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The Influence of Good Corporate Governance and Stakeholder Pressure on the Quality of Sustainability Report Disclosures

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Abstract

Economic recovery after the Covid-19 pandemic must prioritize sustainability. The current government continues to make the economy run together with many parties (Kontan, 2020). As a result of the COVID-19 pandemic, 2020 has been marked as a turning point in environmental, social, and governance (ESG) investment due to ongoing global challenges. Due to the higher tension of climate change issues and the current socio-political environment, more businesses are encouraged to embrace a commitment to the ESG (environmental, social, and governance) framework. The population in this study are companies listed on the Indonesia Stock Exchange (IDX) and in the energy, raw materials, industry, and infrastructure sectors and issuing sustainability reports during the period 2015 - 2020. The company's annual report data is obtained from the publication on the website of the Indonesia Stock Exchange (IDX). Media exposure Data obtained by online newspaper media. Good Corporate governance and stakeholder pressure (shareholders, employees, government, and media) significantly influence the disclosure of Sustainability reports in the energy, raw goods, industrial, and infrastructure sector companies in the 2015-2020 period. However, the study found that stakeholder pressure from employees had a significant negative impact on the disclosure of the Sustainability Report. This result shows that, decreasing the number of employees can increase the disclosure of Sustainability Report. Because, for most employees, the disclosure of the Sustainability Report has no effect if there is no direct impact felt by the employee.

Keywords
Good Corporate Governance; Stakeholder Pressure; Sustainability Report

I. Introduction

Economic recovery after the Covid-19 pandemic must prioritize sustainability. The current government continues to make the economy run together with many parties (Kontan, 2020). As a result of the COVID-19 pandemic, 2020 has been marked as a turning point in environmental, social and governance (ESG) investing due to ongoing global challenges. Due to the higher tension of climate change issues and the current socio-political environment, more businesses are being encouraged to embrace a commitment to an ESG (Environmental, Social and Governance) framework. Don't just focus on environmental impacts, concerns around 'S' or social issues; such as employee health and safety, layoff compensation packages, and diversity policies are also expected to be disclosed by the company. While global concerns about environmental, social and governance have increased and will remain so, companies are being pushed to incorporate environmental, social and governance into their business models to compete in the market

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and attract investors. According to an Ernst & Young report (2020), the percentage of investors who use non-financial performance in making investment decisions has jumped from 27% in 2016 to 43% in 2020, making disclosure of ESG metrics more important for attracting investors (Editor of magazinescsr.id , 2021). Sustainability itself is a concern for all countries in order to end poverty, protect the planet, and ensure prosperity in 2030 (sdg2030indonesia accessed 10 December 2021). Sustainability reports are a medium for companies to communicate their commitment and progress, as well as future plans for these initiatives. The importance of sustainability reporting can also be seen internally. Sustainability reporting is important because it provides an opportunity for companies to define and understand which sustainability issues align with the business context and strategy, and where the objectives create financially material business value. The analysis in creating a proper sustainability report also helps discover which operations and practices need improvement, such as green productivity, risk management, green products or business costs. Because sustainability reporting can cover a very wide range of issues, it is important for companies to recognize their own sustainability context and the concerns of stakeholders. Thus, a process involving stakeholder engagement is a valuable tool for obtaining feedback and learning from stakeholders before writing a sustainability report. In practice, it also provides opportunities to involve stakeholders in shaping and reshaping company values. Once the company begins to communicate its performance and goals,Companies are expected to commit and take action to continue improving performance in the next reporting period. With that in mind, it's no wonder why sustainability reporting is becoming a global trend. This suggests that financial performance alone should not be an important goal of the company. Businesses are also expected to be responsible for the impact of their actions on employees, community members and the environment (Editorial magazinecsr.id, 2021). In the era of sustainable development, all companies are asked by their stakeholders to increase their awareness of corporate responsibilities including.

