

The influence of ownership structure, board of directors, and the audit committee on sustainability report disclosure

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ABSTRACT

This study aims to analyze the influence of ownership structure, the board of directors, and audit committees on the disclosure of sustainability reports in the main sector companies listed on the Indonesia Stock Exchange in 2018–2021. This type of research is called correlational research. The population in this study are the main sector companies listed on the IDX in 2018–2021. The sampling technique used was the purposive sampling method, which obtained as many as 13 companies that match the research criteria. The analysis technique used in this study is a multiple linear regression analysis. The results of the study show that the ownership structure has no effect on sustainability report disclosures. The Board of Directors has no effect on the Sustainability Report Disclosure. The Audit Committee has a positive and significant effect on sustainability report disclosures.

1. Introduction

In the current era of globalization, the issue of sustainability is incessant, which makes it important to implement it in the business world. Apart from that, the issue of sustainability is made a crucial goal in the 2030 agenda, as are the Sustainability Development Goals (SDGs) or Sustainable Development Goals (TPB). SDGs/TPB rest on three pillars, namely the economic pillar for economic development, the environmental pillar for biodiversity, and the social pillar for human development in the social scope. The contribution of knowledge development and technological progress is not only aimed at overcoming economic problems but is also expected to contribute solutions related to environmental and social risks and sustainability. Thus, sustainability reports are the answer to overcoming the confusion felt by companies.

A sustainability report is a measurable report published by a company regarding the economic, social, and environmental impacts resulting from company activities that aim to prosper the economy without polluting the environment (Merli et al., 2015). This is in line with the triple bottom line concept,

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which states that companies wishing to be accepted in the long term should not only prioritize the profits they will obtain but must also pay attention to social and environmental aspects where the company is established. The phenomenon of sustainability reporting cases in Indonesia takes various forms. Facts regarding environmental damage caused by company activities increase every year. Companies involved in cases of environmental damage include PT Stanindo Inti Perkasa (SIP) in 2018 in Bangka Belitung, which was found guilty of violating the Environmental Protection and Management Law (Apriando, 2018). The next case by PT Adaro Energy was due to coal mining activities that resulted in the pollution of the Balangan River, which flows in Dehai Village, Paringin District, Balangan Regency, South Kalimantan, which resulted in thousands of residents' caged fish dying (Susanto, 2018). The next case is pollution in Riau caused by smoke from forest fires, which paralyzed the activities of local residents carried out by PT National Sago Prima (NSP), a subsidiary of PT Sampoerna Agro (Gumilar, 2019).

The above phenomenon illustrates that company activities are not always in line with the concept of sustainable development goals and the triple bottom line concept. The phenomenon of environmental damage above shows the company's low sense of social responsibility towards the surrounding community and the company's lack of concern for the environment. This problem encourages companies to release information transparently regarding all activities that have been carried out and the impact that the company has on the surrounding environment due to its activities. The existence of an ownership structure is a means of monitoring management. Institutional investors will ask management to disclose information transparently to stakeholders to get their support. Institutions have more resources within the company, so they can control the majority of shares compared to other shareholders. The greater the percentage of share ownership by institutions, the greater the control of the institution over the company. Therefore, institutional ownership will improve company's ability to disclose sustainability reports.

The board of directors is the body that carries out the company's daily activities. One of the functions of the board of directors is to fulfill social responsibilities. Achieving company goals depends on the role of the board of directors, because the board is entrusted with managing the running of the company. In addition, the board of directors is responsible for ensuring that the company, when carrying out its activities, complies with applicable laws and regulations, namely legislation, including the issue of voluntary reports in the form of sustainability reports.

