

THE INFLUENCE OF COMPANY SIZE, COMPANY GROWTH, PROFITABILITY AND LEVERAGE ON CORPORATE SOCIAL RESPONSIBILITY DISCLOSURE

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Abstract. This research aims to empirically test the influence of company size, company growth, profitability and leverage on corporate social responsibility (CSR) disclosure in pharmaceutical and manufacturing companies in the chemical sub-sector. The population in this research are companies listed on the Indonesia Stock Exchange (BEI). in 2018-2022. The total population of this study was 23 companies. Sample selection was carried out using a purposive sampling method and 12 companies were obtained that met the criteria. Hypothesis testing research was carried out using multiple linear regression analysis using the Statistical Product and Service Solution (SPSS) program. The research results show that partially company size has a significant positive effect on Corporate Social Responsibility (CSR) disclosure, company growth has a positive but not significant effect on Corporate Social Responsibility (CSR) disclosure, profitability has a significant positive effect on Corporate Social Responsibility (CSR) disclosure, leverage positive but not significant effect on Corporate Social Responsibility (CSR) disclosure.

Keywords: Company Size, Growth Size, Profitability, Leverage, Corporate Social Responsibility (CSR) Disclosure

I. INTRODUCTION

Pharmaceutical and chemical sub-sector manufacturing companies are a subset of manufacturing companies listed on the IDX. On the IDX, manufacturing companies cover 3 fields, namely miscellaneous industries, basic & chemical industries and consumer goods industries. Pharmaceutical companies are classified in the consumer goods industry sector with the pharmaceutical sub-sector while chemical sub-sector manufacturing companies are included in the basic industrial and chemical sector with the chemical sub-sector. The existence of these companies in the community certainly has a positive impact and a negative impact, especially for the community around the company. The positive impact of the establishment of a company is that it is able to open up employment opportunities for the community, especially the community around the company to have a source of livelihood and a source of income in order to fulfill their life activities. However, it cannot be denied that in carrying out its activities the company sometimes causes problems such as environmental pollution which causes damage to the surrounding environment, reduced natural resources and pollution (Syawalluddin et al, 2021).

Corporate social responsibility (CSR) or corporate social responsibility is a concept in which companies show attention and responsibility to the environmental and social affected by the operations of a company. In this era of globalization, corporate social responsibility is increasingly recognized as a key element in maintaining business continuity. Companies are

not only expected to achieve financial returns, but are also required to contribute to environmental sustainability, community welfare, and social justice. The more a company develops, the higher the level of environmental damage that occurs. To survive, the company must care about the environment in which it operates. The company's concern for its environment is implemented by Corporate Social Responsibility (CSR) carried out by the company.

II. LITERATURE REVIEW

A. Stakeholder Theory

Based on stakeholder theory, company management receives various expectations from stakeholders, this is because a company is influenced by the support obtained from stakeholders in the company. This theory has to do with management policies to control stakeholder expectations. Stakeholder theory says that a company is not an entity that only operates for its own interests but must provide benefits to its stakeholders. Thus, the existence of a company is strongly influenced by the support provided by stakeholders to the company (Ghozali & Chariri, 2007). Wibisono (in Kirana, 2009) defines stakeholders as parties or groups that are interested, either directly or indirectly, in the existence or activities of the company, and therefore the group affects or is affected by the company. Another definition is put forward by Kirana (2009), which states that what is meant by stakeholders is every group inside and outside the company that has a role in determining the success of the company. They are suppliers, customers, government, local communities, investors, employees, political groups, trade associations and others.

B. Agency Theory

Agency theory, first coined by Jensen & Meckling (1976), states that an agency relationship is a contract under which one or more persons (the principal(s)) engage another person (the agent) to perform some service on their behalf which involves delegating some decision making authority to the agent. In other words, an agency relationship is a relationship where the agent gets the authority to determine decision-making steps for the benefit of the principal. In this case, the principal (owner) hires agents (managers) as experts to manage the company's operational activities, with the hope that the management of the company carried out by professionals the company can survive in competition, and the company's performance can increase.

