Etikonomi
Volume 24(1), 2025: 85 - 96
P-ISSN: 1412-8969; E-ISSN: 2461-0771
https://doi.org/10.15408/etk.v24i1.37712

The Impact of Financial Metrics on ESG Disclosure in ASEAN Countries

Donny Maha Putra*
Fakultas Ekonomi dan Bisnis, UPN Veteran Jakarta, Indonesia
E-mail: donny.mp@upnvj.ac.id
*)**Corresponding Author**

JEL Classification:
G32
M14
Q56

Received: 17 February 2024

Revised: 08 July 2024

Accepted: 18 July 2024

Available online: March 2025

Published regularly: March 2025

Abstract

Research Originality: This study breaks new ground by examining how financial metrics (ROA, ROCE, ETR, SGR, board size) influence ESG disclosure in the unique context of ASEAN.

Research Objective: It investigates the relationship between financial performance and ESG disclosure levels for listed companies in Indonesia, Singapore, and Thailand.

Research Methods: Utilizing an in-depth analysis of 300 annual reports over a ten-year period (2011-2020), the study reveals country-specific dynamics.

Empirical Results: For instance, Indonesian companies display a weak correlation between effective tax rate (ETR) and ESG disclosure. Conversely, Singaporean companies with higher return on assets (ROA) tend to report less ESG information. Thailand exhibits a more complex interplay, where aggressive tax strategies potentially hinder positive ESG perceptions.

Implications: These findings highlight the critical need for tailoring ESG disclosure strategies to each country's financial performance landscape. Additionally, the importance of responsible tax practices is emphasized. This knowledge empowers companies, investors, and policymakers to develop a more targeted approach to ESG implementation across ASEAN.

Keywords:

ESG disclosure; financial performance metrics; country-specific effects; tax strategies; targeted ESG approaches

How to Cite:

Putra, D.M. (2025). Impact of Financial Metrics on ESG Disclosure in ASEAN Countries. *Etikonomi, 24*(1), 85 – 96. https://doi.org/10.15408/etk.v24i1.37712.

INTRODUCTION

Environmental, Social, and Governance (ESG) disclosure has become a hot topic for investors and regulators globally (Alareeni & Hamdan, 2020; Azmi et al., 2021; Hassani & Bahini, 2022; Naseer et al., 2023). The ASEAN region, including Indonesia, Thailand, and Singapore, has seen a surge in interest in this practice (Chin, 2022; Finger et al., 2018). Governments in these countries are actively pushing corporations to adopt more comprehensive sustainability reporting (Zeng, 2019). The changing paradigm presents both exciting opportunities and significant challenges, and the reasonable importance of ESG disclosure has spurred the development of stricter regulatory frameworks in the ASEAN region (Ahmad & Sulaiman, 2004; Liao et al., 2021; Mohanadas et al., 2020; Nofitasari & Endraswati, 2019).

Regulators are introducing guidelines to help companies seamlessly integrate sustainability reporting (Crossley et al., 2021; Oprean-Stan et al., 2020; Teng et al., 2021). The efforts reflect the high response to the global demand for corporate transparency and social responsibility (Yu et al., 2018; Zeng, 2019). In Indonesia, the Financial Services Authority has mainly mandated ESG disclosure for public companies (Zhao et al., 2018). Similar initiatives are underway by the Securities and Exchange Commission in Thailand and Singapore (Chin, 2022; Liao et al., 2021). While these regulations provide a much-needed framework, navigating their complexities remains a significant challenge for companies.

Despite the growing trend towards responsible and transparent ESG disclosure (Abdul Rahman & Alsayegh, 2021), a significant knowledge gap exists regarding how regulations, corporate responses, and investor expectations interact within the unique context of ASEAN countries (Adeneye et al., 2023; Fallan & Fallan, 2019). Legitimacy Theory offers valuable insights relevant to ESG disclosure (Ahmad & Sulaiman, 2004; Crossley et al., 2021). This theory posits that organizations strive to align their operations with societal norms and expectations to gain sustained legitimacy (Ahmad & Sulaiman, 2004; Finger et al., 2018; Latif et al., 2020; Zhao et al., 2018). ESG disclosure becomes a strategic tool for companies to build trust with stakeholders if viewed through a regulator lens (Saygili et al., 2022; van Duuren et al., 2016).

