

SUSTAINABILITY REPORTING QUALITY IN THE HEALTHCARE SECTOR OF IDX-LISTED COMPANIES

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ABSTRACT

This study aims to examine the quality of sustainability reporting through an analysis of Environmental, Social, and Governance (ESG) risk scores and their relationship to financial performance in healthcare companies listed on the Indonesia Stock Exchange (IDX) for the period of 2020-2024. This study employs a content analysis method using an a priori coding approach, in which analytical categories are predetermined based on established theoretical frameworks and ESG risk classifications. This study selected a sample of 7 companies through a purposive sampling technique, resulting in a total of 35 observations during the observation period. The results show significant variations in ESG risk management across companies. Private companies such as PT Mitra Keluarga Karyasehat Tbk. (MIKA) and PT Kalbe Farma Tbk. (KLBF) have successfully demonstrated a consistent trend of increasing risk, achieving a low-risk category. In contrast, state-owned enterprises such as PT Indofarma Tbk. (INAF) remain trapped in the severe-risk category, accompanied by significant financial performance challenges. The study concludes that transparency and success in ESG risk mitigation are positively associated with financial stability and market confidence, especially during critical times such as the pandemic. ESG disclosure has proven to be more than just an administrative obligation, but also a strategic instrument to ensure long-term business sustainability and competitiveness in the capital market.

Keywords: ESG (Environmental, Social, and Governance), Sustainability Report, Company Performance, Healthcare Sector

INTRODUCTION

Solikhah & Weng (2024) recommended that all stakeholders strongly encourage increased investment in project aimed at reducing greenhouse gas emissions and encourage the use of renewable energy sources. Companies are assessed and ranked based on their efforts and have an effect in supporting the three ESG pillars: Environmental, Social, and Governance. This assessment is considered credible by many because companies' active involvement in projects generates and provides relevant and up-to-date information.

ESG has obtained attention surrounded by researchers as a term covering a wide range of corporate activities. Fitriani & Sari (2025) argue that corporate performance in terms of ESG factors, as well as their non-financial disclosures, play a crucial role in enabling them to achieve competitive advantage. Meanwhile, ESG reporting, as defined by Arvidsson & Dumay (2022), refers to the process by which companies disclose their environmental, social, and governance practices and performance to stakeholders. The purpose of this reporting is to provide transparency and accountability in corporate activities related to sustainability and ethical governance. This disclosure has been shown to benefit stakeholders and contribute to increased corporate value, as supported by research conducted by Solikhah & Weng (2024).

Fitriani & Sari (2025) found that ESG disclosure provides investors with a tool to assess their investment decisions beyond traditional financial metrics. According to Solikhah & Weng (2024), the importance of explaining ESG disclosure in relation to company value is increasing. Bhaskaran et al. (2020) also noted a positive relationship between ESG investment practices and financial performance.

Research on the ESG paradigm in the healthcare sector has largely focused on private profit-oriented entities. However, in recent years, studies on ESG implementation have expanded into the public and nonprofit sectors (Domanović, 2022), particularly within healthcare organizations. (Sepetis et al., 2024). Although this development reflects positive progress, the internalization of ESG culture within healthcare organizations continues to face significant challenges and has yet to become firmly embedded. (Oliveira & Gebreyes, 2022).

Therefore, there is an increasing need to understand the needs and perspectives of stakeholders in this sector, while fostering an organizational culture capable of balancing stakeholder expectations with organizational constraints. In this context, the ESG paradigm should be positioned as an inherent part of organizational culture rather than an additional burden, achieved through the involvement of all stakeholders in dialogue to shape a shared understanding of sustainability based on collective needs. By cultivating a culture that views sustainability as part of the organizational mission, healthcare organizations can better align their operational practices with the expectations of external stakeholders. (Lloyd Owen, 2020).

The healthcare sector can indirectly be involved in activities that potentially harm the environment, for example when healthcare companies use hazardous chemicals in their production processes or contribute to pollution through their operational activities. (Ripple et al., 2020). This condition causes healthcare companies to face various constraints as well as regulatory changes that may pose significant risks to their performance. Healthcare funds themselves are actively managed mutual funds that allocate equity investments to companies operating in medical equipment, pharmaceuticals, hospital management, and biotechnology research. (Chen et al., 2018). In addition, investment in effective disease treatment plays an important role in minimizing impacts on populations within a network. (Huang et al., 2022). Compared to conventional mutual funds, investment instruments in the healthcare sector exhibit a higher degree of specialization in their investment strategies and generally track healthcare sector indices that encompass various risks within the healthcare sector. (Chaudhry et al., 2025).

