Abstract

Objective The objective of this research is to analyze the companies already conduct Corporate Social Disclosure that have correlation with Financial Performance in listed of LQ-45 companies in Indonesia and the companies stated both of report in companies sustainability report based on standard that conduct in Indonesia.

Method The method in this research is to find the correlation between corporate social Disclosure (CSD) and Corporate Financial Performance(CFP) based on ‘LQ-45’ companies period of February until July 2011 that conduct in year of 2010 and 2011.Furthermore, in this research the author choose Global Reporting Initiative 3.1(GRI) standard that also applied in Indonesia to measure CSP performance.

Return on equity, Earning per share and 5 years average of Return on asset are used as CFP measurements. Result There is only one CSD variable, human rights, has correlation to Corporate Financial performance variable, average ROA. However, the correlation between the variables is weak to low. While, the other CSD and CFP variables has no correlations.

Conclusion CSR disclosure in social performance offer positive contribution to ‘LQ-45’ company performance during period 2010 and 2011. It is reflected by the increasing CSR disclosure in 2011 rather than 2010.

Keywords Corporate Financial Performance, Corporate Social Disclosure, Corporate Social performance, Sustainability Report, Correlation, Relationship.