Volume 17, Number 1, May 2025, pp 51 – 64, Jurnal Akuntansi, Program Studi Akuntansi, Fakultas Hukum dan Bisnis Digital, Universitas Kristen Maranatha. ISSN 2085-8698 | e-ISSN 2598-4977. http://journal.maranatha.edu

Investigation of Audit Committee Roles Towards Indonesian Hotel Companies' Sustainability

Chris Petra Agung[1]
Universitas Katolik Parahyangan
Jl. Ciumbuleuit No. 94, Hegarmanah, Cidadap, Kota Bandung
chrispetra@unpar.ac.id

Wahdan Arum Inawati[2*]
Universitas Telkom
Jl. Telekomunikasi No. 1, Bojongsoang, Dayeuhkolot, Kabupaten Bandung
wahdanaruminawati@telkomuniversity.ac.id
*corresponding author

Received 25 March 2025; Revised 7 April 2025; Accepted 22 April 2025

Abstrak

Tujuan – *Penelitian ini menguji hubungan antara 1) komite audit dan pengungkapan laporan keberlanjutan (sustainability report (SR)), 2) pengungkapan SR dan profitabilitas, dan 3) komite audit dan profitabilitas pada perusahaan perhotelan yang terdaftar dalam klasifikasi industri hotel, resor, dan pelayaran Bursa Efek Indonesia selama periode 2021-2023.*
Desain/Metodologi/Pendekatan – *Penelitian ini merupakan penelitian kuantitatif dengan mengumpulkan data dari laporan keuangan dan SR setiap perusahaan sampel selama tahun observasi. Data tersebut kemudian akan diolah dan dilakukan uji hipotesis dengan menggunakan Partial Least Squares-Structural Equation Modeling (PLS-SEM) melalui perangkat lunak SmartPLS Versi 3.*
Temuan – *Komite audit secara positif dan signifikan memengaruhi pengungkapan SR namun tidak berpengaruh terhadap profitabilitas. Profitabilitas juga tidak dipengaruhi oleh pengungkapan SR. Temuan ini mengisi kekosongan celah penelitian (research gap) yakni pola interaksi antara komite audit, pengungkapan SR dan profitabilitas khususnya pada konteks perusahaan perhotelan di Indonesia.*
Keterbatasan/implikasi Penelitian – *Penelitian ini dilakukan dengan melibatkan jumlah sampel dan tahun observasi yang cukup terbatas, namun hasil penelitian ini mendorong pihak manajemen perusahaan perhotelan untuk membahas isu keberlanjutan secara lebih komprehensif dalam rapat komite audit sehingga tingkat pengungkapan SR menjadi semakin dalam dan luas.*

Kata Kunci: Keberlanjutan, Komite Audit, Pengungkapan, Profitabilitas

Abstract

Purpose – This study examines the relationship between 1) audit committee and sustainability report (SR) disclosure, 2) SR disclosure and profitability, and 3) audit committee and profitability in hotel companies listed in the hotel, resort, and cruise industry classification of the Indonesia Stock Exchange during 2021-2023 period.
Design/methodology/approach – This research is quantitative, and data will be collected from the financial reports and SR of each sample company during the observation year. The data will then be processed, and hypothesis testing will be carried out using Partial Least Squares-Structural Equation Modeling (PLS-SEM) through SmartPLS Version 3 software.
Findings – The audit committee positively and significantly affects SR disclosure but does not affect profitability. Profitability is also not affected by SR disclosure. This finding fills the research gap, namely the interaction among the audit committee, SR disclosure and profitability, especially in the context of Indonesian hotel companies.
Research limitations/implications – This research involves a fairly limited number of samples and years of observation; however, the results encourage hotel company management to discuss sustainability issues more comprehensively during audit committee meetings so that the depth and breadth of SR disclosure may increase.

Keywords: Audit Committee, Profitability, Sustainability Disclosure

Introduction

As a part of the tourism sector, the hospitality sector is highly prone to changes and crises, such as climate, economic, and political disruptions. Hospitality activities are, indeed, mostly influenced by uncertain and dubious conditions. This has been proven by the COVID-19 pandemic, which resulted in plummeting hotel occupancy rates worldwide (Pradono & Cahyarini, 2022). Moreover, long before the pandemic hit, hotels faced disadvantages caused by environmental damage to nearby tourism (Agarwal *et al.*, 2019; Somphong *et al.*, 2022). These circumstances led many hotel leaders to agree to take more sustainable actions. Taking sustainable actions and making more eco-friendly decisions have allowed them to address the environmental impacts caused by the operational activities of the hotels they lead (Agung *et al.*, 2024). The leaders hope these initiatives will decrease negative ecological effects and support the hotel's survivability.

