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MARKET REACTION MODERATE MEDIA EXPOSURE AND PUBLIC OWNERSHIP TO SUSTAINABILITY REPORTS

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Abstract
This research aims to test market reactions moderating media exposure and public ownership of sustainability reports in companies in the energy sector and industrial sector during the 2021 - 2022 period. This research is classified as associative quantitative research. The data used is secondary data obtained from the website www.idx.co.id and the company website. The population in this research are companies in the energy sector and industrial sector on the stock exchange during the period 2021 to 2022. Meanwhile, the sample for this research was determined using a purposive sampling method so that 62 sample companies were obtained. By using panel data regression analysis with a random effect model, this research finds that media exposure has no effect on sustainability reports, public ownership has no effect on sustainability reports. This research also found that market reactions cannot moderate the influence of media exposure on sustainability reports, market reactions cannot moderate the influence of public ownership on sustainability reports. This research contributes to the literature regarding the use of random effect panel regression methods, which has not been widely found in the Indonesian research context. This research has implications for the importance of more transparent and detailed sustainability reports that can demonstrate a company's long-term commitment to sustainable business practices. Meanwhile, for further research, it is hoped that other independent variables such as financial performance and company culture can be used to influence sustainability report disclosure.

Keywords: Market Reaction, Sustainability Report, Media Exposure, Public Ownership

1. Introduction

According to the Global Reporting Initiative (GRI) Sustainability Report Guidelines (G4), sustainability reporting, as explained by Aswani & Swami (2017), can be interpreted as a process that helps companies set goals, measure performance, and manage change towards a sustainable global economy. This concept is a combination of achieving long-term profitability by considering social responsibility and attention to the environment.

Sustainability reporting is a process that helps companies formulate goals, evaluate performance, and manage change for a sustainable global economy. The goal is to integrate long-term profitability with social and environmental responsibility. This reporting is not just an obligation, but opens up new opportunities and reflects the company's responsible character and business strategy. Sustainability reports are not only a means of reporting, but also encourage innovation and long-term thinking in business (Deloitte, 2013).

The sustainability report not only contains CSR, but also highlights the company's contribution to society. As an effective communication tool, this report provides a clear

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picture of the company's efforts to support sustainability and social responsibility. With this report, companies become more open to stakeholders, demonstrate transparency in CSR activities, and facilitate positive interactions between companies and stakeholders. This strengthens the role of sustainability reports in building mutually beneficial relationships between companies and society, making them not only documentation, but also a bridge for active involvement and ongoing dialogue between the two (Holly, et al. 2022).

Companies in the energy sector have an obligation to disclose the carbon emissions they produce as part of their environmental responsibilities. This involves providing information regarding greenhouse gas emission levels, achievement of carbon emission reduction targets, energy use, strategies for mitigating climate change, as well as the consequences and potential impacts of climate change. In the process of disclosing carbon emissions in sustainability reports, companies need to comply with applicable standards in this regard (Komala & Meiden, 2024).

In Indonesia, sustainability reports are still voluntary, with no regulations requiring companies to publish them. Disclosure of sustainability reports is based on government regulations such as Law no. 23 of 1997 concerning the environment and Law no. 44 of 2007 concerning corporate social responsibility obligations. Apart from that, PSAK No.1 also encourages disclosure of environmental and social responsibility in additional reports (Sulistyawati & Qadriatin, 2018).

Sustainability reports are a communication tool used to convey the company's commitment to social and environmental responsibility to stakeholders. This is an official record that includes data and information regarding a company's sustainability, including environmental programs, employment, and social impact. Through media exposure, companies can effectively disseminate this information to the public. Media coverage, whether print, television or online, provides a strong platform for communicating corporate sustainability messages to the public (Dewi & Sedana, 2019).

Apart from that, media exposure also has an important role in increasing public awareness about sustainability issues. When the media reports about a company's sustainability report or sustainability initiatives being implemented, this can help create greater awareness among viewers or readers (Septianingsih & Muslih, 2019). Furthermore, it can increase public understanding of important issues related to sustainability and corporate social responsibility (Septianingsih & Muslih, 2019).

The importance of sustainability reports is not only influenced by media exposure. Another factor is that public ownership can influence a company's sustainability report in several ways. First, with public ownership, companies must consider the expectations and interests of shareholders, including long-term interests such as environmental and social sustainability. This can encourage companies to adopt more sustainable business practices (Mediaty and Pratiwi, 2023).

Then having diverse shareholders, including institutional investors who care about environmental, social and corporate governance factors, companies can be better monitored and supervised in their sustainability practices. However, on the other hand, public ownership can also influence the company's short-term focus on achieving financial targets, which can ignore sustainability practices (Pendapotan, 2023).

The importance of sustainability reports can also be influenced by market reactions. The market reaction to a company's sustainability report is a phenomenon that has a significant impact in today's business world. A sustainability report is a document released by a company to convey information about the sustainability practices, social and environmental impacts they carry out to stakeholders. Market reactions, which include responses from investors, shareholders, consumers and other stakeholders, can have far-reaching implications (Wulan, 2018).