C. Signaling Theory

Signaling theory was first proposed by Spence (1973) which explains that the sender (owner of information) provides a signal or signal in the form of information that reflects the condition of a company that is beneficial to the recipient (investor). According to Brigham and Houston (2011) signal theory explains management's perception of the company's future growth, which will affect the response of potential investors to the company. The signal is in the form of information that explains management's efforts to realize the owner's wishes. This information is considered an important indicator for investors and business people in making investment decisions.

D. Legitimacy Theory

Legitimacy theory focuses on the interaction between companies and society. This theory states that organizations are part of society so they must pay attention to social norms because conformity with social norms can make companies more legitimate. Ghazali and Chariri (2007) state that what underlies legitimacy theory is the social contract between the company and the community where the company operates and uses economic resources. Thus, legitimacy has benefits to support the survival of a company.

E. Legitimacy Theory

Disclosure is simply defined as the release of information. The purpose of disclosure according to the Securities Exchange Commission (SEC) is categorized into two, namely: 1) protective disclosure, intended as an effort to protect investors, and 2) informative disclosure, aimed at providing appropriate information to report users (Utomo, 2000). Belkaoui (2000) suggests six disclosure objectives, namely:

1. Describe items that are recognized and to provide relevant measures for these items, in addition to measures in the financial statements.
2. Describe items that have not been recognized and to provide useful measures for these items.
3. Provide information that assists investors and creditors in determining risks and potential items to be recognized and unrecognized.
4. Provides important information that users of financial statements can use to compare between companies and between years.
5. Provides information on future cash inflows and outflows.
6. Assist investors in determining their return and investment.

F. Corporate Social Responsibility

Corporate Social Responsibility (CSR) is an effort made by a company voluntarily to increase its attention to environmental and social issues in its business activities and as a form of company interaction with its stakeholders. CSR can also be interpreted as a company's commitment to contribute to sustainable economic development, working with company employees, employee families, and surrounding communities to improve the quality of life (Yovana & Kadir, 2020).

G. Company Size

Company size is used to classify the size of a company (Kurnianingsih, 2013). Hery (2014) states that company size is a scale used in determining the size of a company. Company size is a measure by which companies can be distinguished in size, based on total capital, total assets, and revenue. This is as stated by Ruslim et al, (2017) that company size is a scale where companies are classified in various ways, for example, such as total assets, log size, market price of share and so on.

$$\text{SIZE} = \text{Ln (Total assets)}$$

H. Company Growth

Company growth is an indicator that shows company performance. *Growth* is how far the company places itself in the overall economic system or economic system for the same

industry (Machfoedz, 1996). Growth is the impact on the company's flow of funds from operational changes caused by growth or decrease in business volume. Growth is one of the tools that facilitate the summarization of various aspects of a company's financial and investment policies. Good growth will give a sign for the development of the company, therefore the company's growth is highly expected by internal and external parties of the company (Junita, 2014).

$$Growth = \frac{Penjualan\ t - Penjualan\ t - 1}{Penjualan\ t - 1}$$

I. Profitability

Basically, profit is classified as the main element that must be considered by the company because it is influential in ensuring the process of continuing operational work within the company. The profitability ratio is very important because it can measure the company's ability to generate profits so that potential investors and company investors can see this ratio to invest funds in the company (Megawati and Tarigan, 2018).

$$ROA = \frac{Laba\ bersih\ setelah\ pajak}{Total\ aset} \times 100\%$$

J. Leverage

Leverage is a tool to measure how much the company depends on creditors in financing the company's assets. According to Smith (2002) in (Wahyu Andika Putri & Tri Kusumawati, 2020) defines that *leverage* is a use of borrowed money made by companies to make investments and return on that investment. So that through the use of the *leverage* ratio it is useful in measuring the level of performance or the company's ability to pay off debt during the agreed period (Rahayu & Sitohang, 2019). Through *leverage* can also be used as a measurement that aims to compare total debt with total equity (Steven & Sha, 2022).

$$DER = \frac{Total\ Utang}{Total\ Modal} \times 100\%$$

K. Research Framework

The theoretical framework described in this study is expected to provide a visual description of the research to be conducted regarding the effect of company size, company growth, profitability, and *leverage* on *Corporate Social Responsibility* (CSR) disclosure. The theoretical framework model in this study can be seen as follows:

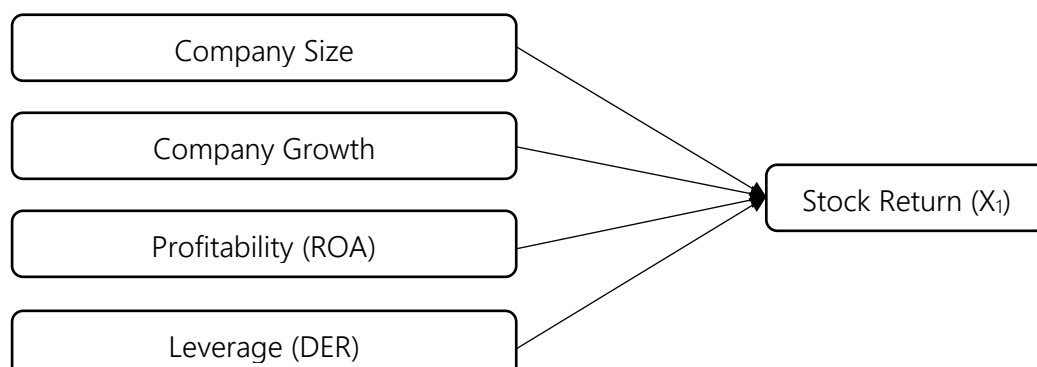


Figure 1. Research Framework

L. Hypothesis Development

The Effect of Company Size on Corporate Social Responsibility Disclosure

The size of a company has a significant impact on Corporate Social Responsibility (CSR) disclosure, in line with stakeholder theory and agency theory. According to stakeholder theory, companies are considered to have responsibilities not only to shareholders, but also to various parties who have an interest in the success and survival of the company, such as employees, customers, communities, and the environment. In this context, larger companies tend to make more CSR disclosures because they have more diverse stakeholders.

H1: Company size has a positive effect on *corporate* social responsibility disclosure.

The Effect of Company Growth on Corporate Social Responsibility (CSR) Disclosure

Company growth has a significant influence on Corporate Social Responsibility (CSR) disclosure, which can be analyzed through stakeholder theory and agency theory. According to stakeholder theory, company growth expands its sphere of influence, which can increase the number of parties involved or affected by company activities. Along with this growth, companies may be faced with pressure from various stakeholders, such as employees, customers, communities, and investors, to adopt more socially and environmentally responsible business practices. On the other hand, in the context of agency theory, corporate growth creates larger and more complex agents, which may lead to conflicts of interest between management and shareholders. In an effort to address agency risk and maintain shareholder trust, management is likely to increase corporate transparency and accountability through CSR disclosure.

H2: Company growth has a positive effect on disclosure of *corporate* social responsibility.

Effect of Profitability on Corporate Social Responsibility (CSR) Disclosure

The effect of profitability on Corporate Social Responsibility (CSR) disclosure can be analyzed through the perspective of stakeholder theory and agency theory. According to stakeholder theory, when companies are more profitable, they tend to have more resources to allocate to CSR initiatives in response to the expectations and needs of the various parties involved in the company's operations, including employees, customers, and society. On the other hand, in agency theory, high profits may raise concerns for shareholders about the risk of management using profits for personal interests or goals that are not aligned with long-term shareholder interests. In this case, CSR disclosure can be used by management to demonstrate the company's commitment to social and environmental responsibility, which can reduce conflicts of interest with shareholders and increase corporate transparency.

H3: Profitability has a positive effect on the disclosure of social responsibility (Corporate Social Responsibility)

The Effect of Leverage on Corporate Social Responsibility (CSR) Disclosure

The effect of leverage, which refers to the use of borrowed funds by companies, on Corporate Social Responsibility (CSR) disclosure can be analyzed through two main perspectives, namely stakeholder theory and agency theory. According to stakeholder theory, companies have responsibilities to various parties involved in their activities, including lenders. By using

leverage, companies increase their obligations to creditors, thus increasing the importance of relationships with all stakeholders, including lenders. In an effort to maintain good relationships with all parties involved, companies may be more inclined to increase CSR disclosures as a way to demonstrate their commitment to responsible business practices. On the other hand, according to agency theory, the use of leverage may increase agency risk as management may use borrowed funds to pursue goals that may not be aligned with the long-term interests of shareholders.