Dealing with global warming and human rights (Shahbaz et al., 2020). Stakeholders hope that the company will continue to realize its vision and mission. To realize the vision and mission, the company must build stakeholder trust. Stakeholders are people, groups, or organizations who have the same interests or interests in a particular organization (Lamont, 2004). The Global Reporting Initiative (GRI, 1997) states that trust must be maintained to achieve corporate sustainability (Tjahjadi et al., 2021). The Financial Services Authority (OJK) assesses that sustainable investments or investments that emphasize the importance of environmental, social and governance (ESG) aspects are increasingly in demand by investors during the pandemic and have better performance. However, currently not all companies can disclose sustainability reports. Sustainability reports are closely related to a company's corporate sustainability performance. In a one-level system the board of directors (BoD) acts as supervisor and trustee. The GRI standard states that disclosure of sustainability generally requires disclosure of corporate governance so that it can be concluded that the implementation of good corporate governance (Good Corporate Governance) has a great influence on a company's Corporate Sustainability Performance (Rahmat K, 2021). One of the consequences of implementing the principles of Good Corporate Coverage is that companies cannot only think about their financial performance but must also include an assessment of their social and environmental performance (Daniri, 2014). To explain the relationship between Good Corporate Coverage and disclosure of corporate sustainability reports, this research will use three theories, namely agency theory (Jensen and Meching, 1976), legitimacy theory (Dowling and Pfeffer, 1975 and sustainability theory (World Commission on Environment and Development 1987).). Likewise with the relationship between stakeholder pressure and the company's sustainability performance. The concept of sustainability is used to explain that leaders must balance the economic side, social problems and the environment in order to achieve good corporate sustainability performance. Corporate Sustainability Performance is often times measured by the Triple Bottom Line (TBL), this concept was first introduced by (Elkington & Rowlands, 1999).There is a research gap regarding the impact of good corporate governance on companies' corporate sustainability performance because the results of previous research are still changing. Research on stakeholder pressure conducted by Suharyani et,al 2019 shows the results that stakeholder pressure has a positive and significant impact on the quality of sustainable reports and the implementation of Good Corporate Governance has a positive and significant impact on the quality of sustainable reports. This research focuses on two variables, namely Good Corporate Governance and stakeholder pressure as well as three elements of corporate sustainability performance, namely economic, environmental and social.

II. Literature Review

2.1 Agency Theory

Jensen and Meckling(1976) explains that an agency relationship arises when one or more people (principal) employ another person (agent) to provide a service and then delegate the authority to take decision to the agent. As agents, managers are responsible for maximizing the profits of the owners (principals), but on the other hand managers also have an interest in maximizing their welfare. There is a conflict of interest so there is a big possibility that the agent will not always act in the best interests of the principal (Jensen and Meckling, 1976).

So that this relationship can run well, the owner will delegate decision-making authority to the manager. Eisenhardt (1989) explained that agency theory is related to solving two problems that can occur in a relationship.

Agency theory highlights the different perspectives of principals and agents in running a business (Gauthier, 1986). Both the agent and the principal have different goals and the other goal only arises if the goal complements or is capable of fulfilling the other's goal. Goal compatibility can be achieved by having a third party that is very important for the principle and agent, and that is the stakeholder (Heath, 2009). By concentrating on stakeholder needs, agents and principles act to achieve the same goal (Rudyanto. A et al, 2018).

2.2 Legitimacy Theory

Legitimacy theory explains that a company's business operations and activities must be in accordance with society's expectations and oriented towards the interests of society, individuals, governments and groups so that the company's business operations can continue (Gray et al., 1996).

Legitimacy plays a very important role in company goals. When there is a difference in values between the company and society, this can be said to be a "legitimacy gap"

(Sudarno, 2015). The legitimacy gap which can trigger protests and pressure on the company will affect the company's existence, because this results in operational stability in the company so that it can affect the company's level of profitability. Therefore, companies carry out social contracts with stakeholders to avoid this legitimacy gap and strive to continue to gain legitimacy from the environment and social so that the company's existence can be maintained (Hadi, 2009).

