
Anti-Bribery Disclosure Trends Among Mining Sector Stocks Listed on the Indonesia Stock Exchange

Makhdalena Makhdalena¹ | Desi Zulvina² *  | Yani Zulvina³

¹Universitas Riau, Faculty of Economics and Business, Pekanbaru, Indonesia

²Universitas Sebelas Maret, Faculty of Economics and Business, Surakarta, Indonesia

³Universitas Riau, Faculty of Economics and Business, Pekanbaru, Indonesia

*Correspondence to: Desi Zulvina, Universitas Sebelas Maret, Faculty of Economics and Business, Jl. Ir. Sutami No. 36, Surakarta, Jawa Tengah 57126, Indonesia
Email: desizulvina@gmail.com

Abstract: This study aims to analyze the developing trend of anti-bribery disclosure among mining companies listed on the Indonesia Stock Exchange. The sample data of research is an 81-observation firm-year period during 2017–2019. The results of the study revealed that there is increasing information about anti-bribery disclosure from year to year. The most frequently disclosed information relates to corporate whistle-blowing system policies. The results indicated that the size of the board of directors, whether the entity is a state-owned company, and the type of auditor employed by the firm are positively significant influences on a corporation's anti-bribery disclosure. Meanwhile, profitability has a negatively significant influence on anti-bribery disclosure, and there appears to be no effect at all from either firm size or firm leverage on a company's anti-bribery disclosure. The authors recommended that regulators consider more anti-bribery activity and require disclosure of a company's policies as evidence of its commitment to stakeholders and to demonstrate transparency, policies, and efforts to eradicate corruption and comply with ethical standards. This proposal can be supported by governmental regulations and ISO 37001 standards to permit companies to relatively easily implement an anti-bribery management system that would be highly useful to counter the risks of corruption cases.

Keywords: anti-bribery disclosure, board size, corporate social responsibility, mining firm, state-owned company.

Article info: Received 21 December 2020 | revised 19 May 2021 | accepted 6 October 2021

Recommended citation: Makhdalena, M., Zulvina, D., & Zulvina, Y. (2021). Anti-Bribery Disclosure Trends Among Mining Sector Stocks Listed on the Indonesia Stock Exchange. *Indonesian Journal of Sustainability Accounting and Management*, 5(2), 279–290. <https://doi.org/10.28992/ijSAM.v5i2.346>

INTRODUCTION

Indonesia is rich country in natural and human resources. Because of the strategic location, both in astronomical and geographic terms, Indonesian known at mining and has enormous value in the eyes of the world. Due to very high potential for mineral reserves, Indonesia is in the top third position at the global level and at the second place after China because it has a 39% contribution to gold production made Indonesia became top 10 in the world. Mining sector also contributes to the contribution of non-tax state revenue (PNBP) with enormous potential (Sony, 2019). Tony Wenas as President Director of PT Freeport Indonesia stated that mining also generates large revenue on the export side because most mining goods are very saleable in the export market, mining also contributes 4.70% to Indonesia's current GDP (Budiarso & Zuhri, 2019).



However, the mining sector also has significant environmental impacts. A report at the Mining Advocacy Network Institute (Jatam) reveals that coal mining activities, for example, leave barren land, suffocated and polluted water catchments, and depleted groundwater. This institution also found that corrupt practices often occur in the mining sector. During 2014-2018, there were 23 corruption allegations with state losses estimated at 210 trillion Rupiah (Tuasikal, 2019).

The 2019 Corruption Case Action Trends Report issued by Indonesia Corruption Watch (ICW) reported cases in the mining sector that caused huge state losses such as the alleged bribery case for the issuance of Mining Business Permits by the Regent of East Kotawaringin, Supian Hadi. The value of state losses reached IDR 5.8 trillion (ICW, 2020). To overcome this, the government has issued several regulations to fight corruption and bribery. As; Law Number 11 of 1980 concerning the Crime of Bribery, Law Number 28 of 1999 concerning Implementation of a State that is Clean and Free from Corruption, Collusion and Nepotism, Presidential Instruction No.10 of 2016 concerning Actions to Prevent and Eradicate Corruption, and others -other.

The UN Global Compact advises companies to fight bribery and corruption with the first and most basic step of introducing anti-corruption policies and programs in their organizations and business operations. Then the company communicates to external parties by reporting their efforts against this and sharing experiences and best practices through sending examples and case stories that they run (United Nations Global Compact, 2020).

Bribe, which is part of corruption, are defined as financial or non-financial inducements to do business or to get benefits that may not occur. Bribery in developing country is seen in public procurement where officials circumvent protocol and establish transactions (eg, tenders, contracts) to bribe payers in exchange for monetary benefits (Ntayi, Ngoboka, & Kakooza, 2013).

Activities against bribery and corruption are part of social responsibility (CSR) but researchers rare discuss about this (Nobanee & Ellili, 2020). Despite the importance of disclosure in CSR reporting and government efforts to combat corruption, a review of previous research studies has explored the extent to which anti-corruption and anti-bribery are in the company's annual and sustainability reports (such as Islam et al., 2015; Gago-Rodríguez et al., 2018; Islam et al., 2018; Nobanee & Ellili, 2020).