There are surely many initiatives hotel companies can take. The most common one is to use the Environmental, Social, and Governance (ESG) framework (Sustainable Hospitality Alliance, 2023), specially designed for the hospitality industry to support the sustainability of people, planet, place, and prosperity. Environmental aspects include two main topics: 1) resource use and pollution and 2) nature protection. Resource use and pollution cover activities that support the availability of water and material use and work to reduce emissions, energy, and waste. Hotels regularly deal with huge amounts of water (Gabarda-Mallorquí *et al.*, 2017; Styles *et al.*, 2015), (Bianco *et al.*, 2017; Dibene-Arriola *et al.*, 2021) consumption and waste (Kularatne *et al.*, 2019; Levy & Park, 2011) coming from hotel facilities such as restaurants, swimming pools, and banquets. Therefore, working on these issues is crucial to ensure guest satisfaction and the viability of the hotel business.

Nature protection focuses on enhancing ecosystems and biodiversity around hotel locations. Previously, many ecological and environmental damages have been reported as caused by overexploitation and overcrowding of tourism destinations (Agarwal *et al*., 2019; Nitivattananon & Srinonil, 2019). This catastrophe not only puts the environment in danger but also causes a significant decline in hotel room occupancy. Furthermore, it may take years to restore the damaged ecosystems. Community participation, including hotels and other small and medium tourism enterprises (SMEs), is highly needed. Many hotels are now engaged in such projects (Nitivattananon & Srinonil, 2019; Somphong *et al*., 2022), however, preventive actions are still preferred rather than corrective ones. Therefore, hotels need to take part in protecting the ecosystem.

Social aspects consist of four working areas: 1) fairness in the workplace, 2) equitable and better opportunities, 3) community partnerships and support, and 4) customer welfare. Fairness in the workplace examines the implementation of human rights and labour practices, while equitable and better opportunities focus more on equity, diversity, inclusion, and employee engagement. Guilding (2014) argued that the hotel industry is unlike any other industry. It is labour-intensive, meaning hotels need more workers to provide excellent service quality to their guests.

The more people who work to serve hotel guests, the higher the satisfaction created. In many cases, hotel employees come from diverse backgrounds and skill sets (Agung *et al*., 2024; Jamal Ali *et al*., 2021; Jasinskas *et al*., 2016; Minh *et al*., 2015); therefore, it is vital to ensure that they have equal opportunities for their career aspirations and are equally valued based on both team and individual achievements.

Table 1
ESG Framework for Hospitality Industry

Environmental	Social	Governance
Resource Use and Allocation Water Mineral Use Emissions and Energy Waste	Fairness in the Workplace Human Rights Labor Practices	Net Positive Governance Stakeholder Engagement Management and Compliance Commitments and Reporting
Nature Protection	Equitable and Better Opportunities Equity, Diversity, and Inclusion Employee Engagement Community Partnership and Support Community Partnership Local Sourcing and SMEs Customer Welfare	

Source: Sustainable Hospitality Alliance (2023)

Community partnerships and support span partnerships with nearby and local communities and local sourcing from SMEs, while customer welfare focuses on creating guest satisfaction throughout their stay. Many hotels prefer imported products to local sources, such as fruits, vegetables, yeast, and other baking ingredients, to ensure guest satisfaction. Imported products may be known for their higher quality and prestige.

However, studies show disadvantages such as higher product prices and transportation costs, resulting in higher room rates (Lee, 2020) and higher carbon emissions (Dussaux *et al*., 2023), which increase the ecological damage caused by the hospitality sector. On the other hand, choosing locally sourced products offers advantages such as eating seasonally available foods, saving costs, serving fresher products, reducing transportation costs, and supporting the local economy (Accor, 2024; Four Seasons, 2022). Furthermore, many hotels increasingly know that locally sourced products meet operational requirements and satisfy guests. Hotels proudly promoting this policy often find guests supporting the initiative (Gerdt *et al*., 2019).