2.3 Stakeholder Theory

Stakeholder theory is basically a theory that describes that industry not only has a responsibility to optimize profits for investors and owners, but also provides benefits to the government, citizens and also the social sphere. From previous research, the focus of research conducted by Mitchell, Agle, and Wood (1997) was on classification, which recognizes three stakeholder attributes: stakeholder powers to influence the company; stakeholder legitimacy relationship with the company; and the urgency of stakeholder claims on the company. Based on previous research (Fineman & Clarke, 1996; Miao, Cai, & Xu, 2012), five types of stakeholders have been identified as providing influence on CSR activities:

Employees, customers, competitors and partners, government/NGOs, and shareholders.

2.4 Sustainability Theory

Literally, according to the Big Indonesian Dictionary, sustainable means ongoing or ongoing. However, this definition is actually not suitable, because according to the Brundtland Report published by WCED (World Commission on Environment and Development) (1987) sustainability should be seen as "development that meets the needs of present (species) without compromising the ability of future generations to meet their own needs.”

Sustainability theory explains the ability of industry to carry out its operational activities using limited resources effectively, efficiently and cheaply for the continuity of the industry and the interests of current and future generations.

Szekely (2005) explains that sustainability is how to build a society where economic, social and ecological goals must be commensurate. Bateh et al., (2014) stated that "sustainability might refer to social responsibility, ethics, or a larger piece of the strategic management rubric and has also been tied to strategic decision-making."

2.5 Corporate Governance

The definition of Good Corporate Governance according to the Forum for Corporate Governance in Indonesia (FCGI) (2006) does not make a specific definition but takes the definition from the Cadbury Committee of the Unitary Kingdom, which when translated is: a set of regulations that control the relationship between shareholders, management of the company, creditors, government, employees, and other internal and external stakeholders relating to their rights and obligations, or in other words a system that centralizes and regulates the company.

Meanwhile, according to Wahyudi Prakarsa (2007), Good Corporate Governance is an administrative mechanism that controls the relationships between company management, commissioners, directors, shareholders and other interest groups (stakeholders). These relationships are manifested in the form of various game provisions and intensive publics as a framework needed to ensure company goals as well as ways of achieving goals and monitoring the resulting performance.

Based on the definitions above, the author can draw conclusions regarding Corporate Governance, namely a system (input, process, output) and a set of regulations that control the relationship between various interested parties (stakeholders), especially in the narrow sense of the relationship between shareholders, the board of commissioners, and board of directors to achieve company goals.