Research related to anti-corruption, particularly anti-bribery, is still leastways researched by academics. Raising awareness of the importance in this practice could be increases trustworthy and reliability of a company (Gunawan & Joseph, 2017). With the result of that, we aim to analyses the disclosure of anti-bribery information by mining companies in Indonesia. We decided to analysed Indonesian mining sector because this country has a rich natural resources and mining sector is a sector do bribery with the highest number of cases about alleged bribery and it enormously losses to Indonesia. Based on this phenomenon and background, the purpose of this study is to analyses information on the disclosure of anti-bribery activities in Indonesia mining sector and how the trends in 2017-2019.

Stakeholder theory according to Riahi-Balkaoui (2003) is company is not only about shareholders but also all of stakeholders. Stakeholders are parties who have an interest in the company, have a commitment from the business world to contribute to sustainable development. Therefore, the existence of a company is influenced by the support given to that company. Many stakeholders belong to organizations such as employees, communities, countries, suppliers, capital markets, competitors, industrial bodies, government, and others. Companies should not be limited to maximizing profits for the benefit of shareholders, but more broadly, namely for the interests of all parties related to the company, with the disclosure of social responsibility activities. Stakeholder theory includes moral and even philosophical values among its management guidelines, which will lead companies to

seek certain social legitimacy from their activities (Gallego & Quina, 2016). This theory broadens the concept of groups that have an interest in what the company does. Smith et al. (2005) proved that companies from stakeholder-oriented countries issue a larger number of higher-quality environmental and social reports on companies than companies from countries with a weaker emphasis on social issues and a greater orientation towards shareholders. Companies are encouraged to improve their operating environment which is important to maintain a public perspective in giving trust to the company (Gunawan & Joseph, 2017). Companies carry out anti-bribery disclosures to minimize the trust gap between the company and global stakeholders (Islam et al., 2015).

Anti-bribery disclosure is seen as a company's commitment to stakeholders to demonstrate transparency, policy, and effort to eradicating corruption and comply with ethical standards. The need to manage risks related to corruption and bribery has been taken seriously by governments, as well as by listed companies around the world while stakeholders increasingly hope that companies will not only implement strategies to eradicate corruption but also disclose it to the public (Nobanee & Ellili, 2020). Companies need to consider internal and external factors to fight bribery and corruption. The first and basic step is to introduce anti-corruption policies and programs in their organization and business operations. Then the company communicates to external parties by reporting their efforts against this and sharing experiences and best practices through sending examples and case stories that they run (United Nations Global Compact, 2020).

Anti-bribery activities are part of anti-corruption which is under the social category of the sustainability reporting guidelines - the Global Reporting Initiative (GRI) guidelines. According to the 2014 GRI guidelines, an organization's sustainability report should include anti-corruption policies and procedures against bribery is part of this. Sustainability reporting guidelines are generally based on three pillars: economic, environmental, and social. This report provides information related to the organization's impacts (positive or negative) on the environment, society, and economic. The guidelines further emphasize the application of a good corporate governance system against financial reporting fraud, corruption, and money laundering activities. Good corporate governance has been identified as an important way to combat these negative activities (Issa & Alleyne, 2018). Osuagwu (2012) adds that a government system designed to fight corruption must be built to achieve effectiveness and improve performance.

Several studies have conducted research related to anti-corruption and anti-bribery disclosures. Nobanee & Ellili (2020) examined the effect of disclosure of anti-bribery information on the performance of conventional banks and Islamic banks in the UAE. The empirical results of the study indicate that anti-bribery disclosure is at a low level for all banks and that there is no significant difference in the overall anti-bribery disclosure between the two banking systems while there is a significant difference in "human resource anti-bribery practices" between Islamic and conventional banks. However, the trend analysis in the study shows that the anti-bribery disclosure index continued to increase between 2003 and 2013 for all banks (Nobanee & Ellili, 2020). According to Islam et al. (2015) companies adopt anti-bribery disclosure practices to minimize the trust (social capital) gap between the company itself and global stakeholders.

Islam et al. (2018) examined the alleged links between network governance (NGO activities and media) and anti-bribery disclosure of two global telecommunications companies. Based on the joint consideration of legitimacy theory, the findings of this study indicate that anti-bribery disclosure is positively related to media activities and NGO initiatives. Research findings of Islam et al. (2018) also show that companies carry out anti-bribery disclosures to maintain symbolic legitimacy but are less prominent in influencing substantive changes in their accountability practices.

The topic of anti-bribery is a part of anti-corruption that is rarely studied. Most of the literature discusses anti-corruption disclosures (such as Gunawan & Joseph, 2017; Joseph et al., 2016; Nobanee et al., 2020). There are many studies examined the factors influence corporate disclosure, such as profitability (Asmeri et al., 2017; Cahaya & Hervina, 2018; Saha & Kabra, 2019), board size (Cahaya & Hervina, 2018; Saha & Kabra, 2019), firm size (Cahaya & Hervina, 2018; Saha & Kabra, 2019; Zulvina & Adhariani, 2020b), leverage (Cahaya & Hervina, 2018; Saha & Kabra, 2019), auditor type (Saha & Kabra, 2019), state-owned (Zulvina & Adhariani, 2020b).

