LISTED COMPANY AND DISCLOSURE OF CORPORATE SOCIAL RESPONSIBILITY (CSR): EMPIRICAL EVIDENCE FROM VIET NAM

M. Fin. Mrs Luong Thi Thao

thaoluong@ueh.edu.vn

Mr. Nguyen Thanh Chuong

chuongnguyen49.k43@st.ueh.edu.vn

Faculty of Finance, University of Economics Ho Chi Minh City, Vietnam

Abstract

Social responsibility disclosure (CSR) has become one of the strategic action programs in many countries. However, in Vietnam, this issue is not focused on the operation process of enterprises. On the other hand, differences in the business environment such as culture, geographic regions, politics, governance characteristics,... make policies on CSR information disclosure indicators in other countries are not appropriate when applying to Vietnam, so creating and building a set of indicators, assessment framework for the extent of social responsibility disclosure is becoming an important issue. Starting from that basis, the study examines the current situation of how corporate social responsibility disclosure in listed companies in Vietnam is taking place, along with that the study also examines corporate governance, ownership, characteristics, and financial factors that influence CSR disclosure through the development of indicators based on four dimensions of environment, human resources, products and customers, and community.

After performing regression analysis and resolving defects from the models OLS, FEM, REM and GLS with 240 listed company from 2013-2019, the results were for the proportion of female board members, foreign ownership, company size, enterprise age, auditing firm, and growth potential are positively correlated, with variables in state ownership and financial leverage having a statistically significant correlation with CSR. In addition, the research results also show that the situation of CSR information disclosure of Vietnamese listed companies is getting more and more attention, in which two indicators on human resource and product/customers information disclosure are the two most published indicators. Furthermore, the research results also show that enterprises whose activities directly affect the CSR indicator components a higher level of CSR information disclosure at that indicator.

Keywords: *CSR, listed company, Vietnam.*

1. Introduction:

1.1. Overview

The whole world is entering an explosive era of globalization and international integration, which presents the economies of nations with great opportunities and potentials for development. However, besides that integration process, sustainable development to ensure the maintenance of future resources for the whole society poses many challenges for businesses along with generating profits. In the past few years, with a series of social problems such as the case of Vedan company silently killing Thi Vai river (Dong Nai), a series of product quality scandals from the case of Tan Hiep Phat with "500 million flies" or most recently, the Formosa environmental disaster that killed a series of marine species along the central coast has raised concerns about the problem corporate social responsibility of Vietnamese enterprises.

The term corporate social responsibility in the world has been around for a long time and has been successfully implemented by developed countries in parallel with maximizing corporate profits. According to statistical data from Pricewaterhouse in 2012, more than 70% of the managers of enterprises consider the implementation of social responsibility disclosure as a matter of survival for the whole business. Especially, with the problems occurring in the country in recent times, the publication of information on social responsibility is even more important to help people understand and trust more in environmental and social values, etc. These businesses have been doing, and also help companies improve the quality and value of their brand in relation concerning other business entities.

In Vietnam, although the state has focused on issues of social responsibility since early with the policy "CSR towards sustainable development" (2005), in general, activities on CSR information disclosure of enterprises have not been really focused, perfected and complete. Besides, there are still not many empirical studies on the level of CSR information disclosure in Vietnam, if any, only at the level of basic research for specific industry groups or companies but not considering the overall market, with the level of information declaration is incomplete, not up to date such as: My, Nguyen Ha (2017) research-based on factors affecting CSR in Ho Chi Minh City Stock Exchange. Ho Chi Minh City; Thanh, Nguyen Le Van (2019) research on CSR in Vietnam's consumer goods industry;); eitc. From the reality of the current state of CSR disclosure in Vietnam, the author researches with the desire to contribute to the practice to help businesses recognize the factors and the extent of their impact on the environment. The publication of information on social responsibility will have a basis to build a suitable set of mechanisms for sustainable development commensurate with the issue of generating profits as well as helping investors and consumers use an effective source of information to make investment decisions and purchase choices more effectively.

1.2. Objective

Measuring the level of disclosure of social responsibility of enterprises listed on HOSE and HNX, thereby assessing the situation disclosure of social responsibility of the companies listed in Vietnam.