2.6 Ownership Theory

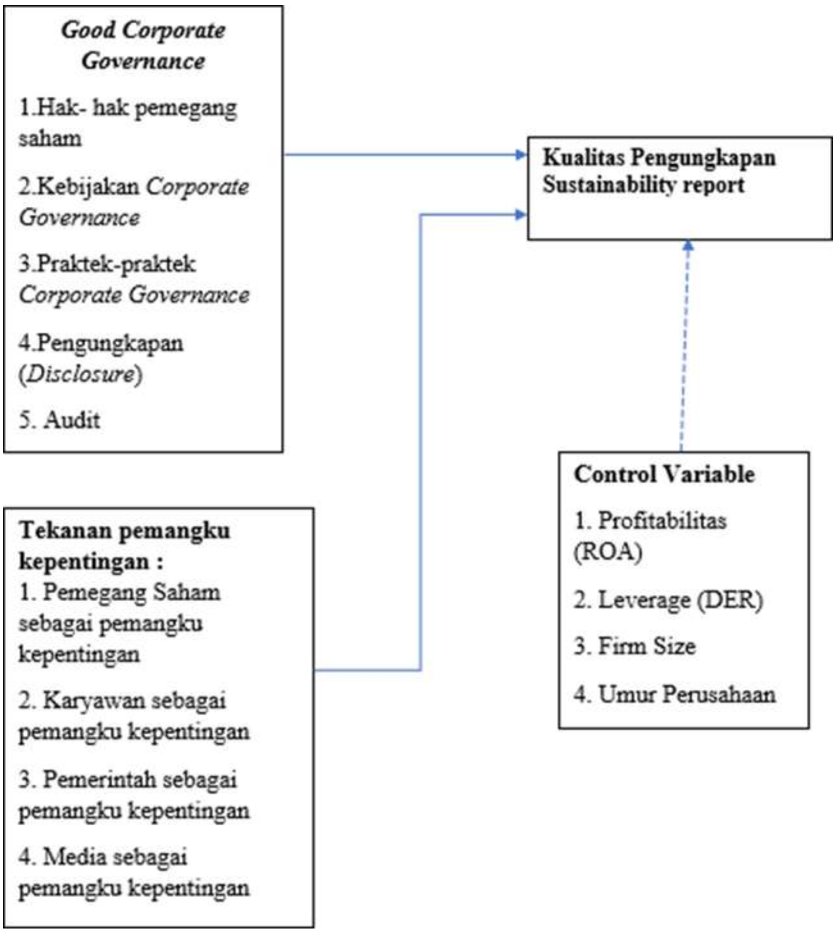
Ownership is the power to control something owned exclusively for personal purposes. Share ownership or ownership is a shareholder who buys shares in a company with the aim of getting a return or profit from the investment they make (Brigham & Houston, 2006).

2.7 Signal Theory

Signaling theory explains the existence of asymmetric information between the information owner (company) and the information user (stakeholder). Companies will signal company quality (good news) to show their superiority compared to other companies (Connelly et al. 2011). Signal theory explains the company's drive to communicate positive information as an effort to convey company activities and policies that have added value for the company.

2.8 Framework

Based on the theoretical basis, the framework of this research is as follows:



2.9 Hypothesis

a. Good Corporate Governanceand Disclosure of Sustainability Reports

Governance practices are a form of improvement carried out by every business entity, both private and government, launched by the government to change the view of business that has been carried out so far (Pujiningsih, 2020). According to Suaryana (2016) corporate governance will provide a structure that facilitates determining the targets of a company and as a means to achieve these targets and a means to determine performance monitoring techniques.

In this research, corporate governance is proxied by weighting in 5 areas based on the FGCI, namely:

1. Shareholder Rights (20%);
2. Corporate Governance Policy (15%);
3. Corporate Governance Practices (30%);
4. Disclosure (20%); And
5. Audit Function (15%)

So, researchers draw the following hypothesis:

H1: Good Corporate Governance has a positive effect on the quality of disclosure of sustainability reports (Sustainability Report)

b. Stakeholder Pressure from Shareholders and Disclosure of Sustainability Reports

Shareholder-oriented companies will provide transparent information disclosure, a report will be responded to positively by shareholders if it is able to provide transparent information and provide information content related to the company's future capabilities (Jenawan and Juniarti, 2015).

So, researchers draw the following hypothesis:

H2: Shareholder pressure has a positive effect on the quality of sustainability report disclosures (Sustainability Report)

c. Employee Stakeholder Pressure and Sustainability Report Disclosure

One of the most valuable assets for a company is human resources as the most influential stakeholders for transparent sustainability reporting (Fernandez-Feijoo and Romero, 2014; Rudyanto and Siregar, 2018; Alfaiz and Aryati, 2019) and environmental reporting (Huang and Kung, 2010) if the company is serious about its sustainability report, it will increase employee assessment of the job or work situation, motivate employees and view the company as fulfilling the rights of its employees so that the employee turnover rate decreases so that it can increase company productivity (Barakat et al., 2016).So, researchers draw the following hypothesis:

H3: Employee pressure has a positive effect on the quality of disclosure of sustainability reports (Sustainability Report)

d. Pressure from Government Stakeholders and Disclosure of Sustainability Reports