H4: Leverage has a negative effect on corporate social responsibility disclosure.

III. RESEARCH METHODOLOGY

A. *Type of Research*

Based on the explanation of the problem formulation and research objectives, namely to determine the effect of company size, company growth, profitability, and *leverage* on *Corporate Social Responsibility* (CSR) disclosure, this research is a quantitative approach with an explanatory type of research.

B. *Sample and Research Population*

The population in this study were all pharmaceutical and chemical sub-sector manufacturing companies listed on the IDX for the period 2018-2022. The sample is part of the population to be studied, as stated by Sugiyono (2015) that the sample is part of the number and characteristics possessed by the population. If the population is large, and it is impossible for researchers to study everything in the population, for example due to limited funds, energy and time, then researchers can use samples taken from that population. The sampling technique in this study was purposive sampling. According to Sugiyono (2015) purposive sampling is a method of determining samples based on certain criteria. The criteria used in sample research are:

1. Pharmaceutical and manufacturing companies in the chemical sub-sector that are listed on the IDX and their shares are actively traded during 2018-2022.
2. Pharmaceutical and chemical sub-sector manufacturing companies that publish annual reports in the 2018-2022 period.
3. Pharmaceutical and chemical sub-sector manufacturing companies that publish social disclosures and are publicly available in their annual reports during the 2018-2022 period.
4. Pharmaceutical and chemical sub-sector manufacturing companies that provide data on company size, company growth, profitability and leverage in their financial statements during the 2018-2022 period.
5. Did not experience losses during the study period.

Based on these criteria, it is obtained that pharmaceutical and chemical sub-sector manufacturing companies listed on the IDX for the 2018-2022 period which are the research samples in the following table:

Table 1. Company Sample Criteria

No.	Sample Criteria	Total
1	Pharmaceutical companies and chemical sub-sector manufacturers listed on the IDX and their shares are actively traded during 2018-2022.	23

2	Pharmaceutical and chemical sub-sector manufacturing companies that did not publish annual reports in the 2018-2022 period.	-5
3	Pharmaceutical and chemical sub-sector manufacturing companies that do not publish social disclosures and are publicly available in their annual reports during the 2018-2022 period.	-2
4	Pharmaceutical and chemical sub-sector manufacturing companies that do not provide data on company size, company growth, profitability and leverage in their financial statements during the 2018-2022 period.	0
5	Did not experience losses during the study period.	-4
Total Research Sample		12
Total Research Data (12 companies x 5 years)		60

IV. RESULT AND DISCUSSION

A. Normality Test

The normality test is used to test the normality for distribution using a regression model, the normality test in this study uses the Kolmogorov - Smirnov technique which is a normality test using the cumulative distribution function as the technique. According to Ghazali (2016) if the results of the normality test > 0.05 then the data from the residuals have significant normal results. If Kolmogorov - Smirnov shows a value < 0.05 then the residual data has abnormal results.

Table 2. One Sample Kolmogorov - Smirnov Normality Test Results

Residual	P-value
Model 1	0.200

Source: Data processed (2024)

Based on the results of the normality test with the *one sample Kolmogorov - Smirnov* test, the *p-value* of 0.200 is greater than α (0.05). Based on this test, a decision is made to accept H_0 , which means that the residual distribution is normally distributed (the assumption of normality is fulfilled).

B. Multicollinearity Test

Multicollinearity test is used to test whether the regression model has a correlation between independent variables or independent variables. In this variable, it causes multicollinearity with a value > 0.10 or the value of the variance information factor (VIF) < 10 so that it causes no multicollinearity.

Table 3. Multicollinearity Test Results

Variable	Tolerance	VIF
$X_{(1)}$ (Company Size)	0.980	1.020
$X_{(2)}$ (Company Size)	1.165	1.165
$X_{(3)}$ (Company Size)	1.224	1.224
$X_{(4)}$ (Company Size)	0.733	1.365

Source: Data processed (2024)

Based on the table above, it is found that all VIF values of each independent variable are less than 10 with a tolerance value of more than 0.1, which means that between the independent variables there is no strong enough correlation or there is no multicollinearity (assumptions met).