The audit committee is a committee formed by and responsible to the board of commissioners to help carry out the duties and functions of the board of commissioners. An audit committee in a company is a must and is independent so that it can help improve disclosure practices and run the

supervision system better. Firm size or company size is an indicator to measure the size of the company, which can be shown by total assets, total sales, and total profits, which can influence the company's social performance so that the company's goals are achieved (Putri & Mulyani, 2019). Therefore, company size is an important factor that influences the quality of sustainability report disclosures because larger companies are more visible to the public and disclose more information to satisfy stakeholder scrutiny, including high media attention. This condition will encourage companies to pay attention to the company's long-term goals, one of which is disclosing a sustainability report to gain legitimacy from the public that the company has carried out its social responsibilities. Based on the description above, the researcher is interested in taking up research regarding "The Influence of Ownership Structure, Board of Directors, and Audit Committee on Sustainability Report Disclosure (Case Study of Main Sector Companies listed on the IDX in 2018–2021)."

2. Theoretical Framework and Hypotheses Development

2.1 Theoretical Framework

2.1.1 Stakeholder Theory

Stakeholder theory, introduced by Freeman & Reed in 1983, is a concept related to corporate social responsibility, where a company's survival is influenced by its stakeholders. Companies must not only maximize profits and shareholders' interests but also consider the community, customers, and suppliers in their operations. Companies must establish good relationships with stakeholders by meeting their needs and desires, especially those who have resources like labor and markets for products (Ghozali & Chariri, 2007). One of the company's responsibilities to stakeholders is to disclose its activities and their impacts on economic, environmental, and social aspects. By disclosing a sustainability report, the company can fulfill stakeholder information needs and gain support, significantly impacting its business sustainability. Better disclosure results in higher stakeholder support for the company's sustainability.

2.1.2 Legitimacy Theory

Legitimacy theory suggests that companies strive to maintain societal norms and boundaries to gain legitimacy. It focuses on a company's interaction with the community, aiming to balance social values and behavioral norms. Companies that practice legitimacy theory receive support from the community for their operational activities. The legitimacy gap, the mismatch between company values and societal values, can be reduced by identifying influential public figures. By disclosing information about company activities, transparency can be increased, leading to maximum community support for survival. This can be achieved through the disclosure of sustainability reports, which can restore, increase, and maintain the legitimacy received. By voluntarily disclosing information about company activities, companies can ensure their survival and contribute to society's social system.

2.2 Hypotheses Development

2.2.1 The Influence of Ownership Structure on Sustainability Report Disclosure

Institutional ownership refers to the proportion of company share ownership held by institutions, which is part of corporate governance mechanisms. It helps make investment decisions with higher quality in environmental and social responsibility. Institutional investors demand transparency from management in order to gain support. The higher the institutional ownership, the greater the control over the company. This can improve companies' disclosure of sustainability reports. Stakeholder theory suggests that stronger stakeholders lead to greater company adaptation to stakeholder desires. The stronger the institutional ownership, the more likely a company is to disclose sustainability reports due to the strong causal relationship between corporate responsibility and institutions. According to previous research regarding institutional ownership on sustainability report disclosures conducted by Noerkholiq & Muslih (2021) dan Aliniar (2017), there is a significant positive influence between institutional ownership and sustainability report disclosures.

H1: Ownership structure has a positive effect on sustainability report disclosure.

2.2.2 The Influence of the Board of Directors on Sustainability Report Disclosure

The board of directors is the board that carries out the company's daily activities. According to stakeholder theory, an entity operates not only for its own needs but must be able to provide benefits for its stakeholders. Directors, as company administrators, are responsible for disclosing all information regarding the company's business activities to stakeholders with the aim of gaining support from stakeholders to achieve business continuity. The realization is in the form of a written plan containing accountability for activities, which can be published through a sustainability report. The more members of the board of directors in a company, the more mature and effective they will be in making policies and strategies for the company's current and future needs. According to previous research regarding institutional ownership of sustainability report disclosures conducted by Wulanda (2017) dan Herawaty et al. (2021), the board of directors has a positive influence on sustainability report disclosures. Based on the theoretical explanation and previous research above, the following hypothesis can be formulated:

H2: The board of directors has a positive effect on sustainability report disclosure.