Companies with government ownership have the potential to be pressured to disclose more information about employment issues and the significant relationship between government ownership and society, so that disclosure practices are well documented in the literature and make it easier for the government to pressure companies to carry out social activities (Eng and Mak, 2003; Firer and Williams, 2005; He et al., 2017).So, researchers draw the following hypothesis:

H4: Government pressure has a positive effect on the quality of disclosure of sustainability reports (Sustainability Report)

e. Media Stakeholder Pressure and Disclosure of Sustainability Reports

The media will utilize the positive power of companies in protecting public social benefits so that companies are more committed to environmental protection (Lu and Abeysekera, 2014).So, researchers draw the following hypothesis:

H5: Media pressure has a positive effect on the quality of disclosure of sustainability reports (Sustainability Report).

III. RESEARCH METHODS

3.1 Data Collection

According to Sugiyono (2017), population is a generalized area consisting of objects/subjects with certain traits and characteristics that researchers investigate and then draw conclusions. Meanwhile, according to Sugiyono (2017), the definition of sample is part of the number and characteristics of the population. The population in this research are all companies listed on the Indonesia Stock Exchange (BEI) from the energy, raw goods, industrial and infrastructure sectors that consistently publish sustainability reports for the 2015-2020 period. Meanwhile, the research sample was selected using a purposive sampling method with several criteria.

3.2 Methodology

a. Sample, methods, and data sources

The population in this research are companies listed on the Indonesia Stock Exchange (BEI). The sample used in this research is all companies listed on the Indonesia Stock Exchange (BEI) that published annual reports in 2015-2020. The sampling method uses a purposive sampling method with the criteria (1) Companies listed on the Indonesia Stock Exchange (BEI) and in the energy, raw materials, industrial and infrastructure sectors in the 2015-2020 period. (2) Companies listed on the Indonesia Stock Exchange (BEI) and in the energy, raw materials, industrial and infrastructure sectors and published sustainability reports for the period 2015-2020. Company annual report data was obtained from publications on the Indonesia Stock Exchange (BEI) website. Media exposure data was obtained by online newspaper media.

b. Operational Definition of Variables

Table 1. Operational Variables.

Variable	Proxy	Indicator	Scale
Good Corporate Governance as independent variable (X1)		The GCG score through self-assessment is in accordance with the measurements in the journal Singareddy, R.R., Chandrasekaran, S., Annamalai, B., & Ranjan, P. (2018). Corporate governance data of 6 Asian economies (2010–2017). *Data in brief*, 20, 53-56.	Ratio

Stakeholder Pressure as an independent variable (X2)	a. Shareholders as stakeholders	$\frac{Jumlah\ saham\ perusahaan\ induk}{Total\ saham}$	Ratio
	b. Employees as stakeholders.	Natural log of total employees	Nominal
	c. Government as a stakeholder.	If the company has government share ownership, it will be given 1 point, whereas if it does not, it will be given 0 (Said, Zainuddin, & Haron, 2009; Light et al., 2012).	Nominal
	d. Media as a stakeholder.	Number of news about the company on the Google search engine in the reporting year (Garcia-Sanchez et al., 2014).	Nominal
Profitability (ROA) as a control variable (X3)	Comparison between the net profit obtained by the company and its total assets to find out how reliable	$\frac{Laba\ sebelum\ bunga\ dan\ pajak}{Total\ aktiva}$	Ratio

To calculate the sustainability index there are two steps. First, the research considers the occurrence of indicators, and in the second step considers the quality of the data disclosed. In the first step if the company has disclosed about an indicator the research puts 1 for that indicator, and if the company has not disclosed about a particular indicator, the research puts zero for the occurrence of that indicator. For the second part of the index calculation, the study considered the quality of disclosure. If a company just mentions about events and not specific details, research places 1. If a company discloses about the quality of research indicators place 2. If a company discloses quantitative sustainability disclosures, then research places 3. Finally, if a company discloses quantitative and qualitative aspects of sustainability reporting for certain indicators, research places 4.