Identify factors related affecting the level of corporate social responsibility information disclosure on annual reports and corporate sustainability reports

1.3. Literature Review

1.3.1. Carroll theory

Archie Carrol's theory about corporate social responsibility was developed through various stages. At the first stage, this theory is understood as the connection of basic factors including Economy, environment and social responsibility in business. After this time, Archie Carrol developed CSR into a pyramid model that includes economic, legal, ethical and philanthropic responsibility. Accordingly, economic responsibility is located at the bottom of the pyramid, showing that the goal of creating profit value is the core and most basic motivation for all business activities and policies. Located on the bottom part, liability represents the act of complying with the provisions of the law in the process of manufacturing, designing, manufacturing finished products, and in the obligation to pay state taxes, etc. Ethical responsibility embodies standard rules that reflect the company's concern for what shareholders, consumers, employees and society consider right, not violating the ethical rules that these stakeholders respect and uphold. And finally, located at the top of the pyramid is charity responsibility, this responsibility shows the commitment of businesses in promoting the progress and development of the whole society through activities, campaigns to improve social welfare (Trevino and Nelson, 1999).

1.3.2. Agency theory

This theory was developed by Jensen and Meckling (1976), whereby the author deals with the relationship between shareholders and corporate managers and the conflicts of interest between them. While shareholders always want the business to carry out activities aimed at minimizing costs and maximizing profits for the business, in the opposite direction, managers also want to implement policies, projects, activities that bring fame and benefit to themselves. Therefore, to limit this behavior of managers, shareholders have increased the implementation of control measures as well as introduced agreements to punish and control managers, and this has appeared agency costs.

Therefore, in order to minimize this type of cost, one of the ways to show that managers are acting in the interests of shareholders is through the publication of management reports, financial statements, annual reports, sustainability reports, etc are published most transparent and clear way about the activities of the business in the period (Watts, 1977). In

addition, according to Urquiza et al. (2010), it is also suggested that to strengthen the trust of shareholders, managers must increase disclosure of information on corporate social responsibility (Jo and Harjoto - 2011). However, this disclosure needs to be discussed and agreed to be consistent with the CSR goals of the shareholders or it will give rise to hidden problems in corporate governance (Eisenhardt, 1989).

1.3.3. Stakeholder theory

Stakeholder theory deals with the relationship between activities, policies of company and stakeholders directly and indirectly affected by those (Friedman, 1970) such as government, shareholders, creditors, employees, customers and the community, etc. Therefore, to maintain stable growth, it is extremely important to take care of the interests of stakeholders (Van der La, 2009).

Discussing the relationship between corporate social responsibility disclosure (CSR) and corporate stakeholders, Roberts (1992) show that the level of social responsibility disclosure (CSR) has a significant correlation with the interests of stakeholders, and with the economic performance of enterprises. In addition, Snider et al. (2003) also acknowledge that stakeholder theory provides a valuable framework for assessing corporate social responsibility disclosure (CSR) through social activities reported (Snider et al., 2003).

1.3.4. Legitimacy theory

According to Deegan (2002) defines that the legitimacy theory expressing the rights and responsibilities in business activities of the organization must derive from social benefits, not do any actions that negatively affect the value of the society. Parker (1989), O'Donovan (2002) also said that the theory of legitimacy is the point of view of the implementation of corporate policies based on society, minimizing the risks that may arise in the business process, and in which the transparent disclosure of social responsibility information is an effective method to demonstrate "corporate civic responsibility".

Applying the theory of legitimacy to the relationship between CSR and corporate social reporting, Cormier et al. (2011) when investigating the effects of social responsibility disclosure on the issue of inequality information between managers and investors in the market has shown that CSR disclosure is correlated with firm size, leverage, exposure to news related to the environment, and efficient environment. In which, the environmental performance has a direct correlation with CSR disclosure. Not only that, the higher the level of CSR disclosure also helps companies achieve a higher level of legitimacy.

1.3.5. Political costs theory

Political costs are considered as costs that external parties such as the state impose on businesses as compensation for political actions. On the other hand, the political theory holds that state managers decide to implement policies and measures affecting the interests

of each enterprise based on information published by enterprises such as the application of taxes, taxation on goods, technology transfer, property, restriction of monopoly, etc.

From this point of view, Watts and Zimmerman (1978) have reported that depending on the size of the firm the political costs for firms can vary. In particular, large enterprises often have to bear higher political costs than small enterprises, as well as the more transparent disclosure of information will help reduce this cost for businesses and limit government intervention. Furthermore, the research results also show that businesses that currently have good business results will also tend to disclose more information to limit explanations or legal procedures due to less transparent information communication.