Profitability is ability of firm to make profits (Parker, 1992). Purushothaman et al. (2000) argues that the higher level of profitability of company have more financially support to undertake certain CSR activities, including anti-bribery-related CSR activities, and communicate the activities to annual reports. Several previous studies showed that profitability has positive and significant effect on CSR (Dobler et al., 2015; Kolsi, 2017; Sadou et al., 2017). Meanwhile, several previous studies found that profitability insignificantly affected company's disclosure (Asmeri et al., 2017; Cahaya & Hervina, 2018; Saha & Kabra, 2019; Zulvina & Adhariani, 2020b),

Board size is total board of director in company. It is another determinant of proper functioning of the board and aspects related to the transmission of CSR information (Fuente et al., 2017). Cahaya & Hervina (2018) found that board size significantly positive affects human rights disclosure. Meanwhile, inconsistent result found by Saha & Kabra (2019) and Odoemelam & Okafor (2018) that board size insignificant affect company's disclosure.

Previous research found that size of company influences level of CSR disclosure (Clarkson et al., 2013; Fatemi et al., 2017). Cahaya & Hervina (2018), Zulvina & Adhariani (2020b), and Saha & Kabra (2019) found that firm size positively significant influence company disclosure (human rights issue, anti-corruption, and corporate voluntary disclosure). Larger companies have more resources to expend different problem and provide activities in company (De Villiers, 2011) like corporate social responsibilities, such as anti-bribery activities and disclosure it to annual report.

Dependence of company on a key stakeholder group, namely creditors, reflected by the degree of leverage Cahaya & Hervina (2018). In Indonesia, creditors also considered very important, and therefore companies must be transparent to them (KNKG, 2008). Tsamenyi & Onumah (2007) found that leverage has a positive effect on corporate disclosure because companies openly trade debt, they tend to disclose more information.

Generally, Big 4 audit firms ensure the clients should be have higher quality of their reporting practices as their reputation is primarily associated with it and they will encourage more voluntary disclosure (Liu, 2015; Nahar et al., 2016).

Previous study Zulvina & Adhariani (2020a) found that stated-owned positive significant influences anti-corruption disclosure. In Indonesia, there is Community Development Program (Program Bina Lingkungan-PKBL) for state-owned companies to put 1-3% their profit aside to keep the environment (tempo.co, 2015). This policy could be a formulate to do corporate social responsibility (CSR) for state-owned company.

Study related to factors influence anti-bribery disclosure is rare. Islam et al. (2018) examined the alleged links between network governance (NGO activities and media) and anti-bribery disclosure of two global telecommunications companies. Several previous studies conducted anti-bribery disclosure research (such as Islam et al., 2015; Gago-Rodríguez et al., 2018; Islam et al., 2018; Nobanee & Ellili, 2020), this topic still needs to be researched. According to that, this paper aims to analyse the anti-bribery disclosure information on mining companies in Indonesia. We decided to examine mining sector according to reported cases in ICW 2019 that Indonesia mining sector caused huge state losses such as the alleged bribery case and government has issued several regulations to fight corruption and bribery. We examine the extent of anti-bribery disclosures by mining companies in Indonesia and what factors influence anti-bribery disclosure.

METHODS

The object of this research is anti-bribery disclosure with indicators of 12 items (Nobanee & Ellili, 2020; Zulvina & Adhariani, 2020a) which are presented in table 1. Contents of analysis was carried out for data collection on anti-bribery disclosure by following several items in Nobanee's research & Ellili (2020) with two categories, first category is about general anti-bribery disclosures (7 items) and the second category is anti-bribery Human resources development practices (3 items). Then this research adds to the third category, namely the whistle-blowing system policy consisting of 2 items (Zulvina & Adhariani, 2020a) in which the whistle-blowing system is one of the systems for good governance to prevent violations, fraud, and corruption in companies (KNKG, 2008). The three categories along with the 12 items are presented in table 1. It scored '1' if disclosed, '0' if otherwise. The disclosed amount is divided by item total (Nobanee and Ellili, 2020)

Table 1. Anti-Bribery Disclosure Categories and Items

No.	Categories and Items
Category 1. Anti-Bribery General Disclosure Items	
1	The company prohibits all forms of bribery whether they are done directly or through a third party
2	The company prohibits employees from soliciting, arranging, or accepting bribes that are intended for the benefit of employees or their family, friends, colleagues, or acquaintances.
3	The company, its employees or agents make a clear commitment that they do not make direct or indirect contributions to political parties, organizations, or individuals involved in politics, as a means of gaining profit in business transactions.
4	The company discloses all its political contributions.
5	The company ensures that charitable donations and sponsorships are not used as a pretext for bribery.
6	There is an internal control system in place to combat bribery.
7	Disclose the number of violations.
Category 2. Anti-Bribery Human Resource Development Practices	
8	Human resource policies and practices relevant to the program against bribery.
9	The company makes it clear that no employee will experience a demotion, punishment, or other adverse consequences for refusing to pay a bribe even if such refusal could result in the company losing its business.
10	Report the percentage of employees trained in anti-bribery policies and procedures.
Category 3. Whistle-blowing policy	
11	There is a Whistle-blowing system policy.
12	Implementation of whistle-blowing practice.