Table 2. Determination of scores for sustainability disclosures

Sustainability Disclosure	**Score**
Not-Qualitative & Not-Quantitative	1
Qualitative & Not-Quantitative	2
Not-Qualitative & Quantitative	3
Qualitative & Quantitative	4

(Khaveh, Nikhashemi, Yousefi, & Haque, 2012)

IV. Results and Discussion

a. Multiple Linear Analysis

Multiple linear regression analysis is used to test the dependent variable if two or more independent variables are increased or decreased. Table 3 shows the results of multiple linear regression tests during the 2015-2020 period.

Table 3. Multiple Linear Regression Test Results

Coefficientsa.

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	1,592	,536		2,970	,004
	GCG	,040	,015	,211	2,664	,009
	SHAREHOLDERS	1,635	,573	,251	2,852	,005
	EMPLOYEE	-.035	.018	-.159	-2,008	,048
	GOVERNMENT	,313	,147	.173	2,136	,036
	MEDIA	,200	,097	,167	2,057	,043
	ROA	-.352	,061	-.443	-5,739	,000
	DER	,154	,057	,213	2,697	,008
	FIRM_SIZE	-.247	,050	-1,889	-4,912	,000
	COMPANY_AGE	-.204	,048	-1,640	-4,287	,000

a. Dependent Variable: SR

The multiple linear regression analysis in this research was processed using the SPSS version 24 application to process the data. The results of the multiple linear regression test get the following regression equation:

SRDi = β0 + β1GCG + β2SHAREHOLDERS + β3EMPLOYEES + β4GOVERNMENT + β5MEDIA + β6ROA +β7DER + β8FIRM SIZE + β9COMPANY AGE + e

b. Multicollinearity Test

The variables that cause a relationship with each other can be seen from the tolerance value of less than 0.10 or the VIF value of greater than 10. The following are the results of the multicollinearity test in this study.

Table 4. Multicollinearity Test

Model		Tolerance	VIF
1	GCG	,845	1,184
	SHAREHOLDERS	,290	3,447
	EMPLOYEE	,626	1,596

	GOVERNMENT	,398	2,512
	MEDIA	,833	1,201
	ROA	.404	2,478
	DER	,478	2,094
	FIRM_SIZE	,395	2,529
	COMPANY_AGE	,538	1,860

a. Dependent Variable: SR

Table 4 shows that based on the results of the data processing carried out, it is known that the tolerance value for good corporate governance is 0.845, which is greater than 0.10, while the VIF value for the good corporate governance variable is 1.184, which is smaller than 10. The tolerance value for the shareholder variable is 0.290 more. is greater than 0.10, while the VIF value of the shareholder variable is 3.447, which is smaller than 10. The tolerance value of the employee variable is 0.626, which is greater than 0.10, while the VIF value of the employee variable is 1.596, which is smaller than 10. For the tolerance value of the government variable is 0.398 which is greater than 0.10, while the VIF value of the Government variable is 2.512 which is less than 10. The tolerance value of the media variable is 0.833 greater than0.10, while the VIF value of the media variable is 1.201, which is smaller than 10. The tolerance value of the ROA variable is 0.404, which is greater than 0.10, while the VIF value of the ROA variable is 2.478, which is smaller than 10. The tolerance value of the DER variable is 0.478 is greater than 0.10, while the VIF value of the DER variable is 2.094, which is smaller than 10. The tolerance value of the Firm Size variable is 0.395, which is greater than 0.10, while the VIF value of the Firm Size variable is 2.529, which is smaller than 10. The tolerance value of the Company Age variable is 0.538 which is greater than 0.10, while the VIF value of the Company Age variable is 1.860 which is less than 10. Therefore, whether looking at the tolerance value or VIF value, there is no multicollinearity in the research model.

c. t Test (Partial Influence)

The results of the t test showing the partial influence of the independent variable on the dependent variable in this study are shown in Table 5.

