

DETERMINANTS OF ISLAMIC SOCIAL REPORTING IN ISLAMIC COMMERCIAL BANKS IN INDONESIA

Uun Sunarsih
Sekolah Tinggi Ilmu Ekonomi Indonesia
uun_sunarsih@stei.ac.id

Ade Pradana Putra
Sekolah Tinggi Ilmu Ekonomi Indonesia
adepradana@gmail.com

ABSTRACT

Purpose -This study aims to examine the effect of profitability, environmental performance, awards, and Islamic government-score (IG-Score) on the disclosure of Islamic Social Reporting (ISR) in Islamic Commercial Banks (BUS) registered with the Financial Services Authority (OJK) for the period 2015-2019.

Design/methodology/approach -This research includes causal associative research with a quantitative approach. The population in this study were BUS registered with OJK for the 2015-2019 period and used purposive sampling to obtain 12 BUS. The data in this study is secondary data obtained through the website www.ojk.go.id.

Findings-The results of the study show that profitability has an effect on ISR disclosure, meaning that if BUS profitability increases, then ISR disclosure will increase. This is in accordance with the stakeholder theory that companies must provide benefits to stakeholders. Environmental performance has no effect on ISR disclosure. It is possible that BUS does not have a direct impact on environmental damage. Awards have an effect on disclosure of ISR, meaning that the more awards, the better the reputation and image of the BUS in the eyes of the public. This is in accordance with the legitimacy theory that BUS has taken the actions expected by the community. The IG-Score has no effect on ISR disclosure. It is possible for DPS to have participation in other BUS so that it is less than optimal in carrying out its role.

Practical implications-The results of this research are expected to be implemented so that the implementation of social responsibility is in accordance with sharia provisions and becomes the hallmark of BUS and as input for the government in making rules for collecting and distributing CSR funds.

Originality/value - This research is a development by adding appreciation and IG-Score variables.

Keywords: *Islamic Social Reporting; Profitability; Environmental Performance; Awards, Islamic Governance Score*

INTRODUCTION

Companies in running their business do not only pursue profit, but must have a responsibility towards the environment and society which is called corporate social responsibility (CSR) (Elkington, 1997). CSR in a narrow sense can be defined as a contribution to the activities carried out by the company while CSR in a broad sense is a company's commitment to participate in sustainable economic development to improve the quality of life and a beneficial environment, both for the company itself, the local community and society in general (UU No. 40 of 2007). CSR is mandatory for all companies, including sharia-based companies. The concept of CSR in Islamic teachings is not a new concept, but

a concept that already exists in the Qur'an that every human being is ordered to protect nature and the environment and to have concern for fellow human beings (Q.S. Al-Araf: 56; Ar-Rum: 41; At-Taqabun: 16).

CSR implementation guidelines generally use the Global Reporting Initiative (GRI) standards, including Islamic Commercial Banks (BUS) (<https://ir.bankbsi.co.id/misc/SR/SR-2016.pdf>). GRI as a guide in implementing CSR still has limitations in its social reporting, where the reporting is still general in nature and does not contain elements of compliance with sharia (Haniffa, 2002). Ideally, a sharia entity in expressing social responsibility prioritizes sharia principles, because the main purpose of its social reporting is to demonstrate company compliance with sharia provisions in carrying out its activities which is called Islamic Social Responsibility (ISR). Reporting of social activities through ISR is a form of accountability to Allah SWT and the community and assists companies in making decisions (Sulistiyo & Yuliana (2019). So disclosure of ISR has two main objectives, first as accountability to Allah SWT and stakeholders. Second, increasing transparency of activities business by providing relevant information and in accordance with the spiritual needs of Muslim decision makers. To measure the successful implementation of sharia entity social activities, the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) sets the ISR Index as a benchmark for implementing sharia banking social responsibility for achieve accountability, transparency and social justice of sharia entities (Prasetyoningrum, 2019).

