Jurnal Siasat Bisnis Vol.30 No. 1, 2026, 1-17

Jurnal SIASAT BISNIS

Journal homepage: https://www.journal.uii.ac.id/jsb

Strengthening transparency and performance: The role of independent commissioners in enhancing CSR disclosure's impact on firm performance

Sheila Septiany*, Teddy Jurnali, Cicilia Antonia Sim, Meiliana Suparman, Erna Wati
Faculty of Business and Management, Universitas Internasional Batam, Batam, Indonesia
*Correspondents e-mail: sheila@uib.ac.id

Article Info

Article history:
Received : 2024-12-11
Accepted : 2025-10-09
Published: 2026-01-05

JEL Classification Code:
G34, M14, L25, O16

Author's email:
teddy@uib.ac.id
2142027.cicilia@uib.edu
meiliana@uib.ac.id
erna.wati@uib.ac.id

DOI: 10.20885/jsb.vol30.iss1.art1

Abstract

Purpose – This study examines the effects of corporate social responsibility (CSR) disclosure on firm performance measured by Return on Equity (ROE), while examining the moderating role of independent commissioners in strengthen this relationship.

Design/methodology/approach – This research uses data obtained from all publicly listed companies on the Indonesia Stock Exchange, comprising 514 firm-year observations from 2018 to 2022. Employing moderated regression analysis model, the study evaluates the direct and moderating effects within the proposed research framework.

Findings – The findings reveal that CSR disclosure is positively and significantly related to the firm performance. In addition, independent commissioners are shown to strengthen the relationship, where more independent and objective supervision increases the effectiveness of CSR and attracts investor confidence.

Research limitations/implications – This study aggregates CSR disclosure without differentiating its parts and does not account for the features of independent commissioners, such as knowledge or tenure. Future studies should explore these dimensions and conduct comparative or longitudinal studies to enhance the understanding of CSR's impact on financial performance.

Practical implications – This study provides guidance for company management to improve CSR strategies by enhancing the oversight quality of independent commissioners. The findings also suggest that policymakers and professional institutions should focus on strengthening the competence and accountability of board members through evaluation frameworks and training programs, to ensure effective governance in CSR practices and long-term firm performance.

Originality/value – This study offers a new perspective by examining the moderating role of independent commissioners in the CSR to financial performance relationship in Indonesia, using a more detailed CSR disclosure measure based on the GRI 2021 framework. It provides practical and academic insights into governance and sustainability in emerging markets.

Keywords: Corporate social responsibility, firm performance, independent commissioner, corporate governance, disclosure

P ISSN 0853-7666 | E ISSN 2528-7001

Introduction

Firm performance is closely tied to effectively implementing Corporate Social Responsibility (CSR), as CSR initiatives provide positive signals to investors and stakeholders regarding a company's long-term sustainability prospects (Barauskaite & Streimikiene, 2021; Qonita et al., 2022). CSR disclosure plays a pivotal role as a strategic tool for enhancing corporate reputation, attracting investments, and fostering competitiveness in a global market increasingly focused on sustainability issues (Fatima & Elbanna, 2023; Velte, 2022). Recent statistics reveal that about 97% of firms registered on the Indonesia Stock Exchange (IDX) have adopted sustainability reporting, including CSR parts, a significant rise since 2015 (Waluyo, 2024). This trend aligns with regulatory developments such as Financial Services Authority Regulation (POJK) No. 51/2017, mandating sustainability reporting, and SEOJK No. 16/2021, which outlines requirements for annual reports (Pranoto, 2024). These factors underscore the growing pressure on Indonesian firms to operate ethically and responsibly in response to both market expectations and regulatory demands.

Despite widespread CSR adoption among Indonesian companies, the quality and focus of CSR implementation vary significantly. For example, only 29 companies received the KCSA Award at the SAFE 2023 event, an assessment based on environmental, social, and governance (ESG) criteria (Sufa, 2023). The role of independent commissioners is increasingly critical in this context. Independent commissioners, through enhanced oversight and fraud mitigation, can improve the effectiveness of CSR initiatives, thus strengthening the link between CSR activities and firm performance (Chandra & Junita, 2021).

While past studies predominantly focus on the direct impact of CSR on financial performance, they often overlook the moderating role of independent commissioners, leaving a significant gap in the literature. Studies that incorporate corporate governance variables usually focus on ownership concentration (Anita & Amalia, 2021) or board diversity (Khan et al., 2021) rather than the specific role of independent commissioners (Setijaningsih & Kurniawan, 2023).

The theoretical framing of past studies remains relatively limited. Most research applies agency theory, emphasizing how CSR disclosure mitigates conflicts of interest and reduces information asymmetry between managers and shareholders (Alkilani et al., 2020; Kakanda et al., 2018; Wasiuzzaman et al., 2023). While this perspective is relevant, it does not fully capture the institutional pressures faced by firms in highly regulated environments like Indonesia. Institutional theory highlights how organizations respond to formal pressures such as regulations and societal norms to maintain legitimacy and public trust (Nielsen & Thomsen, 2018; Orazalin, 2019; Patten, 2019). In the Indonesian context, sustainability disclosure has become required following the issuance of the Regulation of the Financial Services Authority on the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companie (OJK, 2017), CSR practices are probably shaped by agency dynamics and by institutional compliance demands.

Previous studies have shown CSR positively affects firm performance, while board independence can enhance this relationship (Anita & Eren, 2022; Handojo et al., 2023; Susanto & Fiona, 2022). However, research by Karim et al. (2020) found that governance mechanisms, including board independence, ownership concentration, and managerial ownership, can negatively moderate the CSR-performance relationship. For example, foreign ownership has been found to weaken the CSR-performance relationship, while government ownership shows no significant moderating effect (Susanto & Fiona, 2022). Jurnali et al. (2024) found that board independence does not moderate the relationship between ownership structure and firm performance. These contradictory findings underscore the complex interplay between CSR, governance, and financial outcomes, requiring further investigation into these dynamics.

This study builds on existing literature by applying the GRI 2021 standards in measuring CSR disclosure and examining how independent commissioners moderate the relationship between CSR disclosure and firm performance within a regulation-driven emerging market such as Indonesia. Methodologically, this research advances prior measurement approaches that typically relied on binary scoring (0–1) (Hussain et al., 2023; Novitasari & Agustia, 2022), which merely indicated whether a disclosure was present or absent. By adopting a more nuanced scoring system ranging from 0 to 5, this study captures not only the existence but also the quality, depth, and specificity of CSR disclosures. This refined approach allows for a more meaningful evaluation of how CSR practices are communicated and how they relate to financial outcomes. It also addresses the limitations of simplistic disclosure assessments used in earlier studies.

This study contributes to the literature by examining the moderating role of independent commissioners in the CSR disclosure on firm performance relationship. Specifically, the research tries to answer the question: "What role do independent commissioners play in moderating the relationship between CSR disclosure and the firm performance?" In addition to its theoretical contribution, this research also offers practical insights. It provides empirical evidence on how independent commissioners can enhance the effectiveness of CSR implementation, thus improving financial performance. It offers actionable recommendations for managers and policymakers seeking to optimize CSR strategies in pursuit of financial, social, and environmental sustainability. The findings are relevant for Indonesian companies seeking to maximize the positive impact of CSR on business outcomes (Kelana, 2022).