2. Methods

2.1. Data

Regarding qualitative data, the author builds a research scale based on content analysis that combines the international standard set of GRI Standards for sustainable development reporting - with the latest version upgraded from GRI4 and the highest international standards in sustainability reporting published by the Global Sustainable Development Standards Board (GSSB); Guidelines on environmental and social information disclosure issued by the State Securities Commission in collaboration with IFC; Circular No. 155/2015/TT-BTC issued on October 6, 2015 of the Ministry of Finance requiring the disclosure of sustainable development information of listed companies; the actual survey used to interview businesses was developed by MayBank Kim Eng Vietnam Limited Company on ESG issues and research by Branco and Rodrigues (2008) to establish a set of criteria to evaluate the information disclosure of social responsibility of Vietnamese enterprises with four groups including responsibility to the environment, responsibility to employees, responsibility to products/customers and responsibility to the community. After that, the author scores these criteria in turn on annual reports and reports on sustainable development of enterprises by industry group.

Regarding the source of quantitative data on the records of the Board of Directors and the market data compiled from the reports of 240 companies listed on HOSE and HNX from 2013 to 2019 through the websites of each enterprise, information from Stock Exchange or websites www.finance.vietstock.vn, www.fiinpro.com, www.scafef,vn,...

Table 1: Indicators measuring the level of information disclosure on social responsibility of listed companies in Vietnam

Serial	Scale of indicators on the disclosure of corporate social responsibility information
	Social responsibility towards the environment
1	There are policies to protect the environment

Serial	Scale of indicators on the disclosure of corporate social responsibility information
2	Efficient use of energy resources in business activities.
3	Compliance with the provisions of law on environmental protection
4	Compliance with the recycling, disposal and waste water in the enterprise
5	Pursue environmental goals.
6	No scandals or problems affecting the environment
7	Received certificates and awards for environmental protection activities
	Social responsibility for the company's human resources
1	Have policies that care about workers' health and safety
2	Policy to care about worker's health and safety
3	Training plan and roadmap for advancement for employees was clearly announced
4	There are policies on employee welfare and treatment.
5	There are policies to support and care for employees' families.
6	Announcement of average training hours per employee
7	Equality between male and female workers, among ethnic groups.
8	Do not use child labor
9	There are employee engagement activities throughout the company
10	There is information on the classification of personnel structure by qualifications
11	There were no scandals or issues related to employees' interests during the year
	Social responsibility for products and customers.
1	Disclosure of information on ingredients and quality of products and services of enterprises
2	Information about the management of input materials of the enterprise
3	Products and services of enterprises are certified safe
4	The enterprise has a product research and development department
5	No scandals or problems affecting product quality
6	Achieve customer satisfaction with products and services of the business.
7	There are awards for activities for the benefit of consumers
	Social responsibility towards the community
1	There are educational support activities
2	There are cultural and artistic support activities
3	Sponsor fitness events, sports and recreational activities of the community .
4	Contributing to charity funds for the poor, storms, floods, Agent Orange.
5	Support for local development projects and activities

Serial	Scale of indicators on the disclosure of corporate social responsibility information
6	Support social policy activities: Vietnamese heroic mother, wounded soldiers, sea and islands of the Fatherland, ...
7	Enterprises fully announce the fulfillment of tax obligations or achieve the State's certificate of merit on tax obligations, ensuring the fulfillment of tax obligations .
8	The business has an environmental and social impact report; Sustainability report in the company's annual report
9	Enterprises have reports related to green capital market activities under the guidance of the State Securities Commission
10	There are certificates and awards for social activities
11	In the year, enterprises won awards for the best annual report organized by HOSE and HNX or for transparent information disclosure in the market.
12	In the year, enterprises have won the award for the best sustainability report organized by HOSE, HNX and Investment newspaper.