Total of Mining Firms listed in Indonesia Stock Exchange in 2020 amount 40 firms. The data sample is reduced by incomplete annual report, company without anti-bribery disclosure, and value of negative leverage. This research using unbalanced data with total 81 firm years data with period 2017-2019. The type of research data is secondary data that comes from annual reports and company sustainability reports obtained from idx.co.id and the company's website, and Thomson & Reuters for financial data.

Table 2 Variables Operationalization

Variables	Measurement
Anti-Bribery Disclosure (ABD)	Scored 1 if disclosed, 0 if otherwise. The disclosed amount is divided by item total (Nobanee & Ellili, 2020)
Board Size (BOD)	Total number of board of directors (Saha & Kabra, 2019; Odoemelam & Okafor, 2018)
Profitability (ROA)	Ratio of earnings before interest and tax to asset
Firm Size (SIZE)	Natural Logarithm of total asset (Zulvina & Adhariani, 2020a)
Leverage (LEV)	Total Debt to equity (Zulvina & Adhariani, 2020a; Saha & Kabra, 2019)
Auditor Type (BIG4)	'1' for companies audited by BIG4 audit firms otherwise '0' (Saha & Kabra, 2019; Odoemelam & Okafor, 2018)
Stated-owned (BUMN)	'1' for state-owned company otherwise '0' asset (Zulvina & Adhariani, 2020a)

For examine the factors (BOD, ROA, SIZE, LEV, BIG4, and BUMN) influence anti-bribery disclosure (Table 2), we used appropriate model which is random effect model by using STATA14. The following model is examined the factors influence anti-bribery disclosure:

$$ACD_{it} = \alpha + \beta_1 BOD_{it} + \beta_2 ROA_{it} + \beta_3 SIZE_{it} + \beta_4 LEV_{it} + \beta_5 BIG4_{it} + \beta_6 BUMN_{it} + e_{it}$$

Where, $\beta_1 \dots \beta_6$ are the slopes of the factors influence ABD, α is the intercept for each firm, e is the error term, 'i' = 1, ..., 81 sample firms; 't' = 2017–2019.

RESULTS AND DISCUSSION

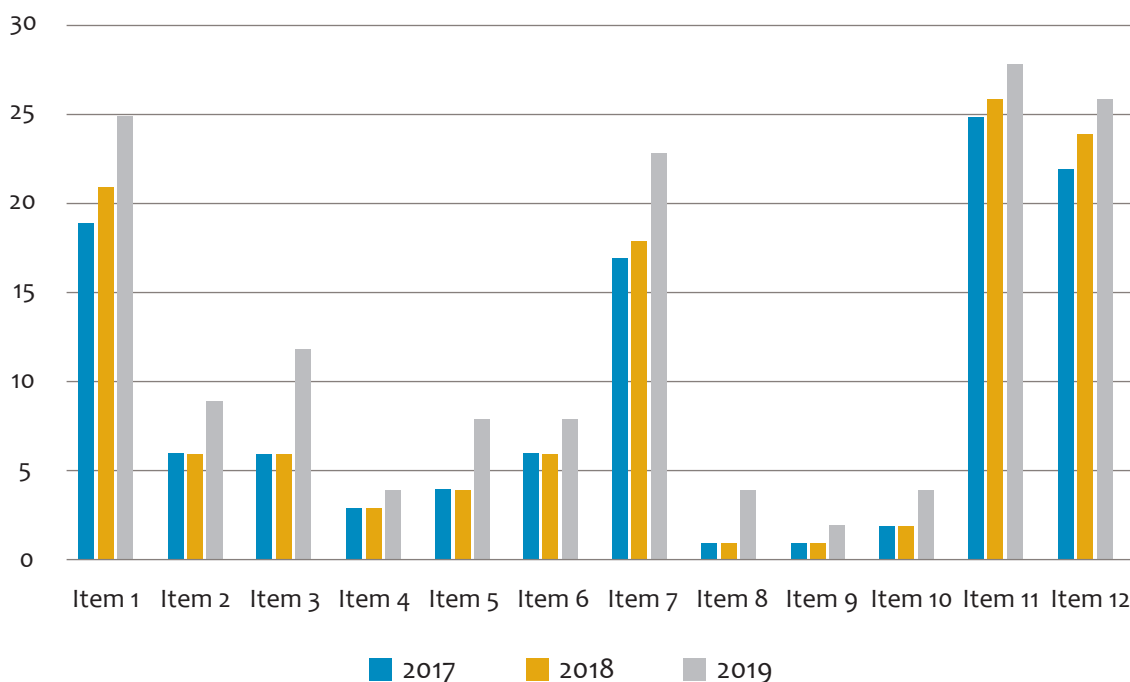
**Figure 1 Anti-Bribery Disclosure 2017-2019**

Figure 1 shows a trend of increasing disclosure every year for each item. Figure 1 shows that every year there is an increase in companies to disclose anti-bribery information. The figure also shows that the company made the least amount of disclosure in category 2, which is related to human resource development practices against bribery. This is because the company considers this activity to be a cost of corporate social responsibility activities (Sampong et al., 2018).