BUS have an additional role that conventional banks do not have, namely the social role stipulated in Law No. 21 of 2008 concerning Islamic Banking. Article 4 paragraph (2) states that Islamic Banks and Sharia Business Units can carry out social functions in the form of baitul maal institutions, namely receiving funds originating from zakat, infaq, alms, grants or other social funds and channeling them to zakat management organizations. The implementation of social functions at BUS is reflected in the form of implementing CSR, the reporting of which is regulated in article 7 of Law no. 21 of 2008. The implementation of CSR at BUS is required to become a financial institution that runs its business in accordance with sharia principles and is able to prosper the surrounding community. This is in line with the purpose of establishing a company, namely that a company should be able to provide benefits for all parties, both directly and indirectly involved with the company (Triyuwono, 2012).

The collection of social funds at BUS has great potential if it is managed professionally. However, in its implementation, BUS has problems in managing CSR funds because there are no specific rules for reporting the expenditure of social funds. Management of CSR funds at BUS is managed by combining zakat funds and CSR funds of sharia banks, then these funds are distributed by prioritizing eight ashnaf zakat recipients and the remainder is distributed for social activities in the areas where BUS operates. The collection of zakat funds annually is greater than the CSR funds provided by BUS, causing the disclosure of ISR to be limited to community welfare, and less attention to the environment and lack of partnerships (Muslihata et al., 2018). These conditions indicate that the collection of CSR funds and their implementation at BUS needs to be reviewed so that they can provide maximum benefits.

Companies must be managed properly in order to obtain economic benefits which will then be distributed to related parties. Profitability is the ability to generate profits. Profitability in this study is proxied by the ratio of Return on Assets (ROA). ROA is a ratio that shows the ratio of the net profit generated in a company to the capital that has been invested in an asset. The higher the return on assets means the higher the amount of net profit generated for every rupiah of funds embedded in total assets (Munawir, 2014). This is because companies can allocate some of their profits not only for dividend distribution or operations, but can also set aside funds for CSR, so that ISR disclosure can be wider not only to the 8 groups of zakat recipients, but can reach other aspects such as the environment, employees, as well as customers. Research conducted by Hasanah et al., (2018) states that profitability has an effect

on ISR disclosure and is different from the results of Sunarsih & Ferdiansyah's (2017) study which states that profitability has no positive effect on ISR disclosure.

Companies in running their business cannot be separated from the environment. Companies that have concern for the environment mean that they have good environmental performance by expressing social responsibility which will have an impact on the interest of market players, in this case investors, to invest in companies (Widyanti & Cilarisinta, 2020). The results of research conducted by Sunarsih and Dahlifah (2019), state that environmental performance has no effect on ISR disclosure. This proves that the company's environmental performance does not have a large enough influence to disclose its social responsibility. Corporate social responsibility carried out is expected to give a positive image of the company. A company's reputation in ISR activities can be judged by the number of awards it has won. Appreciation is an external factor that motivates companies to express their social responsibility, namely the existence of various awards for ISR performance (Haniffa and Cooke, 2005). Every organization uses rewards to motivate them to achieve their personal goals and organizational goals and attract investors and (Nanda & Sri, 2018). Research results by Dhiyaul-Haq and Santoso (2016) state that awards have no effect on disclosure of ISR.

Sharia banking in winning awards is related to the performance of the Sharia Supervisory Board (DPS), namely in supervising BUS to comply with sharia provisions in carrying out company activities including the products and services offered. In supervising sharia compliance at BUS, at least two or more DPS members are required. The basic difference between conventional banks and BUS is the existence of DPS which functions to improve corporate governance in Islamic institutions (Kasih, 2018). DPS is proxied by the Islamic Governance-Score (IGS), which is measured by looking at the number of members of the DPS and the number of members of the board of commissioners at BUS (Muslimah, 2017). Research on ISR has been carried out by many previous studies and has provided different results. Differences in research results motivated researchers to conduct ISR research by developing Sunarsih and Dahlifah's research (2019) by adding two independent variables, namely awards and Islamic Governance Score (IG-Score). Based on the background of the problems described above, the formulation of the problem in this study is (1) Does profitability affect ISR disclosure? (2) Does environmental performance affect ISR disclosure? (3) Does the award affect the ISR? (4) Does the Islamic Governance Score affect ISR? The purpose of this study is to examine the effect of profitability, environmental performance, awards and Islamic Governance Score on Islamic Social Reporting?