2.2.3 The Influence of the Audit Committee on Sustainability Report Disclosure

Stakeholder theory suggests that companies must prioritize the interests of stakeholders to fulfill their needs and gain recognition. An independent audit committee is crucial for improving disclosure practices and supervision systems. Regular meetings between the committee and its members ensure good communication and appropriate decisions for all stakeholders, including those regarding the disclosure of information in the company's economic, environmental, and social scope. Frequent meetings also allow the committee to stay updated on societal regulations and issues, encouraging companies to disclose sustainability reports more widely. This increased frequency of meetings can also encourage companies to disclose more widely, gaining a positive image from stakeholders. Previous research by Dewi Puspita (2021) dan Safitri & Silalahi (2020) supports the positive influence of audit committees on sustainability report disclosures. Therefore, the hypothesis can be formulated based on the theoretical explanation and previous research.

H3: The audit committee has a positive effect on sustainability report disclosure.

The relationship between variables in this study can be describe in the form of a framework shown in Figure 1.

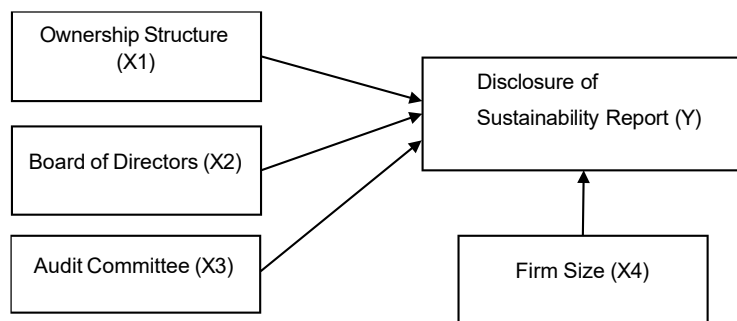


Figure 1.
Conceptual
Framework

3. Research Method

3.1. Data Sample Collection

The type of research carried out in this research is causal associative research with quantitative techniques. According to Sugiyono (2016), causal associative research is research that aims to determine the relationship between two or more variables. A causal relationship is a relationship that is cause-and-effect in nature; one variable (independent) influences another variable (dependent). Quantitative research is a type of research whose specifications are systematic, planned, and clearly structured from the start until the creation of the research design. This research looks at the direct influence of ownership structure, the board of directors, and the audit committee on sustainability report disclosure.

Sampling is done using the purposive sampling technique, namely selecting samples based on certain criteria. In this research, the samples used were mining and agricultural companies listed on the Indonesia Stock Exchange in 2018–2021. The type of data used in this research is secondary data, which is quantitative data carried out by literature and manuals in the form of annual financial reports (annual reports) of companies listed on the Indonesia Stock Exchange (IDX) for 2016–2020. The processing data was obtained from the IDX website (www.idx.co.id) and the websites of each company.

No	Sample	Amount
1.	Mining and agricultural sector companies listed on the IDX in 2017-2021	75
2.	Mining and agricultural sector companies that do not consistently publish sustainability reports using GRI Standards guidelines	(62)
3.	Mining and agricultural sector companies that inconsistently publish annual reports on the IDX for the 2018-2021 period	-
Companies that meet the criteria and are processed		13
Observation year		4
Number of samples processed		52

Table 1.
Purposive Sampling

3.2. Technical Analysis and Variable Measurement

3.2.1 Technical Analysis

The data analysis method in this study is multiple regression analysis analysis using SPSS (Statistical Package for the Social Sciences) 20 for Windows software. The model for this study can be described in the Equation 1 below:

Equation 1.

$$Y = \alpha + \beta_1 X_1 + \beta_2 X_2 + \beta_3 X_3 + \beta_4 X_4 + e$$

Y	= Sustainability Report Disclosure
α	= Constants
β_1 - β_2	= Regression Coefficient
X1	= Ownership Structure
X2	= Board of Directors
X3	= Audit Committee
X4	= Firm Size

e = Standar Error

3.2.2 Variable Measurement

3.2.2.1. Sustainability Report Disclosure

The dependent variable of this study is the disclosure of sustainability reports. The calculation of sustainability report disclosure is done by giving a score of 1 if the company discloses items according to the GRI indicators, and if it does not disclose any information, it will be given a score of 0. Then the value obtained from each disclosure item will be added up to get the total value of each company. Furthermore, it is divided by the total number of disclosures based on the GRI Standards, which is 77 items (Widodo et al., 2019).