Against this backdrop, this study aims to examine the relationship between ESG reporting quality and financial performance at the company level. This study found that ESG reporting is associated with financial performance across both reporting quality measures used: the ESG Score and ESG Rating.

LITERATURE REVIEW

Stakeholder Theory and Legitimacy Theory

Stakeholder theory and legitimacy theory are two key frameworks highly relevant for examining and assessing the urgency of ESG disclosure for companies. Ofoegbu et al. (2018) assert that these two theories serve as important theoretical foundations for explaining the positive impact of ESG reporting on business sustainability. Essentially, organizations will seek to legitimize their actions to meet the demands and expectations of various stakeholders.

The legitimacy theory perspective states that an organization's existence is highly dependent on its social contract with society. If the public believes the organization has disturbed this contract, its ability to continue operating will be threatened. (Solikhah & Weng, 2024). Therefore, companies continuously strive to align their behavior with prevailing social norms and constraints in a dynamic external environment. This theory offers a comprehensive view of the disclosure of economic, social, and governance aspects, where business operations are viewed as subject to a social contract. By fulfilling corporate social responsibility, organizations strive to gain public approval for their strategic objectives, which in turn ensures the company's long-term sustainability. (Solikhah & Weng, 2024).

On the other hand, communities play a vital role in the formation and functioning of organizations, as stated by Freeman & Reed (1983). In this regard, stakeholder theory assists as a guiding principle for organizational capability to ensure adequate disclosure practices. The intense arrangement between companies and stakeholders creates natural pressure to meet their various needs and interests. According to Tanaka & Tanaka (2022), active executive involvement in disclosure practices with stakeholders is crucial. This is done to ensure continued access to critical resources under stakeholder control while maintaining the company's reputation in the public eye.

Sustainability and Reporting Frameworks

Sustainable development refers to the means to achieve sustainability-related goals. Several pathways have been agreed upon: Climate Change (Article 6 of the United Nations Framework Convention on Climate Change), Biodiversity (Article 13 of the Convention on Biological Diversity), Disaster Risk Reduction (Sendai Framework for Disaster Risk Reduction 2015–2030), and Sustainable Consumption and Production (Sustainable Lifestyles and Education Programme of the 10-Year Framework 2012–2021 on Sustainable Consumption and Production). (United Nations Educational, 2021). However, the plan established in 2000 to achieve sustainability has not been successfully implemented. Furthermore, it appears that these pathways require the establishment of one or more concrete goals to achieve global sustainability. In 2015, the UN established 17 sustainability targets to be achieved by 2030, and these 17 UN Sustainable Development Goals (SDGs) are a key element of this study.

The GRI framework for sustainability reporting is the most widely used in this field. (Abeysekera, 2022). The GRI reports that more than 10,000 reporters use this framework in 100 countries (GRI, 2021). Approximately two-thirds of the world's 100 leading companies in 52 countries have engaged in sustainability reporting. At the same time, more than two-thirds of the world's 250 largest Fortune 500 companies by revenue have used the GRI framework. The framework seeks guidance from the Global Sustainability Standards Board, which has set standards for sustainability reporting. (Threlfall, 2020).

ESG Disclosure

John Elkington, the business expert who introduced the concept of the “Triple Bottom Line,” explains that environmental needs are viewed from three perspectives: economic, social, and environmental. This method emphasizes the need for organizations and businesses to engage in these three aspects to achieve balanced goals. (Elkington, 1998). John Elkington’s “Triple Bottom Line” approach demonstrates the importance of simultaneously addressing these three aspects to achieve balanced goals.

(Sam et al., 2025).

In recent years, investors have increasingly considered ESG (Environmental, Social, and Governance) factors alongside traditional financial and economic indicators when deciding where to allocate investment funds. (Ferri et al., 2023). More and more companies are recognizing that prioritizing the environment, employee needs, and local community interests makes financial sense. (Baker et al., 2021). The importance of ESG factors to companies has sparked increased interest, to the point where it is now common to have members of top management teams with “ESG” titles. (Ferri et al., 2023).