Companies have the most disclosures in category 3 regarding the whistle-blowing system policy, namely item 11 and item 12. This is because companies are required to implement a whistle-blowing system as part of good governance to reduce fraud, bribery, and corruption in companies (KNKG, 2008).

Company's anti-bribery disclosure from year to year overall increase in average. These results indicate that the disclosure of anti-bribery information could be continued to increase every year. This could be due to companies that are starting to realize the importance of making good disclosures to give a positive impression to stakeholders as well as the existence of other new regulations that cause companies to be increasingly motivated to carry out anti-bribery activities and disclose them. For example, the Presidential Instruction No.10 of 2016 concerning Action to Prevent and Eradicate Corruption. This instruction was then supported by the instruction National Standardization Agency for Indonesia (BSN) issued the Indonesian National Standard (SNI) ISO 37001 in 2016. ISO 37001: 2016 is an anti-bribery management system designed to assist organizations or companies in establishing, implementing, maintaining, and increasing the anti-bribery program (BSN, 2016). Companies are encouraged to improve their operating environment which is important to maintain a public perspective in giving trust to the company (Gunawan & Joseph, 2017).

Table 3 Descriptive Statistics

Variables	Mean	Standard Deviation	Minimum	Maximum
ABD	0.37	0.20	0	0.833
BOD	4.62	1.81	2	12
ROA	0.10	0.14	-0.20	0.61
SIZE	20.05	1.53	16.15	22.70
LEV	2.14	3.38	0.05	21.20
BIG4	0.59	0.60	0	1
BUMN	0.148	0.36	0	1

Table 4 Pearson Correlation for All Variables

	ABD	BOD	ROA	SIZE	LEV	BIG4	BUMN
ABD	1						
BOD	0.286**	1					
ROA	0.035	0.414***	1				
SIZE	0.299***	0.423***	0.075	1			
LEV	-0.153	-0.134	0.256**	-0.090	1		
BIG4	0.495***	0.354***	0.334***	0.585***	-0.326**	1	
BUMN	0.510***	0.301***	-0.030	0.221**	-0.151	0.346***	1

*** significant at 1% level; ** significant at 5% level; * significant at 10% level

Result of descriptive statistics showed company disclosed their anti-bribery information is 37% at average with there is a company which has anti-bribery policy but do not more disclose information about it and maximum company disclose anti-bribery information is 83%. Data showed mean of size of director is 4 directors with maximum 12 directors and minimum 2 directors. Table 3 also showed there are 12 state-owned companies (14.8%) in data sample.

Table 4 is pearson correlation for all variables. The result of pearson correlation showed all of variables are free from multicollinearity because the value is below of 10 which Variance Inflation Factor (VIF) limit.

Table 5 Result of Regression

Variables	Coefficient	Std. Err.	t-statistic
BOD	0.0195**	0.141	0.036
ROA	-0.1975*	0.010	0.080
SIZE	-0.0057	0.003	0.406
LEV	-0.0024	0.025	0.254
BIG4	0.1694**	0.826	0.020
BUMN	0.1909**	0.096	0.023

R overall = 0.4350
Wald χ^2 = 49.85***
*** significant at 1% level; ** significant at 5% level; * significant at 10% level.

Based on the definition of stakeholder theory that has been previously stated, the company not only has shareholders but also has stakeholders Riahi-Balkaoui (2003). Stakeholders who have an interest in the company are committed to the business world to contribute to sustainable development. Anti-bribery disclosure is seen as a company's commitment to stakeholders to demonstrate transparency, policy, and efforts to eradicate corruption and comply with ethical standards. The need to manage risks related to corruption and bribery has been taken seriously by governments, as well as by listed companies around the world while stakeholders increasingly hope that companies will not only implement strategies to eradicate corruption but also disclose it to the public (Nobanee & Ellili, 2020). Stakeholder-oriented firms issue a larger number of higher-quality environmental and social corporate reports than companies from countries with a weaker emphasis on social issues and a greater orientation towards shareholders (Smith et al., 2005).

Result of regression (Table 5) showed that size of board of directors, auditor type, and state-owned company positive significant influence anti-bribery disclosure. Meanwhile, ROA has negative effects on anti-bribery disclosure, and size of firms and firm leverage have no effect on anti-bribery disclosure.

Board Size is another determinant of proper functioning of the board and, therefore, of aspects related to the transmission of CSR information (Fuente et al., 2017). Corporate investment and transparency in CSR tend to increase by the larger boards (Frias-Aceituno et al., 2012). Fuente et al. (2017) posit that presence of a greater number of directors has positive relation on CSR information because the report requires the input of directors with different types of expertise in accounting and finance, and sustainability and the presence of a large variety of expert viewpoints is more common on larger boards.

ROA has negative influence on anti-bribery disclosure. This result consistent with Williams (2001) found that there is statistically significant negative relationship between the level of disclosure of a company's intellectual

capital and its level of performance (ROA). Whenever a firm achieves a certain level of performance, it could reduce the level of disclosure for a strategically significant pool of information from competitors in an effort to maintain its competitive advantage (Williams, 2001).

