

ABSTRACT

This study is motivated by the growing urgency of global climate change issues, which encourages companies to be more transparent in disclosing carbon emissions, in line with the Paris Agreement and Presidential Regulation No. 98 of 2021. A quantitative approach with panel data regression is used to analyze the influence of environmental performance (PROPER score), institutional ownership, independent commissioners, profitability (ROA), and leverage (DER) on carbon emission disclosure in companies from the basic materials, industrial, and consumer cyclicals sectors listed on the Indonesia Stock Exchange (IDX) for the 2021–2024 period.

The analysis results show that all five independent variables simultaneously have a significant effect on carbon emission disclosure. Partially, environmental performance and profitability have a positive influence, while institutional ownership, independent commissioners, and leverage show no significant effect. These findings support legitimacy and stakeholder theories, where companies are driven to maintain public and investor trust through better environmental disclosure.

This research contributes to companies, investors, and the government in promoting higher-quality carbon emission disclosure practices and serves as a foundation for further research on sustainability issues in Indonesia.

Keywords: Environmental Performance, Institutional Ownership, Independent commissioners, Profitability, Leverage, Carbon Emissions Disclosure