

Audit Committee Characteristics and Sustainability Practices Disclosure: Empirical Evidence of Islamic Banks in Indonesia

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Abstract

This study aimed to examine the characteristics of audit committee on sustainability practices disclosure and to explore the extent to which Indonesian Islamic Banks disclosed their sustainability practice in annual report. The research method used in this study was quantitative method. The objects of this study were annual report of Indonesian Islamic Banks from 2013-2018. Total sample consisted of 66 samples. To test the hypothesis, this study used multiple regression test by using SPSS 21 program. This result showed that Indonesian Islamic Banks have quite low of sustainability practices disclosure rating. This study found that the size of audit committee and the composition of an independent audit committee significantly influenced the sustainability practices disclosure. This study also provided empirical evidence that the frequency of audit committee meetings, the audit committee's qualification and the audit committee's experience was not significant on sustainability practices disclosure.

Keywords: *characteristics of audit committee, sustainability practices disclosure, Indonesian Islamic Banks, annual report*

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1. INTRODUCTION

Basically, the main goal of a company is to maximize profits and keep the business operating indefinitely. This goal was achieved in order to maximize the interests of shareholders as one of the stakeholders in the company. The financial aspect is the easiest alternative to measure company performance (Utami, Prastiwi, & Ningsih, 2020). However, along with the growth of the company, this goal was not the only goal that must be achieved by the company. Companies also need to give attention to the interests of other stakeholders such as the community, consumers, and workers. An important issue that becomes a new perspective regarding the fulfillment of the interests of these stakeholders is sustainability practices.

In general, aspects of sustainability included social influences, environmental impacts, organizational culture, and finance (Aras & Crowther, 2009). In the business sector, this sustainability practice referred to the company's process of managing

economic risk, environmental risk, social business risk, and obligations as well as the opportunities that exist (Jan, Marimuthu, & Mohd, 2019). This level of sustainability practice was considered to have a function as a strategy to mitigate various risks that have implications for market dynamics (Gramlich & Finster, 2013).

In Indonesia, a case regarding the violation of environmental issues was carried out by PT Indobarat, a textile company in Purwakarta, which was decided to have committed a criminal act regarding environmental pollution of the Kalimati River (Nugraha, 2018). In this case, PT Indobarat was punished to a fine of Rp. 2 billion and required to clean up factory waste at the estuary (Nugraha, 2018). A different case of violation was carried out by a company called PT Kiat Unggul. This company received strict sanctions by Kementerian Tenaga Kerja (Kemnaker) Indonesia for not providing protection to workers related to welfare, health and safety and employing minors (Pradewo, 2019). These

two cases indicated that companies in Indonesia have not been able to implement sustainability practices comprehensively.

Islamic Bank is a bank that functions to raise and distribute public funds based on Sharia principles contained in the Qur'an and Al-Hadith. Sharia principles differentiate substantially from conventional banks in financial products and objectives to be achieved, including prohibition of interest, short-selling, investments involving transactions in alcohol, gambling, and tobacco (Pappas, Ongena, Izzeldin, & Fuertes, 2017). In order to ensure that the company is accountable to all stakeholders, Islamic banks needed to implement sustainability practices. Basically, this practice was disclosed by Islamic banks or companies in various industries in sustainability reports. Sustainability reporting was seen as an important tool for organizations to meet the needs and expectations of all stakeholders (Orazalina & Mahmoodb, 2018). However, publications on sustainability reports in Indonesia are still voluntary (not mandatory), meaning that companies published sustainability report voluntarily and there was no standard rules such as the issuance of financial statements (Alfaiz & Aryati, 2019).

Previous studies exploring the extent to which companies in various industries disclose sustainability practices has been carried out by previous researchers, such as Orazalina & Mahmoodb (2018) and Talbot & Boiral (2018). These studies carried out an analysis using content analysis methods that refer to Global Reporting Initiative (GRI). However, if it applied in research with the object of Islamic Banks, the items in GRI have not been able to cover sustainability practices that should be carried out by Islamic Banks. Therefore, this study used an index built by Jan et al. (2019) which has been adjusted the items in the context of Islamic banks. In Indonesia, research about Islamic banking sustainability practices using an index that has been adjusted in the context of Islamic banking has not been widely explored by previous studies. Thus, the first objective of this study was to explore the extent to which Islamic banks disclose sustainability practices in their annual reports.