There is no effect on anti-bribery disclosure from firm size and Leverage. There are no many parties are aware that social responsibility is important, this view affects the low application of social responsibility (Hermawan & Gunardi, 2019). Research result also showed that leverage has no relation on anti-bribery disclosure. The relationship between debtholders and company has been established well so that make debtholders not pay too much attention to the firm's leverage ratio (Prasethiyo, 2017). This result also consistent with Zulvina & Adhariani (2020b) found that leverage has no effect on firm disclosure.

Type of auditor positively significant effect on anti-bribery disclosure. Big 4 audit firms ensure the clients should be have higher quality of their reporting practices as their reputation is primarily associated with it and they will encourage more voluntary disclosure generally (Liu, 2015; Nahar et al., 2016).

The results also show that state-owned firms (BUMN) have a positive effect on anti-bribery disclosure (ABD). This result means that companies, including state-owned companies, conduct more anti-corruption disclosures than non-BUMN companies. It could be because there is an Environmental Development Program (PKBL) for BUMN companies which is a formulation of CSR implementation for BUMN companies. This activity requires BUMN to set aside partnership program funds from an after-tax profit allowance of 1 - 3 % (tempo.co, 2015). The funds can be used to apply activities related to anti-corruption activities, which are an element of corporate social responsibility so that with many activities, more information can be reported in the company's annual report. This result also consistent with previous study Zulvina & Adhariani (2020a) showed that BUMN positively significant effect on disclosure.

Conducting anti-bribery activities proves that the company complies with the relevant laws and regulations against bribery. This can maintain better corporate governance because the company is increasingly accountable and can be trusted by stakeholders. The importance of carrying out anti-corruption disclosures is to increase awareness of the importance of anti-corruption practices which in turn can increase the trust and reliability of a company (Gunawan & Joseph, 2017).

Anti-bribery reporting can serve organizational learning purposes. Through disclosure, companies begin to learn from the experience of anti-bribery efforts on others and adopt good practices. Reporting on the effectiveness against bribery and corruption means that companies are responsible for the behaviour of their employees, and they recognize the negative consequences for their reputation. The information also makes the company more accountable. This raises high public awareness and pressures companies to adopt good corporate principles (Hess, 2009). Public reporting of a company's commitment to these anti-bribery measures can raise awareness of issues among internal and external stakeholders (Barkemeyer et al. 2015), and then give more credibility to anti-bribery related engagements.

CONCLUSION

The study aims to show and investigate the influence of anti-bribery disclosure in mining firm period 2017-2019. Research result showed that period 2017-2019, information of anti-bribery enhanced from year to year. Result of regression showed that size of board of director, state-owned company, and type of auditor firm are positive significant influence anti-bribery disclosure, meanwhile ROA has negative significant influence, and there is no influence of size of firm and firm leverage on company's anti-bribery disclosure. The trend of anti-bribery disclosure in mining companies in Indonesia period 2017-2019 is increase. This is indicating that mining firm

more aware to do this information. Companies disclose more about the whistle-blowing system policy because the whistle-blowing system is a system to anticipate fraud, bribery, gratuities, and corruption in the company. Research is useful for regulators to streamline anti-bribery activities of companies and disclose it to increase the trust and reliability of a company (Gunawan & Joseph, 2017). This factor can be supported by the existence of Presidential Instruction No. 10/2016 and the ISO 37001 standard issued by BSN so that companies can implement an anti-bribery management system that can be useful to reduce the risk of corruption that can harm their company. This research is also useful for universities to study lectures related to company sustainability reporting information because considering that protecting the environment and society is a human obligation for survival together. Thus, to reduce the negative impacts that can arise due to ignorance of the surrounding environment, further education is needed. This research is also useful for academics as literature or further research to develop and prove empirically the benefits of disclosing social responsibility, especially anti-bribery. The limitation of the research is that the research was only conducted on the mining sector in 2017-2019. Subsequent research can also examine empirically how the benefits of this disclosure can affect company performance and value (such as Li et al., 2018; Ronald et al., 2019).

ORCHID

Desi Zulvina  <https://orcid.org/0000-0002-2667-4682>

REFERENCES

- Asmeri, R., Alvionita, T., & Gunardi, A. (2017). CSR disclosures in the mining industry: Empirical evidence from listed mining firms in Indonesia. *Indonesian Journal of sustainability accounting and Management*, 1(1), 16-22. DOI:10.28992/ijSAM.v1i1.23
- Barkemeyer, R., Preuss, L., & Lee, L. (2015). Corporate reporting on corruption: An international comparison. In *Accounting Forum*, 39(4), 349-365. DOI:10.1016/j.accfor.2015.10.001
- BSN (Badan Standardisasi Nasional). (2016). Dukung Anti-Korupsi, BSN Tetapkan SNI ISO 37001:2016. Available at: http://bsn.go.id/main/berita/berita_det/7946/Dukung-AntiKorupsi--BSN-Tetapkan-SNI-ISO-37001-2016#.XQrPhlgzbIV (Accessed Juni 2019).
- Budiarso, Sony & Zuhri, L. C. (2019). *Indonesia salah satu penghasil tambang terbesar di dunia*. Available at: <https://feb.ugm.ac.id/id/berita/2877-indonesia-salah-satu-penghasil-tambang-terbesar-di-dunia> (Accessed 3 November 2020)
- Cahaya, F. R. & Hervina, R. (2019). Do human rights issues matter? An empirical analysis of Indonesian companies reporting. *Social Responsibility Journal*, 15(2), 226-243. DOI:10.1108/SRJ-10-2016-0171
- Clarkson, P. M., Fang, X., Li, Y., & Richardson, G. (2013). The relevance of environmental disclosures: Are such disclosures incrementally informative?. *Journal of accounting and public policy*, 32(5), 410-431. DOI:10.1016/j.jaccpubpol.2013.06.008
- De Villiers, C., & Van Staden, C. J. (2011). Where firms choose to disclose voluntary environmental information. *Journal of Accounting and Public Policy*, 30(6), 504-525.
- Dobler, M., Lajili, K., & Zéghal, D. (2015). Corporate environmental sustainability disclosures and environmental risk: Alternative tests of socio-political theories. *Journal of Accounting & Organizational Change*, 11(3), 301-332. DOI:10.1108/JAOC-10-2013-0081
- Fatemi, F., Ardalan, A., Aguirre, B., Mansouri, N., & Mohammadfam, I. (2017). Social vulnerability indicators in disasters: Findings from a systematic review. *International journal of disaster risk reduction*, 22, 219-227.