Since 2021, Indonesia's Financial Services Authority (OJK) has required public companies to publish annual SRs that disclose sustainability goals and ESG performance (Regulation of Indonesia Financial Services No 51 /POJK.03/2017, 2017). While this regulation exists, the depth and breadth of SR disclosure remain voluntary. Previous studies found a positive relationship between (1) audit committee and SR disclosure and (2) SR disclosure and profitability (Azzahra *et al*., 2021; Purbandari & Suryani, 2021). However, to the best of the authors' knowledge, tests of previous studies were conducted separately. This research is the first to analyse how the audit committee affects the profitability of Indonesian hotel companies both directly and with the moderation of SR disclosure. This study analyses the relationships between (1) audit committee and SR disclosure and (2) SR disclosure and profitability, as stated in Figure 1. Agency theory and corporate governance will be used as grand theories. Furthermore, this study proposes three hypotheses before conducting empirical tests.

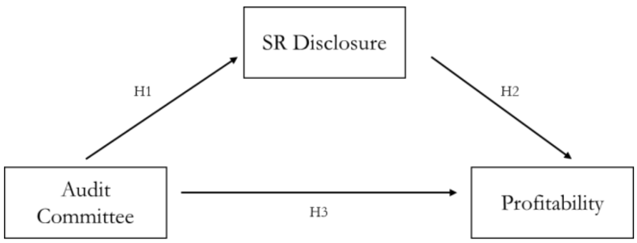

Figure 1
Research Framework

Literature Review & Hypothesis

Agency Theory

Agency theory separates two different roles in a company. A group of capital owners (investors) will act as principals who use the services of a group of people who are considered capable and competent to run the company so that the company can generate a return for the principal. This group of people is the board of directors and all levels of management, hereinafter referred to as agents. The principal fully hands over decision-making authority to the agent because the agent is considered more competent to run the company's business activities. These agency conflicts often occur over time between the two parties when carrying out their respective roles (Guilding, 2014).

Agency conflict begins when the agent and principal have different goals, whereas the agent responsible for the principal should support the principal's goals. The principal’s goal is to improve their welfare, but the agent also wishes to. Agents with better information about the company's condition will try harder to gain benefits than the principal. Therefore, agents do not always act in the principal's interests (Guilding, 2014; Utama *et al.*, 2022). Agents and principals may have different views on sustainability issues, especially in the hospitality industry. One of the two parties may prioritise sustainability issues while the other party neglects them. The old paradigm in assessing the success of a company's performance focuses on performances that can be measured monetarily. In contrast, the new paradigm focuses on profit, people, and the planet (Agung et al., 2025; Sustainable Hospitality Alliance, 2023).

Corporate Governance and Sustainability

Corporate governance structures in the hospitality industry include stakeholder engagement, management compliance, and sustainability reporting (SR). Hotel companies’ Boards of Directors (BoD) are responsible for formulating sustainability strategies and reporting on them through SRs. The BoD works alongside Boards of Commissioners (BoC) to meet governance objectives (Sustainable Hospitality Alliance, 2023). The BoC is responsible for appointing audit committees. The audit committee is highly important for companies as it provides professional and independent input and opinions to BoC on any reports submitted by BoC.

The committee also carries out other tasks that help BoC formulate sustainability strategies. There are at least six tasks of the committee: (1) reviewing information disclosure to the public. The audit committee ensures that financial and non-financial information disclosed to the public and government authorities has been fairly stated and accurately reflects the company's current condition. Each audit committee member is deemed qualified and competent and is independent in conducting the review; (2) reviewing compliance on regulations that directly affect the company’s activities. Audit committee members review each sustainability-related regulation to avoid any legal risks in the future. A compliance review is ideally conducted regularly as sustainability regulations may change over time; (3) delivering independent opinions in times of dispute between management and external parties that help the company during the preparation of SR. The audit committee acts as a mediator in times of disagreement by giving out independent opinions. These independent opinions are given to ensure that the reports, including each disclosure, are fairly stated and have no misleading contents that may misguide the readers; (4) conducting the review on risks of sustainability strategies. Sustainability actions may incur certain business and financial risks; therefore, the audit committee regularly reviews these risks to ensure that risk management has been applied adequately. Risk management is crucial as it may prevent the company from incurring any significant additional costs that the company must bear; (5) reviewing complaints related to SR. Complaints related to sustainability reporting are usually associated with reporting inaccuracies that whistleblowers report.; (6) delivering suggestions to BoC on the potency of conflict of interest. The potency of conflict of interest must be reviewed to ensure that the company’s operational activities may run smoothly. The audit committee reviews each of these potencies and then delivers suggestions to BoC on the fairness of each disclosure (Guilding, 2014; Sustainable Hospitality Alliance, 2023; Utama *et al.*, 2022).