Literature Review and Haypotheses

Theory

Agency theory examines the relationship between principals (shareholders) and agents (management), emphasizing the risks of information asymmetry and conflicts of interest arising from the separation of ownership and control (Kakanda et al., 2018; Naseem et al., 2020). Shareholders grant managers legitimate authority, which may lead to opportunistic behavior and exacerbate agency problems (Alkilani et al., 2020). CSR disclosure emerges as a critical tool to address these challenges by reducing information asymmetry and mitigating agency costs, ultimately contributing to improved firm performance (Wasiuzzaman et al., 2023). The role of independent commissioners becomes pivotal in this context, as their objective oversight enhances the effectiveness of governance mechanisms, reduces agency conflicts, and safeguards shareholder interests, including dividend distribution (Chandra & Junita, 2021).

Legitimacy theory posits that organizations strive to maintain societal approval by aligning their operations with socially accepted standards. CSR disclosures serve as a strategic mechanism to reinforce organizational legitimacy, enhance corporate reputation, and sustain positive stakeholder relationships (Nielsen & Thomsen, 2018; Orazalin, 2019; Watts et al., 2019). Through CSR activities and transparently reporting on them, firms try to prevent regulatory scrutiny and address stakeholder expectations, thus fostering trust and ensuring operational success (Patten, 2019). Independent commissioners contribute to this process by promoting sound governance practices, which further legitimize organizational operations and enhance the credibility of CSR initiatives (Ayamga et al., 2024; Itan et al., 2023; Silva, 2021). Enhanced legitimacy strengthens stakeholder trust, attracts investments, and positively influences financial performance (Orazalin, 2019; Rossi et al., 2021).

Hypotheses Development

CSR Disclosure and Firm Performance

Ideal CSR activities generate positive signals to investors and stakeholders regarding a firm's commitment to sustainability, thus improving financial performance (Barauskaite & Streimikiene, 2021; Qonita et al., 2022). Although findings on the motivation for CSR implementation and its impact on corporate profitability vary, most studies indicate a positive relationship between CSR practices and firm performance (Husaini et al., 2023). CSR can contribute indirectly to improving a company's performance (Itan et al., 2024). As businesses become more conscious of social and environmental concerns, consumers usually expect responsible production practices and show a preference for eco-friendly products (Masruroh & Makaryanawati, 2020). By revealing more CSR information, companies can increase support from institutional shareholders, expand the scale of operations, receive higher relative market ratings and potentially achieve profit growth and increase firm value (Awaysheh et al., 2020; Chen & Lee, 2017). This is related to agency theory, which highlights that CSR disclosure reduces information asymmetry and increases shareholder trust (Wasiuzzaman et al., 2023), and legitimacy theory, which views CSR as a strategic tool for securing stakeholder support and enhancing corporate legitimacy (Nielsen & Thomsen, 2018; Patten, 2019).

Further supporting this, several studies have confirmed that greater CSR disclosure is associated with better financial outcomes. Research from Vietnam shows that firms with more extensive CSR disclosure experience higher profitability (Mai Tran & Ha Tran, 2022). In Spain, the disclosure of social and environmental initiatives aligned with economic goals enhances firm performance (Escamilla-Solano et al., 2024). Similarly, the quality of CSR disclosure has been found to positively influence both accounting-based and market-based performance measures, including ROA and Tobin's Q (Ahmad et al., 2024). These findings posit that CSR strategies enhance firm reputation, transparency, and long-term sustainability by attracting socially conscious investors and addressing stakeholder expectations.

Supporting this, other research suggests that enhanced information and stakeholder understanding about a firm's stock performance can be attributed to CSR investments (Ender & Brinckmann, 2019; Odeh et al., 2020). Similarly, studies conclude that CSR-related news significantly influences shareholder value, as reflected in stock prices, and that firms with strong social performance can engage stakeholders build competitive advantages, and achieve superior overall performance (Ali et al., 2020; Liu & Lu, 2021; Mai Tran & Ha Tran, 2022). Based on these findings, the first hypothesis is proposed:

H_1: CSR disclosure improves firm performance

Independent Commissioner Moderates CSR Disclosure and Financial Performance

Extensive literature on corporate governance underscores the critical role of board independence in enhancing CSR outcomes (Rossi et al., 2021). Independent commissioners strengthen governance by aligning stakeholder and managerial interests, thus improving corporate image and stabilizing trust in financial markets (Wati & Malik, 2021). Empirical evidence, such as that presented by Flammer et al. (2019) explores the interaction between corporate governance, CSR, and executive compensation. The study shows that effective corporate governance characterized by board independence, enhances the positive relationship between CSR and financial outcomes.These findings are further supported by Naciti (2019), who argues that higher levels of corporate governance amplify the beneficial impact of CSR on financial outcomes, with firms possessing diverse and independent boards realizing greater financial benefits (Rossi et al., 2021).

In addition, good corporate governance practices emphasize the importance of giving shareholders correct and timely financial information (Syaifora et al., 2022). This improves CSR performance and enables firms to achieve better financial performance. Previous empirical research documents that effective corporate governance mechanisms, including independent commissioners, can improve firm performance through better oversight (Chandra & Junita, 2021). This is related to agency theory, which emphasizes the role of independent commissioners in ensuring effective governance to maximize the impact of CSR (Naciti, 2019) and legitimacy theory, which shows that independent boards increase public trust and company performance (Ayamga et al., 2024).

Supporting this, research from various contexts has further shown CSR disclosure, when combined with strong governance mechanisms, yields greater performance outcomes. For example, Pulino et al. (2022) found that ESG disclosure positively influences firm performance measured by EBIT. Seth and Mahenthiran (2022) also noted that CSR disclosure and dividend policies can jointly signal sustainable future performance. Similarly, Siddiqui et al. (2023) confirmed that CSR disclosure significantly influences corporate reputation and that this relationship is moderated by governance structures.

These collective findings reaffirm the strategic role of independent commissioners as part of broader governance frameworks that ensure CSR initiatives are executed effectively and translated into financial gains. This is in line with the research of Janiartini and Syafruddin (2020), Rossi et al. (2021), and Widiyantara et al. (2024) which show that independent commissioners strengthen the positive impact of CSR on financial performance. So the second hypothesis is proposed:

H_2: Independent commissioners strengthen the relationship between CSR disclosure and firm performance.

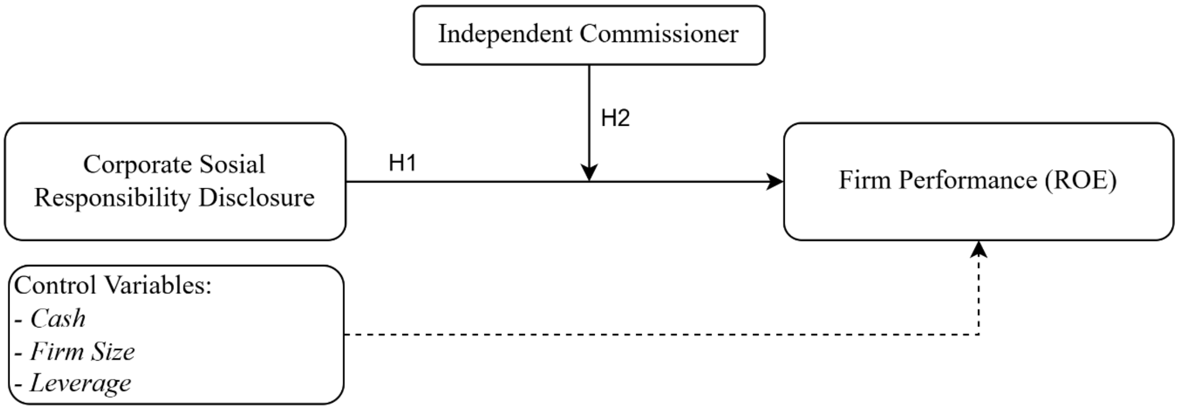

Figure 1. Research Model

Research Methods

Sample Selection and Data Resource

This study adopts a quantitative approach to explore the relationship between CSR disclosure and firm performance, with independent commissioners as a moderating variable. The research population comprises companies on the Indonesia Stock Exchange (www.idx.co.id) during the 2018-2022 period.