C. Heteroscedasticity Test Results

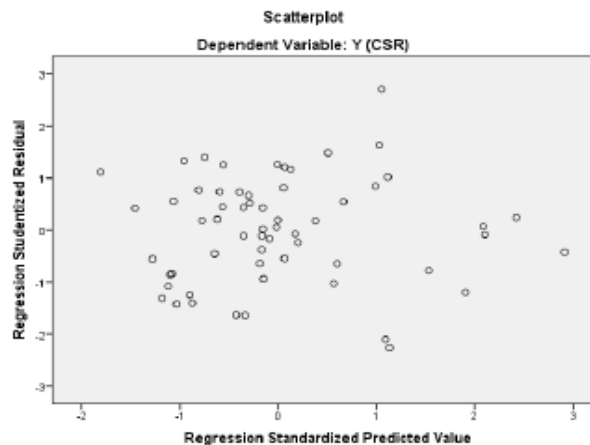


Figure 1. Scatterplot Graph of Heteroscedasticity Test Results

The way to test for homoscedasticity is to look at the plot graph between the predicted value of the dependent variable (ZPRED) and the residual (SRESID). If the existing points form a certain regular pattern (wavy, widening then narrowing), it indicates that heteroscedasticity has occurred (assumptions are not met). Meanwhile, if there is no clear pattern, or the points spread above and below the number 0 on the Y axis, then there is no heteroscedasticity (assumptions are met). From the scatterplot results in Figure 1 above, it can be seen that the points are scattered randomly (no pattern) both above and below the number 0 on the Y axis, which means that the heteroscedasticity assumption is met (homogeneous residual variation).

D. Autocorrelation Test

According to Ghazali (2016) the autocorrelation test is a test used to measure the correlation of the regression model and whether there is a correlation disorder (autocorrelation) caused by specification errors in period t to period $t-1$ or the previous period. The autocorrelation test can be measured by Durbin - Watson which has the advantage of detecting whether or not autocorrelation exists in the regression model. In testing specifications using Durbin - Watson which has a value if $du < dw < 4-du$, it can be concluded that there is no autocorrelation.

Table 4. Autocorrelation Test Results

d_L	d_U	DW	$4-d_U$	$4-d_L$
1.444	1.727	1.994	2.273	2.556

Source: Data processed (2024)

Judging from the durbin Watson in table 4.8 above, because the dw value is located between d_U and $4-d_U$, it can be said that there is no autocorrelation between residuals (assumption fulfilled).

E. Model and Hypothesis Testing

This study uses multiple linear regression as an analytical tool. The results of this multiple linear regression calculation are used to predict the magnitude of the influence between the independent variables, namely Company Size (X₁), Company Growth (X₂), ROA (X₃) and DER (X₄) on CSRDI (Y).

Table 5. Recapitulation of Multiple Regression Analysis Results

Free Variable	B	t	Sig.
Size (X ₁)	0.010	2.650	0.011
Company Growth (X ₂)	0.004	0.074	0.941
ROA (X ₃)	0.687	4.135	0.000
DER (X ₄)	0.002	1.211	0.231
Dependent Variable: CSRDI (Y)			
Constant = -0.079			
Adjusted R Square = 0.292			
F = 7.077			
F-table (F _{4,55,0.05}) = 2.540			
Sig. F = 0.000			

Source: Data processed (2024)

Based on the analysis results as listed in the table above, the regression equation can be formed as follows:

$$Y = -0.079 + 0.010 X_1 + 0.004 X_2 + 0.687 X_3 + 0.022 X_4$$

F. Test t (Partial Test)

Partial regression model testing is used to determine whether each independent variable forming the regression model individually has a significant effect on the dependent variable. With the following hypothesis:

- H₀: There is no significant influence between each independent variable on the dependent variable;
- H₁: There is a significant influence between each independent variable on the dependent variable.

