

ABSTRACT

Business practices, particularly primary sector industries such as mining and agriculture, which prioritize economic aspects over environmental and social aspects and are considered not by applicable norms and regulations, are now starting to attract public attention. This has resulted in the government starting to implement environmental conservation efforts, one of which requires public entities to publish sustainability reports. A sustainability report is a report published by a company to report the impact of its operations on environmental, social, and economic aspects, which is carried out in an accountable and measurable manner to achieve sustainable development. By publishing a sustainability report, the company is expected to gain legitimacy public to continue its operational activities.

This study aims to determine the effect of political visibility, profitability, and presence of assurance on the disclosure of sustainability reports in primary industrial companies listed on the Indonesia Stock Exchange (IDX) during 2017-2019 partially and simultaneously. The purposive sampling resulted a sample of 48 observations of 16 companies.

Based on results using the panel data regression method, it was found that simultaneously political visibility, profitability, and presence of assurance affected on sustainability report disclosure. While partially political visibility had a positive effect and the presence of assurance had a negative effect on the sustainability report disclosure. On the other hand, profitability was not found to have an effect on sustainability report disclosure. The results of this study are expected to be consideration in making business decisions to pay more attention to social and environmental aspects in addition to economic aspects.

Keywords: *political visibility, presence of assurance, profitability, sustainability report disclosure*