Purposive sampling was used to identify companies that met the following inclusion criteria: (1) availability of complete and reliable financial statements and annual reports; (2) publication of a sustainability report containing CSR information aligned with the GRI framework; and (3) enough data availability for all control variables. Firms lacking data on CSR disclosure (the independent variable) or on essential control variables (such as leverage, firm size, or cash ratio) were excluded from the final analysis. Based on these criteria, the final sample comprised 514 firm-year observations.

Operational Variable Definition and Measurement

Financial performance

The company's financial performance is evaluated using the return on equity (ROE) metric, an instrument to measure how efficient the company is in generating profits from the capital invested by shareholders. This metric focuses on the returns generated for the company's owners (Ayamga et al., 2024; Buallay, 2019).

Corporate Social Responsibility Disclosure

Corporate Social Responsibility Disclosure (CSRD) is an independent variable and measured using the CSRD index based on the Global Reporting Initiative (GRI) 2021 standards, which is then adjusted to the features of each company. The disclosure level of each indicator is categorized into Fully Applied (FA), Partially Applied (PA), or Not Applied (NA) (Hummel & Schlick, 2016). Each indicator is assessed by presence and by the depth of information and compliance with the GRI standard. A score of 5 is given for full disclosure and full compliance; scores between 2 and 4 indicate partial disclosure; and a score between 0 and 1 is assigned if there is no disclosure or non-compliance (Zharfpeykan & Akroyd, 2023). This scoring method provides a more detailed and nuanced evaluation compared to past studies that used a binary scoring scale (0 = no disclosure, 1 = disclosure) (Ulinnuha et al., 2024). The total Corporate Social Responsibility Index (CSRI) is calculated by summing the scores for all relevant indicators, and the final index is obtained by dividing the total score by the maximum score (Tanjung & Renalita, 2020).

$$CSRindex = \frac{\sum x\_yi}{ni}$$

∑ x_yi: Number of items revealed by the company
ni: Number of items for companies based on the GRI 2021 Index

Independent commissioner

The moderating variable, independent commissioners, is measured as the proportion of independent commissioners on the board relative to the total board size. Independent commissioners are defined as non-executive board members with no affiliations to management or shareholders, ensuring strong corporate governance and enhanced firm performance (Ni'mah & Syaiful, 2021; Syaifora et al., 2022).

Control variables

There are three control variables, i.e. cash, firm size, and leverage. The cash variable control is calculated as the ratio of cash and cash equivalents to total assets (Liem et al., 2022; Tang & Fiorentina, 2021). Firm size normally measured based on a company's total assets, reflects an organization's features and can variably influence its performance and value, with larger companies generally having greater assets (Putri & Puspawati, 2023; Rimin et al., 2021). Leverage, this ratio describes the proportion of the company's capital financing is obtained through debt (Anita & Amalia, 2021; Zhang & Ouyang, 2021).

Table 1. Operational Definition of Variables

Variabel	Label	Measurement	Source
Dependent Variable			
Firm Performance	ROE	$\frac{\text{Net income}}{\text{Shareholder's equity}}$	(Ayamga et al., 2024; Buallay, 2019)
Independent Variable			
Corporate Social Responsibility Disclosure	CSR	$\frac{\text{Number of items disclosed}}{126}$	(Hummel & Schlick, 2016; Tanjung & Renalita, 2020; Zharfpeykan & Akroyd, 2023)
Moderating Variable			
Independent Commissioner	INDCOM	$\frac{\text{Proportion of independent commissioners}}{\text{Total number of members of the board of commissioners}}$	(Ni'mah & Syaiful, 2021; Syaifora et al., 2022)
Control Variables			
Cash	CASH	$\frac{\text{Cash and cash equivalents}}{\text{Total assets}}$	(Liem et al., 2022; Tang & Fiorentina, 2021)
Firm Size	FS	Ln (Total Assets)	(Putri & Puspawati, 2023; Rimin et al., 2021)
Leverage	LEV	$\frac{\text{Total liabilities}}{\text{Total assets}}$	(Anita & Amalia, 2021; Zhang & Ouyang, 2021)

Model Specification

This study uses several analytical techniques, including descriptive statistical tests, Pearson correlation analysis, moderated regression analysis and robustness test. Robustness tests were conducted using the Common Effect Model (CEM) and by using alternative performance proxies, namely ROA and Tobin's Q, to ensure the consistency of the results. To address potential unobserved heterogeneity across firms, the Fixed Effect Model (FEM) was employed. This model allows control over time-invariant features unique to each firm, reducing omitted variable bias. Before processing the data and analysis, each variable undergoes winsorization to address potential outliers. Winsorization changes the data distribution to mitigate issues such as biased results and transcription errors caused by extreme values (Reifman & Keyton, 2016). The regression model used incorporates clustering by company, aiming to group similar data while distinguishing it from others and adjusting standard errors (Yohai, 1974). All analyses were conducted using Stata version 18. The regression equations used in this study are:

Hypothesis (1):

$$ROE_{i,t} = \beta_0 + \beta_1 CSR_{i,t} + \beta_2 CASH_{i,t} + \beta_3 FS_{i,t} + \beta_4 LEV_{i,t} + INDUSTRY_{i,t} + YEAR_{i,t} + \varepsilon$$

Hypothesis (2):

$$ROE_{i,t} = \beta_0 + \beta_1 CSR_{i,t} + \beta_2 INDCOM_{i,t} + \beta_3 CSR*INDCOM_{i,t} + \beta_4 CASH_{i,t} + \beta_5 FS_{i,t} + \beta_6 LEV_{i,t} + INDUSTRY_{i,t} + YEAR_{i,t} + \varepsilon$$

Results and Discussion

Table 2 presents the descriptive statistics for all variables used in this study. The results show that the average ROE is 0.095 or 9.5% indicating that companies in the sample have a relatively low rate of ROE, with minimum of -4.962 and maximum of 4.905. The mean value of the CSR variable is 2.070, suggesting a generally high level of CSR commitment across the firms. Independence commissioner (INDCOM), with an average of 0.460 indicates that around 46% of the board of commissioners in the sample are independent commissioners.

