

Sustainability Reporting And Financial Performance: A Case Study On Indonesia's Mining Sector

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Abstract

This study examines the effects of economic, environmental, and social disclosures on the financial performance of Indonesian mining companies. Using panel data from 25 mining companies listed on the Indonesia Stock Exchange during 2021–2024, the research applies the Estimated Generalized Least Squares (EGLS) approach. Sustainability disclosure is measured based on the GRI Standards 2016, while financial performance is proxied by Return on Assets (ROA). To assess the persistence of the observed relationships, a one-year lagged robustness test is also conducted. The findings show that environmental disclosure is positively associated with financial performance, whereas economic and social disclosures are negatively associated. The robustness test further indicates that the effects of economic and environmental disclosures are mainly contemporaneous, while the negative association of social disclosure tends to persist over time. These results offer useful insights for companies and policymakers in improving sustainability reporting practices. The originality of this study lies in its examination of the three dimensions of sustainability disclosure and the inclusion of a lagged robustness test to evaluate the persistence of the observed associations.

Keywords

Sustainability Disclosure, Economic Disclosure, Environmental Disclosure, Social Disclosure, Financial Performance



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INTRODUCTION

The introduction should briefly place the study in a broad context and highlight why Sustainability has become a central pillar of global development under the United Nations Sustainable Development Goals (SDGs), which aim to balance economic growth, social welfare, and environmental protection by 2030. Growing stakeholder awareness of environmental and socio-economic issues has also increased the importance of sustainable and responsible investment (Naouar et al., 2026; Rusu et al., 2024). Consequently, firms increasingly integrate sustainability objectives, including ESG practices, into their long-term strategies rather than

focusing solely on short-term profitability (Celik, 2023; Naeem et al., 2022; Nzekwe et al., 2021). This shift is particularly relevant to Indonesia's mining industry, which plays a significant economic role while generating substantial environmental and social impacts. Indonesia has demonstrated steady progress toward achieving the SDGs during the 2030 Decade of Action. According to the 2024 SDGs report published by Bappenas (2026), Indonesia achieved an SDG Index score of 70.2, ranking 77th out of 167 countries, representing an improvement of 10.4 points (17.39%) compared with its 2000 baseline. Despite this progress, several key development indicators reveal persistent structural challenges. In 2024, Indonesia recorded an economic growth rate of 5.03%, a poverty rate of 8.57%, a Human Capital Index of 0.54, and an open unemployment rate of 4.91%. These figures indicate that although economic performance has remained relatively stable, the benefits of growth have not been distributed evenly, highlighting the need for stronger corporate contributions to sustainable development through responsible environmental, social, and economic practices (Bappenas, 2026).

As shown in Figure 1, Indonesia has made steady progress toward the SDGs but continues to face structural challenges. According to the 2024 SDGs report, Indonesia recorded a sustainable development index score of 70.2, ranking 77th among 167 countries. Indicators such as a poverty rate of 8.57% and a Human Capital Index of 0.54 suggest that the benefits of economic growth have not been evenly distributed. Indonesia's abundant mineral resources make the mining sector a major contributor to government revenue, employment, and gross domestic product (GDP). However, mining activities also generate significant environmental degradation and social conflicts (Ebenhaezer & Rahayu, 2022), creating tension between financial performance and sustainability responsibilities. This challenge is reflected in sustainability reporting practices. As of 2025, only 25 of the 45 mining companies listed on the Indonesia Stock Exchange consistently published sustainability reports, indicating that sustainability disclosure remains uneven despite the sector's strategic importance. Strengthening economic, environmental, and social disclosure practices may help address this gap while improving stakeholder accountability (Celik, 2023; Oncioiu et al., 2020)

Although sustainability initiatives may generate long-term value (Sachs et al., 2023), they may also increase short-term operating costs and reduce profitability (Afifah & Listyani, 2026; Celik, 2023; Naouar et al., 2026; Prawitasari et al., 2026). Consequently, the relationship between sustainability disclosure and financial

performance remains inconclusive, particularly in environmentally sensitive industries such as mining.