Audit Committee towards SR Disclosure

Separating roles between agents and principals can trigger conflicts of interest (Utama *et al.*, 2022). Regarding sustainability, BoD, as an agent, may be demanded by various parties, such as local communities, customers, suppliers, and the government, to provide policies that have a greater social impact, even though these policies may reduce the company's chances of getting higher profits. On the other hand, shareholders, as principals, demand agents to run their businesses more effectively and efficiently to increase the reported profits and the principal's welfare.

The presence of an audit committee may help decrease this conflict of interest due to the nature of their tasks and duties previously stated; therefore, companies will have a higher level of capability to apply sustainability actions and report them accurately and timely. Previous studies on the influence of the audit committee on SR disclosure have shown positive results. Supervision carried out by the audit committee triggers the implementation of good corporate governance (GCG). Comprehensive supervision can realise the principles of GCG, one of which is the principle of transparency, where the company becomes more open about the various business operations it carries out, including sustainability activities (Azzahra *et al.*, 2021; Mardianto & Novita, 2024; Purbandari & Suryani, 2021; Satria *et al*., 2023a). Additionally, an audit committee consists of members with expertise in finance, accounting, and sustainability issues, providing better oversight and can then enhance the comprehensiveness of sustainability reporting (Kallamu & Saat, 2015). Based on this explanation, the hypothesis proposed is as follows:

H_1: Audit committee positively affects SR disclosure

SR Disclosure towards Profitability

Many companies urge to increase the competence of their audit committee members for a couple of reasons. One is because an audit committee with very good competencies will significantly contribute to higher-quality SR disclosure. Previous studies show that there is a positive relationship between SR disclosure and profitability, meaning that the more comprehensive a company’s SR disclosure, the higher profit it will generate (Agung *et al.,* 2025; Khaveh *et al.*, 2021; Laskar, 2019; Nugroho & Arjowo, 2014; Tahmid *et al.*, 2022). These studies found that 1) SR disclosure is viewed as a long-term investment which should bring financial benefit in the future; 2) SR disclosure helps companies create their competitive advantage and distinguish them from their competitors; 3) the cost of producing SR is considered minimal while the future financial benefit is much greater. Moreover, meeting stakeholders' needs, such as top management and subordinates, could boost operational efficiency and performance by increasing employee motivation and maintaining loyalty. Employees’ capability to manage the company’s assets has been improved. These can only happen if employees are satisfied (Buallay, 2022).

Laskar (2019) and Khaveh et al. (2021) found that disclosing environmentally friendly initiatives such as renewable energy projects or investments in programs that aim to reduce emissions may signal a company’s interest in environmental sustainability and should have positive impacts on the company’s green reputation and eco-friendly brand recognition. These achievements will further boost the companies’ sales and profit. Another benefit is easier access to new, environmentally conscious markets that desire eco-friendly products, leading to new sales areas. Based on this explanation, the hypothesis proposed is as follows:

H_2: SR disclosure positively affects profitability

Audit Committee Towards Profitability

On the other side, some company leaders argue that sustainability should not be a necessity in generating profit as audit committee members alone are powerful enough to boost profitability (Agung & Inawati, 2023; Agyemang, 2020; Kallamu & Saat, 2015; Oroud, 2019). Oroud (2019) found that audit committees in the current situation have generally been supported by structure and characteristics that can boost a company's financial performance. This study, along with the study of. found that audit committee characteristics such as size, financial experience, and expertise positively affect a company's profitability, meaning that higher profitability can be obtained by forming an audit committee with more members, more years of financial experience and higher expertise.