Research by Manisa & Defung (2017) found that social performance disclosure and product responsibility performance disclosure influence the company's financial performance. Research by Permata & Andreas (2019) proves that economic performance, environmental performance and social performance have no effect on financial performance (ROA).

Research on the influence of media exposure on sustainability report disclosure by Hasnia & Rofingatun (2017) shows that media exposure has a partial and simultaneous influence along with other variables on sustainability report disclosure. However, research by Septianingsih & Muslih (2019) found contradictory results. Partially, media exposure has no effect on sustainability report disclosure, but in simultaneous testing with other variables, media exposure has an effect on sustainability report disclosure.

Research on the influence of public ownership on sustainability report disclosure by Mediaty & Pratiwi (2023), companies with a higher proportion of public ownership tend to have a better level of disclosure in sustainability reports, especially in terms of disclosure or information disclosure. This means that companies that have significant public ownership are more likely to present detailed and transparent information regarding their environmental, social and economic performance in sustainability reports. This shows that public ownership can contribute to increasing company transparency and accountability regarding sustainability issues.

Several previous studies have shown that market reactions, which can be reflected in fluctuations in stock prices, trading volume, or investor reactions to published information, can moderate the influence of other factors on sustainability reports. Research conducted by Teguh & Wijaya (2023) found that market reactions moderated the relationship between sustainability report disclosure and company financial performance. Previous research examining market reactions by Juatian (2018) stated that market reactions have an influence on sustainability reports. This is not in line with Umi, et al (2020) who stated that there was no influence of market reactions with sustainability reports.

This research uses energy sector and industrial sector companies for the period 2021 – 2022. Energy sector and industrial sector companies were chosen because the energy sector and industrial sector often have significant environmental impacts due to their operational activities, such as greenhouse gas emissions, use of natural resources, and social impact. The energy sector and industrial sector are often in the public spotlight because of their potential impact on the environment and society. With public ownership, transparency in disclosing sustainability reports can be crucial to maintaining stakeholder trust.

This research aims to test market reactions to moderate media exposure and public ownership of sustainability reports as a guide for companies in increasing sustainability transparency and accountability, as well as for investors and other stakeholders in evaluating company sustainability commitments. Seeing that there are still inconsistencies in research results in previous research can be motivating and interesting to carry out further research.

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2. Theoretical Background

2.1 Stakeholder Theory

Stakeholder theory is one of the main theories as the basis for Sustainability Report research. The first study to introduce stakeholder theory was the work entitled "Strategic Management: A Stakeholder Approach" by Freeman in 1984, defining stakeholders as groups that significantly influence the success and failure of an organization (Safriani, et al., 2020). Then Donaldson & Preston (1995) argue that stakeholder theory expands organizational responsibility to all stakeholders, not just investors or owners (Kurniawan, et al., 2018). Deegan, 2004 revealed that based on stakeholder theory companies will choose to voluntarily disclose information about their environmental, social and intellectual performance, over and above their mandatory requests, to meet the actual or recognized expectations of stakeholders (Virgiawan, et., 2018).

2.2 Legitimacy Theory

Deegan, 2004 states that Legitimacy Theory emphasizes that companies must strive to ensure that they operate within the frames and norms that exist in the society or environment where the company is located, where they strive to ensure that their (company's) activities are accepted by outside parties as legitimate. Legitimacy theory uses motivation to gain approval or acceptance from society (Laan, 2009). Based on legitimacy theory, the role of the community is as giving permission to establish a company in the area where the community lives. The community as the permit giver has the right to sue the company if in the course of its business activities there is a non-compliance with the agreement or it disturbs the surrounding environment.

2.3 Sustainability Report

Elkington (1997) defines a Sustainability Report as a report that contains not only financial performance information but also non-financial information consisting of information on social and environmental activities that enable the company to grow sustainably (sustainable performance). In this study, the 2016 GRI standards were used, in which 145 items were disclosed. The 145 items are divided into 5 aspects, namely universal standards with 3 indicators (foundation, general disclosure, management approach), economic standards with 6 indicators (economic performance, market existence, indirect economic impacts, procurement practices, anti-corruption and anti-corruption behavior). competition), environmental standards with 8 indicators (materials, energy, water, biodiversity, emissions, wastewater and waste, environmental compliance and environmental assessment of suppliers), social standards with 19 indicators (employeeship, labor/management relations, health and safety , training and education, diversity and equal opportunities, non-discrimination, freedom of association and collective bargaining, child labor, forced or compulsory labor, security practices, rights of indigenous peoples, human rights assessments, local communities, social assessments of suppliers, public policy , customer health and safety, marketing and labeling, customer privacy, and socioeconomic compliance), and a GRI standard glossary with one indicator (GRI standard glossary).

Measuring the Sustainability Report with content analysis can be carried out in the following stages:

1) Give checklist marks to the disclosure items and give a score to each disclosure item. The scores given to each item disclosed by the company vary. One way is to use a dummy scale.

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2) Giving a score on a dummy scale, namely if the item is disclosed then it is given a score of 1. However, if the item is not disclosed then it is given a score of 0. The maximum score that will be used depends on the GRI guidelines used by each company.
3) Add up the disclosure items made by the company.