3.2.2.2. Ownership Structure

Institutional ownership structure is the proportion of share ownership by institutions at the end of the year. Institutional ownership is measured by dividing the number of shares owned by institutions by the number of shares outstanding (Aliniar, 2017).

3.2.2.3. Board of Directors

The board of directors, according to Financial Services Authority Regulation Number 33/POJK.04/2014, is a part of the company that is authorized and fully responsible for leading the company and representing the company inside and outside the court in accordance with the provisions of the articles of association. The influence of the board of directors in this study is proxied by the number of members of the board of directors who carry out the company's operational activities (Khoiriyah, 2018).

3.2.2.4. Audit Committee

The audit committee, according to Financial Services Regulation Number 55/POJK.04/2015, is a committee formed by and responsible to the board of commissioners to assist in carrying out the duties and functions of the board of commissioners. In handling control, the audit committee acts as a liaison between shareholders (stakeholders) and commissioners with management. The role of the audit committee in this study is proxied by the number of meetings held by the audit committee in a year in a company (Tobing et al., 2019).

4. Results and Discussion

4.1. Results

4.1.1 Descriptive Statistic

Descriptive statistics are shown to describe or depict data in research variables, namely ownership structure, board of directors, and audit committee on sustainability report disclosures seen from the average (mean), minimum, maximum, and standard deviation. The results of descriptive statistics in this study can be seen in the following table:

	N	Minimum	Maximum	Mean	Std. Deviation
OS	52	.50	.97	.8158	.11260
BOD	52	3	11	5.81	1.920
KA	52	3	77	13.37	14.964
FS	52	29.64	32.10	30.7853	.70072
PSR	52	.13	.94	.4159	.15602
Valid N (listwise)	52				

Table 2.
Descriptive
Statistics

Based on the descriptive statistical table, Ownership Structure minimum value is 0.50, maximum value is 0.97, and average (mean) owned is 0.8158. The standard deviation value is smaller than the average, which is 0.11260. This indicates that the distribution of institutional ownership data is not much different or the data deviation is relatively small. Board of Directors (BOD) minimum value is 3.0, maximum value is 11.0, average value (mean) BOD is 5.81. The standard deviation has a value of 1.920 and tends to be smaller than the average value. This is because the range of BOD variable data is not too far, meaning that the analysis on BOD does not show significant differences. Audit Committee (KA) minimum value is 3, maximum value is 77, average value is 13.37 The standard deviation value on this variable is large. When compared, the average value is smaller than the standard deviation value. This indicates that the data deviation on the audit committee variable is relatively large.

4.1.2 Normality Test

One-Sample Kolmogorov-Smirnov Test

		Unstandardized Residual
N		52
Normal Parameters ^{a,b}	Mean	,0000000
	Std. Deviation	,14300314
Most Extreme Differences	Absolute	,075
	Positive	,075
	Negative	-,052
Test Statistic		,075
Asymp. Sig. (2-tailed)		,200 ^c

Table 3.
Results of
Normality
Test

Based on the normality test in table 3 above, it is explained that the asymptotic sig value in the unstandardized residual column is 0.200. Because the significance value is greater than 0.05 ($0.200 > 0.05$), it can be said that the data in the research has been normally distributed or that the regression has met the normality assumption requirements.

4.1.3 Multicollinearity Test

		Coefficients ^a		Table 4. Results of Multicollinearity Test
Model		Collinearity Statistics		
		Tolerance	VIF	
1	OS	,903	1,107	
	BOD	,920	1,087	
	KA	,923	1,084	
	FS	,942	1,061	

Based on table 4, it can be seen that in 52 analysis units, the tolerance value of all independent variables is >0.10 and the VIF value is <10 , so it can be concluded that in this research, the regression model does not have multicollinearity between the independent variables.