The audit committee has an important role in corporate governance (Dobija, 2013), one of which is in terms of corporate disclosure. Several previous studies examined the relationship between audit committee and voluntary disclosure such as Suárez,

García, Méndez, & Gutiérrez (2013); Madi, Ishak, & Manaf (2014); and Sahama, Khelif, & Hussainey (2015). However, research that specifically examined the role of audit committee in sustainability practices disclosure, especially in Islamic banks, has not been widely carried out. Thus, the second objective of this study was to examine the characteristics of audit committee to sustainability practices disclosure in Islamic banks.

Companies are expected to monitor sustainability practices to improve performance, reputation and chances of survival (Al-Shaer & Zaman, 2019). One of the important outputs showing that companies have monitored sustainability practices is disclosing the sustainability practices. Sustainability practices disclosure was more broadly defined by Hubbard (2009) as company reporting on matters relating to its social, environmental and sustainability performance. Meanwhile, the audit committee had an important role in the mechanism of good corporate governance. The role of audit committee was to oversee financial reporting, internal control, external auditors, and business risk (Dobija, 2013). In addition, the audit committee also had a positive contribution to improving the quality of accounting information (Suárez et al., 2013). DeZoort, Hermanson, Archambeault, & Reed (2002) stated that composition, authority, resources and activities as the main determinants of audit committee effectiveness. Therefore, this study limited the characteristics of audit committee to the size of audit committee, the composition of an independent audit committee, the frequency of audit committee meetings, the audit committee's qualification, and the audit committee's experience.

The size of audit committee was important determinants in the information disclosure in Islamic bank. With the increasing number of audit committee members, it tended to have an impact on the diversity of idea, expertise, and knowledge to ensure effective oversight (Bedard & Gendron, 2010). Several previous studies have examined the effect the number of audit committee on disclosures in companies such as intellectual capital disclosures (Balasundaram, 2019; Haji, 2015), corporate social responsibility disclosures (Musallam, 2018), and voluntary disclosures (Musallam, 2018; Setiany, Hartoko, Suhardjanto, & Honggowati, 2017). Therefore, first hypothesis is formulated as follows.

H₁. The size of audit committee has a positive effect on Islamic bank sustainability practices disclosure.

Research of Setiany et al. (2017) showed that the composition of independent audit committee had a significant effect on voluntary financial disclosure. Similar results are shown by Haji (2015) which showed that the composition of independent audit committee has an effect on intellectual capital disclosure. The more audit committees from independent parties were expected to be able to increase pressure in fulfilling responsibilities to stakeholders, especially to disclosure. Therefore, second hypothesis is formulated as follows.

H₂. The composition of the independent audit committee has a positive effect on Islamic bank sustainability practices disclosure.

The frequency of audit committee meetings was another important determinant that affects the disclosure of sustainability practices. With more and more audit committees holding meetings, audit committee would meet more intensively to discuss financial reporting oversight and internal control, including mandatory and voluntary disclosures by the company. Several previous studies have tested the effect of the frequency of audit committee meetings on disclosure (Allegrini & Greco, 2013; Balasundaram, 2019; Haji, 2015; Haji & Anifowose, 2016; Musallam, 2018; O'Sullivan, Percy, & Stewart, 2008). Therefore, the third hypothesis formulated as follows.

H₃. The frequency of audit committee meetings has a positive effect on Islamic bank sustainability practices disclosure.

The audit committee's qualification is the level of expertise and competence possessed by audit committee in carrying out its duties. By having competence in the field of financial accounting and Islamic banking, the audit committee was expected to be able to improve the company's internal control system, the quality of financial reports, and sustainability practices disclosure. The study of Haji (2015) found that the qualifications or expertise of audit committee have an effect on corporate disclosure in Malaysia. Therefore, fourth hypothesis formulated as follows.

H₄. The audit committee's qualification has a positive effect on Islamic bank sustainability practices disclosure.

Rakhmayani & Faisal (2019) stated that the combination of skills and experience were very important in supporting the ability of the audit committee to carry out its responsibilities effectively. Through long and quality experience and able to think strategically, audit committee was expected to increase the effectiveness of the company's internal controls, especially on sustainability practices disclosure. Reeb & Zhao (2013) found that human capital in the form of education and experience of individual members of audit committee has a positive relationship to practice of voluntary disclosure. Thus, the fifth hypothesis hypothesis formulated as follows.

H₅. The audit committee's experience has a positive effect on Islamic bank sustainability practices disclosure.