Table 2. Descriptive Statistics

Variables	N	Mean	Std.Deviation	Median	Minimum	Maximum
ROE	514	0.095	0.426	0.089	-4.962	4.905
CSR	514	2.070	0.972	2.127	0.317	4.563
INDCOM	514	0.460	0.126	0.429	0.300	1.000
CASH	514	0.117	0.095	0.105	0.001	0.584
FS	514	30.675	1.707	30.547	24.450	35.228
LEV	514	0.584	0.354	0.572	0.048	5.093

Table 3. Pearson Correlation

Variables	ROE	CSR	INDCOM	CASH	FS	LEV
ROE	1.000					
CSR	0.103**	1.000				
	(0.020)					
INDCOM	0.130***	-0.015	1.000			
	(0.003)	(0.726)				
CASH	0.115***	0.058	-0.148***	1.000		
	(0.009)	(0.193)	(0.001)			
FS	0.037	-0.075*	0.200***	-0.116***	1.000	
	(0.399)	(0.088)	(0.000)	(0.009)		
LEV	-0.035	-0.152***	0.319***	-0.405***	0.326***	1.000
	(0.431)	(0.001)	(0.000)	(0.000)	(0.000)	

Notes: *p-values in parentheses.* $^{*}p < 0.1$, $^{**}p < 0.05$, $^{***}p < 0.01$

Table 3 presents the Pearson correlation matrix, a parametric method that provides a coefficient to assess the strength and direction of the linear relationship between two variables (Sharma et al., 2017). The CSR variable is significant and positive in relation to ROE. Independence commissioner (INDCOM) has a positive significant correlation with ROE suggesting that independent commissioners may strengthen the influence of CSR on ROE. INDCOM is positively significantly correlated with CSR suggesting that independent commissioners may play a supervisory role that could influence how CSR is implemented. The control variables CASH and FS are positively correlated with ROE, suggesting that higher liquidity and larger firm size may be associated with better financial performance. While LEVERAGE shows a negative correlation with ROE indicating that an increase in debt could decrease the profitability of the company.

Table 4. Regression Result CSR Disclosure to ROE

	(1) ROE
CSR	0.025**
	(2.222)
CASH	0.293**
	(2.300)
FS	0.013*
	(1.946)
LEV	0.043
	(1.007)
_cons	-0.467**
	(-2.201)
Industry FE	Yes
Year FE	Yes
r2	0.081
r2_a	0.051
N	514

Notes: The regression results above show the results of 514 observation samples. *t statistics in parentheses.*
$^{*} p < 0.1$, $^{**} p < 0.05$, $^{***} p < 0.01$

The regression analysis of this study examines the relationship between CSR disclosure and financial performance measured using ROE. Table 4 presents the regression results showing the relationship between CSR disclosure and ROE. The regression results show that *H1* is supported where CSR disclosure has a positive significant effect on ROE at the 5% significance level (coeff = 0.025, t = 2.222). The results indicate that the higher the company's commitment in disclosing information related to CSR activities, the greater the impact on improving financial performance. This result supports previous research which states that CSR can create positive signals for investors and other stakeholders regarding the company's prospects, thus increasing investment interest and company value (Awaysheh et al., 2020; Qonita et al., 2022). An increase in ROE says the company has good performance because it is considered capable of generating profits. These findings also follow previous research of Fatima and Elbanna (2023) and Velte (2022) which illustrates the importance of companies in carrying out CSR initiatives because it can build a positive public image or reputation, which can generate high profits. Hence, this study's findings strongly support agency and legitimacy theories.

CSR disclosure is considered a mechanism to reduce conflicts of interest between management and shareholders; hence, it can reduce information asymmetry problems that often arise due to the separation of ownership and control (Kakanda et al., 2018; Naseem et al., 2020). With CSR disclosure, management shows its good faith in maintaining transparency and accountability to shareholders, which can increase investor confidence and improve company performance (Alkilani et al., 2020; Wasiuzzaman et al., 2023).

This result is also in line with legitimacy theory, where CSR disclosure plays an important role in helping companies have a positive image and comply with applicable social norms, which are considered important by various stakeholders (Nielsen & Thomsen, 2018; Orazalin, 2019). By disclosing information related to CSR activities, companies show their commitment to social responsibility, which serves to strengthen the legitimacy in the public's perception of the company and attract more support from stakeholders (Patten, 2019; Watts et al., 2019). Thus, CSR disclosure fulfils social expectations and encourages better financial performance, as reflected in the improvement of the company's ROE. However, the effect of CSR on ROE is relatively small. This indicates that, although statistically significant, its economic impact is still weak, in line with earlier research that suggests that CSR often has a limited impact on profitability without the support of strong governance mechanisms (Ebaid, 2022; Rossi et al., 2021).

The study's results reveal that CSR disclosure has a positive significant effect on financial performance (ROE), which is also relevant in regulation and practice in Indonesia. This can be explained by the Financial Services Authority Regulation (POJK) No. 51/2017 that requires companies to report on sustainability, including CSR activities, thus creating regulatory pressure and increasing attention to sustainability among companies (Pranoto, 2024). In Indonesia, increased quality CSR disclosure can be a positive signal to investors and other stakeholders, as reflected in the KCSA awards given to companies with superior sustainability practices (Sufa, 2023). This positive significance is also supported by the role of independent commissioners in improving CSR accountability and transparency, as outlined by (Chandra & Junita, 2021). These results confirm that companies need to integrate CSR to strengthen their public image, attract investors, and support long-term sustainability. The implication for management is the need to strengthen CSR implementation through effective governance mechanisms, while for regulators, it is important to continue to track and develop policies that support the integration of CSR with business strategy.

Table 5. Regression Result Independent Commissioner Moderates CSR Disclosure to ROE

	(1) ROE	(2) ROE	(3) ROE
INDCOMXCSR			0.255^{***}
			(2.770)
INDCOM		0.357^{***}	-0.236
		(3.773)	(-1.011)
CSR	0.025^{**}	0.024^{**}	-0.092^{**}
	(2.222)	(2.165)	(-2.116)
CASH	0.293^{**}	0.306^{**}	0.300^{**}
	(2.300)	(2.434)	(2.404)
FS	0.013^{*}	0.012^{*}	0.012^{*}
	(1.946)	(1.822)	(1.788)
LEV	0.043	0.008	0.022
	(1.007)	(0.180)	(0.501)
_cons	-0.467^{**}	-0.560^{***}	-0.299
	(-2.201)	(-2.654)	(-1.301)
Industry FE	Yes	Yes	Yes
Year FE	Yes	Yes	Yes
r2	0.081	0.107	0.120
r2_a	0.051	0.076	0.088
N	514	514	514

Notes: The regression results above show the results of 514 observation samples. *t statistics in parentheses.*
$^{*} p < 0.1$, $^{**} p < 0.05$, $^{***} p < 0.01$

The results of Table 5 showed that independent commissioners strengthen the relationship between CSR and ROE significantly and positively at the 1% significance level (coeff = 0.255, t = 2.770). These findings align with the second hypothesis, which posits that independent commissioners, as part of an effective corporate governance mechanism, enhances the positive influence of CSR on financial performance, so *H2* is supported.

These findings help further interpretation through the lens of governance and legitimacy frameworks. The significant moderating effect suggests that independent commissioners are not only influential on their own but also amplify the positive financial impact of CSR disclosures. These findings are in line with existing literature, where a more independent board can maintain stability of interests between stakeholders and managers, thus increasing transparency and accountability in CSR activities (Wati & Malik, 2021). This result is also in line with Chandra and Junita (2021) research which previously documented that effective corporate governance mechanisms, including independent commissioners, can improve company performance through better supervision. Implementing good corporate governance emphasizes the importance of providing correct and timely financial information to shareholders so companies can achieve positive financial results (Syaifora et al., 2022). Thus, these results support agency theory which shows that independent commissioners can reduce conflicts of interest between management and shareholders through more effective supervision, which can overcome information asymmetry problems and improve company performance (Alkilani et al., 2020; Naseem et al., 2020). With a strong presence of independent commissioners, companies can make sure CSR decisions are made for long-term interests, not only to benefit management.