Table 5. F test

Coefficientsa

Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	1,592	,536		2,970	,004
	GCG	,040	,015	,211	2,664	,009
	SHAREHOLDERS	1,635	,573	,251	2,852	,005
	EMPLOYEE	-.035	.018	-.159	-2,008	,048
	GOVERNMENT	,313	,147	.173	2,136	,036
	MEDIA	,200	,097	,167	2,057	,043
	ROA	-.352	,061	-.443	-5,739	,000
	DER	,154	,057	,213	2,697	,008

	FIRM_SIZE	-.247	,050	-1,889	-4,912	,000
	AGE_COMPANY N	-.204	,048	-1,640	-4,287	,000
a. Dependent Variable: SR						

1. The Influence of Good Corporate Governance on Sustainability Report Disclosure

Based on the results of tests carried out partially, it is known that the Good Corporate Governance variable has a significance value of 0.009 <0.05 and the t-calculated value for the Good Corporate Governance variable is 2.664 (greater than the t-Table value).This means that in the 2015-2020 period the Good Corporate Governance variable (X1) has a significant positive effect on the variable disclosure of the Sustainability Report (Y). So Hypothesis (H1) is accepted. This means that the better the implementation of Good Corporate Governance, the better the quality of the Sustainability Report expressed. This is also in line with research (Hussain et al., 2018) which emphasizes that Good Corporate Coverage plays an important role in improving a company's Corporate Sustainability Performance. By implementing good Corporate Coverage, stakeholder trust in the Company's Corporate Sustainability Performance will increase.

2. The Influence of Stakeholder Pressure from Shareholders on Disclosure of Sustainability Reports

Based on the results of tests carried out partially, it is known that the shareholder variable has a significance value of 0.005 < 0.05 and the t-calculated value for the shareholder variable is 2.852 (greater than the t-table value). This means that in the 2015-2020 period the shareholder variable (X2) was significantly positive towards the Sustainability Report disclosure variable (Y). So the hypothesis (H2) is accepted. These results are in line with the research conductedby Qishti and Meutia (2020) which states that there is a positive influence between shareholders and the disclosure of the Sustainability Report. This is in accordance with stakeholder theory, where stakeholder theory is a theory that describes which parties the industry is responsible for. In carrying out all operational activities, industry must be responsible to various parties, such as the council, employees and residents. In this case, stakeholders provide an orientation to lead the organization to maintain the quality of life and subsequently continue to improve it which becomes important as the way companies treat the environment in doing business, which is defined as sustainability (Kocmanova, Hrebicek, and Docekalova, 2011).

3. The Influence of Employee Stakeholder Pressure on Sustainability Report Disclosure

Based on the results of tests carried out partially, it is known that the employee variable has a significance value of 0.048 <0.05 and the t-calculated value for the employee variable is -2.008 (smaller than the t-table value). This means that in the 2015-2020 period the employee variable (X3) had a significant negative effect on the disclosure of the Sustainability Report (Y). So hypothesis (H3) is rejected.

The results of this research are in line with research conducted by Cahaya et.,al (2012) which revealed that Indonesian companies have not really sees the issue of labor responsibility as the main prerequisite for CSR performance and reporting. This is evidenced by the overall low level of disclosure practices as well as the selective focus on only certain items while ignoring other important matters. Many companies in Indonesia do not disclose some information to protect their image and reputation. Such practices signal that institutional pressure on labor disclosure in Indonesia is low.

4. The Influence of Government Stakeholder Pressure on Sustainability Report Disclosure

Based on the results of tests carried out partially, it is known that the government variable has a significance value of 0.036 <0.05 and the t-count value for the government variable is 2.136 (greater than the t-table value). This means that in the 2015-2020 periodgovernment variable (X4) has a significant positive influence on disclosure of the Sustainability Report (Y). So the hypothesis (H4) is accepted.The results of this research support the results of research conducted by He et al., (2017) which states that government pressure has an influencewhich has a significant positive impact on the company's environmental behavior.