Feng & Wu (2023) state that stakeholders tend to reward companies with high ESG transparency through increased trust and market legitimacy. In the context of emerging markets, this becomes even more crucial because stakeholder skepticism of corporate practices tends to be higher, making transparency a key factor in value creation. Companies that excel at preventing disruption generally have more effective risk management capabilities and improved operational efficiency, supported by the implementation of environmentally friendly innovations. Companies with the best sustainability performance are better able to adapt to regulatory changes and market dynamics, thereby maintaining a favorable competitive position.

ESG Reporting Guidelines

Financial performance assessments have now gone beyond traditional valuations to integrate broader aspects such as social impact, environmental accounting, community service activities, philanthropic donations, and corporate social responsibility. In this context, ESG reporting serves as a formal disclosure and communication of a company's environmental, social, and governance objectives and progress. This more transparent provision of information enables external stakeholders to comprehensively assess a company's performance, ultimately influencing their purchasing and investment decisions. In addition to enhancing reputation and trust, this practice encourages efficient utilization and motivates companies to minimize negative environmental and social impacts, which collectively can improve long-term profitability. (Darnall et al., 2022).

While many countries face challenges due to the lack of standardized disclosure procedures and content, this provides significant flexibility for companies in determining what and how to report. (Hahn et al., 2021). In many other regions, government have adopted a normative approach, encouraging the use of non-binding reporting guidelines that set substantive standards for achieving social objectives. (López-Santana, 2006).

To date, several major international frameworks serve as references, such as the Global Reporting Initiative (GRI), the Sustainability Accounting Standards Board (SASB), the Carbon Disclosure Project (CDP), the International Integrated Reporting Council (IIRC), and the Carbon Disclosure Standards Board (CDSB). (Threlfall, 2020). Of these five frameworks, the GRI standards are the most dominant, with usage reaching 67%. The GRI (Global Reporting Initiative) standards are the standards followed by companies in Indonesia in preparing their Sustainability Reports. The GRI standards provide guidelines for preparing Sustainability Reports with the aim of clarifying the positive and negative impacts of a company's business activities on the economy, environment, and society. (Arfito et al., 2023). However, overlap between various frameworks often causes confusion for companies in preparing reports and for

investors in comparing performance between companies. In response to this challenge, in 2020, various standard-setting organizations agreed to collaborate on creating unified reporting standards. (Darnall et al., 2022). While GRI has chosen to remain independent, the merger with other organizations marks a significant shift towards stronger consolidation of global ESG guidelines.

The Relationship Between ESG Quality and Financial Performance

A large body of global literature has provided strong empirical evidence of the positive impact of engaging in Environmental, Social, and Governance (ESG) activities on company financial performance. A comprehensive cross-country by Xie et al. (2017) showed that ESG activities have a beneficial effect on corporate profitability. Similarly, Bhaskaran et al. (2020), through a study of a broad sample of over 4,500 companies, found that the integrated use of the three ESG pillars proved effective in increasing corporate market value.

Systematic reviews of the literature further confirm this positive correlation. One of the most extensive reviews, conducted by Friede et al. (2015), compiled over 2,200 individual studies and found that approximately 90% confirmed the positive impact of ESG on firm performance. This consistency is also supported by a recent meta-analysis by Judijanto et al. (2024), which used 199 studies from the Scopus database, with the largest group of studies specifically validating the relationship between ESG disclosure and financial success.

Theoretically, the correlation between ESG reporting and financial performance is rooted in the idea that greater transparency on non-financial issues reflects the implementation of sustainable business practices. Companies that are transparent about their environmental and social impacts tend to have better risk management, which in turn creates a competitive advantage and strengthens their reputation among investors and the public. (Arvidsson & Dumay, 2022). Thus, ESG disclosure is not only an administrative obligation but also a strategic tool to increase overall company value.