Kallamu & Saat (2015) also found a positive relationship between audit committee structure and profitability, arguing that the effectiveness of an audit committee is highly determined by how it is structured and maintains its relations with BoC. An audit committee comprising more independent directors would likely provide broader monitoring due to its ability to abide by pressure from BoC. Higher independence also improves the legitimacy power of audit committees, reducing agency problems and lowering internal expropriation. Based on this explanation, the hypothesis proposed is as follows:

H_3: Audit committee positively affects profitability

Research Method

This quantitative study collected data from companies that published annual and sustainability reports on their websites. The sample involved companies listed in the hotel, resort, and cruise industrial classification of the Indonesia Stock Exchange in the 2021-2023 period. There are 31 companies in this classification; however, 19 do not regularly publish SRs. Therefore, only 12 companies are eligible. The data is analysed using Partial Least Squares - Structural Equation Modeling (PLS-SEM) through SmartPLS Version 3 software.

PLS-SEM using SmartPLS software is selected for examining the causal relationships among these variables due to its suitability for path analysis, particularly in studies with limited sample sizes. In PLS-SEM path analysis, all variables are equally treated as observed. Utilizing PLS-SEM with SmartPLS version 3 allows researchers to automatically determine the significance values associated with each variable relationship, facilitating direct interpretation of the output. Furthermore, in studies incorporating variables that employ single indicators, PLS-SEM necessitates reliability and validity assessments prior to performing hypothesis tests, as opposed to classic assumption tests. This is because the PLS-SEM method is robust and does not rely on the assumption of normal data distribution and large sample sizes (Henseler *et al.*, 2009). This research uses three variables: audit committee, SR disclosure, and profitability (see table 2).

Table 2
The Measurement of Each Variable

Variable(s)	Definition	Indicator	Scale
Audit Committee	A committee within a company that helps BoC and works to oversee BoD and its managerial subordinates (Utama *et al.*, 2022)	Number of audit committee meetings in a year (Azzahra *et al.*, 2021)	Ratio
Intervening Variable			
SR Disclosure	Disclosure of SR issued by companies (Regulation of Indonesia Financial Services No 51 /POJK.03/2017, 2017)	The number of disclosures within a specific year divided by the number of mandatory disclosures (Azzahra *et al.*, 2021)	Ratio
Dependent Variable			
Profitability	A hotel company's capability to create returns based on its assets (Guilding, 2014)	Return on Asset (RoA) = Net Profit divided by Total Asset (Guilding, 2014)	Ratio

Results and Discussion

Values of Cronbach's alpha, rho alpha, composite reliability, and AVE are all 1.000 (see Table 3), meaning that this research's reliability on measurement is confirmed. The discriminant validity, which is measured by heterotrait–monotrait ratio (HTMT), shows values <0.9, meaning that the model of this research is valid (see Table 4) (Henseler *et al.*, 2009).

Table 3
Reliability Test Result

	Cronbach's Alpha	rho_A	Composite Reliability	Average Variance Extracted (AVE)
Audit Committee	1.000	1.000	1.000	1.000
SR Disclosure	1.000	1.000	1.000	1.000
Profitability	1.000	1.000	1.000	1.000

Source: SmartPLS Output

Table 4
Validity Test Result

	Audit Committee	Profitability	SR Disclosure
Audit Committee			
Profitability	0,105		
SR Disclosure	0,301	0,244	

Source: SmartPLS Output

Based on the table above, it can be concluded that only H_1 is accepted, while both H_2 and H_3 are rejected. The explanation is as follows:

Audit Committee Positively Affects SR Disclosure

Audit committee, which is measured by the number of meetings, positively and significantly affects SR disclosure, meaning that the more audit committee meetings are conducted, the more comprehensive the company's SR is. This finding aligns with several previous studies (Aniktia & Khafid, 2015; Azzahra *et al*., 2021a; Purbandari & Suryani, 2021; Satria *et al*., 2023b). Agency theory states that the separation of roles between agent and principal can trigger a conflict of interest. In terms of sustainability, it is highly possible that as an agent, BoD is required by various parties, such as local communities, customers, suppliers and the government, to provide policies that have a greater social impact even though these policies may reduce the company's opportunities to gain greater profits. On the other hand, shareholders as principals demand agents to run their business more effectively and efficiently, even though the sustainability actions may be limited, so reported profits are greater and can increase the principal's welfare (Utama *et al*., 2022). This is where the audit committee functions. Based on POJK, OJK requires all public companies to conduct audit committee meetings at least once every three months or four times a year. The obligation is designed to support the audit committee in performing its functions, including 1) conducting a review of financial and non-financial reports; 2) conducting a review on compliance on legal aspects that are directly related to the company's business operation; 3) giving independent opinion in case of dispute between the management and accounting firm; conducting the review the performance of internal auditor; 4) conducting a review on risk managerial activities; and 5) giving advice to BoC on potential conflict within the company 55 (Regulation of Indonesia Financial Services No 55 /POJK.04/2015, 2015). This finding confirms that audit committee meetings have proven highly effective in preparing more comprehensive SR disclosures.