Previous studies have reported mixed findings. Some studies found that economic, environmental, and social disclosures are positively associated with financial performance because greater transparency strengthens stakeholder trust and organizational legitimacy (Celik, 2023; Ershadi et al., 2024; Girón et al., 2021; Lehenchuk et al., 2023; Nzekwe et al., 2021; Okon et al., 2023; Oncioiu et al., 2020). In contrast, other studies reported no significant relationship (Afifah & Listyani, 2026; Handajani et al., 2026; Irma & Lestari, 2021; Naeem et al., 2022; Prawitasari et al., 2026; Ronaldo & Handayani, 2023), suggesting that the financial implications of sustainability disclosure may depend on disclosure quality, industry characteristics, institutional settings, and stakeholder expectations.

Despite the growing body of literature on sustainability reporting and financial performance, several gaps remain. First, prior studies have produced inconsistent findings regarding the effects of economic, environmental, and social disclosures on financial performance. Second, limited evidence is available from the Indonesian mining sector, despite its significant contribution to the national economy, substantial environmental and social impacts, and unique regulatory environment. Unlike banking, manufacturing, or consumer industries, mining companies operate under intensive environmental scrutiny, extensive natural resource extraction activities, and stronger regulatory and stakeholder pressures. These characteristics may influence the way sustainability disclosure relates to financial performance, making the mining sector analytically distinct from other industries. Third, most previous studies focus on contemporaneous relationships and provide limited evidence regarding the persistence of sustainability disclosure effects over time. Therefore, this study contributes to the literature in three ways. First, it provides evidence from the Indonesian mining sector, which operates under a distinctive regulatory and stakeholder environment. Second, it separately examines the effects of economic, environmental, and social disclosures rather than treating sustainability disclosure as a single construct. Third, by incorporating a one-year lagged robustness test, it shows that environmental disclosure is positively associated with financial performance, whereas the negative association of social disclosure appears to persist into the subsequent period. These findings enrich the sustainability accounting literature and provide practical insights for regulators and firms operating in environmentally sensitive industries..

METHODS

Effects of economic, environmental, and social disclosures on the financial performance of mining companies in Indonesia. The population consists of 45 mining companies listed on the Indonesia Stock Exchange (IDX) during 2021–2024. Using purposive sampling, companies were selected based on the availability and consistency of sustainability reports and the completeness of disclosure and financial data. Companies that did not consistently publish sustainability reports or had incomplete data were excluded, resulting in a final sample of 25 firms (100 firm-year observations). Data were collected from sustainability and annual reports. Although this approach ensured consistent measurement of sustainability disclosure, it may introduce selection bias because firms that regularly publish sustainability reports are likely to have stronger governance, greater resources, or higher sustainability awareness than non-disclosing firms.

The independent variables comprise economic disclosure (ECO), environmental disclosure (ENV), and social disclosure (SOC), measured using a disclosure index based on the Global Reporting Initiative (GRI) Standards 2016. The disclosure index comprised 13 economic disclosure items (GRI 200 series), 30 environmental disclosure items (GRI 300 series), and 34 social disclosure items (GRI 400 series). A complete checklist of the disclosure items used in the content analysis is provided in Appendix B. The disclosure index was constructed using a content analysis approach, whereby each disclosure item received a score of 1 if disclosed and 0 otherwise. All disclosure items were equally weighted. Disclosure items that were not applicable to a particular company were excluded from the denominator when calculating the disclosure index to ensure that firms were evaluated only against disclosure items relevant to their operations. The content analysis was conducted by a single coder using a standardized coding guideline to promote the consistent application of the GRI disclosure criteria across all observations. Because the coding process involved only one coder, inter-rater reliability statistics and coding disagreement resolution procedures were not applicable. The disclosure score for each dimension was calculated as the ratio of disclosed items to the total applicable disclosure items ($SRDI = K/N$), where K represents the number of disclosed items and N represents the total applicable disclosure items evaluated (Irma & Lestari, 2021; Nzekwe et al., 2021; Prawitasari et al., 2026; Ronaldo & Handayani, 2023). To examine the effect of sustainability disclosures on financial performance, panel data regression was employed using the Estimated Generalized Least Squares (EGLS) approach. The regression models are specified as follows: $ROA = \alpha + \beta_1ECO + \beta_2ENV + \beta_3SOC + \varepsilon$ and $ROA = \alpha + \beta_1ECO_{t-1} + \beta_2ENV_{t-1} + \beta_3SOC_{t-1} + \varepsilon$.

