



Proceeding – ICOBIS

INTERNATIONAL CONFERENCE ON GLOBAL INNOVATION AND TRENDS IN ECONOMICS (ICOBIS)

Determinants of Corporate Social Responsibility Disclosure in Food and Beverage Sub-Sector Companies Listed on the Indonesia Stock Exchange (2020–2024)

1st Putri Nur Aisyah

Departement of Accounting, Faculty of Economic and Social Science
Universitas Muhammadiyah Tegal
putrinrasyh2904@gmail.com

2nd Teguh Rimbawan

Departement of Accounting, Faculty of Economic and Social Science
Universitas Muhammadiyah Tegal
rimbawan.teguh@gmail.com

Abstract –

Corporate Social Responsibility (CSR) disclosure has become an important aspect of corporate transparency as stakeholders increasingly demand information regarding companies' social and environmental responsibilities. This study aims to examine the effects of firm size, profitability, and audit quality on Corporate Social Responsibility Disclosure (CSRDI) among food and beverage companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period. This research employs a quantitative approach using secondary data obtained from annual reports and sustainability reports. The sample consists of 24 companies selected through purposive sampling, resulting in 120 firm-year observations. CSR disclosure is measured using the Corporate Social Responsibility Disclosure Index (CSRDI) based on the Global Reporting Initiative (GRI) 2021 Standards. The data were analyzed using multiple linear regression with SPSS Statistics version 26. The results indicate that firm size, profitability, and audit quality simultaneously affect CSR disclosure. Partially, audit quality has a significant positive effect on CSR disclosure, while profitability has a significant negative effect. Meanwhile, firm size has a positive but insignificant effect on CSR disclosure. These findings highlight the important role of audit quality in improving CSR transparency and indicate that financial performance and company characteristics do not always determine CSR disclosure practices.

Keywords: *Corporate Social Responsibility Disclosure, Firm Size, Profitability, Audit Quality, GRI 2021 Standards, Food and Beverage Companies.*

I. INTRODUCTION

In recent years, corporate accountability has expanded beyond financial performance to include social, environmental, and ethical responsibilities. Corporate Social Responsibility (CSR) disclosure has become an important reporting practice that enables companies to communicate their economic, social, and environmental contributions to stakeholders. In Indonesia, CSR implementation is regulated through Law No. 40 of 2007 concerning Limited Liability Companies and Financial Services Authority (OJK) Regulation No. 51/POJK.03/2017 concerning Sustainable Finance. However, despite the existence of these regulations, the extent and quality of CSR disclosure remain varied among companies and industries.

The Food and Beverage (F&B) sub-sector plays a significant role in Indonesia's manufacturing industry but faces increasing concerns related to environmental sustainability, resource consumption, waste management, labor practices, and product safety. During the 2020–2024 period, companies experienced increasing pressure from investors, consumers, and regulators to improve Environmental, Social, and Governance (ESG) practices. Therefore, examining the factors that influence CSR disclosure in this sector is relevant to understanding corporate sustainability reporting behavior.

Stakeholder Theory and Legitimacy Theory provide important perspectives in explaining CSR disclosure practices. Stakeholder Theory emphasizes that companies must fulfill the expectations of various stakeholders, including investors, customers, communities, and regulators, to maintain long-term support. Meanwhile, Legitimacy Theory suggests that companies disclose social and environmental information as a means of maintaining alignment between corporate activities and societal expectations.

Previous studies have identified several factors that may influence CSR disclosure, including firm size, profitability, and audit quality; however, empirical findings remain inconsistent. Larger companies are generally expected to provide broader CSR disclosures due to greater public visibility and stakeholder pressure. Profitability is also considered an important factor because financially capable companies may have greater resources to conduct and report CSR activities. Nevertheless, some studies indicate that highly profitable companies may prioritize financial performance rather than increasing CSR disclosure. In addition, audit quality, particularly audits conducted by Big Four accounting firms, may enhance reporting credibility and encourage greater transparency in CSR practices.

Based on these research gaps, this study aims to examine the effect of firm size, profitability, and audit quality on Corporate Social Responsibility Disclosure among Food and Beverage companies listed on the Indonesia Stock Exchange during the 2020–2024 period. The hypotheses proposed in this study are:

H1: Firm size has a positive effect on Corporate Social Responsibility Disclosure.

H2: Profitability has a positive effect on Corporate Social Responsibility Disclosure.