THEORETICAL FRAMEWORK AND HYPOTHESIS DEVELOPMENT

ISR is a form of corporate responsibility towards society and the environment in accordance with sharia principles without neglecting the company's capabilities. ISR was first initiated by Haniffa (2002) and then developed by Othman, et.al (2009). Haniffa (2002) stated that the ISR conceptual framework emerged because social responsibility reporting was still conventional, not yet containing social responsibility based on sharia provisions. ISR not only helps in making decisions for Muslims but also helps companies fulfill their obligations to Allah and society Sulistiyo & Yuliana (2019). Sharia Enterprise Theory (SET) is an entity theory that has been integrated with divine values, namely the main principle is God as the creator and sole owner of all the resources in the world, while the resources owned by stakeholders are a mandate from Allah. SET is of the view that the distribution of company wealth must be enjoyed by parties who contribute directly or who do not contribute to the company (Triuwono, 2012).

Legitimacy is a general perception or assumption that explains that an entity's actions are in accordance with what is expected, appropriate, and in accordance with the system of norms, values, and beliefs that are built in society. So that if the company acts contrary to things that are expected,

appropriate, and in accordance with the social system of the community, the company will lose its legitimacy (Rostiani & Sukanta, 2019). Stakeholder theory states that a company is not an entity that only operates for its own sake, but must provide benefits to its stakeholders. Thus, the existence of a company is strongly influenced by support from stakeholders for the company (Hasanah et al., 2018).

Profitability in this study is measured using the Return on Assets (ROA) ratio. ROA is a ratio that describes a company's ability to generate as much profit as possible by using its assets. Profit is an indicator that can measure company performance, which includes all income and costs incurred by Islamic commercial banks on transactions including the use of assets and liabilities carried out in the current year. Profitability is a factor that makes management free and flexible to disclose social responsibility to shareholders (Heinze, 1976). The higher the level of company profitability, the greater the disclosure of social responsibility by the company. So that companies that have a high level of profitability will attract investors to invest in the company. Islam views that a company must be willing to provide full disclosure regardless of whether it makes a profit or vice versa (Haniffa 2002). The results of research conducted by Othman et al. (2009), Sunarsih & Dahlifah (2019) proved that profitability has a positive effect on the level of disclosure of social responsibility. Based on these studies, the first hypothesis in this study is:

H1: Profitability has a positive effect on the level of ISR disclosure.

Environmental performance is a company mechanism that voluntarily integrates its concern for the environment into company operations and interacts with stakeholders (Siddi, et al, 2019). Companies that have good environmental performance will tend to disclose their performance in the form of social responsibility related to environmental themes in the ISR index. This is in line with the ISR where environmental indicators on the GRI index consist of 9 aspects with a total of 30 items, namely material aspects consisting of energy, water, biodiversity, emissions, effluents and waste, products and services, compliance, transport/transportation, and overall aspect (Widyanti & Cilarisinta, 2020). The company's participation in the Corporate Performance Rating Program in Environmental Management (PROPER) shows a form of company concern for the environment and social society. Companies that carry out good environmental performance will tend to disclose the company's performance in terms of social responsibility, because the company considers this to attract investors. Kurniawati and Yaya (2017) proved that there is a positive influence between environmental performance on ISR disclosure. The results of Wardhani and Sugiharto's research (2013) show that there is a significant influence between environmental performance on CSR disclosure. Based on these studies, the second hypothesis in this study is:

H2: Environmental performance has a positive effect on ISR disclosure.

Award is a form of recognition for certain achievements given in material and non-material forms given by organizations or institutions to individuals or groups if they make an achievement in a particular field. Awards are usually given in the form of medals, trophies, titles, certificates, plaques or ribbons (Nanda & Sri, 2018). The size of the reward given to those who are entitled to it depends on many things, mainly determined by the level of achievement achieved. One of the expected positive impacts with CSR awards is that companies will become more transparent in disclosing company performance, both financial and non-financial performance (Dhiyaul-Haq & Santoso, 2016). Based on these studies, the third hypothesis in this study is:

H3: Awards have a positive effect on disclosure of Islamic Social Reporting

The IG-Score in this study is proxied by the Sharia Supervisory Board (DPS). According to Bank Indonesia Regulation No.11/33/PBI/2009, the DPS is a board that has the duty to provide advice and suggestions to the directors and supervise bank activities so that they comply with sharia principles. The existence of DPS at BUS is a characteristic that distinguishes between conventional and sharia banks (Puspitasari & Diana, 2021). So the existence of DPS as a sharia compliance auditor and represented by Islamic governance. Ideally, a Sharia Supervisory Board must have sufficient understanding of sharia and economic issues. Muslimah Research (2017); Puspitasari & Diana, 2021; and Nanda & Sri (2018) state that the IG-Score has a significant effect on ISR disclosure. Based on these studies, the fourth hypothesis in this study is:

H4: IG-Score has a positive effect on ISR disclosure

METHODS

This research is a causal associative research with a quantitative method approach. The data used is secondary data obtained through the Financial Services Authority (OJK) website (www.ojk.co.id). The research method used is content analysis, namely by giving the number 1, if the BUS discloses its social responsibility and zero if the company does not disclose it. The population in this study is all BUS in the 2015-2019 period. The sample in this study was selected based on the purposive sampling method with the criteria namely BUS registered with OJK in 2015-2019, existing BUS from 2015-2019. Based on these criteria, a sample of 12 BUS was obtained.

Disclosure of ISR in this study as the dependent variable. The ISR calculation uses a dichotomous approach, namely each company disclosing ISR items is given a value of 1 and if it does not disclose ISR items, it is given a value of 0. ISR disclosure is calculated by the number of disclosures made by BUS compared to the total ISR disclosure (48 items) multiplied by 100% (Sunarsih & Dahlifah, 2019). Profitability is the company's ability to earn profits in a certain period. In this study, the indicator used is Return on Assets (ROA) (Yuliana et al., 2008).

Environmental performance is a company performance that shows concern in producing a good environment. (Sunarsih & Dahlifah, 2019). Calculation of environmental performance is measured by a dichotomy, if the company discloses its environmental performance, it is given a value of 1 if it does not disclose it, it is given a value of 0. % . Award is a form of recognition for certain achievements given in material and non-material forms given by organizations or institutions to individuals or groups if they make an achievement in a particular field. Awards are usually given in the form of medals, trophies, titles, certificates, plaques or ribbons (Nanda & Sri, 2018). In this study, the award variable is measured by the large number of awards related to social responsibility that have been carried out by BUS and recognized by the wider community so that any major changes made by Islamic commercial banks should be appreciated through awards given by related institutions (Nanda & Sri, 2018)

The IG-Score is a governance system design that takes into account individual, community and state rights. Islamic recognition and protection of rights are not only limited to humans, but cover all life and the environment (Puspitasari & Diana, 2021). IG-Score is a DPS proxy. The DPS has the role of supervising BUS operations in accordance with Islamic sharia provisions. Ideally, a Sharia Supervisory Board must have sufficient understanding of sharia and economic issues. The IG-Score is measured by the number of DPS, educational background, and reputation of the DPS obtained from the company's annual report.

RESULTS AND DISCUSSION

This study uses panel data and is processed using eviews. To find out the most efficient method of the three equation models, namely the Common Effect Model (CEM), Fixed Effect Model (FEM) and Random Effect Model (REM), it is necessary to test each of these models using the panel data regression estimation method. Based on the three tests above, it shows that by using the Chow test and Lagrange multiplier test, it can be seen that the most appropriate result in estimating the regression equation is the Random Effect Model (REM). After determining the right model to use in the panel data regression equation is the Random Effect Model (REM), it is necessary to test it with the classical assumption test which consists of a normality test, multicollinearity test, autocorrelation test, and heteroscedasticity test.