- Frias-Aceituno, J. V., Rodriguez-Ariza, L., & Garcia-Sanchez, I. M. (2013). The role of the board in the dissemination of integrated corporate social reporting. *Corporate social responsibility and environmental management*, 20(4), 219-233. DOI:10.1002/csr.1294
- Fuente, J. A., García-Sánchez, I. M., & Lozano, M. B. (2017). The Role of the Board of Directors in the Adoption of GRI Guidelines for the Disclosures of CSR Information. *Journal of Cleaner Production*, 141, 737-750
- Gago-Rodríguez, S., Márquez-Illescas, G., & Núñez-Nickel, M. (2020). Denial of corruption: Voluntary disclosure of bribery information. *Journal of business ethics*, 162(3), 609-626.
- Gallego-Álvarez, I. & Quina-Custodio, I. A. (2016). Disclosure of corporate social responsibility information and explanatory factors. *Online Information Review*.
- Gunawan, J. & Joseph, C. (2017). The Institutionalization of Anti-Corruption Practices in Indonesian Companies. *In Modern Organisational Governance* (pp. 147-159). Emerald Publishing Limited.
- Hermawan, A. & Gunardi, A. (2019). Motivation for disclosure of corporate social responsibility: evidence from banking industry in Indonesia. *Entrepreneurship and Sustainability Issues*, 6(3), 1297-1306. DOI:10.9770/jesi.2019.6.3(17)
- Hess, D. (2009). Catalyzing corporate commitment to combating corruption. *Journal of Business Ethics*, 88(4), 781-790. <https://doi.org/10.1007/s10551-009-0322-7>
- ICW. (2019). Laporan Tren Penindakan Kasus Korupsi 2019. Available at: https://antikorupsi.org/sites/default/files/dokumen/200215-tren_penindakan_kasus_korupsi_tahun_2019_final_2.pdf (Accessed 3 November 2020).
- Islam, M. A., Dissanayake, T., Dellaportas, S., & Haque, S. (2018, March). Anti-bribery disclosures: A response to networked governance. *In Accounting Forum*, 42(1), 3-16).
- Islam, M. A., Haque, S., Dissanayake, T., Leung, P., & Handley, K. (2015). Corporate disclosure in relation to combating corporate bribery: A case study of two Chinese telecommunications companies. *Australian Accounting Review*, 25(3), 309-326. DOI:10.1111/auar.12064
- Issa, A. & Alleyne, A. (2018). Corporate disclosure on anti-corruption practice. *Journal of Financial Crime*.
- Joseph, C., Gunawan, J., Sawani, Y., Rahmat, M., Noyem, J. A., & Darus, F. (2016). A comparative study of anti-corruption practice disclosure among Malaysian and Indonesian Corporate Social Responsibility (CSR) best-practice companies. *Journal of cleaner production*, 112, 2896-2906.
- KNKG. (2008). PEDOMAN SISTEM PELAPORAN PELANGGARAN - SPP (WHISTLEBLOWING SYSTEM – WBS). <https://fdokumen.com/document/knkg-pedoman-pelaporan-pelanggaranwhistleblowing-system-wbs.html> (Accessed 30 Desember 2020).
- Kolsi, M. C. (2017). The determinants of corporate voluntary disclosure policy. *Journal of Accounting in Emerging Economies*, 7(2), 249-265. <https://doi.org/10.1108/JAEE-12-2015-0089>
- Li, Y., Gong, M., Zhang, X. Y., & Koh, L. (2018). The impact of environmental, social, and governance disclosure on firm value: The role of CEO power. *The British Accounting Review*, 50(1), 60-75.
- Liu, S. (2015). Corporate governance and forward-looking disclosure: evidence from China. *Journal of International Accounting, Auditing and Taxation*, 25, 16-30.
- Nahar, S., Azim, M., & Jubb, C. (2016). The determinants of risk disclosure by banking institutions. *Asian Review of Accounting*, 24(4), 426-444. DOI:10.1108/ARA-07-2014-0075
- Ntayi, J. M., Ngoboka, P., & Kakooza, C. S. (2013). Moral schemas and corruption in Ugandan public procurement. *Journal of Business Ethics*, 112, 417-436. <https://doi.org/10.1007/s10551-012-1269-7>
- Nobanee, H. & Ellili, N. (2020). Anti-bribery information: extent and impact on banking performance of UAE Islamic and conventional banks. *Journal of Financial Crime*, 27(2), 683-695. <https://doi.org/10.1108/JFC-11-2019-0144>