4.1.4 Heteroscedasticity Test

Model	Coefficients ^a			t	Sig.
	Unstandardized Coefficients		Standardized Coefficients		
	B	Std. Error	Beta		
(Constant)	-,473	,564		-,838	,407
OS	,021	,117	,027	,178	,860
1					
BOD	,001	,007	,011	,076	,939
KA	-,001	,001	-,095	-,634	,529
FS	,019	,018	,150	1,012	,317

Table 5.
Results of
Heteroscedasticity Test

Based on table 5, heteroscedasticity testing using the Glejser test method shows that the significant values of all independent variables are higher than the 0.05 significance level, so it can be concluded that this research data does not have symptoms of heteroscedasticity.

4.1.5 Autocorrelation Test

Model Summary ^b					
Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	,400 ^a	,160	,088	,14896	1,831

a. Predictors: (Constant), OS, BOD, SR, FS

b. Dependent Variable: SR Disclosure

Table 6.
Results of
Autocorrelation Test

Based on table 6. above, it shows the Durbin-Watson value is 1.831. The upper limit value (dU) seen in the Durbin-Watson table k = 4 and n = 52 is known to be 1.831. The dU value is 1.7223. The Durbin-Watson test results were 1.831 (>dU) and less than 2.2777 (4-dU), it can be said that the data in this study did not contain symptoms of autocorrelation.

4.1.6 Multiple Linear Regression Analysis

Coefficients^a

Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1 (Constant)	,076	,941		,080	,936
OS	-,192	,195	-,138	-,985	,330
BOD	-,008	,011	-,098	-,705	,484
KA	,004	,001	,404	2,902	,006
FS	,016	,031	,071	,516	,609

Table 7.
Results of Multiple
Linear Regression
Analysis

Based on the table above, it can be seen that the constant (absolute value of Y) is 0.076, meaning that if OS (X1), BOD (X2), SR (X3), and FS (X4) are constant or have a value of 0, then the disclosure of the sustainability report is 0.076. The regression coefficient of OS (X1) is -0.192 and the significance value is 0.330 and shows a negative direction, meaning that if there is an increase in institutional ownership, it will cause a decrease in the disclosure of the sustainability report. The BOD coefficient (X2) is -0.008, meaning that if there is an increase in the number of board of directors, it will cause a decrease in the disclosure of the sustainability report. The KA coefficient (X3) is 0.004, indicating a positive direction, meaning that if there is an increase in audit committee meetings, it will cause an increase in the disclosure of the sustainability report. The significance value is 0.006, meaning that the disclosure of the sustainability report has been successfully influenced by the audit committee. The FS coefficient (X3) is 0.016, indicating that if there is an increase in firm size, it will cause an increase in the disclosure of the sustainability report.

4.1.7 Model Feasibility Test (F Test)

ANOVA^a

Model	Sum of Squares	Df	Mean Square	F	Sig.
1 Regression	,199	4	,050	2,237	,079 ^b
Residual	1,043	47	,022		
Total	1,242	51			

Table 8.
Results of F Test

Based on the results of table 8, the statistical goodness of fit value was obtained with an F value of 2.237 and a significant value of 0.79^b greater than

0.05. So it can be concluded that the estimated regression model is not suitable for use in research.

4.1.8 Hypothesis Testing (t-Test)

Coefficients ^a					
Model	Unstandardized Coefficients		Standardized Coefficients	t	Sig.
	B	Std. Error	Beta		
1	(Constant)	,076	,941	,080	,936
	OS	-,192	,195	-,138	,330
	BOD	-,008	,011	-,098	,484
	KA	,004	,001	,404	,006
	FS	,016	,031	,071	,609

Table 9.
Results of
F Test

The Ownership Structure (OS) variable based on the results of the t-analysis has a regression coefficient of -0.192 with a significance level of 0.330 ($0.330 > 0.05$). It can be seen that the ownership structure does not have a significant effect on the disclosure of the sustainability report. This shows that the ownership structure does not affect the disclosure of the sustainability report, so that the first hypothesis (H1) is rejected.