Government ownership in companies encourages companies to follow regulations such as publishing Sustainability Reportsregulated in Financial Services Authority Regulation No51/POJK.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers and Public Companies explains that Financial Services Institutions, Issuers and Public Companies are required to implement Sustainable Finance in the business activities of LJKs, Issuers and Public Companies. The sustainability report itself contains the economic, financial, social and environmental performance of an LJK, Issuer and Public Company in running a sustainable business.

5. The Influence of Media Stakeholder Pressure on Sustainability Report Disclosure

Based on the results of tests carried out partially, it is known that the media variable has a significance value of 0.043 < 0.05 and the t-calculated value for the media variable is 2.057 (greater than the t-table value). This means that in the 2015-2020 period the media variable (X5) had a significant positive effect on the disclosure of the Sustainability Report (Y). So the hypothesis (H5) is accepted. The results of this research are in line with signaling theory which explains corporate incentivesto communicate positive information in an effort to convey company activities and policies that have added value for the company. Some media publications themselves are positive (good news) and negative news (bad news). Positive coverage by the media may be due to the company's request, so it is not actually a measure of media exposure. Negative reporting can occur when media exposure is better measured because it reflects public pressure or scrutiny of sustainability activities through the media. The media can help prevent socially irresponsible corporate behavior, so that for companies it becomes a means of building legitimacy through positive exposure from the media. The media must play its main role in promoting the company's environmental performance which has been oriented towards disclosing sustainability reports.

d. F Test (Simultaneous Effect)

The F test is used to determine the simultaneous influence of independent variables with a significance level (α) of 5% or 0.05. Following are the results of the F test in Table 6 for the 2015-2020 period.

Table 6. F Test Results

ANOVAa						
Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	6,682	9	,742	10,404	,000b
	Residual	5,923	83	.071		

	Total	12,605	92			
a. Dependent Variable: SR						
b. Predictors: (Constant), AGE_COMPANY, SHARE_HOLDERS, GCG, DER, MEDIA, ROA, EMPLOYEES, GOVERNMENT, FIRM_SIZE						

Based on the results of the F test carried out in Table IV.7, it is known that the variables Good Corporate Governance (X1), shareholders (X2), employees (X3), government (X4), media (X5) simultaneously have a significant effect. towards the Sustainability Report (Y).

e. Coefficient of Determination Test (R2)

The Coefficient of Determination Test is carried out to find out how big the percentage contribution of the influence of all independent variables is to the dependent variable. The value used in the coefficient of determination is adjusted R square. Table 7 shows the results of the coefficient of determination test during the 2015-2020 period.

Table 7. Coefficient of Determination Test Results

Model Summary b					
Mode l	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,728a	,530	,479	.26713	2,080
a. Predictors: (Constant), AGE_COMPANY, SHARE_HOLDERS, GCG, DER, MEDIA, ROA, EMPLOYEES, GOVERNMENT, FIRM_SIZE					
b. Dependent Variable: SR					

Based on the output table above, it can be seen that the coefficient of determination obtained is 0.530 or 53%. This shows that Good Corporate Governance, Shareholders, Employees, Management and Media contributed to the disclosure of the Sustainability Report by 53% while the remaining 47% was a contribution from variables that were not examined.

V. Conclusion

Good Corporate Governanceand stakeholder pressure (shareholders, employees, government and media) have a significant effect on disclosureSustainability Reportin energy, raw goods, industrial and infrastructure sector companies in the 2015-2020 period. However, this study found that stakeholder pressure from employees had a significant negative impact ondisclosure *Sustainability Report.These* results indicate that reducing the number of employees can increase Sustainability Report disclosure. Because, for most employees, Sustainability Report disclosure has no effect if there is no direct impact felt by employees.

Future research is recommended to develop Good Corporate Governance measurements such as usingusing CGPI scores and so on. Also, additional banking samples were not tested in this study.

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