- Nobanee, H., Atayah, O. F., & Mertzanis, C. (2020). Does anti-corruption disclosure affect banking performance?. *Journal of Financial Crime*, 27(4), 1161-1172. DOI:10.1108/JFC-04-2020-0047
- Odoemelam, N. & Okafor, R. G. (2018). The influence of corporate governance on environmental disclosure of listed non-financial firms in Nigeria. *Indonesian Journal of Sustainability Accounting and Management*, 2(1), 25-49.
- Osuagwu, L. (2012). Conceptualization of corruption in business organizations. *American International Journal of Contemporary Research*, 2(5), 18-25.
- Parker, R. H. (1992). *Macmillan dictionary of accounting*. Macmillan International Higher Education.
- Prasethiyo, D. (2017). Pengaruh Leverage, Ukuran Perusahaan, Sensitivitas Industri, dan Media Exposure Terhadap Pengungkapan Tanggung Jawab Sosial Perusahaan (Studi Empiris pada Perusahaan Manufaktur yang Terdaftar di Bursa Efek Indonesia) [The Impact of Leverage, Company Size, Industrial Sensitivity, and Exposure Media on Disclosures of Corporate Social Responsibility (Empirical Study on Manufacturing Companies Listed on the Indonesia Stock Exchange)]. *Jurnal Akuntansi*, 5(2).
- Purushothaman, M. A. Y. A., Tower, G., Hancock, P., & Taplin, R. (2000). Determinants of corporate social reporting practices of listed Singapore companies. *Pacific Accounting Review*, 12(2), 101-133.
- Riahi-Belkaoui, A. (2003). Intellectual capital and firm performance of US multinational firms. *Journal of Intellectual capital*, 4(2), 215-226. DOI:10.1108/14691930310472839
- Ronald, S., Ng, S. & Daromes, F. E. (2019). Corporate social responsibility as economic mechanism for creating firm value. *Indonesian Journal of Sustainability Accounting and Management*, 3(1), 22-36.
- Sadou, A., Alom, F., & Laluddin, H. (2017). Corporate social responsibility disclosures in Malaysia: evidence from large companies. *Social Responsibility Journal*, 13(1), 177-20. DOI:10.1108/SRJ-06-2016-0104
- Saha, R. & Kabra, K. C. (2019). Does Corporate Governance Influence Voluntary Disclosure? Evidence from India. *Indonesian Journal of Sustainability Accounting and Management*, 3(2), 203-214. <https://doi.org/10.28992/ijsam.v3i2.97>
- Sampong, F., Song, N., Boahene, K., & Wadie, K. (2018). Disclosure of CSR Performance and Firm Value: New Evidence from South Africa on the basis of the GRI Guidelines for Sustainability Disclosure. *Sustainability*, 10(12), 1-28.
- Smith, J., Adhikari, A., & Tondkar, R. (2005). Exploring differences in social disclosures internationally: A stakeholder perspective. *Journal of Accounting and Public Policy*, 24(2), 123-151. DOI:10.1016/j.jaccpubpol.2004.12.007
- Tempo.co. (2015). *Tanggung Jawab Sosial BUMN, Ini Dasarnya*. Available at: <https://bisnis.tempo.co/read/671302/tanggung-jawab-sosial-bumn-ini-dasarnya> (Accessed 17 Mei 2019)
- Tsamenyi, M., Enninful-Adu, E., & Onumah, J. (2007). Disclosure and corporate governance in developing countries: Evidence from Ghana. *Managerial Auditing Journal*, 22(3), 319-334. DOI:10.1108/02686900710733170
- Tuasikal, Rio. (2019). "Mining For Life" Berupaya Perbaiki Citra Buruk Industri Tambang. Available at: <https://www.voaindonesia.com/a/mining-for-life-berupaya-perbaiki-citra-buruk-industri-tambang/4756704.html> (Accessed 3 November 2020)
- United Nations Global Compact. (2020). *The ten principles of the UN global compact*. Retrieved November 05, 2020, from <https://www.unglobalcompact.org/what-is-gc/mission/principles/principle-10>
- Williams, S. M. (2001). Is intellectual capital performance and disclosure practices related?. *Journal of Intellectual capital*, 2(3), 192-203. <https://doi.org/10.1108/14691930110399932>
- Zulvina, D. & Adhariani, D. (2020a). Anti-corruption disclosure and firm value: Can female CEOs and CFOs have moderating roles?. *International Journal of Innovation, Creativity and Change*, 10(11), 771-794.
- Zulvina, D. & Adhariani, D. (2020b). Anti-corruption practice disclosures: Evidence from Indonesia. In *Research on Firm Financial Performance and Consumer Behavior* (pp. 87-100). Nova Science Publishers, Inc.