The Board of Directors (BOD) variable based on the results of the t-analysis has a regression coefficient of -0.008 with a significant value of 0.484 ($0.484 > 0.05$). It can be seen that the board of directors does not have a significant influence on the disclosure of sustainability reports. This shows that the board of directors does not affect the disclosure of sustainability reports, so the second hypothesis (H2) is rejected.

The Audit Committee (AC) variable based on the results of the t-analysis has a regression coefficient of 0.004 with a significant value of 0.006 ($0.006 < 0.05$). It can be seen that the audit committee places a significant value on the disclosure of sustainability reports. The regression coefficient shows a positive direction, which can be interpreted as a positive influence between the audit committee and the disclosure of sustainability reports. These results indicate that the audit committee has a positive and significant effect on the disclosure of sustainability reports, so the third hypothesis (H3) is accepted.

4.2. Discussion

4.2.1 The Influence of Ownership Structure on Sustainability Report Disclosure

Based on the test results, it states that the ownership structure variable has no effect on sustainability report disclosure, so the first hypothesis (H1) of

the research is rejected. This research failed to prove stakeholder theory, which explains that the stronger the stakeholders, the greater the company's efforts to adapt to stakeholder desires. Ownership structure is part of a corporate governance mechanism that is able to make investment decisions of higher quality in environmental and social responsibility. The company's economic, environmental, and social responsibilities are outlined in the sustainability report. By using a sustainability report, the company is considered to have tried to align itself with the environment and social conditions in the area the company operates (Madani, 2021). The existence of institutional investors is an effective tool for monitoring every decision taken by managers (Khoiriyah & Wirawan, 2021). The existence of institutional investors will take into account the long-term sustainability of the company.

However, this research shows that a company's economic, environmental, and social responsibilities have no effect on institutional share ownership. Companies with a high level of institutional ownership do not always increase their sustainability report disclosures, nor do companies with low institutional ownership necessarily disclose sustainability reports at a low level. The level of institutional share ownership is not an indicator that influences sustainability report disclosure. The existence of institutional investors has not been able to encourage companies to disclose these activities in reports in the form of sustainability reports.

The reason for this is because supervision by institutional investors is not running optimally, and it is suspected that there is information asymmetry, which makes it difficult for investors to monitor manager behavior. Apart from that, institutions as investors have not fully considered the long-term sustainability of the company when investing. This can be seen from being an investor who does not consider the company's environmental and social responsibilities. It is possible that institutional investors in investing their financial resources are still oriented towards short-term profits, for example by prioritizing company profits. On the other hand, the awareness of companies in Indonesia regarding their environmental and social responsibilities is not yet strong and entrenched, so the size of institutional share ownership does not provide encouragement for the practice of disclosing sustainability reports. This research is in line with the results of research conducted by Madani (2021) and Qomariah (2021), which stated that institutional ownership has no influence on sustainability report disclosure.

4.2.2 The Influence of the Board of Directors on Sustainability Report Disclosure

Based on the test results, it states that the board of directors variable does not affect the disclosure of sustainability reports, so the second hypothesis (H2) of the study is rejected. The number of board members in a company Abu Qa'dan & Suwaidan (2019) said that the more diverse the insights, knowledge,

and experience of each member of the board of directors. The more board members in a company, the more mature and effective it should be in taking policies and strategies for current and future needs. A board of directors with a larger number of members is considered adequate and optimal in helping the company build relationships with stakeholders. This is because the increasing composition of the board of directors can provide expertise and more experience so that they are able to make the right decisions (Justin & Hadiprajitno, 2019). Companies that have good policies and strategies will influence the practice of disclosing sustainability reports.