Legitimacy theory is also in line with these results, which state that comprehensive and transparent CSR reporting can increase public and stakeholder trust in the company, ultimately enhancing the company’s social legitimacy in the eyes of society. The existence of independent commissioners can ensure these CSR efforts are carried out consistently and under accepted social values, thus increasing investment attractiveness and long-term financial stability (Rossi et al., 2021; Silva, 2021). The significant difference between the direct effect of CSR on ROE (0.025) and INDCOMXCSR on ROE (0.255) indicates that CSR disclosure without independent commissioner oversight has only a limited impact. However, with an independent oversight mechanism, CSR initiatives become more credible and significantly impact financial performance. This is in line with the literature emphasizing that independent boards can reduce the symbolic nature of CSR and ensure substantive implementation (Rossi et al., 2021; Wati & Malik, 2021). Velte (2023) also emphasized that sustainable board governance plays an important role in distinguishing between symbolic and substantive CSR, thus strengthening positive CSR outcomes. Research by Islam et al. (2023) further showed independent directors provide an outside perspective and monitor management to ensure it considers broader stakeholder interests. Consistent with this finding, Dakhli (2022) found that board attributes, such as independence, are positively associated with CSR performance. Independent commissioners can increase the impact of CSR on financial performance because it makes sure CSR practices are carried out substantively, credibly, and in line with the long-term interests of the company and stakeholders.

The results also show that leverage is insignificantly related, and cash is significantly related to ROE. Cash with a significance level of 5% (coeff = 0.293, t = 2.300), indicates that a high cash ratio indicates that there are adequate cash reserves to meet the company's financial needs (Tang & Fiorentina, 2021). Also, firm size is positively and significantly associated with ROE at the 10% level across all models (coeff = 0.013, t = 1.946), suggesting that larger firms usually exhibit better financial performance. Leverage shows a coefficient of 0.043 but is not significant. In this study, the effect of leverage on ROE may not be significant due to other factors such as the company's ability to manage debt. Therefore, it is necessary to examine more deeply in this regard.

Table 6. Summary of Hypothesis Testing

Pathway	Coefficient	t-value	p-value	Results
CSR → ROE	0.025**	2.222	0.027	Supported
INDCOMXCSR → ROE	0.255***	2.770	0.006	Supported

Notes: ****, ** denote significance at the 1% and 5% levels, respectively.*

Meanwhile, Table 7 displays the findings from the Coarsened Exact Matching (CEM) analysis, which addresses endogeneity issues and ensures the consistency of the study's model. This analysis categorizes control variables into three strata by grouping them according to the characteristics of the independent variables. Panel A summarizes the observations, showing that the entire sample was successfully matched, with 250 observations in group 0 and 264 in group 1, and no unmatched samples. Panel B highlights the regression results from the CEM analysis, demonstrating robust findings that align with the outcomes of the main analysis.

Furthermore, to reinforce the consistency of the main findings, a second robustness test was conducted using alternative performance measurements, namely Return on Assets (ROA) and TOBIN’S Q, where TOBIN’S Q is calculated as the sum of market capitalization and total liabilities divided by total assets. The results in Table 8 confirm that the impact of CSR disclosure on firm performance remains statistically significant and positive under both ROA and TOBIN’S Q specifications, aligning with the previous ROE-based analysis. Additionally, the moderating effect of independent commissioners also consistently strengthens the relationship between CSR disclosure and firm performance across all models. These findings collectively demonstrate that the study’s results are robust and reliable across different measurement approaches.

Table 7. Robustness Analysis using Coarsened Exact Matching (CEM)

	0	1
Panel A: Matching Summary		
All	250	264
Matched	250	264
Unmatched	0	0
Panel B: Regression Result		
	(1) ROE	
CSR	0.025*	
	(1.785)	
CASH	0.293**	
	(2.237)	
FS	0.013*	
	(1.875)	
LEV	0.043	
	(0.668)	
_cons	-0.467**	
	(-2.315)	
Year FE	Yes	
Industry FE	Yes	
r2	0.081	
r2_a	0.051	
N	514	

Notes: *t statistics in parentheses,* * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Table 8. Robustness Analysis using ROA and TOBIN'S Q Measurements

	(1) ROA	(2) ROA	(3) ROA	(4) TQ	(5) TQ	(6) TQ
INDCOMXCSR			0.072**			3.323***
			(2.407)			(4.670)
INDCOM		0.065**	-0.102		2.810***	-4.915***
		(2.121)	(-1.348)		(3.793)	(-2.721)
CSR	0.007**	0.007**	-0.026*	0.157*	0.149*	-1.369***
	(2.032)	(1.990)	(-1.812)	(1.750)	(1.686)	(-4.070)
CASH	0.178***	0.181***	0.179***	1.680*	1.784*	1.708*
	(4.364)	(4.437)	(4.417)	(1.681)	(1.809)	(1.767)
FS	0.004	0.003	0.003	-0.168***	-0.175***	-0.180***
	(1.642)	(1.564)	(1.531)	(-3.093)	(-3.280)	(-3.426)
LEV	-0.103***	-0.109***	-0.105***	0.639*	0.362	0.542
	(-7.527)	(-7.833)	(-7.538)	(1.914)	(1.073)	(1.629)
_cons	-0.039	-0.056	0.017	5.302***	4.571***	7.971***
	(-0.578)	(-0.823)	(0.233)	(3.186)	(2.765)	(4.489)
Industry FE	Yes	Yes	Yes	Yes	Yes	Yes
Year FE	Yes	Yes	Yes	Yes	Yes	Yes
r2	0.325	0.331	0.339	0.156	0.180	0.214
r2_a	0.303	0.308	0.315	0.129	0.152	0.186
N	514	514	514	514	514	514

Notes: *t statistics in parentheses,* * $p < 0.1$, ** $p < 0.05$, *** $p < 0.01$

Theoretical Implication and Managerial Implication

The findings of this research make notable contributions to various fields within the related literature. Specifically, this research enhances the understanding of the relationship between CSR, corporate governance, and financial performance in the context of companies in Indonesia. Theoretically, this study supports agency theory, which states that CSR disclosure can reduce information asymmetry between management and shareholders and increase transparency and accountability. In addition, the findings align with legitimacy theory, suggesting that CSR disclosure helps companies maintain a positive image in society and strengthen social legitimacy.

Managerially, the study provides actionable insights for policymakers, companies, and supporting institutions. Policymakers are encouraged to strengthen the capacity-building, training modules, and evaluation mechanisms for independent commissioners to ensure they can effectively fulfill their oversight role in CSR initiatives. For companies, these findings confirm that not merely the presence, but the active engagement and effectiveness of independent commissioners in monitoring CSR implementation is crucial for enhancing performance. Finally, supporting institutions, such as accounting and governance professional bodies, are also advised to develop continuous education programs and standardized evaluation tools for board members to improve CSR oversight quality.

Moreover, the results indicate that independent commissioners play a significant role as a moderation variable in this relationship. Independent and objective supervision by commissioners enhances the effectiveness of CSR implementation, boosts investor confidence, and balances the interests of management and shareholders. This, in turn, leads to improved transparency and financial performance. Additional analysis and robustness test confirm the validity of these findings and reinforce the main hypotheses.