Table 5
Structural Model Result

Hypothesis	β Values	T Statistics	*p* Values	Conclusion
H_1	0.301	3.307	0.001	Supported
H_2	-0.234	1.330	0.184	Rejected
H_3	-0.034	0.206	0.837	Rejected

Source: SmartPLS Output

SR Disclosure Insignificantly Affects Profitability

This finding is in line with Buallay (2022), who argues that this is because the profitability generated by disclosing sustainability information does not exceed the costs of that disclosure. In the hospitality industry, sustainability investment may cost a lot of time and money with a very long payback period. A report prepared by ARUP (2024) reveals that implementing sustainable practices within hotel premises of a single-chain hotel may cost up to £3.8 million. However, this amount is much less comparable with its return, which is only £139,500-worth annual energy savings and 17 years of payback period.

Another possible cause is that shareholders feel that sustainability expenditure may not be necessary and even put companies at a competitive disadvantage. Therefore, SR may negatively impact intangible achievements, such as shareholder satisfaction, reflected in their interest in investing in the respective company (Atan *et al*., 2018). In the hotel industry, newer hotels are often viewed as threats to current competitors as they have newer facilities, more attractive features, and more services (Nikolskaya *et al*., 2018), meaning that older hotels should regularly put in more budget to catch up with newcomers. Therefore, many think they should prioritise their budget allocation for renewing their facilities and services rather than investing in sustainability activities (Abrudan *et al*., 2020) .

Audit Committees Insignificantly Affect Profitability

This finding leads to an argument that many audit committee meetings have not been powerful enough to increase companies' profitability. There are several potential reasons behind this finding. The first is because of the increased expenses incurred due to the number of meetings held. Unfortunately, these expenses are not comparable with the future financial outcome of the meetings (Al-Mamun et al., 2014). Secondly, Mulyadi (2017) argues that several audit committee meetings alone are ineffective enough to increase profitability. The meetings should be combined with the quality of competence of audit committee members. Furthermore, Hasan *et al*. (2019) argue that the insignificant relation can be caused by a lack of audit committee expertise even though the meetings have been regularly held. Skill and capability need to be acquired by each audit committee so that, as a team, they can actively conduct effective monitoring. Some required skills and expertise include finance, accounting, auditing, and accounting information systems. In the context of Indonesian hotel companies, Indonesian hotel companies are encouraged to enhance the capacity of their audit committee members through both formal education and non-formal education, such as training, and workshop which the government also instructs through POJK 55 (Regulation of Indonesia Financial Services No 55 /POJK.04/2015, 2015)

Conclusion and Recommendation

Conclusion

For years, researchers and hotel managers have been uncertain about how audit committees, sustainability, and profitability interact. This research finding fills this gap, especially in the context of Indonesian hotel companies. Among the three proposed hypotheses, only one is supported. The analysis of this study reveals that the audit committee positively and significantly affects SR disclosure, while SR disclosure alone failed to increase profitability. This may be caused by the profit generated by disclosing sustainability information, which is much lower than the costs of the disclosure effort. This study has not found a direct, positive linkage between audit committees and profitability. Previous studies found that audit committee meetings alone should be combined with the quality of competence of audit committee members. Therefore, audit committee members of Indonesian hotel companies are encouraged to enhance their capacity through formal and non-formal education. This finding also leads to an argument that higher sustainability disclosure is needed to boost Indonesian hotel companies' profitability, as an audit committee alone is insufficient.

This study has limitations in its sample size and years of observation. Future researchers should conduct studies with a larger sample size and more years of observation. Based on the findings and discussions, the authors encourage future researchers to analyse broader audit committee characteristics and their influence on companies' performance.

