Simultaneous Hypothesis Testing Results (F Test)

Based on Table 4.10, it can be seen that the  $F_{\text{count}}$  is 6,738 and a significant value 0,000. At  $F_{\text{table}}$  with a significance of 0,05,  $df_1 (k-1) = 2$ , dan  $df_2 (n-k) = 73$  (where  $k$  = number of variables and  $n$  = amount of data) and obtained an  $F_{\text{table}}$  value of 3,122. Then obtained  $F_{\text{count}} 6,738 > F_{\text{table}} 3,122$  with a significance level of  $0.000 < 0.05$ . Based on these results, it can be concluded that simultaneously profitability, liquidity and company size have a positive and significant effect on the disclosure of sustainability reports in banking companies listed on the IDX for the 2019-2022 period.

**Table 11**

**Test Results of the Coefficient of Determination**

Model	R	R Square	Adjusted R Square
1	0,468 <sup>a</sup>	0,219	0,187

Source:: Output SPSS 25, 2023

From the data displayed through the table above, it produces an interpretation where the *Adjusted R-squared* value is 0.187 or 18.7%, which means that variable Y (disclosure of sustainability reports) can be explained by variable X (profitability, liquidity, and company size) as much as 18.7% while the remaining 81.3% is explained by variables not included in the study.

## CONCLUSIONS

This study is intended to produce an analysis related to the influence of the independent variables, namely profitability, liquidity, and company size on the disclosure of sustainability reports as the dependent variable in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period. After collecting and processing data as well as analysis and interpretation, the following conclusions in the study include:

1. Profitability has no effect on the disclosure of sustainability reports in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period.
2. Liquidity has a positive and significant effect on the disclosure of sustainability reports in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period.
3. Company size has a positive and significant effect on the disclosure of sustainability reports in banking companies listed on the Indonesia Stock Exchange (IDX) for the 2019- 2022 period.
4. Profitability, liquidity, and company size simultaneously have a positive and significant effect on the disclosure of sustainability reports on banking companies listed on the Indonesia Stock Exchange (IDX) for the 2019-2022 period.

## ADVICE

Based on the results of the research and discussion that has been carried out, the following suggestions that deserve consideration are:

1. For companies, it is hoped that companies, especially banking companies listed on the Indonesia Stock Exchange, can disclose sustainability reports as a form of accountability report related to company performance in the economic, social and environmental fields.
2. For future researchers, it is hoped that they can choose companies in other fields and can add or use other variables. In order to see whether other variables have an influence on the disclosure of sustainability reports.
3. For academics, it is hoped that the results of this study can be a reference or source of literature for researchers who want to research with similar variables in this study.

## REFERENCES

- Bank, R. (2015). *Bank di Indonesia Masih Kurang Peduli terhadap Isu Sosial dan Lingkungan Hidup*. <https://responsibank.id>
- Damayanty, P., Wahab, D., & Safitri, N. (2022). Pengaruh Profitabilitas, Firm Size Dan Aktivitas Perusahaan Terhadap Pengungkapan Sustainability Report. *Jurnal Ilmiah Edunomika*, 6(2), 1–11. <https://doi.org/10.29040/jie.v6i2.4998>