H3: Audit quality has a positive effect on Corporate Social Responsibility Disclosure.

H4: Firm size, profitability, and audit quality simultaneously affect Corporate Social Responsibility Disclosure.

II. METHOD

This study adopts a descriptive quantitative research approach to investigate the causal relationships between the independent variables (Firm Size, Profitability, and Audit Quality) and the dependent variable (Corporate Social Responsibility Disclosure). The study population comprises all Food and Beverage sub-sector companies listed on the Indonesia Stock Exchange (IDX) during the

2020–2024 period. Sample selection was conducted using a purposive sampling method based on specific criteria: (1) F&B companies continuously listed on the IDX from 2020 to 2024; (2) companies that published complete annual reports and financial statements in IDR currency throughout the observation period; and (3) companies containing accessible CSR or sustainability reporting disclosures. Out of the population, 24 companies fulfilled all criteria over the 5-year period, yielding a total sample size of 120 firm-year observations.

Table 1. Operational Definition and Measurement of Variables

Variable	Type	Operational Definition	Measurement Scale
Corporate Social Responsibility Disclosure (CSRDI)	Dependent	Extent of CSR items disclosed based on Global Reporting Initiative (GRI) 2021 Standards (117 items).	CSRDI = Total Items Disclosed / 117 (Ratio)
Firm Size (SIZE)	Independent	Scale of the company evaluated based on total assets.	SIZE = Ln(Total Assets) (Ratio)
Profitability (ROA)	Independent	Efficiency of the firm in generating net profits from total assets.	ROA = (Net Income / Total Assets) × 100% (Ratio)
Audit Quality (AUDIT)	Independent	Reputation and audit standard of the external auditing firm.	Dummy Variable: 1 = Big Four Firm, 0 = Non-Big Four

Secondary data were extracted from annual reports and sustainability reports retrieved from the official IDX website (www.idx.co.id) and individual corporate websites. Data analysis was executed using SPSS Statistics 26, incorporating classical assumption tests (normality, multicollinearity, autocorrelation, and heteroscedasticity tests) followed by Multiple Linear Regression Analysis, F-test, t-test, and Coefficient of Determination (R^2) evaluation. The multiple regression model is specified as follows:

$$\text{CSRDI} = \alpha + \beta_1(\text{Firm Size}) + \beta_2(\text{ROA}) + \beta_3(\text{Audit Quality}) + \varepsilon$$

III. RESULTS AND DISCUSSION

3.1. Descriptive Statistics

Descriptive statistics provide a general overview of the quantitative characteristics of the research variables across 120 observations. Table 2. summarizes the minimum, maximum, mean, and standard deviation values.

Table 2. Descriptive Statistics Results

Descriptive Statistics					
	N	Minimum	Maximum	Mean	Std. Deviation
PROFITABILITAS	120	,01	34,28	,5681	3,43797
KUALITAS AUDIT	120	,00	1,00	,6250	,48615
CSR	120	,00	,92	,5113	,19522
LN1	120	13,77	29,12	18,1772	4,82100
Valid N (listwise)	120				

3.2. Classical Assumption Testing

To ensure valid econometric inference, four classical assumption tests were evaluated based on the SPSS analytical output:

- Normality Test:** The One-Sample Kolmogorov-Smirnov test yielded a Test Statistic of 0.065 with an Asymptotic Significance (2-tailed) of $p = 0.200$ (Monte Carlo Sig. = 0.672). Since $p > 0.05$, the unstandardized residuals are normally distributed.
- Multicollinearity Test:** Evaluation of collinearity statistics showed Tolerance values of 0.997 (Profitability), 0.998 (LN1), and 0.999 (Kualitas Audit), all comfortably above 0.10. Correspondingly, Variance Inflation Factors (VIF) were 1.003, 1.002, and 1.001, remaining well below the threshold of 10.0. Thus, no multicollinearity exists among independent variables.
- Heteroscedasticity Test:** The Park test (regressing natural logarithm of squared residuals LNEI2 against independent variables) produced p-values of 0.995 (Profitability), 0.107 (LN1), and 0.508 (Kualitas Audit). Because all p-values exceed 0.05, heteroscedasticity is absent.
- Autocorrelation Test:** The Durbin-Watson statistic was recorded at 1.812. Located between acceptable critical boundaries (1.50 to 2.50), the model is free from first-order autocorrelation.