Source: Compiled from the author's research

Table 2: Description of the model variables

Variables	Symbol	Formula	Expected correlation
Dependent variables			
Corporate Social Responsibility	CSR	$\sum_{i=1}^{mj} \frac{di}{nj}$	
Social responsibility towards the environment	ENV	$\sum_{i=1}^{mj} ENV \frac{di(env)}{nj\ (env)}$	
Corporate social responsibility for human resources.	HUM	$\sum_{i=1}^{mj} HUM \frac{di(hum)}{nj\ (hum)}$	
Social responsibility for products and customers	PRO	$\sum_{i=1}^{mj} PRO \frac{di(pro)}{nj\ (pro)}$	
Social responsibility towards the community .	COM	$\sum_{i=1}^{mj} COM \frac{di(com)}{nj\ (com)}$	
Independent variables			

Board size	BSIZE	Total member board	+
Proportion of independent members in the BOD	BINDEPE	$\dfrac{\text{Independent Board Member}}{\text{Total member Board}}$	+
Chairman of the BOD has political connections	POL	+ Get value 1 if the Chairman of the Board of Directors has political connections. + Get the value 0 if the Chairman of the Board of Directors has no political relationship.	-
Percentage of female members in the BOD.	FDSHIP	$\dfrac{\textit{Female member}}{\text{Total member Board}}$	+
Percentage of members in the BOD with Master's and Doctoral degrees	BEDU	$\dfrac{\text{Board member holds an MA or Ph.D.}}{\text{Total member Board}}$	+
State ownership	OWNSTA	$\dfrac{\text{State shareholder's equity}}{\text{Enterprise's equity}}$	-
Foreign ownership	OWNFOR	$\dfrac{\textit{Foreign shareholder's equity}}{\text{Enterprise's equity}}$	+
Company size	FSIZE	Logarit(Assets)	+
Year of business establishment	BOLD	Years of business established by the time of implementation of the study	+
Return on Assets	ROA	$\dfrac{\text{Profit after tax}}{\textit{Total Assets}}$	+
Market Value Index	Tobin's Q	$\dfrac{\text{Market value of equity} + \text{book value of debt}}{\textit{Total Assets}}$	+
Debt ratio	DEBT	$\dfrac{\textit{Total Assets}}{\textit{Total Liabilities}}$	-

Source: Compiled from the author.

2.2. Models

Based on the the original research paper by Branco and Rodrigues (2008). The first model is the model related to the level of information disclosure on corporate social responsibility in the annual report and sustainable development report of enterprises and models (2) (3) (4) (5) respectively, the component measuring groups of indicators related to the level of social responsibility information disclosure, including ENV (environment), HUM (employees), PRO (products and corporate customers) and COM (community).

(1) $CSR_{it} = \alpha_0 + \alpha_1 BSIZE_{it} + \alpha_2 BINDEPE_{it} + \alpha_3 POL_{it} + \alpha_4 FDSHIP_{it} + \alpha_6 BEDU_{it}$ $\alpha_7 OWNSTA_{it} + \alpha_8 OWNFOR_{it} + \alpha_9 FSIZE_{it} + \alpha_{10} BOLD_{it} + \alpha_{11} AUD_{it} + \alpha_{12} ROA_{it} + \alpha_{13} Q_{it} + \alpha_{14} DEBT_{it} + \acute{\epsilon}_{it}$

(2) $ENV_{it} = \alpha_0 + \alpha_1 BSIZE_{it} + \alpha_2 BINDEPE_{it} + \alpha_3 POL_{it} + \alpha_4 FDSHIP_{it} + \alpha_6 BEDU_{it}$ $\alpha_7 OWNSTA_{it} + \alpha_8 OWNFOR_{it} + \alpha_9 FSIZE_{it} + \alpha_{10} BOLD_{it} + \alpha_{11} AUD_{it} + \alpha_{12} ROA_{it} + \alpha_{13} Q_{it} + \alpha_{14} DEBT_{it} + \acute{\epsilon}_{it}$

(3) $HUM_{it} = \alpha_0 + \alpha_1 BSIZE_{it} + \alpha_2 BINDEPE_{it} + \alpha_3 POL_{it} + \alpha_4 FDSHIP_{it} + \alpha_6 BEDU_{it} \alpha_7 OWNSTA_{it} + \alpha_8 OWNFOR_{it} + \alpha_9 FSIZE_{it} + \alpha_{10} BOLD_{it} + \alpha_{11} AUD_{it} + \alpha_{12} ROA_{it} + \alpha_{13} Q_{it} + \alpha_{14} DEBT_{it} + \acute{\epsilon}_{it}$