Therefore, it is crucial for companies to proactively navigate the evolving regulatory landscape and adjust their strategies to meet or exceed the expectations of investors and stakeholders (Brooks & Oikonomou, 2018; Mauler, 2019). This proactive approach strengthens their commitment to achieving legitimacy in terms of sustainability (Li et al., 2018). Several prior studies have explored the correlation between ESG disclosure standards and corporate financial performance, but the findings remain mixed (Lubis & Rokhim, 2021; van Duuren et al., 2016; Zhao et al., 2018). This inconsistency highlights an uncertainty within the literature regarding the precise influence of financial and non-financial performance metrics on ESG disclosure practices (Arayssi et al., 2020; Bolognesi & Burchi, 2023; Raimo et al., 2021). This uncertainty presents a compelling opportunity for further exploration (Kuo et al., 2021; Lee et al., 2023; Pramono & Nasih, 2022; Suttipun, 2021).

This study aims to address these identified gaps in our understanding. We will investigate how financial performance metrics, specifically Return on Assets (ROA), Return

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712

on Capital Employed (ROCE), Effective Tax Rate (ETR), Social-to-Gear Ratio (SGR), and Size of Business (SOB) as a control variable, influence ESG disclosure practices within ASEAN corporations. By employing a quantitative approach, this research seeks to gain a broader perspective by integrating Legitimacy Theory as a critical foundation for analysis (Cucari et al., 2018; Latif et al., 2020; Raimo et al., 2021).

This research contributes to the ongoing academic discourse surrounding ESG disclosure. It aims to expand our understanding of how such practices are conducted to maintain corporate performance within the dynamic economic landscape of the ASEAN region. Its unique contribution lies in exploring the causal relationship between financial and non-financial performance indicators as primary drivers in enhancing the quality of ESG disclosure practices, which often face challenges related to corporate governance and transparency. This investigation is expected to significantly contribute to the limited literature by providing empirical and theoretical evidence to support regulators, investors, and practitioners in designing effective strategies for maintaining corporate legitimacy in the era of ESG disclosure.

METHODS

This study employs a quantitative approach to investigate the relationship between financial performance metrics and listed companies' environmental, social, and governance (ESG) disclosure practices across Indonesia, Singapore, and Thailand. We utilize data for 2011-2020 obtained from the Bloomberg Terminal. A total of 30 companies were chosen: 12 from Indonesia (ID), seven from Singapore (SG), and 11 from Thailand (TH). This selection aimed for a balanced representation across countries, considering potential limitations in data availability on the Bloomberg Terminal. Companies were chosen from diverse industries, including manufacturing, banking, real estate, telecommunication, infrastructure, retail, energy, construction, transportation, petrochemicals, property, and media. This broad industry distribution enhances the generalizability of the findings.

Companies within each industry were selected based on the following criteria: First, companies readily available on the Bloomberg Terminal were prioritized to ensure reliable data access. Second, established companies with potentially more robust reporting practices were preferred, although a specific size threshold was not applied. Third, within each industry and country, companies were chosen through a random selection process to minimize bias.

The 2011-2020 timeframe was chosen for this study because it represents significant regulatory changes regarding ESG disclosure in all three countries. Analyzing data from this period allows us to assess the potential impact of these regulatory changes on corporate ESG disclosure practices. This study investigates the relationship between a company's financial performance and the quality of its environmental, social, and governance (ESG) disclosure practices. We utilize the following variables, summarized in Table 1.

Before regression analysis, the data underwent classical assumption tests to ensure normality by the Skewness-Kurtosis Test, Multicollinearity Test, Breusch Pagan Godfrey Test, and Wooldridge Test. Following these tests, a panel regression analysis using the

Generalized Least Squares (GLS) method was conducted with STATA software. This approach accounts for the panel data structure, which involves repeated observations over time within companies. The regression models aim to identify the relationships between financial performance metrics (ROA, ROCE, ETR, SGR) and company size (SOB) on ESGD practices (measured by the ESG disclosure score).

Table 1. Operational Variables

Variable	Description	Measurement
Dependent	Environmental, Social, and Governance Disclosure (ESGD)	Bloomberg ESG disclosure score (0.1 lowest - 100 highest)
Independent (Financial Performance):		
ROA	Return on investment in a company's assets	Net income divided by total assets
ROCE	Measure of profitability in relation to all capital employed by the company	EBIT divided by average capital employed
ETR	Percentage of a company's pre-tax profits paid in taxes	Income tax expense divided by pre-tax income
SGR	SGR represents the maximum annual sales growth rate a company can achieve without needing external financing or altering its existing financial policies (e.g., debt-to-equity ratio)	Market price per share divided by book value per share
SOB	Company size	Natural logarithm of total assets

Source: Author's Calculation Results (2024).