2. RESEARCH METHOD

The data used in this study were annual reports of Islamic banks published during the 2013-2018 period. To determine the sample, this study used a purposive sampling technique. This technique is a non-probability sampling used by researchers with several criteria (Sekaran & Bougie, 2013). The criterias for determining the sample in this study were as follows.

- Islamic banks in Indonesia that published annual reports for the period 2013-2018.
- Availability of data on variable to be examined in annual report.

Based on the criterias above, there were 11 Islamic banks in Indonesia that meet the criteria of research sample. Thus, the total sample is 66 samples.

Table 1
Research Sample

No.	Islamic Bank	Criteria 1	Criteria 2
1.	BCA Shari'ah	√	√
2.	BNI Shari'ah	√	√
3.	BRI Shari'ah	√	√
4.	BJB Shari'ah	√	√
5.	Maybank Shari'ah	√	√
6.	Muamalat	√	√
7.	Panin Shari'ah	√	√
8.	Bukopin Shari'ah	√	√
9.	Mandiri Shari'ah	√	√
10.	Mega Shari'ah	√	√
11.	Victoria Shari'ah	√	√

The independent variables consisted of the size of audit committee, the composition of independent audit

committee, the frequency of audit committee meetings, the audit committee's qualification, and the audit committee's experience. The size of the audit committee is the number of members who occupy audit committee positions in Islamic banks, which is measured by counting the number of audit committee members listed in annual report. The composition of independent audit committee is the number of audit committee members who come from independent parties, which is measured by calculating the percentage of independent audit committee members divided by the total members of audit committee. The frequency of audit committee meetings is the number of meetings that have been held by audit committee, which is measured by counting the number of meetings listed in annual report. The audit committee's qualification is a competency possessed by the audit committee that supports the implementation of the task of evaluating the audit process, internal control system and compliance with financial reporting. The audit committee's qualification is measured by calculating the percentage of audit committee members who have qualifications in Islamic banking and financial accounting divided by total audit committee members. The audit committee's experience is the experience of members of audit committee in holding executive positions in organization. The audit committee experience variable is measured by calculating the percentage of committee members who have executive experience divided by total audit committee members.

The dependent variable is sustainability practices disclosure. It is information disclosed by Islamic banks related to 4 aspects in annual report (Jan et al., 2019). The four aspects included general standards of disclosure (integrated sustainability strategy), economic sustainability, environmental sustainability, and social sustainability. These aspects had parameters for measuring individual items.

The data was analyzed through content analysis using the Corporate Sustainability Index (CSI) developed by Jan et al. (2019). Content analysis allowed researchers to analyze textual information and systematically identify its properties (Sekaran & Bougie, 2013). In this study, content analysis was conducted using a weighted content analysis technique. This technique assigns weighting to each individual item parameter. The weighting as follows:

- Islamic Banks fully disclosed on each individual item parameter in annual report, it would be given a weight of 2;
- Islamic Banks partially disclosed in each individual item parameter in annual report, it would be given a weight of 1; or
- Islamic banks did not disclose each individual item parameter in annual report, it will be given a weight of 0.

The Corporate Sustainability Index (CSI) formula adopted from (Jan et al., 2019) was as follows:

$$CSI_j = \frac{\sum_{t=1}^{n_j} dij}{n_j}$$

or

$$CSI = \frac{\text{Number of items disclosed}}{\text{Total number of items}}$$

After measuring level of corporate sustainability index, multiple regression analysis was conducted. It was a statistical method to test the relationship between one dependent variable and more than one independent variable (Ghozali, 2018). In this study, multiple regression analysis was conducted by examined the effect of independent variables (X) which included audit committee size, composition of independent audit committee, frequency of audit committee meetings, audit committee's qualification, and audit committee's experience; on the dependent variable (Y) namely sustainability practices disclosure. The equations in multiple regression analysis as follows.

$$CSI_{it} : \alpha + \beta_1 S_AC_{it} + \beta_2 CO_AC_{it} + \beta_3 FR_AC_{it} + \beta_4 QU_AC_{it} + \beta_5 EXP_AC_{it} + e_{it}$$

Information :

CSI_{it} : Sustainability practices disclosure by i Islamic bank at t-year

A : Constant

B : Regression coefficient

S_{AC_{it}} : Size of committee audit by i Islamic bank at t-year

CO_{AC_{it}} : Composition of independent audit committee by i Islamic bank at t-year

FR_{AC_{it}} : Frequency of audit committee meetings by i Islamic bank at t-year

QU_{AC_{it}} : Audit committee's qualification by i Islamic bank at t-year

EXP_{AC_{it}} : Audit committee's experience by i Islamic bank at t-year

e_{it} : Error term by i Islamic bank at t-year

The results of individual parameter significance test (t statistical test) were used to determine hypothesis are supported or not supported. If the significance probability value for each independent variable (α) was less than 0.05, then the hypothesis is supported. In addition, the t-count value (positive or

negative) also determines whether the proposed hypothesis is supported or not.