(4) $PRO_{it} = \alpha_0 + \alpha_1 BSIZE_{it} + \alpha_2 BINDEPE_{it} + \alpha_3 POL_{it} + \alpha_4 FDSHIP_{it} + \alpha_6 BEDU_{it}$ $\alpha_7 OWNSTA_{it} + \alpha_8 OWNFOR_{it} + \alpha_9 FSIZE_{it} + \alpha_{10} BOLD_{it} + \alpha_{11} AUD_{it} + \alpha_{12} ROA_{it} + \alpha_{13} Q_{it} + \alpha_{14} DEBT_{it} + \acute{\epsilon}_{it}$

(5) $COM_{it} = \alpha_0 + \alpha_1 BSIZE_{it} + \alpha_2 BINDEPE_{it} + \alpha_3 POL_{it} + \alpha_4 FDSHIP_{it} + \alpha_6 BEDU_{it} \alpha_7 OWNSTA_{it} + \alpha_8 OWNFOR_{it} + \alpha_9 FSIZE_{it} + \alpha_{10} BOLD_{it} + \alpha_{11} AUD_{it} + \alpha_{12} ROA_{it} + \alpha_{13} Q_{it} + \alpha_{14} DEBT_{it} + \acute{\epsilon}_{it}$

Empirical studies around the world have shown that there are many problems with variable variance or autocorrelation when studying CSR. These defects may come from the reciprocal interaction between factors related to CSR and the Board of Directors, affecting the sustainability and research results. Therefore, the author uses FEM, REM and finally FGLS estimation models for panel data to be able to overcome these defects. The author will present these tests in turn in the regression results section.

3. Results

3.1. Descriptive Statistics

In this section, the author presents descriptive statistics related to the observed sample. Table 3 presents the statistical criteria for the variables in the model .

Table 3: Descriptive statistics table of variables

Variables	Number of observations	The average value	Standard deviation	Minimum value	Maximum value
CSR	1680	0,5779	0,1800	0,0833	0,9730
ENV	1680	0,6159	0,3061	0	1
HUM	1680	0,7048	0,1743	0,1000	1
PRO	1680	0,7372	0,2019	0,1429	1
COM	1680	0,3532	0,2338	0	0,9167
BSIZE	1680	5,8613	1,4526	3	15
BINDEPE	1680	0,1109	0,1595	0	0,800

POL	1680	0,3566	0,4791	0	1
FDSHIP	1680	0,1725	0,1736	0	1
BEDU	1680	0,2612	0,2515	0	1
OWNSTA	1680	0,1761	0,2528	0	0,9672
OWNFOR	1680	0,1419	0,1647	0	0,9000
FSIZE	1680	14,1695	2,2027	5,4272	21,1220
BOLD	1680	17,7708	10,6620	1	63
AUD	1680	0,3970	0,4894	0	1
ROA	1680	0,0710	0,1295	-0,4716	2,4116
Q	1680	1,1832	0,6292	0,1764	9,0440
DEBT	1680	0,4961	0,2392	0,0110	1,2945

Source: Statistical results from Stata 14

Overall, the statistical results described in Table 3 shows the significant difference between the minimum value and a maximum value of the variable group, in which the variables belonging to the group of corporate financial variables show a large difference. for example, ROA ranges from -0,4716 to 2,4116; Q ranges from 0,1764 to 9,0440 or Debt from 0.0146 to 0.9642, which indicates that there is a relatively large difference between market value and corporate CSR disclosure.

3.2. Results

In this section, the author will present the results related to the status level of corporate social responsibility information disclosure over the years, the relationship between CSR factors and corporate governance, ownership, characteristics and finance (Table 4). Besides, the author also show four regression equations with the dependent variable measuring the level of CSR disclosure, including indicators CSR total and indicators CSR components: environment (ENV), human resources (HUM), consumers and products (PRO) and communities (COM) and the independent variables divided into groups of variables related to the business (Table 5).