Decision making:

- H₀ is rejected if |t count| > t table, or p-value < α
- H₀ is accepted if |t count| < t table, or p-value > α

Based on Table 5, the following results are obtained:

1. The constant obtained is -0.079, indicating that before the influence of the independent variables, there is an initial decrease in variable Y (CSR) of 0.079 numbers.
2. Variable X₁ (company size) has a positive and significant effect on variable Y (CSR). It can be seen from the t test statistics with |t count| greater than t table (2.650 > 2.004) and p-value t which is smaller than α (0.011 < 0.050). This test shows the decision that H₀ is rejected. The coefficient obtained of 0.010 indicates that an increase of 1 number of variable X₁ (company size) can increase variable Y (CSR) by 0.010 numbers significantly.
3. Variable X₂ (Company growth) has a positive and insignificant effect on variable Y (CSR). Seen from the t test statistics with |t count| smaller than t table (0.074 < 2.004) and p-value

- t greater than α ($0.941 > 0.050$). This test shows the decision that H_0 is accepted. The coefficient obtained of 0.004 indicates that an increase of 1 number of variable X_2 (Company growth) can increase variable Y (CSR) by 0.004 numbers but not significant.
4. Variable X_3 (Profitability - ROA) has a positive and significant effect on variable Y (CSR). Seen from the t test statistics with $|t \text{ count}|$ greater than t table ($4.135 > 2.004$) and p-value t which is smaller than α ($0.000 < 0.050$). This test shows the decision that H_0 is rejected. The obtained coefficient of 0.687 indicates that an increase of 1 number of variable X_3 (Profitability - ROA) can increase variable Y (CSR) by 0.687 numbers significantly.
 5. Variable X_4 (Leverage - DER) has a positive and insignificant effect on variable Y (CSR). Seen from the t test statistics with $|t \text{ hitung}|$ smaller than t table ($1.211 < 2.004$) and p-value t greater than α ($0.231 > 0.050$). This test shows the decision that H_0 is accepted. The coefficient obtained of 0.022 indicates that an increase of 1 number of variable X_4 (Leverage - DER) can increase variable Y (CSR) by 0.022 numbers but not significant.

G. F Test (Simultaneous Test)

Simultaneous testing is done to show whether all variables used in the regression model have a significant influence on variable Y (CSR). The hypothesis used in testing the coefficient of the regression model simultaneously is as follows:

- H_0 : there is an insignificant influence between the independent variable on the dependent variable
- H_1 : there is a significant influence between the Independent variable on the dependent variable
- The decision-making criteria are as follows:
- H_0 is rejected if $F \text{ count} > F \text{ table}$, or $P\text{-value} < \alpha$
- H_0 is accepted if $F \text{ count} < F \text{ table}$, or $P\text{-value} > \alpha$

Based on Table 5 above, it can be seen that the calculated F value is greater than the F table ($7,077 > 2,540$) and has a p-value smaller than α ($0.000 < 0.050$), so H_0 is rejected. This means that simultaneously, the independent variables X_1 (company size), X_2 (company growth), X_3 (profitability - ROA), and X_4 (leverage - DER) significantly affect the dependent variable Y (CSR).

H. Coefficient of Determination (Adjusted R^2)

The magnitude of the contribution of the influence of the independent variables simultaneously on the dependent variable, based on the calculation results in table 4.10 with a coefficient of determination (Adjusted R Square) of 0.292. These results explain the contribution or contribution of the influence of the independent variables (X_1 (company size), X_2 (Company growth), X_3 (Profitability - ROA), and X_4 (Leverage - DER)) included in the regression equation on variable Y (CSR) is 29.2%, while the other 70.8% is contributed by other independent variables that are not included in this equation.

I. Discussion

The Effect of Company Size on CSR Disclosure

Company size is a scale used to determine the size of a company that can be measured by the company's total assets. The larger the size of the company indicates the stronger condition of the company. Based on the results of the analysis, it is known that company size has a significant positive effect on corporate social responsibility disclosure (CSRDI). This shows that the larger the size of the company, which is indicated by the greater the total assets it has, the wider the CSR disclosure made by the company.

According to stakeholder theory, companies with large sizes tend to receive public attention and pressure due to negative externalities and the possibility of social inequality caused. To reduce this pressure, the company will increase CSR practices as a form of legitimacy and accountability to stakeholders (Syarefah, 2018).