Conclusion and Future Direction

This research investigates the relationship between CSR disclosure and the role of independent commissioners in improving firm financial performance. Based on data from the Indonesia Stock Exchange (IDX) and the results of empirical analysis, we found that CSR disclosure demonstrates a positive and significant impact on a firm's financial performance, as measured by ROE. This suggests that optimally and transparently implemented CSR not only creates a positive image for the company but also attracts investors and increases the company's perceived value from the perspective of stakeholders.

The findings of this study confirm the importance of CSR disclosure and the supervisory role of independent commissioners in enhancing corporate governance and financial performance. The results support agency theory, which highlights the reduction of information asymmetry, and legitimacy theory, which emphasizes maintaining social legitimacy through CSR practices.

This study has several limitations that warrant further exploration. First, this study examines CSR disclosure at an aggregate level without distinguishing between different types of CSR activities, such as environmental, social, or governance-focused initiatives. Disaggregating these components could provide a more nuanced understanding of which specific practices drive financial performance. Second, the moderating role of independent commissioners is evaluated without considering their characteristics, such as tenure, expertise, or gender diversity, which may significantly influence their governance effectiveness.

Future studies could build on these findings in several actionable ways. First, conducting comparative analyses across industries could also reveal how the relationship between CSR disclosure, governance, and firm performance varies across sectors with differing regulatory and market environments. Additionally, longitudinal studies examining the long-term effects of CSR disclosure and governance practices on firm performance could offer insights into the persistence or evolution of these relationships. Incorporating external moderators, such as regulatory quality, cultural dimensions, or economic conditions, could further contextualize the effectiveness of CSR and governance practices in different environments. Finally, experimental designs, such as scenario-based studies or field experiments, could help establish causality and enhance understanding of stakeholder perceptions of CSR disclosure and governance practices.

References

Ahmad, Z., Hidthiir, M. H. Bin, & Rahman, M. M. (2024). Impact of CSR disclosure on profitability and firm performance of Malaysian halal food companies. *Discover Sustainability*, *5*(1), 18. https://doi.org/10.1007/s43621-024-00189-3

Ali, H. Y., Danish, R. Q., & Asrar-ul-Haq, M. (2020). How corporate social responsibility boosts firm financial performance: The mediating role of corporate image and customer satisfaction. *Corporate Social Responsibility and Environmental Management*, *27*(1), 166–177. https://doi.org/10.1002/csr.1781

Alkilani, S., Nordin, W., Hussin, W., & Salim, B. (2020). The relationship between the characteristics of a risk management committee and the issuance of a modified audit opinion in the Jordanian context. *Asian Journal of Accounting and Finance*, *2*(2), 52–73.

Anita, A., & Amalia, D. P. (2021). Pengaruh tanggung jawab sosial terhadap kinerja keuangan: Struktur kepemilikan sebagai variabel moderasi. *Jurnal Ekonomi Modernisasi*, *17*(1), 54–68. https://doi.org/10.21067/jem.v17i1.5283

Anita, A., & Eren, E. (2022). Atribut Dewan dan Corporate Social Responsibility: Kinerja Keuangan sebagai Variabel Moderasi. *Jurnal Ekonomi Akuntansi Dan Manajemen*, *21*(2), 105. https://doi.org/10.19184/jeam.v21i2.33766

Awaysheh, A., Heron, R. A., Perry, T., & Wilson, J. I. (2020). On the relation between corporate social responsibility and financial performance. *Strategic Management Journal*, *41*(6), 965–987. https://doi.org/10.1002/smj.3122

Ayamga, T. A., Avortri, C., Nasere, D., Donnir, S., & Tornyeva, K. (2024). The Influence of Corporate Social Responsibility on the Financial Performance of Firms in Ghana: The Moderating Role of Board Independence and Diversity. *American Journal of Industrial and Business Management*, *14*(04), 510–536. https://doi.org/10.4236/ajibm.2024.144026

Barauskaite, G., & Streimikiene, D. (2021). Corporate social responsibility and financial performance of companies: The puzzle of concepts, definitions and assessment methods. *Corporate Social Responsibility and Environmental Management*, *28*(1), 278–287. https://doi.org/10.1002/csr.2048

Buallay, A. (2019). Between cost and value. *Journal of Applied Accounting Research*, *20*(4), 481–496. https://doi.org/10.1108/JAAR-12-2017-0137

Carnini Pulino, S., Ciaburri, M., Magnanelli, B. S., & Nasta, L. (2022). Does ESG Disclosure Influence Firm Performance? *Sustainability*, *14*(13), 7595. https://doi.org/10.3390/su14137595

Chandra, B., & Junita, N. (2021). Tata kelola perusahaan dan manajemen laba terhadap kebijakan dividen di Indonesia. *Jurnal Ekonomi Modernisasi*, *17*(1), 15–26. https://doi.org/10.21067/jem.v17i1.5188

Chen, R. C. Y., & Lee, C.-H. (2017). The influence of CSR on firm value: an application of panel smooth transition regression on Taiwan. *Applied Economics*, *49*(34), 3422–3434. https://doi.org/10.1080/00036846.2016.1262516

Dakhli, A. (2022). The impact of corporate social responsibility on firm financial performance: does audit quality matter? *Journal of Applied Accounting Research*, *23*(5), 950–976. https://doi.org/10.1108/JAAR-06-2021-0150

Ebaid, I. E.-S. (2022). Corporate governance mechanisms and corporate social responsibility disclosure: evidence from an emerging market. *Journal of Global Responsibility*, *13*(4), 396–420. https://doi.org/10.1108/JGR-12-2021-0105

Ender, M., & Brinckmann, F. (2019). Impact of CSR-Relevant News on Stock Prices of Companies Listed in the Austrian Traded Index (ATX). *International Journal of Financial Studies*, *7*(3), 36. https://doi.org/10.3390/ijfs7030036

Escamilla-Solano, S., Fernández-Portillo, A., Sánchez-Escobedo, M. C., & Orden-Cruz, C. (2024). Corporate social responsibility disclosure: Mediating effects of the economic dimension on firm performance. *Corporate Social Responsibility and Environmental Management*, *31*(1), 709–

718. https://doi.org/10.1002/csr.2596

Fatima, T., & Elbanna, S. (2023). Corporate Social Responsibility (CSR) Implementation: A Review and a Research Agenda Towards an Integrative Framework. *Journal of Business Ethics*, *183*(1), 105–121. https://doi.org/10.1007/s10551-022-05047-8

Flammer, C., Hong, B., & Minor, D. (2019). Corporate governance and the rise of integrating corporate social responsibility criteria in executive compensation: Effectiveness and implications for firm outcomes. *Strategic Management Journal*, *40*(7), 1097–1122. https://doi.org/10.1002/smj.3018

Handojo, N. T. A., Machmuddah, Z., & Sumaryati, A. (2023). Independent board of commissioners moderates CSR disclosure relationship on financial performance. *INDONESIAN JOURNAL OF SUSTAINABILITY*, *2*(1), 45. https://doi.org/10.30659/ijsunissula.2.1.45-55

Hummel, K., & Schlick, C. (2016). The relationship between sustainability performance and sustainability disclosure – Reconciling voluntary disclosure theory and legitimacy theory. *Journal of Accounting and Public Policy*, *35*(5), 455–476. https://doi.org/10.1016/j.jaccpubpol.2016.06.001