RESEARCH METHODS

The method used in this study is content analysis, which is a systematic and replicable analytical technique used to classify large amounts of textual information into more concise content categories based on clear and structured coding rules. (Stemler, 2001). This study employs an *a priori coding* approach, in which analytical categories are predetermined before the data analysis process begins. This approach is grounded in theoretical frameworks and concepts developed in prior studies as the basis for coding and data interpretation. The categories used are based on the output of idx.co.id/id with the following five categories:

Table 1. ESG Risk Categories

Categories	Risk Score	Description
Negligible	0-10	Negligible Risk
Low	10-20	Low Risk
Medium	20-30	Medium Risk
High	30-40	High Risk
Severe	>40	Severe Risk

Source: processed data, 2026

The sampling technique used was purposive sampling. The sample obtained from the healthcare sector population for the 2020-2024 period was based on the following standards:

Table 2. Sample Determination

No	Information	Amount
1	Companies included in the health sector	38
2	Companies in the healthcare sector that did not publish sustainability reports regularly in 2020-2024	(28)
3	Companies in the healthcare sector that did not use the GRI 4 index during the 2020-2024 period	(3)
Companies selected as samples		7
Observation year		5
Research sample		35

Source: processed data, 2026

Based on the table above, the total sample size used in this study is 35. This study uses sustainability reports from companies listed on the Indonesia Stock Exchange in the Health sector for the period 2020 to 2024.

RESULTS AND DISCUSSION

The following are the results of the ESG score calculations for healthcare sector companies for the period 2020 to 2024:

Table 3. Score Total

Code	Company Name	Year	ESG Score Risk
INAF	Indofarma Tbk.	2020	69,0722
		2021	69,0722
		2022	69,0722
		2023	67,0103
		2024	62,8866
KAEF	Kimia Farma Tbk.	2020	68,0412
		2021	58,7629
		2022	44,3299
		2023	20,6186
		2024	20,6186
KLBF	Kalbe Farma Tbk.	2020	37,1134
		2021	44,3299
		2022	26,8041
		2023	21,6495
		2024	20,6186

		2020	25,7732
		2021	55,6701
MERK	Merck Tbk.	2022	39,1753
		2023	40,2062
		2024	41,2371
		2020	44,3299
MIKA	Mitra Keluarga Karyasehat Tbk.	2021	41,2371
		2022	16,4948
		2023	16,4948
		2024	16,4948
		2020	52,5773
SIDO	Industri Jamu dan Farmasi Sido Muncul Tbk.	2021	50,5155
		2022	34,0206
		2023	27,8351
		2024	19,5876
		2020	45,3608
SILO	Siloam International Hospitals	2021	52,5773
		2022	34,0206
		2023	37,1134
		2024	20,6186

Source: processed data, 2026

Discussion

Indofarma Tbk. (INAF)

PT Indofarma Tbk's (INAF) ESG score shows a positive downward trend in risk when interpreted as an ESG Risk Rating. In risk methodology, a lower score indicates a company's improvement in mitigating unmanaged environmental, social, and governance risks. From 2020 to 2022, the INAF score remained stagnant at 69.0722. Within the risk category, a score above 40 is classified as Severe Risk, indicating the company's high vulnerability to operational and governance issues during that period. However, the score decreased (risk improvement) to 67.0103 in 2023 and then dropped again more sharply to 62.8866 in 2024. While still in the severe risk category, this decline indicates initial efforts to minimize ESG risk exposure compared to previous years. The relationship between this decline in risk scores and company performance reflects the critical phase INAF is currently experiencing in its restructuring efforts. While the risk score decreased to 62.8866 in 2024, which theoretically indicates reduced risk, this is often related to more honest risk disclosure or business strategy adjustments amidst severe financial pressures.

In reality, INAF's financial performance is facing significant challenges due to operational losses and debt burden. The decline in the risk score indicates that management is beginning to focus more on efficiency and governance to prevent more serious risks, although the impact has not yet been immediately visible in the recovery of net income. In the long term, consistent efforts to continue reducing this risk score are crucial for INAF to reassure stakeholders that the company is on the path to healthier governance and stronger business sustainability in the future.

Kimia Farma Tbk. (KAEF)

The movement in KAEF's score indicates a significant, gradual improvement in risk management. In 2020, KAEF started with a score of 68.0412, which fell into the Severe Risk category. This score indicated significant vulnerability to environmental, social, and governance issues during the early stages of the pandemic. However, the company managed to consistently reduce its risk score to 58.7629 in 2021, then dropped further to 44.3299 in 2022, finally reaching 20.6186 in 2023, where it remained stable until 2024. This drastic decline from the Severe category to the Low Risk threshold reflects the company's success in strengthening internal controls and mitigating previously very high operational risks.