The following equations represent the general form of the regression model for each country:

Equation 1 (Indonesia):

$$ESGSC\_ID = \beta_0\_ID + \beta_1\_ID * ROA + \beta_2\_ID * ROCE + \beta_3\_ID * ETR + \beta_4\_ID * SGR + \beta_5\_ID * SOB + \varepsilon\_ID$$

Equation 2 (Singapore):

$$ESGSC\_SG = \beta_0\_SG + \beta_1\_SG * ROA + \beta_2\_SG * ROCE + \beta_3\_SG * ETR + \beta_4\_SG * SGR + \beta_5\_SG * SOB + \varepsilon\_SG$$

Equation 3 (Thailand):

$$ESGSC\_TH = \beta_0\_TH + \beta_1\_TH * ROA + \beta_2\_TH * ROCE + \beta_3\_TH * ETR + \beta_4\_TH * SGR + \beta_5\_TH * SOB + \varepsilon\_TH$$

Where:

ESGSC_ID, ESGSC_SG, ESGSC_TH	: ESG Disclosure Score (Indonesia, Singapore, Thailand)
β_0_ID, β_0_SG, β_0_TH	: Constant term (intercept) for each model
β_1_ID, β_2_ID, ..., β_5_ID	: Regression coefficients for Indonesia
β_1_SG, β_2_SG, ..., β_5_SG	: Regression coefficients for Singapore
β_1_TH, β_2_TH, ..., β_5_TH	: Regression coefficients for Thailand
ROA, ROCE, ETR, SGR, SOB	: As previously defined

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712

RESULT AND DISCUSSION

Table 2 indicate significant differences in ESG disclosure practices and financial performance among companies in the three countries. Thailand exhibits the highest average ESG disclosure score (ESGsc) of 49.1001, suggesting a more substantial commitment to ESG aspects. This might be attributed to stricter regulations or more significant stakeholder pressure in Thailand compared to Indonesia and Singapore. The moderate standard deviation in Thailand (12.6298) indicates consistency in ESG disclosure practices among companies. Companies like PTT Public Company Limited and Siam Cement PCL exemplify this focus on sustainability practices with high ESG scores. Companies in Singapore have an average ESGsc of 37.7788 with a lower standard deviation (12.0865), indicating consistent disclosure practices but at a lower level compared to Thailand. DBS Group Holdings Ltd and Singapore Telecommunications Ltd are examples of companies excelling in ESG disclosure practices in Singapore.

Table 2. Descriptive Statistics

Variables	Indonesia			Singapore			Thailand		
	Obs	Mean	Std Dev	Obs	Mean	Std Dev	Obs	Mean	Std Dev
ESGsc	120	33.2483	9.4412	70	37.7788	12.0865	110	49.1001	12.6298
ROA	120	8.8934	11.9874	70	6.0369	5.3536	110	6.9811	7.7833
ROCE	120	27.0177	32.8876	70	31.8278	54.3960	110	18.5086	18.7658
ETR	120	22.3391	7.0323	70	16.8633	3.9265	110	17.0578	8.3696
SGR	120	9.7414	9.0514	70	6.6245	6.2355	110	7.6069	4.4632
SOB	120	6.3103	1.8293	70	9.8358	2.0714	110	13.7732	2.3651

Source: Author's Calculation Results (2024).

Indonesian companies, with an average ESGsc of 33.2483 and a standard deviation of 9.4412, as seen with Bank Mandiri and Telkom Indonesia, indicate more uniform ESG disclosure practices in the country. Regarding financial performance, Indonesia shows the highest average ROA of 8.8934 but with high variability (standard deviation of 11.9874). This signifies variations in asset efficiency among Indonesian companies such as Bank Central Asia and Semen Indonesia. Singapore, with an average ROCE of 31.8278 but a high standard deviation (54.3960), indicates significant disparities in equity utilization, as seen in United Overseas Bank Ltd and Keppel Corp Ltd . Indonesia also dominates in ETR and SGR, with the highest average values, illustrating variation in tax liabilities and sustainable growth among these companies.

In Indonesia, the results showed a positive relationship between the effective tax rate (ETR) and the ESG disclosure score (see Table 3). This result suggests that as companies face higher tax liabilities (higher ETR), they are more likely to disclose ESG information. This condition could be due to a desire to improve their public image and stakeholder perception, potentially mitigating the negative impact of high taxes (Lubis & Rokhim, 2021). Interestingly, financial performance measures like ROA, ROCE, and SGR did not significantly impact ESG disclosure in Indonesia. This result suggests

DOI: https://doi.org/10.15408/etk.v24i1.37712

that financial performance may not be the primary driver for ESG disclosure in the Indonesian context. However, the board size (SOB) positively influenced each additional board member, which was associated with a 2.6279 unit increase in the ESG score.