The normality test in this test uses the Jarque-Bera (J-B) test, provided that the Jarque-Bera (J-B) value is $< \chi^2$ table and the probability value is > 0.05 , so it can be said that the data is normally distributed. The results of data processing show that the normality test has a Jarque-Bera (J-B) value of $0.540362 > 0.05$. So it can be concluded that the data is normally distributed. Multicollinearity test between variables can be identified by using the correlation value between independent variables. If the correlation value is < 0.80 then there is no multicollinearity problem. The results of data processing show that the correlation value between the independent variables is less than 0.80, so it can be concluded that there is no multicollinearity problem between the independent variables in the regression model. Next is the autocorrelation test carried out using the Breusch-Godfrey Serial Correlation LM Test model with the Chi-square probability value as the basis for decision making. The significance level used in this study is 0.05. Based on the test results presented above, it is known that the Chi-square probability value is 0.0570. Based on these results, it can be concluded that there is no autocorrelation problem in this study. The heteroscedasticity test uses the Glejser test by looking at the probability value with a significance level greater than 0.05. Based on the results of testing the probability value of all independent variables shows greater than 0.05. Based on these results, it can be concluded that there was no heteroscedasticity problem in this study.

Table 1. Determination Coefficient Test (R2 Test)

<i>Adjusted R-Squared</i>	0.376511
---------------------------	----------

Based on table 1 shows that the coefficient of determination obtained an adjusted R2 value of 0.376511 (37.65%). This shows that the four variables studied were able to influence ISR disclosure by 37.65%, while the remaining 60.35% were influenced by other factors not examined in this study. Hypothesis testing in this study was carried out using a panel regression analysis model. In this study using hypothesis testing by means of test per variable (t test). The t test aims to determine whether the independent variables partially have a significant effect on the dependent variable and to further test which of the independent variables have an effect on ISR disclosure at BUS in Indonesia. The results of the t test can be shown in table 2.

Table 2 Testing the Termination Hypothesis

		Coeffisien	Std. Error	t-Statistic	Prob
1	(Constant)	0.658127	0.067373	9.768444	0.0000
	ROA	0.005993	0.001799	3.298300	0.0017
	KL	0.122115	0.156582	0.779878	0.4388
	IGS	-0.000764	0.013332	-0.057302	0.9545
	AWARDS	0.005933	0.001397	4.246798	0.0001

Source: Results of processing with Eviews 10

Table 2 shows that the profitability variable has a probability value of 0.0017 which is less than the significance of 0.05. So it can be concluded that the profitability variable partially influences ISR disclosure. Thus, the first hypothesis which states that profitability affects ISR disclosure is accepted. Furthermore, the environmental performance variable has a probability value of 0.4388 greater than 0.05. So it can be concluded that the environmental performance variable partially has no effect on ISR disclosure. Thus, the second hypothesis that environmental performance influences ISR disclosure is rejected.

The award variable has a probability value of 0.0001 which is smaller than the significance of 0.05. So it can be concluded that the award variable partially influences ISR disclosure. Thus, the third hypothesis of appreciation has an effect on ISR disclosure is accepted. Finally, the IG Score variable has a probability value of 0.9545 which is greater than the significance of 0.05. So it can be concluded

that the IG-Score variable partially has no effect on ISR disclosure. Thus, the fourth hypothesis that IG-Score has an effect on ISR disclosure is rejected. Based on table 2, the panel regression equation model is as follows:

$$\text{ISR} = 0.658127 + 0.005933.\text{ROA} + 1.122115 \text{KL} + 0.005933\text{AWARDS} - 0.000764.\text{IGS} + \varepsilon$$

Based on table 2, the results of the t test on the first hypothesis show that the t count value is greater than t table ($3.298300 > 2.004$) and the probability value is smaller than the significance level ($0.0017 < 0.05$) so it can be concluded that there is a positive and significant effect between profitability and ISR disclosure. So it can be concluded that H1 which states that profitability has a positive effect on ISR disclosure is accepted, which means that if the value of profitability in BUS increases, ISR disclosure will also increase. This is in accordance with the stakeholder theory which states that a company is not an entity that only operates for its own sake, but must provide benefits to its stakeholders. So the existence of a company is greatly influenced by support from stakeholders for the company (Hasanah et al., 2018).

The results of this study are in line with the SET that accountability is not only to the owner of the company, but also to broad parties, namely parties who contribute directly or indirectly to the company (Triuwono, 2012) and in line with legitimacy theory where BUS actions are something expected, appropriate, and in accordance with the system of norms, values, and beliefs that exist in society. The results of this study are in line with research by Hasanah et al., (2018); Sunarsih and Dahlifah (2019) which state that profitability has a positive influence on ISR disclosure.