Calculate the percentage of Sustainability Report disclosure using the following formula (Khafid et al., 2018):

$$\text{SDRI} = \frac{\textit{jumlah item yang diungkapkan}}{\textit{jumlah item yang diharapkan diungkapkan}}$$

2.4 Media Exposure

Media Exposure is defined by Widiastuti (2018) as company activities or events that have an environmental and social impact that are covered or published by the media. Media reporting can be good news or bad news. Media Exposure measurement via the company website was carried out using dummy variables adapted from research by Hasnia & Rofingatun (2017) and Widiastuti et al (2018). The criteria used are looking at the number of news and articles discussing CSR activities on the company's official website. If the number of news and articles discussing CSR in one year is more than five (>5) then it will be given a value of 1, and conversely if it is less than or equal to (≤5) five will be given a value of 0.

2.5 Public Ownership

Share ownership by the public means the number of shares owned by the public. The definition of public here is individuals outside management and who do not have a special relationship with the company. The greater the proportion of public share ownership, the more parties need information about the company, so that more items of information are disclosed in the annual report. Apart from that, the greater the shares owned by the public, the more information will be disclosed in the annual report, investors want to obtain as much information as possible about where to invest and can monitor management activities, so that the company's interests are met (Sriayu and Mimba, 2018). measured public ownership with as following (Holiawati & Ruhiyat, 2020):

$$\text{Public Ownership Proxy} = \frac{\text{Total Ownership Share}}{\text{Total Sheets Share}} \times 100\%$$

2.6 Market Reaction

According to Jogiyanto (2010), market reactions are indicated by changes in the price of the security in question which can affect abnormal returns. Abnormal return results are considered to reflect the impact that occurs and measure the quality of new information or events in the capital market, in this case Sustainability Report information, which is then needed by company management as evaluation material. Abnormal returns basically occur because there is new information or events that change the value of the company and are reacted by investors in the form of an increase or decrease in share prices. Market reaction is measured by cumulative abnormal return (CAR). Abnormal return is the difference between the actual return that occurs and the expected return. The formulation is as follows (Jogiyanto, 2010):

$$AR_{i,t} = R_{i,t} - E\,[R_{i,t}]\text{............................}(1)$$

Information:

$AR_{i,t}$: abnormal return of the i-th security during the t-th event period

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Ri,t: the actual return that occurred for the i-th security in the event period t-th
E [Ri,t] : expected return of the ith security for the tth event period

a) The actual return is the return that occurs at time t which is the difference in the current price relative to the previous price (t-1) (Jogiyanto, 2010).

$$R_{i,t} = \frac{Pi_t - Pi_{t-1}}{Pi_{t-1}} \text{ ....(2)}$$

Information:
Ri,t : daily stock return of security i on period t
Pi,t : daily share price of security i on period t
Pi,t-1 : daily share price of security i on period t-1

b) Expected Return (Expected Return) is the return expected by investors that will be obtained in the future where the nature has not yet occurred. In research it uses a market-adjusted model (market-adjusted model) which assumes that the best estimator for estimating the return of a security is the index return market at that time.
E [Ri,t]=RM,i,t ....(3)
Where:

$$R_{M,i,t} = \frac{IHSG_t - IHSG_{t-1}}{IHSG_{t-1}} \text{ ....(4)}$$

c) Cumulative Abnormal Return (CAR) is accumulated abnormal returns obtained during the event period with the formula:
CAR = “ ARi,t ....(5)
Information:
CAR: Cumulative abnormal return
ARi,t : abnormal return

2.7 Hypothesis Formulation

The variables that will be tested in this research will be developed in a conceptual way framework which can be described as follows:

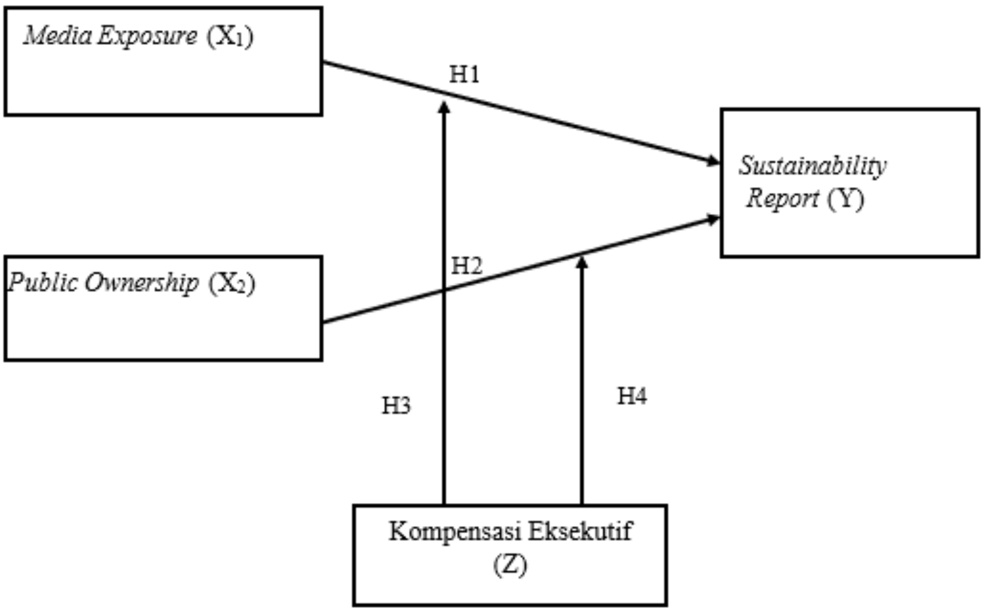

Figure 1. Conceptual Framework

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H1 : Media Exposure has an effect positive to the Sustainability Report
H2 : Influence of Public Ownership on Sustainability Report.
H3 : Suspected there is Influence Market Reaction Moderates Media Exposure to Regarding the Sustainability Report
H4 : Suspected there is Influence Market Reaction Moderates Public Ownership Against Regarding the Sustainability Report

3. Method

The population in this study were companies in the energy sector and industrial sector listed on the Indonesia Stock Exchange. Using purposive sampling, companies were selected that met the following criteria:

1) Energy Sector and Industrial Sector Companies listed on the IDX in 2021-2022
2) Companies that have not experienced delisting from the Energy Sector and Industrial Sector from the 2021-2022 period
3) Energy Sector and Industrial Sector Companies that report financial statements in rupiah
4) Companies in the Energy Sector and Industrial Sector that do not publish sustainability reports for 2021-2022.

The results of sample selection obtained 62 companies that met the criteria. The data obtained was analyzed further using the EViews version 12 statistical data processing tool. There are three types of variables in this research, namely the dependent variable in the form of a Sustainability Report. The independent variables are media exposure and public ownership. And the moderating variable is market reaction.

The data in this study was tested using two types of regression methods, namely the multiple linear regression method and Moderated Regression Analysis (MRA). The use of these two types of regression methods is to test the influence of the independent variable on the dependent variable which is moderated by the moderating variable with an interval or ratio measurement scale in a linear equation. The regression model used is as follows:

$$SR = \alpha + \beta\ 1ME + \beta\ 2PO + \varepsilon$$

$$SR = \alpha + \beta\ 1ME + \beta\ 2PO + \beta\ 3(ME*RP) + \beta\ 4(PO*RP) + \varepsilon$$

Information:

SR : Sustainability Report
α : Constant
β 1- β 4 : Regression Coefficient
ME : Media Exposure
PO : Public Ownership
ME*RP : Media Exposure and Market Reaction
PO*RP : Public Ownership and Market Reaction
ε : error term

4. Results and Discussion

4.1 Descriptive Statistics

The purpose of descriptive statistics is to provide an overview of the characteristics of the research variables consisting of Market Reaction, Media Exposure, Public Ownership on the Sustainability Report.

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Table 1. Descriptive Statistics

	SR	M.E	P.O	RP
Mean	0.395217	0.596774	0.304163	0.220646
Median	0.400000	1,000000	0.259950	0.046141
Maximum	0.944828	1,000000	0.815693	3.872697
Minimum	0.055172	0.000000	0.006532	-0.391765
Std. Dev.	0.197939	0.492535	0.188127	0.510700
Skewness	-0.015950	-0.394558	0.860648	3.954827
Kurtosis	2.216129	1.155676	3.082212	25.18580

Source: Data processed by researchers with E-Views 12 .0, 2024

From the results of descriptive statistics, the analysis is as follows:

1) The results of descriptive statistics for the Sustainability Report (Y) variable show a minimum value of 0.0551 owned by PT. Multifiling Mitra Indonesia Tbk in 2022. The maximum value is 0.9448 owned by PT. ABM Investama Tbk in 2021 with an average value of 0.3952 and a standard deviation of 0.1979. If the standard deviation is higher than the mean value, this means that the quality of the Sustainability Report data has a biased level of data distribution, and reflects the nature of the data is heterogeneous or has a data distribution that has high fluctuations. In other words, in the Sustainability Report (Y) analysis, the standard deviation of 0.1979 indicates that the sustainability report values for the companies analyzed vary quite widely around the average value of 0.3952.
2) The results of descriptive statistics for the Media Exposure variable (X1) show a minimum value of 0.0000 owned by PT. Apexindo Pratama Duta Tbk, PT. Bintang Samudera Mandiri Lines Tbk, PT. Buana Lintas Lautan Tbk, PT. Exploitation Energy Indonesia Tbk, PT. Golden Energy Mines Tbk, PT. Indo Tambangraya Megah Tbk, PT. Medco Energi Internasional Tbk, PT. Samindo Resources Tbk, PT. Radiant Utama Interinsco Tbk, PT. Sillo Maritime Perdana Tbk, PT. Pelayaran Tamarin Samudra Tbk, PT. Trans Power Marine Tbk, PT. Ulima Nitra Tbk, PT. Wintermar Offshore Marine Tbk, PT. Surya Pertiwi Tbk, PT. Astra Graphia Tbk, PT. Bakrie & Brothers Tbk, PT. Voksel Electric Tbk, PT. Kobexindo Tractors Tbk, PT. Tira Austenite Tbk, PT. Keramika Indonesia Association Tbk, PT. Ateliers Mecaniques D'Indonesie Tbk, PT. Citatah Tbk, PT. Intraco Penta Tbk, PT. Multifiling Mitra Indonesia Tbk, 2021 & 2022. The maximum value is 1,000 with an average value of 0.5967 and a standard deviation of 0.4925. If the standard deviation is higher than the mean value, this means that it shows that the quality of the Media Exposure data has a biased level of data distribution, and reflects the heterogeneous nature of the data or has a data distribution that has high fluctuations. In other words, in Media Exposure (X1), the standard deviation of 0.4925 indicates that the sustainability report values for the analyzed companies vary quite widely around the average value of 0.5967.
3) The results of descriptive statistics for the Public Ownership variable (X2) show a minimum value of 0.0065 owned by PT. Multifiling Mitra Indonesia Tbk in 2022. The maximum value is 0.8156 owned by PT. Astrindo Nusantara Infrastruktur Tbk in 2021 with an average value of 0.3041 and a standard deviation of 0.1881. If the standard deviation is higher than the mean value, this means that the quality of Public Ownership data has a biased level of data distribution, and reflects the heterogeneous nature of the data or has a data distribution that has high fluctuations. In other words (X2), the standard deviation of 0.1881 indicates that the values of sustainability