Table 3. Regression analysis results

Variables	Indonesia		Singapore		Thailand	
	Coefficient	P-value	Coefficient	P-value	Coefficient	P-value
Cons.	20.7059	0.000	8.1730	0.480	31.1097	0.005
ROA	-0.3122	0.137	-1.1466	0.025	0.4518	0.090
ROCE	-0.1954**	0.856	0.0064**	0.884	-0.3831**	0.006
ETR	0.4249**	0.005	0.0457**	0.917	-0.3941**	0.000
SGR	-0.1815**	0.154	-0.0624**	0.755	0.0980**	0.470
SOB	2.6279	0.000	2.7965	0.009	1.9182	0.003
NoD		120		70		110
(F-statistics)		0.0000		0.0000		0.0000
Regression equation	ESGSC_ID=20.7059 - 0.3122 ROA - 0.1954 ROCE + 0.4249 ETR - 0.1815 SGR+ 2.6279 SOB+ e		ESGSC_SG=8.1730 - 1.1466 ROA+ 0.0064 ROCE+ 0.0457 ETR - 0.0624 SGR + 2.7965 SOB+ e		ESGSC_TH=31.1097+ 0.4518 ROA- 0.3831 ROCE - 0.3941 ETR + 0.0980 SGR+ 1.9182 SOB+ e	

Source: Author's Calculation Results (2024).

Interestingly, the analysis of Singaporean companies revealed a negative relationship between return on assets (ROA) and ESG disclosure score. This result means that companies with higher asset performance tend to have lower ESG disclosure scores. Companies in Singapore prioritize short-term profitability, as reflected in their high ROA, which leads to a reduced emphasis on ESG disclosure. Alternatively, stakeholder pressure for ESG disclosure might be lower in Singapore than in other countries in the study. Additionally, companies with high ROA might perceive the costs of ESG disclosure to outweigh the potential benefits. Further research is needed to explore the specific reasons behind this negative association.

The findings for Thailand also revealed some interesting patterns. Return on common equity (ROCE) significantly negatively influenced the ESG disclosure score. This result suggests that companies in Thailand with higher equity efficiency (ROCE) tend to have lower ESG disclosure scores. The companies in Thailand prioritize maximizing shareholder returns in the short term, leading to less focus on ESG initiatives. Additionally, a short-term oriented corporate culture might downplay the long-term benefits of ESG practices. Like ROCE, ETR also had a negative impact on the ESG score, with each unit increase in ETR reducing the ESG score by 0.3941 units. This result suggests that, similar to Indonesia, higher tax liabilities discourage companies in Thailand from disclosing ESG information.

Differential effects of various factors on ESG disclosure scores across Indonesia, Singapore, and Thailand. Notably, board size consistently exhibited a positive influence, highlighting the crucial role of strong corporate governance in promoting ESG practices. Meanwhile, the complexity of the relationship between financial performance and ESG

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712

disclosure depends on the financial performance metrics of ROA and ROCE (Azmi et al., 2021; Hassani & Bahini, 2022; Yoon et al., 2021). The finding contributes significantly to a deeper understanding of ESG disclosure practices in ASEAN countries, providing valuable insights for policymakers and companies. As stakeholders increasingly prioritize ESG considerations, the effectiveness of ESG disclosure enhances transparency, attracts investment, and promotes long-term sustainability be importance.

The findings for Indonesia and Thailand challenge the traditional assumption that higher financial performance leads to greater ESG disclosure. In these countries, ROA did not significantly influence ESG disclosure scores. This condition could indicate that companies prioritize financial performance in the short term, potentially neglecting the long-term benefits associated with ESG practices (Chen et al., 2023). The situation in Singapore is particularly intriguing. Here, a significant negative relationship emerged, suggesting that companies with higher asset performance (ROA) tend to disclose less ESG information (Chen et al., 2023; Karyani & Agusman Agusman, 2024; Khandelwal et al., 2023; Kuo et al., 2021).