3. RESULT AND DISCUSSION

3.1. Research Result

Table 2 was the results of descriptive statistics based on the processed data.

Table 2
Descriptive Statistics

Variables	N	Minimum	Maximum	Mean	Std. Deviation
Size of committee audit	66	2	7	3.70	1.095
Composition of independent audit committee	66	0.20	0.67	0.3905	0.10097
Frequency of audit committee meetings	66	4	31	11.67	5.900
Audit committee's qualification	66	0.50	1	0.7992	0.18503
Audit committee's experience	66	0.20	1	0.6511	0.30526
Sustainability practices disclosure	66	0.09231	0.60769	0.2722611	0.11648688

Table 2 showed the size of audit committee variable has a minimum value of 2, a maximum value of 7, an average of 3.70, and a standard deviation of 1.095. The composition of independent audit committee variable has a minimum value of 0.2, a maximum value of 0.67, an average of 0.390, and a standard deviation of 0.10097. The frequency of audit committee meetings has minimum value of 4, a maximum value of 31, an average of 11.67, and a standard deviation of 5,900. The audit committee's qualification variable has a minimum value of 0.50, a

maximum value of 1, an average of 0.7992, and a standard deviation of 0.18503. The audit committee's experience variable has a minimum value of 0.20, a maximum value of 1, an average of 0.6511, and a standard deviation of 0.30526. The sustainability practice disclosure variable has a minimum value of 0.09231, a maximum value of 0.60769, an average of 0.2722611, and a standard deviation of 0.11648688.

Table 3 showed the sustainability practices disclosure of each Islamic bank.

Table 3
CSI Disclosure Ranking

Islamic Bank	Number of items disclosed						CSI average	CSI Rangkings
	2013	2014	2015	2016	2017	2018		
BCA Shari'ah	0.15	0.15	0.15	0.19	0.27	0.28	0.20	9
BNI Shari'ah	0.32	0.38	0.39	0.52	0.48	0.46	0.42	2
BRI Shari'ah	0.21	0.22	0.22	0.35	0.37	0.41	0.30	4
BJB Shari'ah	0.17	0.18	0.19	0.22	0.28	0.29	0.22	8
Maybank Shari'ah	0.12	0.10	0.15	0.16	0.18	0.18	0.15	10
Muamalat	0.25	0.31	0.29	0.34	0.37	0.38	0.32	3
Panin Shari'ah	0.20	0.18	0.23	0.36	0.32	0.28	0.26	5
Mandiri Shari'ah	0.36	0.38	0.51	0.47	0.45	0.61	0.46	1
Mega Shari'ah	0.18	0.13	0.15	0.26	0.40	0.38	0.25	7
Victoria Shari'ah	0.14	0.14	0.09	0.20	0.15	0.16	0.15	11
Bukopin Shari'ah	0.18	0.23	0.26	0.26	0.31	0.29	0.26	6

Table 3 showed that from 2013 to 2018, Mandiri Shari'ah obtained the highest average CSI score of 0.46. Meanwhile, the lowest average score was obtained by Victoria Shari'ah with a score of 0.15. These results indicated that the disclosure of sustainability practices in Islamic banks in Indonesia was still quite low. It showed from the CSI score of

Islamic banks that have not yet reached 50% of the total disclosure items of sustainability practices.