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reports for the companies analyzed vary quite widely around the average value of 0.3041.

4) The results of descriptive statistics for the Market Reaction variable (Z) show a minimum value of -0.3971 owned by PT. Apexindo Pratama Duta Tbk in 2022. Maximum value of 3.8726 owned by PT. Bayan Resources Tbk in 2022 with an average value of 0.2206 and a standard deviation of 0.5107. If the standard deviation is higher than the mean value, this means that the quality of the Market Reaction data has a biased level of data distribution, and reflects the heterogeneous nature of the data or has a data distribution that has high fluctuations. In other words (Z), the standard deviation of 0.5107 indicates that the values that the sustainability report values for the companies analyzed vary quite widely around the average value of 0.2206. This section presents the results of the research analysis. Research analysis can be equipped with tables, graphs (images), and/or charts. The discussion section describes the results of data processing, interprets the findings logically, and links them to relevant reference sources.

4.2 Panel Data Regression Estimation

Table 2. Conclusion of Equation Model Test I and Test II

No	Method	Testing	Results
1	Test Chow Test	Common Effect Vs Fixed Effect	Common Effects
2	Hausman Test	Fixed Effects Vs Random Effects	Random Effects
3	Lagrange Multipliers	Common Effect Vs Random Effect	Random Effects

Source: Data processed by researchers, 2024

Based on the results of testing the three models in both the first and second regression equations, namely the Chow test, Hausman test and Langrange Multiplier test, it can be concluded that the Random Effects Model in the panel data regression method is used further to estimate and analyze the factors that influence company value. on 38 companies in the energy sector and on 24 companies in the industry sector listed on the Indonesia Stock Exchange during the 2021-2022 period.

4.3 Classic Assumption Test

4.3.1 Normality Test

The normality test is used to determine whether the regression model has a normal distribution (distribution) of data or not. The following are the results of the normality test in this study:

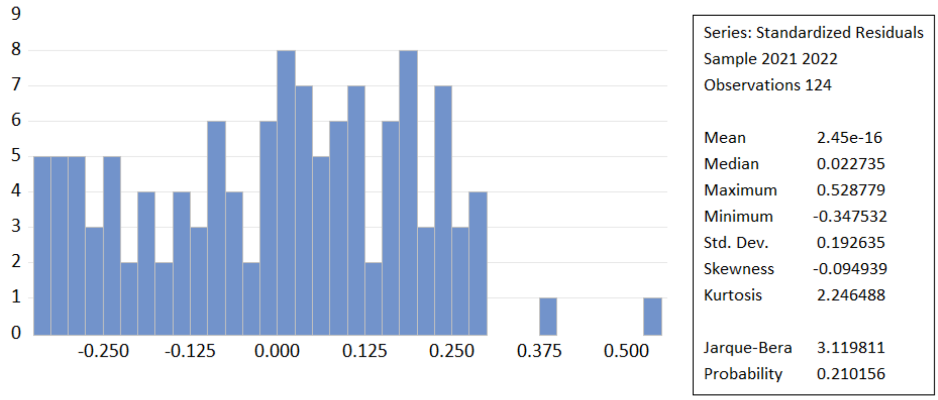

Figure 2. Normality Test Results
Source: Data processed by researchers with E-Views 12.0, 2024

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Based on Figure 2, known mark probability from JB's statistic is 0.210156. It means mark probability > 0.05, then assumptions in research This normality fulfilled.