This finding contradicts the common positive association between financial performance and ESG disclosure. Several potential explanations could be explored. First, Short-termism: Companies in Singapore might prioritize short-term financial goals over long-term sustainability efforts reflected in ESG practices. Second, Lower Stakeholder Pressure: It's possible that ESG disclosure is not yet a significant concern for investors or other stakeholders in Singapore compared to other countries in the study. This condition could lead companies to prioritize other aspects over ESG disclosure. Third, Cost-Benefit Analysis: High-performing companies might engage in a cost-benefit analysis, where the perceived costs of ESG disclosure (e.g., data collection, reporting) outweigh the potential benefits in the Singaporean context. Further research could delve deeper into these possibilities to understand the factors driving the negative relationship in Singapore.

This study reveals an intriguing pattern regarding the impact of tax considerations (ETR) on ESG disclosure practices. A positive association emerged in Indonesia, suggesting that companies with higher tax liabilities disclose more ESG information. This potentially aligns with previous research (Lubis & Rokhim, 2021), where companies might use ESG disclosure to improve their public image and mitigate the negative perception associated with high taxes. However, the findings in Thailand present a different picture. Here, a negative relationship between ETR and ESG disclosure was observed. This could be attributed to several factors. Companies in Thailand might be concerned that disclosing their ESG activities could attract unwanted scrutiny or potential audits from tax authorities (Suttipun, 2021).

Additionally, the lack of clear regulations or guidelines on how ESG disclosure connects with potential tax benefits in Thailand might create uncertainty for companies, making them less forthcoming with ESG information. These contrasting findings highlight the complexity of the relationship between tax considerations and ESG disclosure. It suggests that companies may not solely prioritize ESG disclosure for strategic financial reasons like potential tax benefits (D'Amato et al., 2021; Saygili et al., 2022). Factors like managing public image and potential regulatory risks also play a role in shaping disclosure decisions.

The consistent positive influence of board size on ESG disclosure across all three countries is a significant finding. This result reinforces the importance of strong corporate governance structures in promoting transparency and sustainability practices (Diamastuti et al., 2021; Xie et al., 2019). Larger boards can facilitate a broader range of perspectives and expertise, potentially leading to a greater emphasis on ESG considerations (Cucari et al., 2018; Latif et al., 2020). One potential mechanism is that board members with diverse backgrounds can contribute valuable insights on environmental and social issues. Additionally, a larger board might pressure management to address ESG concerns and hold them accountable for related actions. While board size is a relevant factor, future research can delve deeper into the specific composition of boards. Understanding the presence of directors with environmental or social responsibility backgrounds could provide further insights into how board characteristics influence ESG disclosure practices (Arayssi et al., 2020; Puspasari & Ketut Sujana, 2021).

CONCLUSION

This study explored the complex relationship between financial metrics and ESG disclosure practices in Indonesia, Singapore, and Thailand in three ASEAN countries. Grounded in Legitimacy Theory, the research aimed to understand how companies in these diverse environments adjust their ESG disclosures to maintain or enhance their social standing. The findings reveal that financial performance and ESG disclosure dynamics are not one-size-fits-all. Each nation's economic, social, and regulatory factors significantly influence these relationships. The varying impact of financial metrics like ROA, ROCE, ETR, SGR, and SOB on ESG disclosure underscores how achieving legitimacy through transparency heavily depends on the specific context of each country.

The positive correlation between ETR (effective tax rate) and ESG disclosure in Indonesia suggests that companies with responsible fiscal practices build more substantial social legitimacy. However, the weak connection between other financial metrics and ESG disclosure indicates the need for deeper integration of sustainability goals into core business strategies. Singapore's case, where high ROA (return on assets) negatively impacts ESG disclosure, presents an interesting scenario. Companies with excellent financial performance might be less likely to communicate their ESG efforts actively. This research underscores the importance of ensuring that sustainability initiatives and ESG disclosures accurately reflect genuine environmental and social responsibility, contributing to a company's perceived legitimacy. Thailand showcases the most complex interplay between financial metrics (ROA, ROCE, ETR) and ESG disclosure. This complexity reflects a dynamic interplay between financial performance, shareholder returns, and taxation practices. Notably, the negative relationship between ETR and ESG disclosure signifies that aggressive tax strategies negatively impact a company's reputation as a sustainable entity, potentially hindering its ability to achieve legitimacy.

The findings highlight the crucial roles of board diversity and responsible tax practices in enhancing a company's image as a socially responsible entity. Future research could address these limitations by examining the impact of specific ESG disclosure regulations. Practically, these findings provide valuable insights for companies in Indonesia,

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712

Singapore, and Thailand to design more effective ESG disclosure strategies that not only showcase financial performance but also demonstrate genuine commitment to environmental and social responsibility.