Husaini, H., Nurazi, R., & Saiful, S. (2023). Moderating role of risk management effectiveness on corporate social responsibility- corporate performance relationship. *Cogent Business and Management*, *10*(1). https://doi.org/10.1080/23311975.2023.2194465

Hussain, M. J., Tian, G., Yousaf, U. Bin, & Li, J. (2023). The impact of CEO age on a firm's choice of global reporting initiative: moderating role of board social capital. *Accounting Research Journal*, *36*(4/5), 309–326. https://doi.org/10.1108/ARJ-02-2022-0050

Islam, R., Ali, M., & French, E. (2023). Director independence and its influence on corporate social responsibility decisions and performance. *Social Responsibility Journal*, *19*(10), 1917–1934. https://doi.org/10.1108/SRJ-08-2022-0333

Itan, I., Giovani, M., & Butar-Butar, D. T. M. (2024). Corporate Social Responsibility and Company Performance: The Role Of Board Characteristics. *Gorontalo Accounting Journal*, *7*(1), 116. https://doi.org/10.32662/gaj.v7i1.3372

Itan, I., Laudeciska, L., Karjantoro, H., & Chen, R. (2023). Corporate governance and environmental disclosure: Assessing the role of environmental performance. *Riset Akuntansi Dan Keuangan Indonesia*, *8*(2), 132–144. https://journals2.ums.ac.id/reaksi/article/view/2457

Janiartini, & Syafruddin. (2020). Pengaruh tanggungjawab sosial perusahaan terhadap kinerja keuangan dengan tata kelola perusahaan sebagai variabel moderasi. *Diponegoro Journal of Accounting*, *9*(4), 1–10.

Jurnali, T., Meiliana, M., Septiany, S., & Jenny, J. (2024). Struktur Kepemilikan, Kinerja Perusahaan, dan Dewan Independen sebagai Moderasi. *E-Jurnal Akuntansi*, *34*(3), 556. https://doi.org/10.24843/EJA.2024.v34.i03.p01

Kakanda, M. M., Salim, B., & Chandren, S. A. / P. (2018). Risk management committee characteristics and market performance: Empirical evidence from listed financial service firms in Nigeria. *International Journal of Management and Applied Science*, *2*, 2394–7926. https://ijmas.iraj.in/paper_detail.php?paper_id=10970&name=Risk_Management_Committee_Characteristics_and_Market_Performance:_Empirical_Evidence_from_Listed_Financial_Service_Firms_in_Nigeria

Karim, S., Abdul Manab, N., & Ismail, R. (2020). The Interaction Effect of Independent Boards on Corporate Governance-Corporate Social Responsibility (CG-CSR) and Performance Nexus. *Asian Academy of Management Journal*, *25*(1), 61–84. https://doi.org/10.21315/aamj2020.25.1.4

Kelana, I. (2022). *Pelaksanaan CSR di Indonesia terus meningkat, ekonomi sirkular makin penting*. Republika Online. https://ekonomi.republika.co.id/berita/r9lqhz374/pelaksanaan-csr-di-indonesia-terus-meningkatekonomi-sirkular-makin-penting

Khan, I., Khan, I., & Asim Afridi, M. (2021). Does Board Diversity Matter for the Quality of CSR Disclosure? Evidence from the Financial Sector of Pakistan. *Review of Business Management*, *23*(1), 104–126. https://doi.org/10.7819/rbgn.v23i1.4091

Liem, N., Trung, T., Khuong, N., & Thuy, C. (2022). Is short term debt maturity linked to real earning management? *Management*, *26*(1), 189–203. https://doi.org/10.2478/manment-2019-0090

Liu, M., & Lu, W. (2021). Corporate social responsibility, firm performance, and firm risk: the role of firm reputation. *Asia-Pacific Journal of Accounting and Economics*, *28*(5), 525–545. https://doi.org/10.1080/16081625.2019.1601022

Mai Tran, N., & Ha Tran, M. (2022). Corporate social responsibility disclosure and firm performance: Evidence from Vietnam. *Investment Management and Financial Innovations*, *19*(3), 49–59. https://doi.org/10.21511/imfi.19(3).2022.05

Masruroh, A., & Makaryanawati, M. (2020). Pengaruh Pengungkapan Tanggung Jawab Sosial terhadap Nilai Perusahaan pada Perusahaan Pertambangan yang Terdaftar di Bursa Efek Indonesia. *Jurnal Akuntansi Aktual*, *7*(1), 67–80. https://doi.org/10.17977/um004v7i12020p67

Naciti, V. (2019). Corporate governance and board of directors: The effect of a board composition on firm sustainability performance. *Journal of Cleaner Production*, *237*, 117727. https://doi.org/10.1016/j.jclepro.2019.117727

Naseem, T., Shahzad, F., Asim, G. A., Rehman, I. U., & Nawaz, F. (2020). Corporate social responsibility engagement and firm performance in Asia Pacific: The role of enterprise risk management. *Corporate Social Responsibility and Environmental Management*, *27*(2), 501–513. https://doi.org/10.1002/csr.1815

Ni'mah, M. L., & Syaiful, S. (2021). The Effect Of Good Corporate Governance, Corporate Social Responsibility On Corporate Profitability. *Journal Universitas Muhammadiyah Gresik Engineering, Social Science, and Health International Conference (UMGESHIC)*, *1*(2), 115. https://doi.org/10.30587/umgeshic.v1i2.3377

Nielsen, A. E., & Thomsen, C. (2018). Reviewing corporate social responsibility communication: a legitimacy perspective. *Corporate Communications: An International Journal*, *23*(4), 492–511. https://doi.org/10.1108/CCIJ-04-2018-0042

Novitasari, M., & Agustia, D. (2022). The role of green supply chain management and green innovation in the effect of corporate social responsibility on firm performance. *Gestão & Produção*, *29*, 1–19. https://doi.org/10.1590/1806-9649-2022v29e117

Odeh, M. H., Alshannag, F. M., Eneizan, B., Alkhawaldeh, A. M., & Makhamreh, H. Z. (2020). Analysis of the relationship between corporate social responsibility (CSR) spending and market stock price among Jordanian service firms. *Cogent Business & Management*, *7*(1), 1746732. https://doi.org/10.1080/23311975.2020.1746732

Orazalin, N. (2019). Corporate governance and corporate social responsibility (CSR) disclosure in an emerging economy: evidence from commercial banks of Kazakhstan. *Corporate Governance: The International Journal of Business in Society*, *19*(3), 490–507. https://doi.org/10.1108/CG-09-2018-0290

Patten, D. M. (2019). Seeking legitimacy. *Sustainability Accounting, Management and Policy Journal*, *11*(6), 1009–1021. https://doi.org/10.1108/SAMPJ-12-2018-0332

Peraturan Otoritas Jasa Keuangan Tentang Penerapan Keuangan Berkelanjutan Bagi Lembaga Jasa

Keuangan, Emiten, Dan Perusahaan Publik (2017). https://ojk.go.id/id/regulasi/Pages/Penerapan-Keuangan-Berkelanjutan-bagi-Lembaga-Jasa-Keuangan,-Emiten,-dan-Perusahaan-Publik.aspx

Pranoto, B. (2024). *KCSI 2023, Refleksi aksi keberlanjutan sektor industri Indonesia*. Katadata Green. https://green.katadata.co.id/berita/65b8eb599b6f5/kcsi-2023-refleksi-aksi-keberlanjutan-sektor-industri-indonesia

Putri, C. M., & Puspawati, D. (2023). The effect of ESG disclosure, company size, and leverage on company's financial performance in Indonesia. *The International Journal of Business Management and Technology*, *7*(2), 252–262. https://www.theijbmt.com/archive/0950/1744929426.pdf

Qonita, F., Moeljadi, M., & Ratnawati, K. (2022). The Influence Of Corporate Social Responsibility On Firm Value Through Corporate Reputation And Financial Performance. *International Journal of Environmental, Sustainability, and Social Science*, *3*(3), 691–701. https://doi.org/10.38142/ijesss.v3i3.271

Reifman, A., & Keyton, K. (2016). Winsorize (2010). In *Encyclopedia of Research Design* (Issue May). Sage.