4.3.2 Multicollinearity Test

In study This is a symptom multicollinearity can see from mark correlation between variable. Ghozali (2018:71) stated If values X1 to X2 occur enhancement more of 0.8 then indicated exists multicollinearity. Multicollinearity test results presented in the table following:

Table 3. Multicollinearity t test

	M.E	P.O
M.E	1,000000	0.097912
P.O	0.097912	1,000000

Source: Data processed by researchers with E-Views 12.0, 2024

Based on Table 4 results testing multicollinearity, can concluded that no there is symptom multicollinearity between variable independent. From the output results in table 4.12, correlation between X1 and X2 is 0.097912, Indication happen multicollinearity if coefficient correlation between each each variable bigger of 0.80. So, if seen from results study on No There is correlation between high independent variables above 0.80, so in research This No there is multicollinearity between independent variables.

4.3.3 Heteroscedasticity Test

Table 4. Heteroscedasticity Test

F-statistic	3.166869	Prob. F(4.119)	0.0164
Obs *R-squared	11.92980	Prob. Chi- Square(4)	0.1179
Scaled explained SS	7.535791	Prob. Chi- Square(4)	0.1101

Source: Data processed by researchers with E-Views 12.0, 2024

Based on the Glejser test results in Table 5, all Prob values of the variables studied are in the index 0.1179 > 0.050, so it is concluded that heteroscedasticity does not occur.

4.3.4 Autocorrelation Test

Autocorrelation in this study was tested using the Durbin-Watson table as follows:

Table 5. Autocorrelation Test

MSE Root	0.055435	R-squared	0.022190
Mean dependent var	0.081775	Adjusted R-squared	0.006028
SD dependent var	0.056288	SE of regression	0.056118
Sum squared resid	0.381053	F-statistic	1.372957
Durbin-Watson stat	2.003576	Prob(F-statistic)	0.257275

Source: Data processed by researchers with E-Views 12.0, 2024

Table 6. Durbin Watson Calculations

N	D	D.L	DU	4-DL	4-DU
124	2.0035	1.6577	1.7567	2, 2433	2, 3423

Source: Data processed by researchers with E-Views 12.0, 2024

DU<DU<4-DU

1.7567<2.0035<2.3423

After data analysis, it was found that the Durbin-Watson value of 2.0035 did not have autocorrelation, this was shown by the DU value being smaller than the D value, namely 1.6577 and the 4-DU value being greater than the D value, namely 2.3423. So, it can be

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decided that all regression models are free from the autocorrelation problem, which means that in the regression model there is no correlation between confounding errors in periods t and t-1. Ghozali (2018:111).

4.4 Panel Data Regression Analysis

4.4.1 Multiple Linear Regression Analysis

The results of the Random Effects Model panel data regression before interaction on the moderating variable or analysis of the regression equation in equation I are displayed in the following table:

Table 7. Results of Regression Analysis Equation I

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.299537	0.038014	7.879559	0.0000
M.E	0.065955	0.035673	1.848893	0.0669
P.O	0.185161	0.093399	1.982466	0.0497

Source: Data processed by researchers with E-Views 12.0, 2024

Based on table 8, the first regression equation is obtained as follows:

$$Y = 0.02995 + 0.06595*X1 + 0.1851*X2 + \varepsilon$$

Based on the results of the regression test above, it can be concluded that,

1) A constant value of 0.02995 indicates that if the independent variable is considered non-existent, there will be an increase in the Sustainability Report of 0.02995.
2) The regression coefficient for Media Exposure of 0.06595 means that if there is a change of 1 Media Exposure unit, there will be an increase in the dependent variable Sustainability Report by 0.06595.
3) The regression coefficient for Public Ownership is 0.1851, meaning that if there is a change of 1 unit of Public Ownership, there will be an increase in the dependent variable Sustainability Report by 0.1851.

4.4.2 Multiple Linear Regression Analysis

The results of the Random Effects Model panel data regression after there is interaction with the moderating variable or analysis of the regression equation in equation II are displayed in the following table:

Table 8. Results of Regression Analysis Equation II

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.303594	0.044260	6.859381	0.0000
M.E	0.048882	0.040211	1.215635	0.2266
P.O	0.217818	0.101434	2.147387	0.0338
RP	0.065776	0.121850	0.539817	0.5903
ME_RP	-0.047778	0.112749	-0.423756	0.6725
PO_RP	-0.235474	0.288613	-0.815880	0.4162

Source: Data processed by researchers with E-Views 12.0, 2024

Based on table 9, the second regression equation is obtained as follows:

$$SR = 0.303594 + 0.048882\ ME + 0.217818\ PO + 0.065776\ RP - 0.04777\ 8\ ME * RP - 0.235474\ PO * RP + \varepsilon$$

The interpretation of the panel data random effects model regression results from the second equation is:

1) Constant value of 0.303594 shows If variable independent considered No There is so will happen increase in Sustainability Report by 0.303594.