Table 4: The level of disclosure of CSR in each sector

Serial	Sector	CSR						
		2013	2014	2015	2016	2017	2018	2019
1	Information Technology	51.29%	50.90%	53.61%	59.41%	60.18%	57.46%	59.00%
2	Energy	58.02%	58.57%	62.08%	69.00%	69.31%	70.95%	73.14%
3	Utilities	49.25%	51.56%	53.74%	60.83%	61.27%	60.73%	61.38%
4	Health Care	57.92%	57.61%	61.72%	64.17%	65.87%	64.96%	65.57%

5	Consumer Discretionary	51.47%	53.19%	56.97%	60.25%	61.97%	61.80%	62.31%
6	Materials	43.84%	44.92%	48.42%	53.75%	55.91%	57.35%	57.04%
7	Consumer Staples	42.30%	44.68%	52.24%	57.48%	57.86%	59.78%	59.86%
8	Financial	55.19%	56.92%	59.79%	65.18%	65.62%	67.01%	67.52%
9	Industrial	47.60%	48.74%	54.01%	59.26%	59.74%	60.19%	60.70%

Source: Analysis from Stata 14.0

In Table 4.2, we see that the level of information disclosure of social responsibility of industry groups has increased gradually over the years, which shows that later listed companies pay more attention to the issue of information disclosure about corporate social responsibility. In which, the energy sector has the highest growth (from 58.02% to 73.14%).

Table 5: Results of regression method FGLS

Variables	CSR	ENV	HUM	PRO	COM
Constant	0,0115	-0,0978**	0,4257***	0,1796***	-0,4699***
	(0,48)	(-2,35)	(20,72)	(11,02)	(-12,59)
Group of corporate governance variables					
BSIZE	0,0020	-0,0021	0,0013	0,0015*	0,0001
	(1,18)	(-0,74)	(1,19)	(1,92)	(0,04)
BINDEPE	0,0097	0,0103	0,0046	-0,0079	0,0115
	(0,79)	(0,62)	(0,55)	(-1,29)	(0,61)
POL	-0,0067	-0,0087	0,0031	-0,0057**	-0,0103
	(-1,36)	(-0,97)	(0,71)	(-1,58)	(-1,30)
FDSHIP	0,0701***	0,0192	0,0720***	0,0361**	0,0849***
	(3,29)	(0,55)	(3,96)	(2,35)	(2,91)
BEDU	0,0160	0,0134	0,0039	0,0211***	0,0365**
	(1,62)	(0,88)	(0,48)	(3,45)	(2,10)
Group of business ownership variables					
OWNSTA	-0,0224**	-0,0009	-0,0151	-0,0439***	-0,0480***
	(-2,15)	(-0,05)	(-1,56)	(-5,97)	(-2,60)

OWNFOR	0,0440**	0,0922***	0,0064	0,0364***	0,1037***
	(2,18)	(3,52)	(0,74)	(2,86)	(3,34)
Group of variables of business characteristics					
FSIZE	0,0352***	0,0502***	0,0189***	0,0377***	0,0520***
	(15,99)	(14,22)	(10,71)	(24,70)	(15,55)
BOLD	0,0028***	0,0024***	0,0008***	0,0018***	0,0029***
	(7,43)	(3,94)	(2,68)	(7,77)	(5,77)
AUD	0,0488***	0,0892***	0,0199***	0,0192***	0,0622***
	(5,88)	(6,13)	(3,00)	(4,05)	(5,06)
Group of corporate financial variables					
ROA	0,0029	0,0095	-0,0012	0,0053	0,0016
	(0,58)	(0,84)	(-0,13)	(1,17)	(0,16)
Q	0,0211***	0,0232***	0,0052	0,0126***	0,0374***
	(4,85)	(3,99)	(1,57)	(4,31)	(5,68)
DEBT	-0,0972***	-0,1981***	-0,0498***	-0,0775***	-0,1465***
	(-8,43)	(-9,81)	(-5,44)	(-7,48)	(-6,85)
Prob > F	0,0000	0,0000	0,0000	0,0000	0,0000

Source: Analysis from Stata 14.0

Note: The symbols (*) (**) (***) represent the significance levels of 10%, 5%, 1%.

Table 5 shows that when considering the aspects of CSR indicators including environmental, human resources, product/customer and community indicators and the variables represent the results heterogeneous correlation for each indicator, so when considering the overall correlation of CSR, the author draws the following results:

For the group of corporate governance variables, the variables on the number of board members, independent members of the Board of Directors, and the chairman of the Board of Directors having political relationships show a negative correlation with the issue of CSR disclosure, in then, the percentage of female members, the educational level of the members of the Board of Directors has a positive correlation, in which the percentage of female members in the Board of Directors shows a statistical significance of 1%, similar to the research results of Frias-Aceituno et al (2012), Isidro and Sobral (2014). This shows that

the existence of female members on the Board of Directors will help the implementation of social responsibility information disclosure take place better due to gender-related characteristics such as caution, aversion to risks. , sympathy and compassion (Eagly and Johasen Schmidit, 2003) thereby helping the Board of Directors discuss and come up with the most appropriate policies for the goal of maximizing corporate value without harming the environment. , to workers and social life.