Based on table 2, the results of the t test on the second hypothesis show that the t count is smaller than t table ($0.779878 < 2.004$) and the probability value is greater than the significance level ($0.4388 > 0.05$). So it can be concluded that environmental performance has no effect on ISR disclosure. Based on the test results above, it can be concluded that H2 which states environmental performance influences ISR disclosure is rejected. The results of the study show that the environmental performance of BUS does not affect ISR disclosure. This is because the environmental aspects of BUS have received less attention because most of the CSR funds collected come from zakat funds so that the distribution is given priority to eight asnaf zakat recipients. Second, the activities of Islamic banks do not produce as many emissions and waste as most manufacturing companies, so that BUS do not focus on preserving the environment and disclose more of their responsibilities in the social sector. This is in accordance with the legitimacy theory that BUS does not do things that are contrary to the expectations of the community and in accordance with the social system of the community. So BUS will not lose legitimacy from the community. This research is in line with research conducted by Sunarsih and Dahlifah (2019) which states that environmental performance has no effect on ISR disclosure. His research proves that a company's environmental performance does not have a large enough influence to reveal its social responsibility. This is also supported by the argument that management does not feel the need to disclose environmental performance because it does not affect the position and compensation it receives.

Based on table 2, the results of the t test on the third hypothesis show that the t count value is greater than t table ($4.246798 > 2.004$) and the probability value is smaller than the significance level ($0.0001 < 0.05$). So it can be concluded that awards have an effect on ISR disclosure. Based on the test results above, it can be concluded that H3 states that awards affect ISR disclosure received, which means that if BUS awards increase, then ISR disclosure will also increase. In accordance with the rationale for the theory of legitimacy which states that a company continues to exist if the public realizes that the organization operates in accordance with the value system of society itself. From the basis of this theory, it can be concluded that the many awards received by BUS, especially in the field of social, environmental and sharia responsibility, the community believes that BUS performance is in accordance with the system of norms that apply to society itself, so that BUS business activities can be accepted by society.

The results of this study are in accordance with the stakeholder theory which also says that a company is not an entity that only operates for its own sake, but must provide benefits to its stakeholders. The more awards that sharia banks get for their sharia social and environmental responsibility performance, it means that BUS has carried out many activities in fulfilling its social and environmental responsibilities and will have a positive impact on BUS reputation. CSR funds managed by Islamic banks come from internal companies in the form of company profits that have been specifically allocated for social responsibility activities, and most come from external companies in the form of zakat funds, donations from third parties, and receipts that cannot be considered as income. banks such as non-halal acceptance, fines for late payment of loans by customers, and excesses over transactions related to conventional banks. The number of awards obtained by Islamic banks affects the income of CSR funds from external parties, in the form of zakat funds and donations from third parties. Research on the effect of appreciation on ISR disclosure is in line with previous research conducted by Nanda & Sri (2018) which states that rewards have a positive effect on ISR disclosure.

Based on table 2, the results of the t test on the fourth hypothesis show that the t count is smaller than t table ($-0.057302 < 2.004$) and the probability value is greater than the significance level ($0.9545 > 0.05$). So it can be concluded that the IG-Score has no effect on ISR disclosure. Based on the test results above, it can be concluded that H4 which states that the IG-Score has an effect on ISR disclosure is rejected. It is possible that DPS membership is also registered at other BUS so that it is less than optimal in carrying out its role and has an impact on the implementation of social responsibility. The main function of DPS is to direct, review, and supervise the activities of Islamic banks so that they comply with Islamic law that is expected by Muslim communities (Kasih, 2017). Meanwhile, according to Muslimah (2017) said that DPS can encourage management, as executor of company operations to disclose ISR and at the same time comply with Bank Indonesia regulations so that community welfare can be achieved. Rejection of the IG-Score hypothesis needs to be considered for internal Islamic banks so that when recruiting DPS they only focus on one BUS, so that supervision of sharia compliance can be controlled and can improve the reputation of Islamic banks so that stakeholder theory and sharia enterprise theory can be fulfilled properly. This research is not in line with research conducted by Muslimah (2017) and Kasih (2017) which states that the IG-Score has a positive effect on ISR disclosure, where the results of their research reveal that the higher the IG-Score, the higher the ISR disclosure and the high level of compliance with sharia because the level of DPS supervision is getting higher.