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2) Coefficient regression for Media Exposure of 0.048882 means that If There is a change of 1 Media Exposure unit then will happen enhancement variable dependent Sustainability Report is 0.048882.
3) Coefficient regression for Public Ownership it is 0.217818 meaning that If There is change of 1 unit of Public Ownership then will happen enhancement variable dependent Sustainability Report is 0.217818.
4) Coefficient value regression variable moderation The Market Reaction is worth 0.065776 can interpreted when happen increase of 1 unit Market Reaction then will increase Sustainability Report value is 0.065776.
5) Coefficient value regression variable moderation The Market Reaction to Media Exposure is -0.0477786 can interpreted when happen increase of 1 unit Market Reaction to Media Exposure then will lower Sustainability Report value is -0.0477786.
6) Coefficient value regression variable moderation the market reaction to public ownership is -0.235474 can interpreted when happen increase of 1 unit Market Reaction to Public Ownership then will lower Sustainability Report value is -0.235474.

4.5 Hypothesis Test

4.5.1 F Test Results

To find out whether all the independent variables included in the model have a joint influence on the dependent variable by using this test:

Table 10. F Test Results

MSE Root	0.190772	R-squared	0.063557
Mean dependent var	0.395217	Adjusted R-squared	0.040146
SD dependent var	0.197939	SE of regression	0.193925
Akaike info criterion	-0.410960	Sum squared resid	4.512846
Schwarz criterion	-0.319984	Log likelihood	29.47954
Hannan-Quinn criter .	-0.374003	F-statistic	2.714835
Durbin-Watson stat	0.174673	Prob(F-statistic)	0.047854

Source: Data processed by researchers with E-Views 12.0, 2024

From the data in table 4.18 above, you can see that mark the significance of F is more than 0.0478 small from α 0.05. So can be taken conclusion that independent variables (Media Exposure and Public Ownership) respectively simultaneous influential to variable dependent (Sustainability Report). F Table Search with Total n = 124; number of variables 3; level significance 0.05; df1= 4-1 = 3; df2 = nk = 124 – 3 = 121 so obtained F table equal to 2.68, then calculated F value 2.71 > F table value 2.68.

4.5.2 T Test Results

Decision making to answer the research hypothesis is carried out by comparing the probabilities with the degrees of freedom used. The results of the hypothesis test are displayed in the following t test:

Table 11. T Test Results Equation I

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.299537	0.038014	7.879559	0.0000
M.E	0.065955	0.035673	1.848893	0.0669
P.O	0.185161	0.093399	1.982466	0.0497

Source: Data processed by researchers with E-Views 12.0, 2024

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Based on table 11 can see that:

1) Variable Independent Media Exposure does not influential to Sustainability Report, p This Can see from mark significance on the distant Media Exposure table bigger of 0.0669 of mark α 0.05
2) Variable independent Public Ownership influences to Sustainability Report, p This Can see from mark significance on the Public Ownership table is far away more small amounting to 0.049 of mark α 0.05.

Table 12. T Test Results Equation II

Variables	Coefficient	Std. Error	t-Statistics	Prob.
C	0.569481	0.062144	9.163846	0.0000
X1	-0.231049	0.074562	-3.098750	0.0030
X2	-0.110753	0.141159	-0.784592	0.4359
Z	-0.004150	0.042166	-0.098420	0.9219
M1	-0.041247	0.043369	-0.951054	0.3456
M2	0.139529	0.113951	1.224470	0.2258

Source: Data processed by researchers with E-Views 12.0, 202 4

Based on table 12 can see that:

1) Based on analysis output results regression moderation This obtained that results significance moderation Market Reaction to Media Exposure to Sustainability Report shows the figure 0.3456 is bigger from mark significance 0.05 which means variable Market Reaction no can moderate the influence of Media Exposure on the Sustainability Report. Market Reaction in moderate Media Exposure act as Homologizer Moderation. Because, influence from Media Exposure to Sustainability Report on estimates First No influential significance and influence Z interactions on estimation second No influential significant. It means potential variables become variable influencing moderation strength connection between variable predictors and variables depends. Variable This No interact with variable predictor and not have significant relationship with variable depends.
2) Based on analysis output results regression moderation This obtained that results significance moderation Market Reaction to Public Ownership of the Sustainability Report shows the figure 0.2258 is bigger from mark significance 0.05 which means variable Market Reaction no can moderate the influence of Public Ownership on the Sustainability Report. Market Reaction in moderate Public Ownership acts as Homologizer Moderation. Because, influence from Public Ownership to the Sustainability Report on estimates First No influential significance and influence Z interactions on estimation second No influential significant. It means potential variables become variable influencing moderation strength connection between variable predictors and variables depends. Variable This No interact with variable predictor and not have significant relationship with variable depends.

4.5.3 Coefficient of Determination

Test result coefficient the adjusted R Square determination is 0.04 or 4%. It means variable independent in study this (Media Exposure, Public Ownership) can explained by the Sustainability Report variable of 4%. Whereas the rest explained by other outside factors study this.

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4.6 Discussion

H1 shows that the Media Exposure variable does not influential to the Sustainability Report. Assess the result Media Exposure coefficient is 0.065955 with The Sig value is more than 0.0669 big from α 0.05. Media Exposure of the Sustainability Report carried out study Septianingsih & Muslih (2019) stated that Media Exposure does not influential to disclosure of Sustainability Report, p This not supported by research Hasnia & Rofingatun (2017) show that Media Exposure has influence to disclosure of Sustainability Report. Stakeholder theory emphasizes importance obey regulations, complies needs and expectations holder interest main such as institutional investors and governments, as well develop strong internal policies for manage issue continuity. With so, results study This consistent with view stakeholder theory that company must focus on interests all holder interests or not only respond media pressure.