- Darmawan. (2020). *Dasar-dasar Memahami Rasio dan Laporan Keuangan* (D. Maulana (ed.)). UNY Press.  
[https://www.google.co.id/books/edition/Dasar\\_dasar\\_Memahami\\_Rasio\\_dan\\_Laporan\\_K/oggREAAQBAJ?hl=id&gbpv=1&dq=Dasar-dasar+Memahami+Rasio+dan+Laporan+Keuangan&printsec=frontcover](https://www.google.co.id/books/edition/Dasar_dasar_Memahami_Rasio_dan_Laporan_K/oggREAAQBAJ?hl=id&gbpv=1&dq=Dasar-dasar+Memahami+Rasio+dan+Laporan+Keuangan&printsec=frontcover)
- Desi, & Sopian, D. (2020). Efek kinerja keuangan terhadap pengungkapan sustainability report. *Jurnal Sains Manajemen & Akuntansi*, 11(2), 1–20.
- Diwanti, P. N. (2022). *Pengaruh Karakteristik Perusahaan Terhadap Pengungkapan Sustainability Report*. Universitas Islam Indonesia.
- Dowling, J., & Pfeffer, J. (1975). Organizational Legitimacy.pdf. *Pacific Sociological Review*, 18(1).  
<https://doi.org/https://doi.org/10.2307/1388226>
- Elkington, J., & Rowlands, I. H. (1999). The triple bottom line of 21st century business. *Alternative Journal*, 25(4), 42–43.  
<https://www.proquest.com/openview/804cc9d98196ef6e26d88748e89f8db0/1?pq-origsite=gscholar&cbl=35934>
- Fadhilah, R. (2018). Pengaruh Profitabilitas Terhadap Pengungkapan Sustainability Report Dengan Kepemilikan Manajerial Sebagai Variabel Moderating. *Angewandte Chemie International Edition*, 6(11), 951–952., 1(2), 5–24.
- Fitriandi, P. (2022). *Bunga Rampai Keuangan Negara : Kontribusi Pemikiran Untuk Indonesia Edisi 2020* (2020 ed.). PKN STAN Press.  
[https://www.google.co.id/books/edition/Bunga\\_Rampai\\_Keuangan\\_Negara\\_Kontribusi/U7YEAAQBAJ?hl=id&gbpv=0](https://www.google.co.id/books/edition/Bunga_Rampai_Keuangan_Negara_Kontribusi/U7YEAAQBAJ?hl=id&gbpv=0)
- Ghozali, I. (2021). *Aplikasi Analisis Multivariate dengan Program SPSS (X)*. Universitas Diponegoro.
- Hanun, M., Susanti, R., Indriawati, R., Panma, Y., & Reno, R. (2022). *Metode Penelitian Kesehatan* (Y. P. P. Ranga (ed.)). Yayasan Penerbit Muhammad Zaini.
- Hermanto. (2021). *Jurnal Program Studi Akuntansi Model Triple Bottom Menuju Kinerja Keuangan Triple Bottom Model Towards Financial Performance Hermanto*. 7.
- Hermawan, T., & Sutarti. (2021). Pengaruh Likuiditas, Leverage, dan Profitabilitas Terhadap Pengungkapan Sustainability Report. *Jurnal Ilmiah Akuntansi Kesatuan*, 9.
- Hery. (2021). *Analisis Laporan Keuangan-Integrated And Comprehensive*. Gramedia Widiasarana Indonesia.  
[https://www.google.co.id/books/edition/Analisis\\_Laporan\\_Keuangan\\_Integrated\\_And/cFkjEAAQBAJ?hl=id&gbpv=0](https://www.google.co.id/books/edition/Analisis_Laporan_Keuangan_Integrated_And/cFkjEAAQBAJ?hl=id&gbpv=0)
- Hidayah, N., Badawi, A., & Nugroho, L. (2019). Factors Affecting the Disclosure of Sustainability Reporting. *International Journal of Commerce and Finance*, 5(2), 219–229.
- Kasmir. (2019). *Analisis Laporan Keuangan* (12 ed.). Rajawali Pers.
- Khoriyah, Y., Swissia, P., & Olivia, V. (2020). Pengaruh Good Corporate Governance, Dan Karakteristik Perusahaan Terhadap Sustainability Report. *Jurnal Bisnis dan Akuntansi*, 20.
- Laine, M., Tregidga, H., & Unerman, J. (2021). *Sustainability Accounting and Accountability*. Taylor and Francis.  
[https://www.google.co.id/books/edition/Sustainability\\_Accounting\\_and\\_Accountabi/yJQtEAAQBAJ?hl=id&gbpv=0](https://www.google.co.id/books/edition/Sustainability_Accounting_and_Accountabi/yJQtEAAQBAJ?hl=id&gbpv=0)
- Liana, S. (2019). Pengaruh Profitabilitas, Leverage, Ukuran Perusahaan dan Dewan Komisaris Independen terhadap Pengungkapan Sustainability Report. *Jesya (Jurnal Ekonomi & Ekonomi Syariah)*, 2(2), 199–208. <https://doi.org/10.36778/jesya.v2i2.69>
- Machfoedz, M. (1994). Financial Ratio Analysis and The Prediction of Earnings Changes in Indonesia. In *Gajahmada University Business Review*. Universitas Gajah Mada.
- Mujiani, S., & Nurfitri, T. (2020). Analisis Faktor-Faktor Yang Mempengaruhi Pengungkapan Sustainability Report Pada Perusahaan LQ45 Yang Terdaftar Di Bursa Efek Indonesia Sari. *Jurnal Akuntansi dan Keuangan*, 2(1). <https://uia.e-journal.id/Akrual/article/view/1042>
- Noerkholiq, S. M. A., & Muslih, M. (2021). Pengaruh Profitabilitas, Leverage dan Stakeholder Engagement Terhadap Pengungkapan Sustainability Report Berdasarkan Global Reporting Initiative (GRI) Generasi 4 (G4). *Jurnal Ilmiah MEA (Manajemen, Ekonomi, dan Akuntansi)*, 5(3), 1361–1378.