REFERENCES

Abdul Rahman, R., & Alsayegh, M. F. (2021). Determinants of Corporate Environment, Social and Governance (ESG) Reporting among Asian Firms. *Journal of Risk and Financial Management*, *14*(4), 167. https://doi.org/10.3390/jrfm14040167.

Adeneye, Y. B., Kammoun, I., & Ab Wahab, S. N. A. (2023). Capital Structure and Speed of Adjustment: The Impact of Environmental, Social and Governance (ESG) Performance. *Sustainability Accounting, Management and Policy Journal*, *14*(5), 945-977.

Ahmad, N. N. N., & Sulaiman, M. (2004). Environmental Disclosures in Malaysian Annual Reports: A Legitimacy Theory Perspective. *International Journal of Commerce and Management*, *14*(1), 44-58. https://doi.org/10.1108/10569210480000173.

Alareeni, B. A., & Hamdan, A. (2020). ESG Impact on Performance of US S&P 500-Listed Firms. *Corporate Governance (Bingley)*, *20*(7), 1409-1428.

Arayssi, M., Jizi, M., & Tabaja, H. H. (2020). The Impact of Board Composition on the Level of ESG Disclosures in GCC Countries. *Sustainability Accounting, Management and Policy Journal*, *11*(1), 137–161. https://doi.org/10.1108/SAMPJ-05-2019-0136.

Azmi, W., Hassan, M. K., Houston, R., & Karim, M. S. (2021). ESG Activities and Banking Performance: International Evidence from Emerging Economies. *Journal of International Financial Markets, Institutions and Money*, *70,* 101277.

Bolognesi, E., & Burchi, A. (2023). The Impact of the ESG Disclosure on Sell-Side Analysts' Target Prices: The New Era Post Paris Agreements. *Research in International Business and Finance*, *64,* 101827. https://doi.org/10.1016/j.ribaf.2022.101827

Brooks, C., & Oikonomou, I. (2018). The Effects of Environmental, Social and Governance Disclosures and Performance on Firm Value: A Review of the Literature in Accounting and Finance. *British Accounting Review, 50*(1), 1-15.

Chen, H., Liu, S., Yang, D., & Zhang, D. (2023). Automatic Air Pollution Monitoring and Corporate Environmental Disclosure: a Quasi-Natural Experiment from China. *Sustainability Accounting, Management and Policy Journal*, *14*(3), 538-564.

Chin, P. N. (2022). ESG Rating and Firm Performance : Comparison Among Singapore, Malaysia, Brunie, Indonesia, and Thailand. *International Journal of Accounting, Finance and Business (IJAFB)*, *7*(43), 155-164.

Crossley, R. M., Elmagrhi, M. H., & Ntim, C. G. (2021). Sustainability and Legitimacy Theory: The Case of Sustainable Social and Environmental Practices of Small and Medium-sized Enterprises. *Business Strategy and the Environment*, *30*(8), 2837.

Cucari, N., Esposito De Falco, S., & Orlando, B. (2018). Diversity of Board of Directors and Environmental Social Governance: Evidence from Italian Listed Companies. *Corporate Social Responsibility and Environmental Management*, *25*(3), 1452.

D'Amato, V., D'Ecclesia, R., & Levantesi, S. (2021). Fundamental Ratios as Predictors of ESG Scores: A Machine Learning Approach. *Decisions in Economics and Finance*, *44*, 1087-1110. https://doi.org/10.1007/s10203-021-00364-5.

Diamastuti, E., Muafi, M., Fitri, A., & Faizaty, N. E. (2021). The Role of Corporate Governance in the Corporate Social and Environmental Responsibility Disclosure. *Journal of Asian Finance, Economics and Business*, *8*(1), 187–198.

Fallan, E., & Fallan, L. (2019). Corporate Tax Behaviour and Environmental Disclosure: Strategic Trade-offs Across Elements of CSR? *Scandinavian Journal of Management*, *35*(3), 101042. https://doi.org/10.1016/j.scaman.2019.02.001.

Finger, M., Gavious, I., & Manos, R. (2018). Environmental Risk Management and Financial Performance in the Banking Industry: A Cross-Country Comparison. *Journal of International Financial Markets, Institutions and Money*, *52,* 240-261.

Hassani, B. K., & Bahini, Y. (2022). Relationships between ESG Disclosure and Economic Growth: A Critical Review. *Journal of Risk and Financial Management, 15*(11), 538. https://doi.org/10.3390/jrfm15110538.