H2 shows that Public Ownership variables have an influence to the Sustainability Report. Assess the result Public Ownership coefficient is 0.185161 with Sig value is more than 0.0497 small from α 0.05. Study Previously researching public ownership by Werastuti (2021) and Sidik et. al (2021) stated that public ownership has influence to Sustainability report, p This supported by Mediaty & Pratiwi (2023) found that company with more public ownership big tend do more disclosure of sustainability reports Good in disclosure context or disclosure information. Stakeholder theory highlights importance notice interest holder shares and stakeholders' interest other in taking decision company, as well importance obtain legitimacy and safeguarding reputation company in the eye holder interest. Therefore that's the result This consistent with view stakeholder theory about connection between Public Ownership and disclosure continuity.

Theory legitimacy state that company endeavor for maintain and improve legitimacy them in the eye community and stakeholder's interest. Sustainability Report disclosure is one of them method for company for show commitment they to practice responsible business responsible and sustainable. With thus, the influence of Public Ownership on appropriate Sustainability Report disclosure with effort company for maintain legitimacy them in the eye public.

H3 shows that variable the market reaction was not can moderate the influence of media exposure on sustainability reports. Assess the result Market Reaction MRA coefficient is -0.041247 with the sig value is more than 0.3456 big from α 0.05. If happen enhancement in market reaction or market instability, p the No influence the influence of media exposure on disclosure of sustainability reports. This show that other outside factors market reaction has more influence significant to practice disclosure continuity company. Lee Ahern (2012) found that the market reaction was not moderate influence media exposure to report continuity. Study This research role media systems in various countries and how matter the influence values post materialism and care to environment, then Zhiru Guo and Chao Lu (2020) found that the market reaction was not own effect moderation to connection between media exposure and disclosure report continuity.

Stakeholder theory emphasizes importance consider interests and influence from all interested party in operation company, incl holder stocks, consumers, workers, communities, and the environment. The market reaction is not moderate influence media exposure shows that stakeholder perceptions and responses to report continuity Possible more directly influenced by content and quality media exposure rather than by market fluctuations. In context study This is theory legitimacy highlighting importance company in operate not quite enough answer social and environmental as effort for maintain legitimacy they. This emphasize that company tend guard consistency in disclosure of

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sustainability reports as part from strategy they for maintain support from holder interests and society.

H4 shows that variable the market reaction was not can moderate the influence of public ownership on sustainability reports. Assess the result Market Reaction MRA coefficient is 0.139529 with Sig value is more than 0.2258 big from α 0.05. More companies prioritize needs and hopes holder interest others such as regulators, society, and customers) in sustainability report disclosure rather than response from financial markets. This in accordance with stakeholder theory suggests that company must notice interest all holder interests, not only holder share.

Research conducted by Thi Ngoc Tu Luong, A. Jorissen, and Ine Paeleman (2019) found that the market reaction was not moderate influence ownership public to report continuity in context system measurement performance and compensation based results in Vietnam. Stakeholder theory emphasizes that company must notice interest all holder interests, incl employees, communities, customers, suppliers, and regulators, not only holder stocks and financial markets. Study This show that company with public ownership possible more focus on fulfilling needs and hopes holder non-market interests rather than respond market reaction. Market reactions are often driven by interests' period short, temporary stakeholder theory emphasizes importance well-being period long for all holder interest.

Theory legitimacy state that company try for acquire, maintain, and recover legitimacy them in the eye community and stakeholder's interest. This matter shows that company with public ownership tends to be disclose the sustainability report in detail consistent as part from effort they for maintain legitimacy, regardless from how the market reacts to information the. This show that disclosure continuity more addressed for fulfil expectation holder more interest wide than respond market fluctuations.

5. Conclusion

This research examines the Market Reaction to Moderate Media Exposure and Public Ownership towards the Energy Sector and Industrial Sector Sustainability Report for 2021 - 2022. Based on the sequence of the research process that has been carried out, starting from the data collection process, data grouping, data testing and discussion of the test results data that has been carried out in the previous chapter. So, the following conclusions can be drawn:

1) Media Exposure has no effect on the Sustainability Report. This shows that pressure from media exposure is not the main factor influencing companies' sustainability reporting strategies in the energy and industrial sectors.
2) Public Ownership influences the Sustainability Report. Companies with higher levels of public ownership tend to make better disclosures of sustainability information, reflecting their commitment to transparency, accountability and social responsibility.
3) Market reactions cannot moderate the influence of media exposure on sustainability reports. Market reaction does not have a moderating effect on the relationship between media exposure and sustainability report disclosure. This suggests that market response, reflected in changes in share prices or trading activity, does not have a significant impact on corporate sustainability disclosure practices.
4) Market reactions cannot moderate the influence of public ownership on sustainability reports. This suggests that such disclosures are more influenced by pressure from stakeholders directly involved with public ownership and regulatory expectations.

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