

ABSTRACT

Sustainability reports are reports issued by companies that contain economic performance, social performance, and environmental performance carried out by companies in carrying out sustainable business. Sustainability reports are a form of corporate responsibility in harmonizing the performance performed by the community by taking into account the balance of the triple bottom line aspects, namely the economic aspects (profit), social aspects (people), and environmental aspects (planet).

The independent variables in this study are earnings management, company activity level, and company size. The dependent variable in this study is sustainability report. This study aims to analyze the effect of earnings management, firm's activity analysis, and firm's size on sustainability reports on non-financial companies listed on the Indonesia Stock Exchange.

The population in this study are non-financial companies listed on the Indonesia Stock Exchange in 2014-2017. The sample selection technique uses purposive sampling and obtained 18 companies with four years of observation so that 72 samples were observed. The analysis technique used in this study is panel data regression analysis using the Eviews 9.0.

Based on the results of this research, earnings management, firm's activity analysis, and firm's size have a simultaneous influence on sustainability reports. Partially, firm's activity analysis has a positive effect on sustainability reports. While earnings management and firm's size do not affect the sustainability report.

Further researchers are advised to be able to use other variables that are considered to have an influence on the sustainability report and further research is recommended to conduct research based on the sector or subsector of the company. The limitation in this study is that there are still few previous research sources that examine sustainability reports and the number of publication of sustainability reports that are still low in Indonesia.

Keywords: *Sustainability reports, earning management, firm's activity analysis, firm's size*