Rimin, F., Bujang, I., Wong Su Chu, A., & Said, J. (2021). RETRACTED: The effect of a separate risk management committee (RMC) towards firms' performances on consumer goods sector in Malaysia. *Business Process Management Journal*, *27*(4), 1200–1216. https://doi.org/10.1108/BPMJ-06-2020-0265

Rossi, M., Chouaibi, J., Chouaibi, S., Jilani, W., & Chouaibi, Y. (2021). Does a Board Characteristic Moderate the Relationship between CSR Practices and Financial Performance? Evidence from European ESG Firms. *Journal of Risk and Financial Management*, *14*(8), 354. https://doi.org/10.3390/jrfm14080354

Seth, R., & Mahenthiran, S. (2022). Impact of dividend payouts and corporate social responsibility on firm value – Evidence from India. *Journal of Business Research*, *146*(April), 571–581. https://doi.org/10.1016/j.jbusres.2022.03.053

Setijaningsih, H. T., & Kurniawan, I. (2023). DETERMINANTS OF CSR DISCLOSURE MODERATED BY THE ROLE OF GOOD CORPORATE GOVERNANCE. *International Journal of Application on Economics and Business*, *1*(2), 681–694. https://doi.org/10.24912/v1i2.681-694

Sharma, P. N., Pohlig, R. T., & Kim, K. H. (2017). Model Misspecifications and Bootstrap Parameter Recovery in PLS-SEM and CBSEM-Based Exploratory Modeling. In *Partial Least Squares Path Modeling* (pp. 281–296). Springer International Publishing. https://doi.org/10.1007/978-3-319-64069-3_13

Siddiqui, F., YuSheng, K., & Tajeddini, K. (2023). The role of corporate governance and reputation in the disclosure of corporate social responsibility and firm performance. *Heliyon*, *9*(5), e16055. https://doi.org/10.1016/j.heliyon.2023.e16055

Silva, S. (2021). Corporate contributions to the Sustainable Development Goals: An empirical analysis informed by legitimacy theory. *Journal of Cleaner Production*, *292*, 125962. https://doi.org/10.1016/j.jclepro.2021.125962

Sufa, I. G. (2023). *29 Perusahaan raih penghargaan sustainability KCSA dalam SAFE 2023*. Katadata. https://katadata.co.id/ekonomi-hijau/investasi-hijau/651310bda8d6e/29-perusahaan-raih-penghargaan-sustainability-kcsa-dalam-safe-2023

Susanto, A., & Fiona, F. (2022). Tata Kelola Perusahaan Memoderasi Hubungan Corporate Social Responsibility dan Kinerja Keuangan. *E-Jurnal Akuntansi*, *32*(10), 2944. https://doi.org/10.24843/EJA.2022.v32.i10.p04

Syaifora, L., Pratami, Y., & Anuar, S. (2022). The Influence Of Corporate Social Responsibility and

Management Compensation On Company Performance With Independent Commissioners as Moderating. *International Journal of Social Science*, *1*(6), 967–976. https://doi.org/10.53625/ijss.v1i6.1915

Tang, S., & Fiorentina, F. (2021). Pengaruh karakteristik perusahaan, kinerja perusahaan, dan management entrenchment terhadap manajemen laba. *Jurnal Ekonomi Bisnis Dan Kewirausahaan*, *10*(2), 121. https://doi.org/10.26418/jebik.v10i2.47461

Tanjung, S., & Renalita, P. (2020). Effect of Corporate Social Responsibility Disclosure, Good Corporate Governance Implementation, and Profitability on Corporate Value (Asean Country Study 2016-2018). *Saudi Journal of Business and Management Studies*, *05*(05), 274–283. https://doi.org/10.36348/sjbms.2020.v05i05.001

Ulinnuha, K. S., Harymawan, I., & Aini, S. N. (2024). CEO Education from Reputable University and ESG Disclosure: Evidence from Indonesia. *Jurnal Dinamika Akuntansi Dan Bisnis*, *11*(1), 1–14. https://doi.org/10.24815/jdab.v11i1.33305

Velte, P. (2022). Meta-analyses on Corporate Social Responsibility (CSR): a literature review. *Management Review Quarterly*, *72*(3), 627–675. https://doi.org/10.1007/s11301-021-00211-2

Velte, P. (2023). Does sustainable board governance drive corporate social responsibility? A structured literature review on European archival research. *Journal of Global Responsibility*, *14*(1), 46–88. https://doi.org/10.1108/JGR-05-2022-0044

Waluyo, D. (2024). *97% perusahaan di bursa lakukan pelaporan berkelanjutan*. Katadata. https://katadata.co.id/ekonomi-hijau/investasi-hijau/669e3732b06b1/97-perusahaan-di-bursa-lakukan-pelaporan-berkelanjutan

Wasiuzzaman, S., Ibrahim, S. A., & Kawi, F. (2023). Environmental, social and governance (ESG) disclosure and firm performance: does national culture matter? *Meditari Accountancy Research*, *31*(5), 1239–1265. https://doi.org/10.1108/MEDAR-06-2021-1356

Wati, E., & Malik, A. Q. (2021). Corporate Social Responsibility and Earnings Management: The Moderating Role of Corporate Governance. *Journal of Accounting Research, Organization and Economics*, *4*(3), 298–307. https://doi.org/10.24815/jaroe.v4i3.22376

Watts, G., Fernie, S., & Dainty, A. (2019). Paradox and legitimacy in construction: how CSR reports restrict CSR practice. *International Journal of Building Pathology and Adaptation*, *37*(2), 231–246. https://doi.org/10.1108/IJBPA-05-2018-0037

Widiyantara, I. G. A., Pradnyani, N. L. P. S. P., & Wasita, P. A. A. (2024). The Effect of Corporate Social Responcibility, and Good Corporate Governance on The Financial Performance of The Health Sector Listed on The Indonesia Stock Exchange in 2019-2022. *International Journal of Pertapsi*, *2*(1), 29–39. https://doi.org/10.9744/ijp.2.1.29-39

Yohai, V. J. (1974). Robust Estimation in the Linear Model. *The Annals of Statistics*, *2*(3). https://doi.org/10.1214/aos/1176342717

Zhang, Y., & Ouyang, Z. (2021). Doing well by doing good: How corporate environmental responsibility influences corporate financial performance. *Corporate Social Responsibility and Environmental Management*, *28*(1), 54–63. https://doi.org/10.1002/csr.2031

Zharfpeykan, R., & Akroyd, C. (2023). Evaluating the outcome effectiveness of the global reporting initiative transitions. *Sustainability Accounting, Management and Policy Journal*, *14*(6), 1101–1125. https://doi.org/10.1108/SAMPJ-07-2022-0365