For the group of variables on corporate ownership structure, there is a statistically significant negative correlation at 5% for state ownership and a statistically significant positive correlation of 5% for foreign ownership. This shows that the existence of state ownership will affect the separation of management rights and control rights of enterprises. On the other hand, taking advantage of state ownership, enterprises can also take various measures to avoid the issue of information disclosure, especially information about the social environment that affects the environment. bad for the company's position in the industry. Meanwhile, the existence of foreign ownership will help businesses make better use of foreign experience and resources from countries that have developed regulations and institutions on information disclosure standards. corporate social responsibility. This result is consistent with the original expectation of the author and is similar to the results of Naser (2002), Chapple and Moon (2005), Luo et al (2006), Jiang and Habib, (2009), Solima et al. colleagues (2013), while contrasted with Ghazali (2007), Wuttichindanon (2017).

For the group of variables on corporate characteristics, the three variables of firm size, operating time and audit unit of the business all show a positive effect on CSR at the 1% statistical significance level. , in line with the author's expectations. This shows that the larger the enterprise and the longer it has been operating in the market, the better it will be to disclose information about social responsibility because the better understanding of market psychology, behavior consumers as well as the creation and maintenance of brand reputation. Along with that, businesses with annual reports or sustainability reports audited by Big4 audit firms also show that their CSR implementation is clearer and more transparent. This result is consistent with the studies of Trotman and Bradley (1981), Roberts (1992), Ghazali (2007), Rettab et al. (2009), Santos (2011), Andrilopoulous and Bekiaris (2014) and contrary to the study of Freedman and Jaggi (1988), Yao et al (2011).

For the group of variables on corporate finance, the return variable and Tobin's Q show a positive impact on CSR, in which Tobin's Q shows the 1% statistical significance. In contrast, the financial leverage variable shows a negative impact on CSR at the 1% statistical significance level. This result shows that enterprises with good growth potential will perform better on corporate social responsibility disclosure than those with low growth potential, on the other hand, enterprises with high debt level. Higher borrowing will indicate poorer CSR disclosure because concerns about debt reduce the value of the company to the market, so businesses may hide their shortcomings. This result is similar to the results from Raza et al

(2012), Harjoto and Jo (2011), Cahan et al (2016), Chung et al., 2008, different from the results by Yang et al (2008), Maskun (2013).

4. Conclusions and Policy Implications

4.1. Conclusions

From the research results, the author draws the following main conclusions: Firstly, the existence of female members in the Board of Directors will help increase the level of CSR disclosure because with the female character, she will effectively harmonize the dictatorship of an all-male leadership team, they will contribute more valuable ideas in terms of risk management, minimizing the impact on natural resources from human activities, as well as strengthen the implementation of sustainable development policy

Second, enterprises need to reduce state ownership and increase foreign ownership to increase CSR disclosure. Because when foreign ownership accounts for a high percentage of the enterprise, it will be the motivation for managers to adjust their behavior. They will be responsible for more information disclosure, focusing on reasonableness, completeness and transparency to meet the requirements as well as attract more and more investment from foreign shareholders, especially foreign investors who plan to expand the business market.

Third, the entity whose report is audited by Big4 including Delloite, E&Y, KPMG and PwC will make the CSR disclosure level better by satisfying the objectivity and trust value for the end users. results of the audit. Not only that, for listed companies, this factor is also an effective way to signal to investors to understand the business's real concern for social responsibility and the source of information content which enterprises provided to meet fully the transparent and objective spending.

4.2. Policy Implications

4.2.1. For the state

Firstly, the state needs to standardize the requirements for the disclosure of corporate social responsibility information, and it is necessary to develop a common set of evaluation criteria such as a set of indicators or a common scale for all enterprises and each industry group to be able to compare and evaluate the level of information disclosure between enterprises and between industry groups.

Second, the state needs to develop a system of regulations on CSR disclosure, and should include specific regulations on environmental management, pollution control, and food safety in the Enterprise Law, providing service quality, employee employment practices, etc. as a mandatory regulation and with sanctions to deal with specific and clear violations.