Karyani, E., & Agusman Agusman. (2024). Risk Transmission of Foreign Subsidiary: Evidence from ASEAN Emerging Countries. *Etikonomi*, *23*(1), 129–146.

Khandelwal, V., Sharma, P., & Chotia, V. (2023). ESG Disclosure and Firm Performance: An Asset-Pricing Approach. *Risks*, *11*(6), 112. https://doi.org/10.3390/risks11060112.

Kuo, T. C., Chen, H. M., & Meng, H. M. (2021). Do Corporate Social Responsibility Practices Improve Financial Performance? A Case Study of Airline Companies. *Journal of Cleaner Production*, *310,* 127380. https://doi.org/10.1016/j.jclepro.2021.127380.

Latif, R. A., Yahya, N. H., Mohd, K. N. T., Kamardin, H., & Ariffin, A. H. M. (2020). The Influence of Board Diversity on Environmental Disclosures and Sustainability Performance in Malaysia. *International Journal of Energy Economics and Policy*, *10*(5), 9508.

Lee, N., Heryana, Z. A.-B., & Hendriyeni, N. S. (2023). Do Women on Board, Institutional Ownership, and Governance Committee Relate to Environmental, Social, Governance (ESG) Disclosure? *Proceedings of the 4th Asia Pacific Management Research Conference.*

Li, Y., Gong, M., Zhang, X. Y., & Koh, L. (2018). The Impact of Environmental, Social, and Governance Disclosure on Firm Value: The Role of CEO Power. *British Accounting Review*, *50*(1), 60-75. https://doi.org/10.1016/j.bar.2017.09.007.

Liao, H. T., Huang, W. Y., Zhou, X., Pan, C. L., Zhang, Y., & Liu, H. (2021). A Research and Education Agenda Based on a Bibliometric Analysis of CSR and ESG Reporting. *2021 IEEE 2nd International Conference on Technology, Engineering, Management for Societal Impact Using Marketing, Entrepreneurship and Talent, TEMSMET 2021*.

Lubis, M. F. F., & Rokhim, R. (2021). The Effect of Environmental, Social, and Governance (ESG) Disclosure and Competitive Advantage on Companies Performance as An Implementation of Sustainable Economic Growth in Indonesia for Period of 2015-2019. *IOP Conference Series: Earth and Environmental Science*, *940*(1).

Mauler, L. M. (2019). The Effect of Analysts' Disaggregated Forecasts on Investors and Managers: Evidence Using Pre-Tax Forecasts. *The Accounting Review*, *94*(3), 279-302.

Mohanadas, N. D., Abdullah Salim, A. S., & Pheng, L. K. (2020). CSR and Tax Aggressiveness of Malaysian Listed Companies: Evidence from an Emerging Economy. *Social Responsibility Journal*, *16*(5), 597-612. https://doi.org/10.1108/SRJ-01-2019-0021.

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712

Naseer, M. M., Guo, Y., & Zhu, X. (2023). ESG Trade-off with Risk and Return in Chinese Energy Companies. *International Journal of Energy Sector Management, 18*(5), 1109-1126.

Nofitasari, W. A., & Endraswati, H. (2019). Sharia Social Reporting (ISR) Analysis in Indonesia and Malaysia. *Jurnal Ilmu Ekonomi Syariah (Journal of Islamic Economics*, *11*(2), 341 – 356. https://doi.org/10.15408/aiq.v11i2.10630.

Oprean-Stan, C., Oncioiu, I., Iuga, I. C., & Stan, S. (2020). Impact of Sustainability Reporting and Inadequate Management of ESG Factors on Corporate Performance and Sustainable Growth. *Sustainability*, *12*(20), 8536. https://doi.org/10.3390/su12208536.

Pramono, C., & Nasih, M. (2022). The Effect of Gender Diversity in The Boardroom and Company Growth on Environmental, Social, and Governance Disclosure (ESGD). *Journal of Accounting and Investment*, *23*(3), 460-477.

Puspasari, N. K., & Ketut Sujana, I. (2021). The Effect of Corporate Social Responsibility Disclosure and Board Remuneration on Financial Performance with the Presence of Women in the Good Corporate Governance Structure. *American Journal of Humanities and Social Sciences Research (AJHSSR*, *5*(1), 637–642.

Raimo, N., Caragnano, A., Zito, M., Vitolla, F., & Mariani, M. (2021). Extending the Benefits of ESG Disclosure: The Effect on the Cost of Debt Financing. *Corporate Social Responsibility and Environmental Management*, *28*(4), 1412-1421.