This sharp decline in its risk score is closely related to the fundamental transformation KAEF is undertaking amidst financial performance pressures. Although the company's financial statements initially recorded losses due to debt burden and factory inefficiencies, the improvement in its ESG score to 20.6186 in 2024 demonstrates that management has successfully identified and mitigated systemic non-financial risks. This risk reduction signal is usually an early indicator that a company is undertaking governance cleanup and business process improvements. In the long term, this low risk score will help KAEF regain investor trust and facilitate access to green financing at more competitive rates, thus supporting the ongoing financial performance recovery through efficiency measures and operational transformation.

Kalbe Farma Tbk. (KLBF)

PT Kalbe Farma Tbk's (KLBF) ESG score is analyzed using the ESG Risk Rating perspective, where a lower score indicates lower risk and better management. In 2020, KLBF recorded a score of 37.1134, which then experienced a risk spike (increase in score) to 44.3299 in 2021, placing it in the Severe Risk category. This increase was likely driven by significant exposure to operational and supply chain risks during the peak of the pandemic. However, after 2021, KLBF demonstrated a very impressive risk recovery in succession, with the score dropping drastically to 26.8041 in 2022, improving again to 21.6495 in 2023, and reaching a low of 20.6186 in 2024. This consistent decline signifies the company's successful transition from the high risk category to the Low Risk threshold.

The relationship between this decrease in risk score and the company's performance reflects KLBF's increasingly solid and resilient fundamentals. The decrease in risk from 44 to 20 indicates that KLBF has strengthened its corporate governance and integrated sustainability principles into its core business strategy. Financially, this low risk score positively correlates with the company's ability to maintain profit margins and investor confidence, given that KLBF is often considered a market leader with high compliance standards. With a risk score now reaching 20.6186, KLBF has a stronger bargaining position in attracting green investment and mitigating market uncertainty, ultimately supporting sustainable dividend growth and share value for stakeholders in the long term.

Merck Tbk. (MERK)

PT Merck Tbk's (MERK) ESG score is analyzed using the ESG Risk Rating category, where fluctuations in the score reflect changes in the level of risk faced by the

company. In 2020, MERK recorded a very low risk score of 25.7732, but experienced a sharp increase in risk in 2021 to 55.6701, placing it in the Severe Risk category. This spike indicates significant risk exposure, likely due to global supply chain disruptions or governance issues during the pandemic. Entering 2022, the company made significant improvements, reducing its risk score to 39.1753 (High Risk). However, in 2023 and 2024, the risk score again showed a slight upward trend, respectively, to 40.2062 and 41.2371, indicating that the company is still struggling to stabilize its risk management in the severe risk category. The relationship between the dynamics of this risk score and the company's performance indicates that MERK is highly sensitive to regulatory changes and operational conditions in the pharmaceutical industry. Although MERK is known for its financially stable fundamentals and regular dividend distributions, the increase in its risk score in 2024 to 41.2371 signals that non-financial aspects, such as environmental compliance or workforce management, require closer attention to prevent future financial burdens. The persistent score in the Severe Risk category for the past three years (2022–2024) indicates challenges in consistently implementing its sustainability strategy. For investors, this trend suggests that while profitability may be stable, the company's risk profile remains at a level that requires vigilance to maintain the long-term sustainability of its stock value.

Mitra Keluarga Karyasehat Tbk. (MIKA)

PT Mitra Keluarga Karyasehat Tbk's (MIKA) ESG score is analyzed using the ESG Risk Rating category, where lower scores indicate better risk management. In 2020, MIKA recorded a score of 44.3299, falling into the Severe Risk category, reflecting the high operational risk burden of the hospital at the start of the pandemic. However, the company showed improvement, lowering its score to 41.2371 in 2021 and recording a drastic risk reduction in 2022 to 16.4948. This score then remained stable at 16.4948 until 2024. This sharp decline from the Severe Risk category to the Low Risk category demonstrates MIKA's success in transforming its risk management system and strengthening governance, making it significantly more efficient than in previous years.

The relationship between this significant risk score reduction and company performance reflects MIKA's increasingly mature operational efficiency as one of the largest hospital groups in Indonesia. The company's success in maintaining a low score of 16.4948 over the past three years (2022–2024) is directly proportional to the company's ability to maintain profitability and strong cash flow in the post-pandemic era. This low risk score provides a positive signal to investors that MIKA is highly resilient to issues of malpractice, medical waste, and health regulatory compliance. With its current low risk profile, MIKA has a competitive advantage in attracting capital market confidence, ultimately strengthening stock price stability and supporting its ongoing expansion plans for new hospitals.