Table 1. Sample Selection Process

Criteria	Number of Firms
Mining companies listed on the Indonesia Stock Exchange (2021–2024)	45
Companies that did not consistently publish sustainability reports	(20)

Final sample	25
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Source: Data processed (2026)

The sample selection process is summarized in Table 1. applying the purposive sampling criteria resulted in a final sample of 25 mining companies, equivalent to 100 firm-year observations over the 2021–2024 period).

FINDINGS AND DISCUSSION**Descriptive Analysis****Table 2. Descriptive Statistics Results**

Statistic	ROA	ECO	ENV	SOC
Mean	12.6980	0.5776	0.5943	0.4835
Median	8.3200	0.5384	0.6000	0.4411
Maximum	61.7600	1.0000	1.0000	0.9705
Minimum	-4.2000	0.0769	0.1000	0.0588
Std. Dev.	14.4533	0.3342	0.2923	0.2844
Observations	100	100	100	100

Source: Data processed (2026)

According to Table 2, the descriptive statistics indicate that ROA has a mean value of 12.6980, ranging from -4.2000 to 61.7600, with a relatively high standard deviation of 14.4533, suggesting considerable variation in firms' financial performance. Economic disclosure (ECO) has a mean value of 0.5776, ranging from 0.0769 to 1.0000, with a standard deviation of 0.3342, indicating a moderate level of disclosure. Environmental disclosure (ENV) has a mean value of 0.6257, ranging from 0.1000 to 1.0000, with a standard deviation of 0.2923, suggesting that most firms disclosed environmental information to varying degrees. Social disclosure (SOC) has the lowest mean value (0.4835), ranging from 0.0588 to 0.9705, with a standard deviation of 0.2844, indicating that social disclosure is less extensive than the economic and environmental dimensions. The dataset comprises 100 firm-year observations, combining both cross-sectional and time-series data.

Model Selection Results

According to Wahyudi (2020:213), panel data regression analysis requires an appropriate model specification test to accurately represent the data structure. Several tests can be employed to determine the most suitable model, including the Chow test, Hausman test, and Lagrange Multiplier test.

Table 3. Model Selection Results

Test	Probability	Decision
Chow	0.0000	Fixed Effect Model
Hausman	0.3275	Random Effect Model
Lagrange Multiplier	0.0000	Random Effect Model

Source: Data processed (2026)

Table 3 presents the results of the panel data model selection tests. The Chow test indicates that the Fixed Effects Model (FEM) is preferred over the Common Effects Model (CEM), as evidenced by a probability value of 0.0000, which is below the 0.05 significance level. However, the Hausman test yields a probability value of 0.3275, suggesting that the Random Effects Model (REM) is more appropriate than the FEM. This finding is further supported by the Breusch–Pagan Lagrange Multiplier test, which reports a probability value of 0.0000, indicating that the REM is preferable to the CEM. Based on these model selection procedures, the REM was identified as the most appropriate estimation model for this study. Accordingly, the regression analysis was conducted using the Estimated Generalized Least Squares (EGLS) estimator, which is the standard estimation approach for random-effects panel data models. Unlike conventional OLS estimation, EGLS accounts for the variance–covariance structure of the composite error term and accommodates potential heteroscedasticity across cross-sectional units, resulting in more efficient parameter estimates and reliable statistical inference. Therefore, EGLS was considered the most suitable estimation technique for examining the relationship between economic, environmental, and social disclosures and financial performance.