Saygili, E., Arslan, S., & Birkan, A. O. (2022). ESG Practices and Corporate Financial Performance: Evidence from Borsa Istanbul. *Borsa Istanbul Review*, *22*(3), 525-533.

Suttipun, M. (2021). The Influence of Board Composition on Environmental, Social and Governance (ESG) Disclosure of Thai Listed Companies. *International Journal of Disclosure and Governance*, *18*(4), 391-402

Teng, X., Wang, Y., Wang, A., Chang, B. G., & Wu, K. S. (2021). Environmental, Social, Governance Risk and Corporate Sustainable Growth Nexus: Quantile regression approach. *International Journal of Environmental Research and Public Health*, *18*(20), 10865.

Van Duuren, E., Plantinga, A., & Scholtens, B. (2016). ESG Integration and the Investment Management Process: Fundamental Investing Reinvented. *Journal of Business Ethics*, *138*(3), 525-533. https://doi.org/10.1007/s10551-015-2610-8.

Xie, J., Nozawa, W., Yagi, M., Fujii, H., & Managi, S. (2019). Do Environmental, Social, and Governance Activities Improve Corporate Financial Performance? *Business Strategy and the Environment*, *28*(2), 286-300. https://doi.org/10.1002/bse.2224.

Yoon, B. H., Lee, J. H., & Cho, J. H. (2021). The Effect of ESG Performance on Tax Avoidance—Evidence from Korea. *Sustainability*, *13*(12), 6729.

Yu, E. P. yi, Guo, C. Q., & Luu, B. Van. (2018). Environmental, Social and Governance Transparency and Firm Value. *Business Strategy and the Environment*, *27*(7), 987-1004.

Zeng, T. (2019). Relationship between Corporate Social Responsibility and Tax Avoidance: International Evidence. *Social Responsibility Journal*, *15*(2), 244-257.

Zhao, C., Guo, Y., Yuan, J., Wu, M., Li, D., Zhou, Y., & Kang, J. (2018). ESG and Corporate Financial Performance: Empirical evidence from China's Listed Power Generation Companies. *Sustainability*, *10*(8), 2607. https://doi.org/10.3390/su10082607.

Appendix

List of Company of Research

No	Code	Company	Sector	Country
1	BBCA	Bank Central Asia	Banking	Indonesia
2	BBNI	Bank Negara Indonesia	Banking	Indonesia
3	BBRI	Bank Rakyat Indonesia	Banking	Indonesia
4	BMRI	Bank Mandiri	Banking	Indonesia
5	BSDE	Bumi Serpong Damai	Real Estate	Indonesia
6	CTRA	Ciputra Development	Real Estate	Indonesia
7	EXCL	XL Axiata	Telecommunication	Indonesia
8	HMSP	Hanjaya Mandala Sampoerna	Manufacturer	Indonesia
9	JSMR	Jasa Marga	Infrastructure	Indonesia
10	TLKM	Telkom Indonesia	Telecommunication	Indonesia
11	SMGR	Semen Indonesia	Manufacturer	Indonesia
12	TBIG	Tower Bersama Infrastructure	Telecommunication	Indonesia
13	DBS	DBS Group Holdings Ltd	Banking	Singapura
14	STSP	Singapore Telecommunications Ltd	Telecommunication	Singapura
15	BALSP	Bumitama Agri Ltd	Retail	Singapura
16	STH	StarHub Ltd	Telecommunication	Singapura
17	KEPSP	Keppel Corp Ltd	Property	Singapura
18	UOB	United Overseas Bank Ltd	Banking	Singapura
19	SPH	Singapore Press Holdings	Media	Singapura
20	PTT	PTT Public Company Limited	Energy	Thailand
21	SCC	Siam Cement PCL	Construction	Thailand
22	ADVANC	Advanced Info Service PCL	Telecommunication	Thailand
23	BBL	Bangkok Bank PCL	Banking	Thailand
24	KBANK	Kasikornbank PCL	Banking	Thailand
25	IRPC	Thai Petrochemical Industry	Energy	Thailand
26	TOP	Thai Oil PCL	Energy	Thailand
27	INTUCH	Intouch Holdings PCL	Telecommunication	Thailand
28	AOT	Airports of Thailand	Transportation	Thailand
29	KTB	Krung Thai Bank	Banking	Thailand
30	PTTGC	PTT Global Chemical PCL	Petrochemical	Thailand

Source: Terminal Bloomberg (2024)

https://journal.uinjkt.ac.id/index.php/etikonomi
DOI: https://doi.org/10.15408/etk.v24i1.37712