Industri Jamu dan Farmasi Sido Muncul Tbk. (SIDO)

The ESG score of PT Industri Jamu dan Farmasi Sido Muncul Tbk (SIDO) is analyzed using the ESG Risk Rating category, where lower scores indicate superior risk management. In 2020, SIDO started with a score of 52.5773, which falls into the Severe Risk category. This score then decreased slightly to 50.5155 in 2021. Significant improvements began to be seen in 2022, with a sharp drop in the risk score to 34.0206 (High Risk), which continued to 27.8351 (Medium Risk) in 2023. Finally, in 2024, SIDO achieved a score of 19.5873, officially placing the company in the Low Risk category.

This consistent downward trend without any spikes in risk demonstrates SIDO's success in sustainably mitigating environmental and governance issues.

The relationship between this drastic decrease in the risk score and the company's performance reflects the positive correlation between operational efficiency and market confidence. SIDO's success in achieving a Low Risk rating of 19.5873 in 2024 demonstrates that the company has successfully integrated sustainability practices, such as herbal waste management and renewable energy use, into its core business model. Financially, this low-risk profile strengthens SIDO's position as a resilient company with solid fundamentals, enabling it to maintain high profit margins despite economic fluctuations. For investors, this achievement confirms that SIDO not only generates short-term profits but also possesses very strong long-term risk management, making it one of the most attractive investment assets in the healthcare and consumer sectors.

Siloam Indonesia Hospitals Tbk. (SILO)

PT Siloam International Hospitals Tbk's (SILO) ESG score is analyzed using the ESG Risk Rating category, where fluctuations in the score reflect the level of non-financial risk faced by the company. In 2020, SILO started with a score of 45.3608, categorized as Severe Risk, and experienced a spike in risk in 2021 to 52.5773 due to the extreme hospital operational burden during the pandemic. However, SILO demonstrated significant risk recovery in 2022, with its score dropping drastically to 34.0206 (High Risk). Despite a slight increase to 37.1134 in 2023, the company made remarkable improvements in risk management in 2024, reaching 20.6186. This complete decline from the Severe category to the Low Risk threshold signifies a significant strengthening of internal controls.

The relationship between this risk score decline and company performance reflects SILO's transformation in optimizing cost efficiency and healthcare governance. The success of reducing the score to 20.6186 by 2024 is directly proportional to the company's significant net profit growth and improved operating margins post-pandemic. This low risk score demonstrates that SILO has successfully mitigated crucial risks in the hospital sector, such as medical waste management, patient safety, and regulatory compliance. For investors, this improving score trend provides assurance that SILO's financial growth is supported by solid risk management fundamentals, thus increasing the attractiveness of SILO shares as a stable and sustainable investment instrument in the healthcare sector.

CONCLUSION

This study concludes that the quality of ESG reporting has a positive relationship with financial performance in healthcare companies listed on the Indonesia Stock Exchange during 2020–2024. Using both ESG Score and ESG Rating as measures of reporting quality, the findings indicate that companies with better ESG disclosure quality and stronger ESG risk management tend to demonstrate greater financial stability, improved resilience, and stronger market confidence. This suggests that ESG reporting functions not only as a transparency mechanism, but also as a strategic instrument that supports long-term business sustainability and firm performance.

The findings also show that differences in ESG reporting quality are associated with variations in financial performance across companies. Firms that maintain lower

ESG risk profiles, such as those consistently classified in low-risk categories, generally exhibit stronger financial conditions compared to companies facing severe ESG risks. This relationship became particularly evident during periods of uncertainty, including the COVID-19 pandemic, where companies with stronger ESG practices appeared better able to withstand operational and financial pressures. These results reinforce the importance of integrating ESG principles into corporate strategy as a means of improving competitiveness and creating long-term value.

Overall, this study supports the objective that high-quality ESG reporting is associated with better firm-level financial performance in the healthcare sector. The results contribute to the growing evidence that ESG disclosure should not be viewed merely as a compliance obligation, but rather as a value-enhancing mechanism that strengthens stakeholder trust, improves risk mitigation, and supports sustainable corporate growth. Therefore, improving the quality of ESG reporting can become an important strategic pathway for healthcare companies seeking to enhance both sustainability performance and financial outcomes..

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