The results of this study are in line with the research of Ruslim et al. (2017), Hastuti (2014), Dewi and Sedana (2019), and Yovana and Kadir (2020) who found that company size has a positive and significant effect on CSR disclosure. The larger the size of the company, the more public attention increases, so that companies are encouraged to disclose more CSR activities as a form of accountability to internal and external stakeholders.

Effect of Company Growth on CSR Disclosure

Company growth is one of the performance indicators that show the extent to which the company has increased economic activity. Based on the results of the analysis, company growth has a positive but insignificant influence on CSR disclosure. This means that companies with high sales growth rates do not necessarily disclose CSR more widely.

Companies with high growth rates tend to prioritize funding production activities to increase sales and profits rather than allocating funds for social activities that are considered to increase costs (Suyatno & Sondakh, 2019). Investors also often prioritize short-term profits over long-term sustainability such as CSR.

In the perspective of signaling theory, company growth can indeed be a sign of company success, but the quality of sustainability practices and company transparency in conveying social and environmental information are often more relevant signals in determining the level of CSR disclosure.

This finding supports the research of Hastuti (2014) and Wigrhayani (2018) which state that company growth has a positive effect on CSR disclosure, although in this study it is statistically insignificant.

Effect of Profitability on CSR Disclosure

Profitability describes the company's ability to generate profits through the utilization of its assets. In this study, profitability is proxied by Return on Assets (ROA). The analysis shows that profitability has a significant positive effect on CSR disclosure. The higher ROA indicates better financial performance so that the company has a greater ability to perform and disclose CSR activities.

In stakeholder theory, companies that get strong financial support from profits need to meet the expectations of stakeholders by showing positive contributions to the environment and society. In addition, agency theory also explains that the greater the profitability, the wider the space for management to make CSR disclosures and convey this information to the owners of capital as a form of accountability.

The results of this study support the findings of Ruslim et al. (2017), Wigrhayani (2018), and Dewi and Sedana (2019) which show that profitability has a positive effect on CSR disclosure.

Leverage Effect on CSR Disclosure

Leverage describes how much proportion of the company's funding comes from debt, in this study measured by Debt to Equity Ratio (DER). The analysis shows that leverage has a positive but insignificant influence on CSR disclosure. This indicates that the high level of corporate debt has not been a major consideration in determining the level of CSR disclosure.

Based on descriptive data, the DER of companies in the sample is relatively low (below 1), so the use of debt is still in good condition and creditor pressure on CSR disclosure is not dominant.

In the perspective of legitimacy theory, companies are more focused on meeting financial obligations to maintain operational sustainability than investing in CSR programs. On the other hand, the positive side of high leverage can also be seen as the potential for companies to grow bigger and increase CSR disclosure in order to attract investor support.

This finding is not in line with Nur & Priantinah (2012), and Yovana and Kadir (2020) who found that leverage negatively affects CSR. However, this finding supports the research of Korniasari and Adi (2021) which states that leverage has a positive effect on CSR disclosure.

V. CONCLUSION

This study aims to obtain empirical evidence regarding the effect of company size, company growth, profitability and leverage on Corporate Social Responsibility (CSR) disclosure in pharmaceutical and chemical sub-sector manufacturing companies listed on the IDX for the period 2018-2022. Based on the formulation of the problem, objectives, data analysis and discussion that has been carried out, it can be concluded as follows:

1. Company size has a significant positive effect on disclosure of social responsibility (Corporate Social Responsibility) in pharmaceutical and manufacturing companies in the chemical sub-sector.
2. Company growth has a positive but insignificant effect on disclosure of social responsibility (Corporate Social Responsibility) in pharmaceutical and manufacturing companies in the chemical sub-sector.
3. Profitability has a significant positive effect on disclosure of social responsibility (Corporate Social Responsibility) in pharmaceutical companies and chemical sub-sector manufacturing.
4. Leverage has a positive but insignificant effect on the disclosure of social responsibility (Corporate Social Responsibility) in pharmaceutical and manufacturing companies in the chemical sub-sector.

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