- Otoritas Jasa Keuangan. (2017). *Salinan Peraturan Otoritas Jasa Keuangan Nomor 51/POJK.03/2017 Tentang Penerapan Keuangan Berkelanjutan Bagi Lembaga Jasa Keuangan, Emiten, dan Perusahaan Publik*. [www.ojk.go.id](http://www.ojk.go.id)
- Prihadi, T. (2019). *Analisis Laporan Keuangan*. Gramedia Pustaka Utama. [https://www.google.co.id/books/edition/Analisis\\_Laporan\\_Kuangan/SC7GDwAAQBAJ?hl=id&gbpv=1&dq=toto+prihadi&printsec=frontcover](https://www.google.co.id/books/edition/Analisis_Laporan_Kuangan/SC7GDwAAQBAJ?hl=id&gbpv=1&dq=toto+prihadi&printsec=frontcover)
- Rahmat, K. (2022). Pengaruh Kinerja Keuangan, Implementasi Good Corporate Governance, Dan Struktur Kepemilikan Terhadap Pengungkapan Sustainability Report. *ACCOUNTHINK: Journal of Accounting and Finance*, 7(02), 222–236.
- Safitri, M., & Saifudin. (2019). Implikasi Karakteristik Perusahaan dan Good Corporate Governance Terhadap Pengungkapan Sustainability Report. *Jurnal Bingkai Ekonomi*, 4(1), 13–25.
- Setiawan, E., Yuliansyah, Y., & Gamayuni, R. R. (2022). Pengaruh Profitabilitas dan Likuiditas terhadap Pengungkapan Sustainability Report di Perusahaan yang Terdaftar pada Jakarta Islamic Index (JII). *Studi Akuntansi, Keuangan, dan Manajemen*, 1(2), 97–111. <https://doi.org/10.35912/sakman.v1i2.1163>
- Solimun, Armanu, & Achmad, F. A. R. (2018). *Metodologi Penelitian Kuantitatif Perspektif Sistem*. Universitas Brawijaya Press, Malang.
- Suarjana, I. K., Putra, I. G. C., & Sunarwijaya, I. K. (2021). Faktor-Faktor yang Berpengaruh Terhadap Pengungkapan Sustainability Report Pada Perusahaan High Profile. *KARMA (Karya Riset Mahasiswa Akuntansi)*.
- Sudarno, D., Renaldo, N., Hutauruk, M., Junaedi, A. T., & Suyono. (2022). *Teori Penelitian Keuangan* (Andi (ed.)). Literasi Nusantara Abadi.
- Sugiyono. (2022). *Metode Penelitian Kuantitatif, Kualitatif, dan R&D*. CV Alfabeta.
- Sukaharsono, E. G., & Andayani, W. (2021). *Akuntansi Keberlanjutan* (1 ed.). Universitas Brawijaya Press.
- Syairozi, M. I., & Media, T. (2019). *Pengungkapan CSR pada Perusahaan Manufaktur dan Perbankan*. Tidar Media
- Syakirli, I., Cheisvianny, C., & Halmawati. (2019). Pengaruh Karakteristik Perusahaan Terhadap Pengungkapan Sustainability Reporting. *Jurnal Eksplorasi Akuntansi*, 1(1), 277–289. <http://jea.ppj.unp.ac.id/index.php/jea/issue/view/3>
- Thian, A. (2022). *Analisis Laporan Keuangan*. Penerbit Andi. [https://www.google.co.id/books/edition/Analisis\\_Laporan\\_Kuangan/lvFZEAAAQBAJ?hl=id&gbpv=0](https://www.google.co.id/books/edition/Analisis_Laporan_Kuangan/lvFZEAAAQBAJ?hl=id&gbpv=0)
- Vaidya, D. (2020). *Financial Reporting*. WallStreetMojo. <https://www.wallstreetmojo.com/financial-reporting/#what-is-financial-reporting>
- Widyawati, C., Diana, N., & Mawardi, M. C. (2022). Pengaruh Profitabilitas dan Leverage terhadap Sustainability Report Perusahaan Sebelum dan Sesudah Penerapan E-Commerce (Studi pada Perusahaan Perbankan yang Terdaftar di BEI). *E-Jra*, 11(10), 89.
- Yunan, N., Kadir, & Anwar, K. (2021). Pengaruh Kinerja Keuangan, Karakteristik Perusahaan Dan CGC Terhadap Pengungkapan Sustainability Report. *Jurnal Ilmiah Akuntansi Dan Keuangan*, 4.