3.3. Multiple Linear Regression Analysis

Hypothesis testing was executed to determine the simultaneous and partial effects of the independent variables on CSR disclosure. The regression outputs are presented in Table 3.

Table 3. Multiple Regression Analysis Results

Coefficients ^a						
Model		Unstandardized Coefficients		Standardized Coefficients	t	Sig.
		B	Std. Error	Beta		
1	(Constant)	,449	,071		6,324	,000
	PROFITABILITAS	-,012	,005	-,219	-2,481	,015
	LN1	,001	,004	,015	,170	,865
	KUALITAS AUDIT	,093	,035	,233	2,639	,009

a. Dependent Variable: CSR

The multiple linear regression equation derived from Table 4 is formulated as: $\text{CSR} = 0.449 - 0.012(\text{PROFITABILITAS}) + 0.001(\text{LN1}) + 0.093(\text{KUALITAS AUDIT}) + \varepsilon$. The coefficient of determination (R^2) is 0.099 with an Adjusted R^2 of 0.076, demonstrating that 9.9% of the variation in Corporate Social Responsibility Disclosure is jointly explained by Profitability, Firm Size, and Audit Quality, while the remaining 90.1% is influenced by exogenous factors outside the model.

3.4. Discussion

1. Effect of Firm Size on Corporate Social Responsibility Disclosure

The results indicate that firm size has a positive but insignificant effect on CSR disclosure ($B = 0.001$; $p = 0.865$). Therefore, H_1 is rejected. This finding suggests that the size of a company does not necessarily determine the extent of CSR disclosure. Regardless of company size, CSR disclosure is more likely influenced by management commitment and stakeholder expectations. This result supports the findings of (Yanti et al., 2021) and (Safira Yulinda, 2023) but differs from (Rizqi & Sudrajat, 2023).

2. Effect of Profitability on Corporate Social Responsibility Disclosure

Profitability has a significant negative effect on CSR disclosure ($B = -0.012$; $p = 0.015$). Therefore, was not supported. The negative relationship indicates that more profitable companies do not necessarily disclose more CSR information, as they may prioritize financial performance over voluntary sustainability reporting. This finding is consistent with (Safira Yulinda, 2023) but contradicts (Yanti et al., 2021). From the perspective of Stakeholder and Legitimacy theories, profitability alone is insufficient to encourage broader CSR disclosure.

3. Effect of Audit Quality on Corporate Social Responsibility Disclosure

Audit quality has a positive and significant effect on CSR disclosure ($B = 0.093$; $p = 0.009$). Therefore, H3 is accepted. Companies audited by Big Four accounting firms tend to disclose more comprehensive CSR information because higher audit quality enhances the credibility and transparency of corporate reporting. This finding supports Stakeholder Theory, Legitimacy Theory, and previous studies by (Rizqi & Sudrajat, 2023) and (Setyawan et al., 2020).

4. Simultaneous Effect of Firm Size, Profitability, and Audit Quality on Corporate Social Responsibility Disclosure

The F-test shows that firm size, profitability, and audit quality simultaneously have a significant effect on CSR disclosure ($F = 4.252$; $p = 0.007$). However, the Adjusted R^2 value of 0.076 indicates that these variables explain only 7.6% of the variation in CSR disclosure, while the remaining 92.4% is influenced by other factors outside this research model. These findings indicate that audit quality is the strongest determinant among the variables examined, while other factors should be considered in future studies.

IV. CONCLUSIONS

This study examined the determinants of Corporate Social Responsibility (CSR) disclosure among Food and Beverage sub-sector companies listed on the Indonesia Stock Exchange during the 2020–2024 period. Based on the results of the empirical analysis, the following conclusions can be drawn:

1. Firm size has a positive but statistically insignificant effect on CSR disclosure. This finding indicates that larger companies do not necessarily provide more extensive CSR information, as CSR disclosure may be influenced by other factors such as management commitment and stakeholder expectations.
2. Profitability has a significant negative effect on CSR disclosure. This result suggests that companies with higher profitability do not always increase their CSR disclosure, as management may prioritize financial performance objectives rather than expanding voluntary sustainability reporting.
3. Audit quality has a positive and significant effect on CSR disclosure. Companies audited by Big Four accounting firms tend to provide more comprehensive CSR disclosures due to greater emphasis on transparency, credibility, and accountability in corporate reporting.
4. Firm size, profitability, and audit quality simultaneously have a significant effect on CSR disclosure. However, the relatively low Adjusted R^2 value indicates that these variables only explain a small proportion of CSR disclosure variations, while other factors outside this research model may also influence CSR disclosure practices.