CONCLUSION

The results of the study concluded that profitability has a positive influence on ISR disclosure. This shows that if BUS profitability increases, ISR disclosure will increase, and vice versa. When the BUS obtains high profitability, the BUS can allocate the operating profit to carry out more socially and environmentally responsible activities and implement more effective sharia compliance so that ISR disclosure will be more extensive and complete in its annual report. Environmental performance has no effect on ISR disclosure. It is possible that BUS does not have a large impact on environmental damage compared to other companies, such as manufacturing companies. Awards have a positive effect on disclosure of ISR, meaning that the more awards there are for BUS achievements in social and environmental responsibility, the better and wider the awards disclosed in the annual report by describing the achievements achieved by BUS. IG-Score has no influence on ISR disclosure. It is possible that DPS membership is also registered at other BUS, causing its role as DPS to be less than optimal in supervising compliance with sharia provisions.

REFERENCE

- Al-Quran and Terjemahnya* (ed.-). Bandung: PT Sygma Examedia Arkanleema
- Dhiyaul-Haq, Z. M., & Santoso, A.L (2016). Pengaruh Profitabilitas, Penghargaan, dan Tipe Kepemilikan Bank Umum Syariah Terhadap Pengungkapan Islamic Social Reporting. *Simposium Nasional Akuntansi XIX*. Hal 1-27.
- Elkington, J., (1997). Partnerships from Cannibals with Forks : The Triple Bottom line of 21 st Century Business, *Environmental Quality Management*, Autumn 199, pp.37–51.
- Haniffa, R. (2002). Social Responsibility Disclosure: An Islamic Perspective In Indonesian *Management & Accounting Research* .Vol. 1, Nomor 2, Pp. 128–146.
- Haniffa, R.M, & Cooke, T.E. 2005. The Impact of Culture and Governance on Corporate Social Reporting. *Journal of Accounting and Public Policy*, 24, Pp. 391-430.
- Hasanah, N. T., Widiyanti, N. W., & Sudarno, S. (2018). Analisis Pengaruh GCG dan Kinerja Keuangan Terhadap Pengungkapan Islamic Social Reporting (ISR). *e-Journal Ekonomi Bisnis dan Akuntansi*, 5(2), 115.
- Heinz, D.C (1976). Financial Correlates of A Social Measure. *Akron Business and Economic Review*. 7 (1), 48- 51
- Kasih, A.M. and Rini (2018). Factors Influencing Islamic Social Reporting Disclosure in Some Selected Countries. *International Conference on Islamic Finance, Economics and Business*. P.276-296
- Khusnul, H., & Wahyu Mas, W. (2017). Penerapan PSAK NO. 102 Atas Transaksi Murabahah: Studi Pada Baitul Maal Wa Tamwil Di Depok, Jawa Barat. *Ikonomika*, 2(1), 213–238.
- Kurniawati, M., & Yaya, R., 2017. Pengaruh Mekanime Corporate Governance, Kinerja Keuangan dan Kinerja Lingkungan terhadap Pengungkapan Islamic Social Reporting. *Jurnal Akuntansi dan Investasi*, Vol.18(2), pp.163-171.
- Munawir, 2014. *Analisa Laporan Keuangan*. Cetakan ke-17 Edisi ke 4 Yogyakarta: Liberty
- Muslihati, M., Siradjuddin, S., & Syahrudin, S. (2018). Corporate Social Responsibility dalam Perspektif Ekonomi Islam pada Bank Syariah. *Jurnal Hukum Ekonomi Syariah*, 2(1), 29–42.
- Nanda, S. &, & Sri, L. (2018). Pengaruh Profitabilitas, Penghargaan, dan Islamic Governance Score terhadap Pengungkapan ISR. *Jurnal Tabarru' : Islamic Banking and Finance*. Vol 1 No., 46–57.
- Puspitasari, D. & Diana, N. (2021). Pengaruh Ukuran Perusahaan, Umur Perusahaan Dan Profitabilitas Terhadap Islamic Social Reporting Pada Perusahaan Pertanian Yang Terdaftar Di Daftar Efek Syariah (Des) Periode 2013 - 2019. *Jurnal Humaniora*, Vol.5, No. 2, hal: 82-94
- Othman, R., Thani, A. M., & Ghani, E. K. (2009). Determinants of Islamic Social Reporting Among Top Sharia-Approved Companies in Bursa Malaysia. *Research Journal of International Studies*. Vol.12, Pp. 4–20.
- Peraturan Bank Indonesia No.11/33/PBI/2009 tentang Pelaksanaan Good Corporate Governance bagi Bank Umum Syariah dan Unit Usaha Syariah
- Prasetyoningrum, A. K. (2019). Pengaruh Ukuran Perusahaan, Profitabilitas, Leverage, Efisiensi Biaya, dan Umur Perusahaan Terhadap Islamic Social Reporting (ISR) Pada Perbankan Syariah Di Indonesia. *Journal of Islamic Banking and Finance*. Vol. 2(2), 147-162
- Sulistiyo, F & Yuliana, I (2019). Pengaruh Profitabilitas dan Kecukupan Modal terhadap Nilai Perusahaan dengan Islamic Social Report (ISR) sebagai Variabel Moderasi (Studi pada Bank Umum Syariah Indonesia Tahun 2014-2018). *Jurnal Manajemen dan Keuangan*. Vol.8. No.2. Hal.238-255
- Rostiani, S. S., & Sukanta, T. A. (2019). Pengaruh Dewan Pengawas Syariah, Profitabilitas Dan Leverage Terhadap Pengungkapan Islamic Social Reporting (Isr) (Studi Pada Bank Umum Syariah Di Indonesia Periode 2012-2016). *Jurnal Akuntansi, Bisnis dan Ekonomi*, 4(2), 1225–1248.
- Siddi, P., Widiastuti, L., Chomsatu, Y. 2019. Pengungkapan Islamic Social Reporting (ISR) dan Faktor-Faktor yang Mempengaruhinya. *Surakarta Management Journal*, Vol 1No.1 hal. 1-10.
- Sunarsih, U., & Dahlifah, D. (2019). Islamic Social Reporting Disclosure to Companies Registered in the List of Sharia Securities (DES). *Annual International Conference on Accounting Research*, 127, Pp. 119–122.
- Sunarsih, U., & Ferdiansyah, F. (2017). Determinants of The Islamic Social Reporting Disclosure. *Al-*