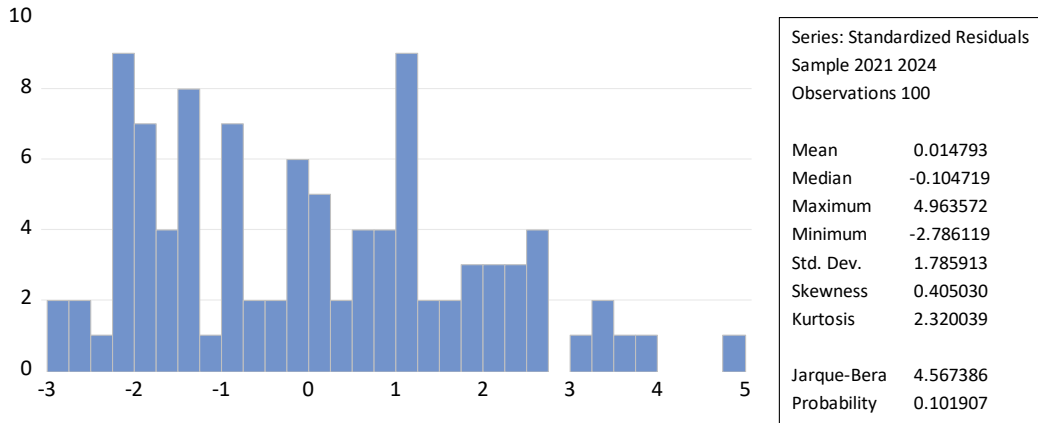
Based on the Chow, Hausman, and Lagrange Multiplier tests, the Random Effects Model (REM) was selected as the most appropriate specification. Beyond the statistical test results, REM is also theoretically appropriate because the sampled mining companies differ in several unobserved firm-specific characteristics, such as management quality, operational scale, governance practices, and resource endowments. These characteristics are assumed to vary randomly across firms and are unlikely to be perfectly correlated with the explanatory variables. Therefore, the REM provides a suitable framework for capturing unobserved heterogeneity while producing efficient parameter estimates.

Classical Assumption Tests

Normality Test

The purpose of the normality test is to determine whether the residual, or error term, in the regression model is normally distributed (Ghozali & Ratmono, 2017:145).

Figure 2. Normality Test Results



Source: Data processed (2026)

Figure 2 displays the results of the normality test, which show that the residuals follow a normal distribution. Because this is the case, we cannot reject the null hypothesis of normalcy, as the Jarque-Bera probability value of 0.101907 is higher than the 0.05 significance threshold. With a skewness score of 0.405030 very close to zero and a kurtosis value of 2.320039 very close to the normal distribution benchmark of 3 the residual distribution seems to be well symmetrical. The close proximity of the residuals' median and mean values also lends credence to the normalcy assumption. The normalcy assumption is therefore met, suggesting that the regression model is suitable for further study.

Multicollinearity Test

The goal of the multicollinearity test is to find out whether the regression model's independent variables are highly correlated or not (Ghozali & Ratmono, 2017:71).

Table 4. Multicollinearity Test Results

	ECO	ENV	SOC
ECO	1.00	0.90	0.88
ENV	0.90	1.00	0.83
SOC	0.88	0.83	1.00

Source: Data processed (2026)

Based on Table 4, the correlation matrix indicates relatively strong relationships among the independent variables, with correlation coefficients ranging from 0.83 to 0.90. Specifically, the correlation between ECO and ENV is 0.90, between ECO and SOC is 0.88, and between ENV and SOC is 0.83. Importantly, none of the correlation coefficients exceeds the commonly accepted threshold of 0.90. These results suggest that severe multicollinearity is unlikely, although the relatively high correlation between ECO and ENV warrants further assessment using Variance Inflation Factor (VIF) diagnostics.

Table 5. VIF for Multicollinearity Test Results

Variables	VIF
ECO	7.812

ENV	5.743
SOC	4.783

Source: Data processed (2026)

To provide a more robust assessment of multicollinearity, Variance Inflation Factor (VIF) diagnostics were conducted in addition to the correlation matrix analysis. The VIF values for ECO, ENV, and SOC are 7.812, 5.743, and 4.783, respectively. Although the correlation between ECO and ENV is relatively high ($r = 0.90$), all VIF values remain below the commonly accepted threshold of 10 (Hair et al., 2019), suggesting that severe multicollinearity is unlikely. However, the relatively higher VIF value for ECO suggests that its coefficient estimates may be more sensitive to standard error inflation, potentially reducing estimation precision. Therefore, the estimated effect of economic disclosure should be interpreted with appropriate caution.