Before using multiple regression analysis, it is necessary to test the classical assumptions. The classical assumption test consists of normality, multicollinearity, autocorrelation and heteroscedasticity tests. The normality test is intended

to determine whether the research data is normally distributed or not. The results of the Kolmogorov–Smirnov test showed that the data had a normal distribution with a significant value (two-tailed) 0.250 greater than 0.05. The multicollinearity test is a linear relationship between the independent variables in the multiple regression model. The test results showed the VIF value < 10 , so there is no multicollinearity between the independent variables. The autocorrelation test is intended to determine whether there is a deviation from the classic assumption of autocorrelation, namely the correlation that occurs between the residuals in an observation with other

observations in the regression model (Nazaruddin & Basuki, 2015). The autocorrelation test was carried out using the Durbin Watson test. Durbin Watson's value is 2.081 [at position $dU < dW < 4 - dU$ ($dU = 1.767$)], so it can be concluded that the residual does not contain autocorrelation. Heteroscedasticity was carried out by the Glejser test. The results show that the probability value of each independent variable is above 0.05. Thus, the non-heteroscedasticity assumption is fulfilled.

The results of hypothesis testing was shown in table 4 below.

Table 4
Hypothesis Testing Results

$CSI_{it} : \alpha + \beta_1 S_AC_{it} + \beta_2 CO_AC_{it} + \beta_3 FR_AC_{it} + \beta_4 QU_AC_{it} + \beta_5 EXP_AC_{it} + e_{it}$			
Variables	Coefficient	t-statistics	Sig.
Size of committee audit	0.001	3.485	0.001***
Composition of independent audit committee	0.010	2.672	0.021**
Frequency of audit committee meetings	0.391	0.863	0.325
Audit committee's qualification	0.388	0.869	0.429
Audit committee's experience	0.115	-1.600	0.124
Adj R-square = 0.364			
F-statistics = 8.440***			
***, **, * indicated that coefficient of variable was significant at 0.01, 0.05, and 0.1 level			

Hypothesis 1 stated that the size of audit committee has a positive effect on Islamic bank sustainability practices disclosure. The results showed that the size of audit committee variable has a positive effect ($t = 3.485$) and significant at 0.01 level on sustainability practices disclosure. Thus, hypothesis 1 was supported. Hypothesis 2 stated that the composition of the independent audit committee has a positive effect on Islamic bank sustainability practices disclosure. The results showed that the composition of independent audit committee variable has a positive effect ($t = 2.672$) and significant at 0.05 level on disclosure of sustainability practices. Thus, hypothesis 2 was supported.

Hypothesis 3 stated that the number of audit committee meetings has a positive effect on Islamic bank sustainability practices disclosure. The results showed that the frequency of audit committee meetings has a positive effect ($t = 0.863$) and was not significant on sustainability practices disclosure. Thus, hypothesis 3 was not supported. Hypothesis 4 stated the audit committee's qualification have a positive effect on Islamic bank sustainability practices disclosure. The results showed that the audit committee's qualification variable has a positive

effect ($t = 0.869$) and was not significant on sustainability practices disclosure. Thus, hypothesis 4 was not supported. Hypothesis 5 stated that the audit committee's experience has a positive effect on Islamic bank sustainability practices disclosure. The results showed that the audit committee's experience variable has a negative effect ($t = -1,600$) and was not significant on sustainability practices disclosure. Thus, hypothesis 4 was not supported.

3.2. Discussion

Based on hypothesis testing, hypothesis 1 was supported. The size of audit committee has a positive effect on sustainability practices disclosure. These results was in line with previous studies by Balasundaram (2019); Haji (2015); Musallam (2018); and Setiany et al. (2017) which showed that the size of audit committee has a positive effect on disclosure level. With the number of members of the audit committee, Islamic banks are able to disclose information completely, one of which is sustainability practices disclosure.

The statistical results showed that hypothesis 2 was supported. These results was in line with previous studies of Setiany et al. (2017) and Haji (2015) which

showed that the proportion of independent audit committees has a significant effect on disclosure level. The greater the number of audit committees that come from independent parties, it can encourage the fulfillment of corporate responsibilities to stakeholders, especially in sustainability practices disclosure.

The results of statistical tests showed that hypothesis 3 was not supported. The frequency of audit committee meetings has no effect on sustainability practices disclosure. The results was in line with the research of Setiany et al. (2017) which provided evidence that the frequency of audit committee meetings has no significant effect on voluntary disclosure of companies in Indonesia. The level of frequency or number of meetings held by the audit committee did not guarantee that the implementation of monitoring of management to commit fraud will run effectively, so that the opportunity for management to commit fraud by hiding information is still possible (Baidok & Septiarini, 2016).