4.2.2. For Enterprises

Firstly, business managers need to raise awareness about the impacts and benefits of social responsibility information disclosure, properly aware of the nature of CSR, as well as each specific aspect of CSR. Moreover, the state needs to develop a system of regulations on CSR disclosure, which should be included in the Law.

Second, enterprises should build effective ownership structures for businesses, which reduces the percentage of ownership of the state and increase the percentage of ownership from foreign shareholders to increase the level of CSR.

Third, businesses need to pay more attention to gender diversity as well as within enterprises need to build a strong union union, representing employees to give opinions and discuss with Senior management of the enterprise regarding the conditions, working time, training, salary, bonus, welfare and many other benefits of employees.

5. Reference

1. 1Andrikopoulos, Samitasand Bekiaris (2014). Corporate social responsibility reporting in financial institutions: Evidence from Euronext. Research in International Business and Finance, 32: 27-35.

2. Branco Castelo M. and Rodrigues Lima L. (2006), *Corporate Social Responsibility and Resource-Based Perspectives*. Vol 69, 111-132 .

3. Chapple, W. and Moon, J. (2005). *Corporate social responsibility in Asia: A seven-country study of CSR websites reporting*. Business and Society, 44(4): 415-441.

4. Cormier, D., Magnan, M., & Velthoven, B. V., 2005. E*nvironmental disclosure quality in large German companies: Economic incentives, public pressures or institutional conditions?* European Accounting Review, 14(1): 3-39.

5. Luo, S., Courtenay, S. M. & Hossain, M. (2006). *The effect of voluntary disclosure, ownership structure and proprietary cost on the return-future earnings relation*. Pacific-Basin Finance Journal, 14: 501-521.

6. Naser, K., Al-Khatib, K. & Karbhari, Y. (2002). Empirical evidence on the depth of corporate information disclosure in developing countries: The case of Jordan. International Journal of Commerce & Management, 12: 122-155.

7. Freedman, M., & Jaggi, B., (1988). An analysis of the Association between Pollution Disclosure and Economic Performance. Accounting, Auditing & Accountability Journal, 1(2): 43-58.

8. Isidro, H. & Sobral, M. The Effects of Women on Corporate Boards on Firm Value, Financial Performance, and Ethical and Social Compliance. J. Bus. Ethics 132, 1–19 (2015).

9. Jensen, M. C., & Meckling, W. H., (1976). *Theory of the firm: Managerial behavior, agency costs and ownership structure*. Journal of Financial Economics, 3(4): 305-360.

10. Parker, L. (1986). *Polemical Themes in Social Accounting: A Scenario for Standard Setting*. Advances in Public Interest Accounting, 1:67-93.

11. Rettab, B., Brik, A.B. and Mellahi, K., (2009). *A study of management perceptions of the impact of corporate social responsibility on organizational performance in emerging economies: The case of Duba*i. Journal of Busniess Ethics, 89: 371-390.

12. Roberts, R. W. (1992). *Determinants of corporate social responsibility disclosure: An application of stakeholder theory*. Accounting, Organizations and Society, 26: 175–191.

13. Santos, M., 2011. *CSR in SMEs: strategies, practices, motivations and obstacles*. Social Responsibility Journal, 7(3): 490-508.

14. Trotman, K. T., & Bradley, G. W., (1981). *Associations betweem social responsibility disclosure and characteristics of companies*. Accounting, Organizations and Society, 6(4): 355-362.

15. Urquiza, F., Navarro, M., Trombetta, M. (2010). Disclosure theories and disclosure measures. Revista Espanola De Financiación Y Contabilidad, 39(147): 393-415.

16. Watts, R. L. & Zimmerman, J. L. (1978). *Towards a Positive Theory of the Determination of Accounting Standards*. The Accounting Review, 53(1): 112-134.

17. Wuttichindanon, S. (2017). Corporate social responsibility disclosure-choices of report and its determinants: Empirical evidence from firms listed on the Stock Exchange of Thailand. Kasetsart Journal of Social Sciences, 38: 156-162.

18. Yang, F-J., Han, C-T., Sheu, H-J, (2008). The interrlationships between corporations' dependence on external financing, information disclosure and cost of capital. International Journal of Electronic Finance, 2(4): 383-403.