Heteroscedasticity Test

According to Ghozali and Ratmono (2017), “the heteroscedasticity test is designed to determine whether the residual variance remains consistent across all of the data in the regression model. This research uses the Glejser test to find out whether there is heteroscedasticity.

Table 6. Heteroscedasticity Test Results

Variable	Probability
ECO	0.3607
ENV	0.4665
SOC	0.9300

Source: Data processed (2026)

From what can be seen in Table 6, the Glejser heteroscedasticity test showed that every independent variable had probability values higher than the 0.05 threshold of significance. In particular, the odds of ECO being 0.3607, ENV being 0.4665, and SOC being 0.9300 are all provided. From these findings, it seems that the residual variance is unaffected by any of the autonomous variables. Therefore, the assumption of homoscedasticity is met, and the regression model is not heteroscedastic.

Autocorrelation Test

Table 7. Autocorrelation Test Results

Statistic	Value
Durbin–Watson Statistic	1.9966

Source: Data processed (2026)

Table 7 shows that the model selection tests favor the Random Effects Model (REM). Subsequently, the model was estimated using the estimated generalized least squares (EGLS) approach to obtain more efficient estimates. The Durbin–Watson statistic of 1.9966 indicates that there is no evidence of autocorrelation in the

residuals. Furthermore, EGLS is commonly preferred in panel data analysis because it can provide more efficient coefficient estimates and standard errors in the presence of cross-sectional heterogeneity and potential heteroskedasticity. Therefore, EGLS was considered the most appropriate estimation technique for this study.

Panel Regression with the Estimated Generalized Least Squares (EGLS)

Table 8. Panel Regression with the Estimated Generalized Least Squares (EGLS)
Model Results

Variable	Coefficient	Std. Error	t-Statistic	Probability	Decision
C	2.9151	0.3764	7.7444	0.0000	-
ECO	-2.0948	0.9307	-0.2508	0.0267	Not Supported
ENV	4.1432	1.3566	3.0540	0.0029	Supported
SOC	-1.8140	0.6714	-2.7037	0.0081	Not Supported
Weighted Statistics					
R-squared		0.1567	F-statistic		5.8255
Adjusted R-squared		0.1298	Prob(F-statistic)		0.0010

Source: Data processed (2026)

Table 8 presents the EGLS panel regression results. Economic disclosure (ECO) is negatively and significantly associated with financial performance ($\beta = -2.0948$, $p = 0.0267$), while environmental disclosure (ENV) is positively and significantly associated with financial performance ($\beta = 4.1432$, $p = 0.0029$). Social disclosure (SOC) is also significantly associated with financial performance but exhibits a negative coefficient ($\beta = -1.8140$, $p = 0.0081$). These findings indicate that economic, environmental, and social disclosures are significantly associated with financial performance. However, only H_2 is supported, whereas H_1 and H_3 are not supported because the estimated coefficients are statistically significant but opposite to the hypothesized positive direction.

The adjusted R^2 value of 0.1298 indicates that sustainability disclosure explains 12.98% of the variation in financial performance, while the remaining variation is attributable to other firm-specific and external factors not included in the model. These factors may include firm size, leverage, operational efficiency, commodity price fluctuations, production capacity, capital intensity, corporate governance quality, investment decisions, and broader macroeconomic conditions. The relatively low explanatory power may also be partly associated with the use of a binary GRI disclosure index, which captures the presence of disclosure rather than its quality or comprehensiveness. Therefore, sustainability disclosure should be viewed as one of several factors associated with financial performance rather than its sole determinant.