The results of this study indicate the opposite direction, because the more board members in a company do not reflect good and effective coordination in determining policies for disclosing sustainability reports. Mujiani & Jayanti (2021) argue that this is because the board of directors as management prioritizes the company's goals over the interests of shareholders, resulting in less than optimal implementation of the company's economic, environmental, and social responsibilities published in the form of a sustainability report.

The results of this study are in line with the results of research conducted by Thuc & Nguyen (2020) and Hamidah & Arisukma (2020), which stated that the board of directors has no effect on the disclosure of sustainability reports. The number of board members in a company will actually reduce the quality of sustainability report disclosure. Conversely, companies with a small composition of board members are able to provide more information, thereby increasing the breadth of sustainability report disclosure.

4.2.3 The Influence of the Audit Committee on Sustainability Report Disclosure

Based on the test results, it states that the audit committee variable has a positive and significant influence on the disclosure of sustainability reports, so that the third hypothesis (H3) of the study is accepted. The results of this study support stakeholder theory, which explains that companies are required to pay attention to the interests of stakeholders when managing and making decisions so that the need for stakeholder information can be met and the company will receive recognition from stakeholders. As a form of effort that can be made, namely encouraging company management by forming an audit committee. POJK Number 55/POJK.04/2015 defines an audit committee as a committee formed by and responsible to the board of commissioners in assisting in carrying out the duties and functions of the board of commissioners. Natalia & Wahidahwati (2016) explained that the purpose of forming an audit committee is to oversee the process of preparing financial reports and audit examinations, overseeing the process of implementing corporate governance. The existence of an audit committee will encourage the publication of company reports and high integrity, including sustainability reports (Khoiriyah & Wirawan, 2021).

This study has succeeded in proving that the disclosure of sustainability reports influenced by the audit committee has a positive and significant influence. This means that the more often the audit committee holds meetings, the more it can affect the extent of sustainability report disclosure practices. When carrying out its duties, the audit committee needs to hold regular meetings to establish good communication between members. The more meetings are held, the higher the level of supervision and evaluation. An audit committee that holds meetings frequently will be stronger in encouraging and directing management of one of the principles of good corporate governance, namely transparency.

From each meeting and the frequency of meetings, the audit committee can understand the importance of disclosing information needed by stakeholders strategically, including making the right decisions to disclose information about the economy, environment, and society through sustainability reports. One indicator of the success of implementing good corporate governance is information transparency. To realize good corporate governance, the audit committee recommends that companies disclose sustainability reports. The success of implementing good corporate governance can maintain the sustainability of the company. The more often the audit committee holds meetings, the more it can encourage companies to disclose sustainability reports more widely. The results of this study are in line with previous studies conducted by Nuraeni & Darsono (2020) and Indrianingsih & Agustina (2020). The research findings successfully show that sustainability report disclosure influenced by the audit committee has a positive and significant influence.

5. Conclusions, Limitations, and Recommendations

This study aims to determine the effect of ownership structure, board of directors, and audit committee on sustainability report disclosure in major sector companies listed on the IDX during 2018-2021. Based on the results of descriptive analysis and multiple linear analysis, the following conclusions can be drawn: 1) Ownership structure does not affect sustainability report disclosure. 2) The board of directors does not affect sustainability report disclosure. 3) The audit committee has a positive and significant effect on sustainability report disclosure. 4) Firm size does not affect sustainability report disclosure.

Based on the research that has been conducted, there are several limitations that can be given in the study, namely: 1) The sample used in this study is limited to major sector companies (mining and agriculture), so the conclusions obtained cannot be generalized. 2) This study is limited by using ownership structure, board of directors, and audit committee so that it does not consider other factors that can affect sustainability report disclosure. 3) This study only uses a time span of four years, namely from the period 2018-2021. 4) The F test shows unfit results, thus affecting all independent variables.

Based on the research conducted, there are several suggestions that can be given for further research, namely: 1) Further researchers are expected to use diverse samples. 2) Further research is expected to replace independent variables other than ownership structure, board of directors, and audit committee with unique variables. 3) Future researchers are expected to use a wider observation period.

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