Overall, the findings highlight that audit quality plays an important role in encouraging CSR disclosure, while firm size and profitability do not always become the main determinants of CSR reporting among Food and Beverage companies listed on the Indonesia Stock Exchange.

REFERENCES

- Bachtiar & Siregar. (2010). Corporate social reporting: empirical evidence from Indonesia Stock Exchange. *International Journal of Islamic and Middle Eastern Finance and Management*, 241–252.
- Carroll, A.B. and Brown, J. A. (2018). Corporate Social Responsibility: A Review of the Literature and Research Agenda. *Business & Society*, 87–136.
- DeAngelo, L. E. (1981). Auditor Size and Audit Quality. *Accounting and Economics*, 3, 183–199.
- Dewi Widianingsih. (2018). Kepemilikan Manajerial, Kepemilikan Institusional, Komisaris Independen, serta Komite Audit pada Nilai Perusahaan dengan Pengungkapan CSR sebagai Variabel Moderating dan Firm Size sebagai Variabel Kontrol. *Akuntansi Dan Pajak*, 19 (1).
- Edo Bramono. (2008). *Tanggung Jawab Sosial dan Profitabilitas*.
- Ghozali & Chariri. (2014). *Teori Akuntansi International Financial Reporting Standard*. Badan Penerbit Universitas Diponegoro.
- Hermawan, Marko, M. (2014). PROFITABILITY AND CORPORATE SOCIAL RESPONSIBILITY: AN ANALYSIS OF INDONESIA'S LISTED COMPANY. *Asia Pacific Journal of Accounting and Finance*, 3 (1).
- Imam Ghozali. (2018). *Aplikasi Analisis Multivariate SPSS 25*. Universitas Diponegoro.
- Kasmin. (2018). Analisis Laporan Keuangan. *Rajawali Pers*.
- Rivandi, M., & Ridho Juanda Putra. (2021). Pengaruh Ukuran Perusahaan, Profitabilitas dan Komite Audit Terhadap Pengungkapan Corporate Social Responsibility. *Riset Dan Jurnal Akuntansi*, 5 No. 2.
- Rizqi, N. S., & Muhammad Agus Sudrajat. (2023). Pengaruh Kualitas Audit, Ukuran Perusahaan, Leverage Terhadap Corporate Social Responsibility Pada Perusahaan Pertambangan (Studi Kasus Di Bursa Efek Indonesia Tahun 2019-2022). *Seminar Inovasi Manajemen Bisnis Dan Akuntansi*.
- Robert Edward Freeman. (1984). *Strategic Management: A Stakeholder Approach Business and Public Policy Series Pitman series in business and public policy*.
- Safira Yulinda. (2023). Pengaruh Ukuran Perusahaan, Profitabilitas, Leverage, Likuiditas, dan Komite Audit terhadap Pengungkapan CSR pada Perusahaan Manufaktur Subsektor Makanan dan Minuman yang terdaftar di BEI (2019-2021). *Riset Pendidikan Ekonomi*, 5 No. 2.
- Setyawan, B., Apriyanto, G., & Achmad Firdiansjah. (2020). Efek Kepemilikan Institusional, Kinerja Perusahaan, Kualitas Audit Terhadap Luas Pengungkapan CSR Perusahaan Pertambangan di BEI tahun 2017-2018. *Riset Pendidikan Ekonomi*, 5 No. 2.
- Suchman. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *Academy of Management Review*, 20, 571–611.
- Sugiono. (2022). *Metode Penelitian Kuantitatif, Kualitatif Dan R&D*. Yogyakarta : Alfabeta.
- Yanti, N. I., E. K., Endiana, I. D. M., & Pramesti, I. G. A. A. (2021). PENGARUH UKURAN PERUSAHAAN, UKURAN DEWAN KOMISARIS, KEPEMILIKAN INSTITUSIONAL, LEVERAGE, DAN PROFITABILITAS TERHADAP PENGUNGKAPAN CORPORATE SOCIAL RESPONSIBILITY. *Kharisma*, 3 No. 1.
- Yurik Prastika Rahayu. (2025). Pengaruh Komite Audit, Kualitas Audit, dan Ukuran Perusahaan Terhadap pengungkapan CSR pada Perusahaan ASEAN (2022-2023).