Table 9. Robustness Test Using Lagged Independent Variables

Variable	Coefficient	Std. Error	t-Statistic	Probability	Decision
C	3.0185	0.5817	5.1883	0.0000	-

ECO _{t-1}	1.6460	1.5950	1.0320	0.3040	Not Supported
ENV _{t-1}	0.6020	1.6560	0.3640	0.7170	Not Supported
SOC _{t-1}	-3.4130	1.2480	-2.7350	0.0070	Not Supported
Weighted Statistics					
R-squared		0.0930	F-statistic		3.2470
Adjusted R-squared		0.0630	Prob(F-statistic)		0.0250

Source: Data processed (2026)

To address potential endogeneity concerns, a robustness test was conducted using one-year lagged sustainability disclosure variables. The results show that lagged economic disclosure ($\beta = 1.6460$, $p = 0.3040$) and lagged environmental disclosure ($\beta = 0.6020$, $p = 0.7170$) have statistically insignificant effects on financial performance. In contrast, lagged social disclosure remains negative and significant ($\beta = -3.4130$, $p = 0.0070$). These findings suggest that the observed associations for economic and environmental disclosures are primarily contemporaneous, appears to remain statistically significant in the subsequent period. Overall, the lagged analysis suggests that the persistence of the observed associations may differ across sustainability disclosure dimensions, with only the negative association of social disclosure remaining statistically significant in the lagged model.

Discussion

Economic Disclosure on Financial Performance

The empirical results indicate that economic disclosure (ECO) has a negative and statistically significant association with financial performance (ROA), suggesting that higher levels of economic disclosure are associated with lower profitability. One possible explanation is that comprehensive economic disclosure entails additional reporting, monitoring, and compliance costs, which may reduce operational efficiency and profitability in the short term. Extensive disclosure may also increase stakeholder scrutiny and expose operational inefficiencies. From the perspective of Stakeholder Theory, economic disclosure enhances transparency and accountability, enabling investors, creditors, and other capital providers to better assess a firm's economic contribution and financial prospects. Similarly, legitimacy theory suggests that firms disclose economic information to demonstrate accountability and maintain alignment with societal expectations, thereby strengthening organizational legitimacy. However, agency theory provides a possible explanation for the negative association observed in this study. Extensive economic disclosure may increase reporting, monitoring, verification, and compliance costs incurred to reduce information asymmetry between managers and stakeholders. Consequently, while greater transparency may generate stakeholder-related benefits, these benefits may not immediately offset the associated costs, particularly in capital-intensive industries such as mining. Therefore, the findings indicate not merely the absence of an immediate positive effect, but a statistically significant negative association between economic disclosure and financial performance. This interpretation is

consistent with previous studies suggesting that sustainability-related disclosure may involve short-term implementation and reporting costs before potential longer-term benefits are realized (Afifah & Listyani, 2026; Naouar et al., 2026).

To further assess the persistence of this relationship, an additional robustness test was conducted using one-year lagged sustainability disclosure variables. The lagged results suggest that the negative association does not remain statistically significant in the subsequent period, indicating that the observed relationship is primarily contemporaneous, with limited evidence of longer-term financial effects. Accordingly, H_1 is not supported because the estimated coefficient is statistically significant but opposite to the hypothesized positive direction.

Environmental Disclosure on Financial Performance

The empirical results indicate that environmental disclosure (ENV) has a positive and statistically significant association with financial performance (ROA), suggesting that firms with higher levels of environmental transparency tend to achieve greater profitability. This finding indicates that environmental disclosure not only reflects a firm's commitment to environmental responsibility but is also associated with improved financial performance. From the perspectives of stakeholder and legitimacy theory, environmental disclosure may strengthen stakeholder confidence, enhance organizational legitimacy, and improve corporate reputation. In environmentally sensitive industries such as mining, transparent environmental reporting may also reduce regulatory and environmental risks while supporting long-term business operations. Consequently, firms with more extensive environmental disclosure may be better positioned to obtain stakeholder support. These findings are consistent with prior studies reporting a positive relationship between environmental disclosure and financial performance (Buallay et al., 2021; Ershadi et al., 2024; Nzekwe et al., 2021; Okon et al., 2023).