Based on hypothesis testing, hypothesis 4 was not supported. The audit committee's qualification has no effect on sustainability practices disclosure. The results was in line with the research results of Setiany et al. (2017) which provides evidence that the educational background of audit committee has no significant effect on voluntary disclosure. The research results of Haji & Anifowose (2016) also showed that the expertise of the audit committee did not have a significant relationship to disclosure of integrated reporting practices. The education and background of audit committee can have an impact on activities related to the supervisory function of the presentation of financial reports and information rather than sustainability reports.

The results of statistical tests showed that hypothesis 5 was not supported. The audit committee's experience had no effect on sustainability practices disclosure. This study results was consistent with the results of study conducted by Suárez et al. (2013) showed that the audit committee with experience as an executive has no effect on the effectiveness of audit committee. This showed that there was no guarantee of high quality reporting practices (Suárez et al., 2013). Therefore, the presence of audit committee members who have experience working as company executives, does not guarantee

the effectiveness of the audit committee to encourage sustainability practices disclosure in companies.

4. CONCLUSION

The results showed that the sustainability practices disclosure in annual reports of Islamic banks in Indonesia was still quite low. This study provided empirical evidence that the size of audit committee and composition of independent audit committee have a positive and significant effect on sustainability practices disclosure of Islamic banking in Indonesia. The results of this study also showed that the frequency of audit committee meetings, audit committee qualifications, and audit committee experience have no effect on sustainability practices disclosure of Islamic banking in Indonesia.

In terms of practice, this research is expected to contribute to Islamic banks in Indonesia to increase the disclosure of sustainability practices to stakeholders. It can be supported by the effective role of the audit committee, especially on the number of audit committee members and composition of independent audit committee. In terms of literature, this research is expected to contribute to the development of accounting literature related to sustainability practices in Islamic banks and can be used as a reference for further research.

This study has several limitations. First, from the methodological aspect, this study only analyzed the content of sustainability practices disclosure on annual reports of Islamic banks. Thus, further research can explore other relevant sources in order to obtain more comprehensive information, such as corporate's website. Second, this study only examined some characteristics of audit committee. Therefore, future research can examine the other characteristics of audit committees, such as gender, tenure, age, education level, and so on.

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ATTACHMENT

**Modified Global Reporting Initiatives Framework for the Islamic Banking Sector
(Jan et al., 2019)**

Aspect	Parameters for Measurement of an Individual Items
A. General Standards Disclosures	
1.	Strategy and analysis
2.	Organization profile
3.	Identified material aspect and boundaries
4.	Stakeholder engagement
5.	Report profile
6.	Governance
7.	Ethics and Integrity
B. Economic Sustainability Indicators	
8.	Shariah screening during the investment
9.	Allocation of profit based on Shariah principles
10.	Economic performance
11.	Market presence
12.	Indirect economic impact
13.	Procurement practices
14.	Zakat payment
15.	Qardh-e-Hassan
16.	Charity - Sadaqah - Waqaf
17.	Disclosure of earnings prohibited by Shariah
C Environmental Sustainability Indicators	
18.	Material
19.	Energy
20.	Water
21.	Biodiversity
22.	Emission
23.	Effluents and Waste
24.	Product and services
25.	Compliance with Islamic laws for the environment
26.	Transport
27.	Overall
28.	Supplier Environmental Assessment
29.	Environment Grievance Mechanisms
D Social Sustainability Indicators	
D.1 Labour Practices and Decent Work	
30.	Employment
31.	Labour management Relation
32.	Occupational health and safety

Aspect	Parameters for Measurement of an Individual Items
33.	Islamic training and education to staff
34.	Diversity and equal opportunity
35.	Diversity and equal opportunity
36.	Supplier assessment for labor practices
37.	Labor practices grievance
D.2 Human Rights	
38.	Investment
39.	Non- discrimination
40.	Freedom of association and collective bargaining
41.	Child labor
42.	Forced or compulsory labor
43.	Security Practices
44.	Indigenous rights
45.	Assessment
46.	Supplier human rights assessment
47.	Human rights grievance mechanism
D.3 Society	
48.	Local communities
49.	Anti-corruption
50.	Pilgrimage
51.	Scholarships
52.	Public policy
53.	Anti-competitive behavior
54.	Compliance
55.	Supplier assessment for impact on society
56.	Grievance mechanism for impact on society
D.4 Product Responsibility	
57.	Consumer health and safety
58.	Product and service labeling
59.	Products and Services labeling (approved by the Shariah Committee)
60.	Marketing communications
61.	Customer privacy
62.	Compliance
63.	Product Portfolio
64.	Audit
65.	Active Ownership