- Iqtishad: Journal of Islamic Economics*, 9(1). Pp. 69-80
- Triwiyono, I. (2012). *Akuntansi Syariah Perspektif, Metodologi dan Teori*. Jakarta: Raja Grafindo Persada.
- UU No 21 tahun 2008 tentang *perbankan Syariah dan Unit Usaha Syariah*.
- UU No. 40 tahun 2007 tentang *Perseoran Terbatas*
- Wardhani, D. G., & Sugiharto, T., 2013. Pengaruh Kinerja Keuangan, Ukuran Perusahaan dan Kinerja Lingkungan terhadap Intensitas Pengungkapan Pelaksanaan Tanggung Jawab Sosial Perusahaan Manufaktur yang Terdaftar di BEI. *Proceeding PESAT* (Psikologi, Ekonomi, Sastra, Arsitektur dan Teknik Sipil), Vol.5, pp.128-139
- Widyanti, A. D., & Cilarisinta, N. (2020). Pengaruh Profitabilitas, Kepemilikan Institusional dan Kinerja Lingkungan terhadap Islamic Social Reporting. *Kompartemen: Jurnal Ilmiah Akuntansi*, 18(2).
- Yuliana, R. et.al. (2008). Pengaruh Karakteristik Perusahaan Terhadap pengungkapan Corporate Social Responsibility (CSR) dan Dampaknya terhadap Reaksi Investor. *Akuntansi dan Keuangan Indonesia*. Vol. 5 (2): 246–276.