To further address potential endogeneity concerns, an additional robustness test was conducted using one-year lagged sustainability disclosure variables. The lagged results suggest that the positive association observed in the baseline model does not remain statistically significant in the subsequent period, indicating that the relationship is primarily contemporaneous. One possible explanation is that environmental disclosure may function as a short-term legitimacy and stakeholder signaling mechanism, whereby transparent environmental reporting may strengthen stakeholder confidence and organizational legitimacy in the current period. However, the robustness test provides limited evidence that these benefits translate into sustained improvements in financial performance over subsequent periods. Accordingly, while the findings are consistent with stakeholder and legitimacy theory, they do not provide strong evidence that environmental disclosure generates persistent financial value over time. Therefore, H_2 is supported in the baseline model, although the lagged analysis suggests that the positive association is primarily short-term.

Social Disclosure on Financial Performance

The empirical results indicate that social disclosure (SOC) has a negative and statistically significant association with financial performance (ROA), suggesting that higher levels of social disclosure are associated with lower profitability. One possible explanation is that social initiatives, including employee welfare programs, community development, and other social responsibility commitments, require substantial financial resources that may reduce short-term earnings. From the perspective of stakeholder theory, social disclosure reflects a firm's commitment to addressing the expectations of employees, customers, local communities, and other stakeholder groups, thereby strengthening relationships with non-financial stakeholders. Likewise, legitimacy theory suggests that social disclosure enables firms to demonstrate accountability and maintain organizational legitimacy. In the mining industry, where social and environmental impacts are highly visible, social disclosure may primarily serve to secure a social license to operate, reduce social risks, and preserve corporate legitimacy rather than generate immediate financial returns. From a short-termism perspective, the costs of these initiatives may outweigh their short-term financial benefits, resulting in lower profitability.

To assess the persistence of this relationship, a robustness test using one-year lagged disclosure variables was conducted. The significant lagged coefficient suggests that the negative association remains statistically significant in the subsequent period. Unlike economic and environmental disclosures, whose lagged associations become insignificant, the association of social disclosure remains significant, suggesting a more persistent relationship with financial performance. One possible explanation is that investments in employee welfare, community development, and stakeholder engagement require continuous resource commitments that may affect profitability beyond the current period. Overall, the lagged analysis suggests that the negative association is not limited to contemporaneous conditions.

These findings are consistent with previous studies reporting that social disclosure does not necessarily generate immediate financial benefits and may impose financial burdens on firms (Afifah & Listyani, 2026; Irma & Lestari, 2021; Prawitasari et al., 2026). Therefore, H₃ is not supported because the estimated coefficient is statistically significant but opposite to the hypothesized positive direction,

CONCLUSION

This study examines the effects of economic, environmental, and social disclosures on the financial performance of mining companies listed on the Indonesia Stock Exchange during 2021–2024. The results indicate that economic and social disclosures are negatively associated with financial performance, whereas

environmental disclosure is positively associated with financial performance. These findings suggest that the short-term costs of economic and social disclosures may outweigh their immediate financial benefits, whereas greater environmental transparency may strengthen stakeholder confidence and organizational legitimacy, consistent with stakeholder and legitimacy theory.

The robustness test suggests that the associations of economic and environmental disclosures with financial performance are primarily contemporaneous, whereas the negative association of social disclosure appears to persist into the subsequent period. These findings indicate that the financial implications of sustainability disclosure differ across disclosure dimensions in both direction and persistence. Policymakers may therefore consider strengthening monitoring mechanisms and developing sector-specific sustainability reporting guidelines to improve the quality, consistency, and comparability of sustainability disclosures in the mining sector.

This study has several limitations. Although the VIF values are within acceptable thresholds, the sustainability disclosure dimensions are conceptually interrelated and may indicate moderate multicollinearity. In addition, the analysis is limited to mining companies and uses ROA as the sole measure of financial performance. Future research may examine mediating factors, employ alternative performance measures such as ROE and Tobin's Q, extend the analysis to other industries, and use longer observation periods. Another limitation is that the content analysis was conducted by a single coder, preventing the assessment of inter-rater reliability..

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