Recommendation

Based on the results of this study, researcher suggest several suggestions for hotel management and future researchers are as follows:

1. For hotel management
   Management should allow meetings organized by the audit committee and review their agenda, especially about sustainability reporting topics. These meetings have proven to enhance the quality of sustainability reports because their discussions tend to increase the level of sustainability reporting disclosure.
2. For future researchers
   Future studies should consider extending years of observation to add a number of sample sizes. Furthermore, the following research is able to focus on specific industries besides hotel companies.

References

Abrudan, I. N., Pop, C. M., & Lazăr, P. S. (2020). Using A General Ordered Logit Model to Explain The Influence of Hotel Facilities, General and Sustainability-Related, on Customer Ratings. *Sustainability (Switzerland)*, *12*(21), 1–21. https://doi.org/10.3390/su12219302

Accor. (2024). *Sustainability Strategy: Forging a Sustainable Future for Hospitality*. Https://Group.Accor.Com/En/Commitment/Approach/Milestones.

Agarwal, R., Kariyapol, T., & Pienchob, N. (2019). Positive and Negative Impacts of Tourism on Environment: A Case Study of Pattaya City, Thailand. *Sripatum Review of Humanities and Social Sciences*, *19*(1), 136–147.

Agung, C. P., & Inawati, W. A. (2023). Bagaimana R&D Memoderasi Hubungan antara Intellectual Capital dengan Kinerja Perusahaan? *MODUS*, *35*(1), 42–62.

Agung, C. P., Inawati, W. A., & Anggita, M. (2024). Hotel Revenue Performance: Roles of Labor, Liquidity, and Governance Mechanism. *Jurnal Ekonomi & Ekonomi Syariah*, *7*(2). https://doi.org/10.36778/jesya.v7i2.1615

Agung, C. P., Inawati, W. A., & Debby, T. (2025). Nexus Among Debt, Profit, and Sustainability: Evidence from Indonesian Hotels. *Jurnal Ekonomi & Ekonomi Syariah*, *8*(1), 190–198. https://doi.org/10.36778/jesya.v8i1.1794

Agyemang, J. K. (2020). The Relationship Between Audit Committee Characteristics and Financial Performance of Listed Banks in Ghana. *Research Journal of Finance and Accounting*, *11*(10), 22–35. https://doi.org/10.7176/rjfa/11-10-03

Al-Mamun, A., Yasser, Q. R., Rahman, M. A., Wickramasinghe, A., & Nathan, T. M. (2014). Relationship Between Audit Committee Characteristics, External Auditors and Economic Value Added (EVA) of Public Listed Firms in Malaysia. *Corporate Ownership and Control*, *12*(1CONT9), 899–910.

https://doi.org/10.22495/cocv12i1c9p12

Aniktia, R., & Khafid, M. (2015). Pengaruh Mekanisme Good Corporate Governance dan Kinerja Keuangan terhadap Pengungkapan Sustainability Report. *Accounting Analysis Journal*, *4*(3). http://journal.unnes.ac.id/sju/index.php/aaj

ARUP. (2024). *Transforming Existing Hotels to Net Zero Carbon*.

Atan, R., Alam, M. M., Said, J., & Zamri, M. (2018). The Impacts of Environmental, Social, And Governance Factors on Firm Performance: Panel Study of Malaysian Companies. *Management of Environmental Quality: An International Journal*, *29*(2), 182–194. https://doi.org/10.1108/MEQ-03-2017-0033

Azzahra, D. S., Pratama, B. C., Fakhruddin, I., & Mudjiyanti, R. (2021a). Pengaruh Penerapan Green Accounting, Karakteristik Komite Audit, Diversitas Kebangsaan Direksi dan Gender Direksi terhadap Pengungkapan Corporate Social Responsibility di Perbankan. *Jurnal Akuntansi Dan Pajak*, *2*(2).

Azzahra, D. S., Pratama, B. C., Fakhruddin, I., & Mudjiyanti, R. (2021b). Pengaruh Penerapan Green Accounting, Karakteristik Komite Audit, Diversitas Kebangsaan Direksi dan Gender Direksi terhadap Pengungkapan Corporate Social Responsibility di Perbankan. *Jurnal Akuntansi Dan Pajak*, *2*(2).

Bianco, V., Righi, D., Scarpa, F., & Tagliafico, L. A. (2017). Modeling Energy Consumption And Efficiency Measures In The Italian Hotel Sector. *Energy and Buildings*, *149*, 329–338. https://doi.org/10.1016/j.enbuild.2017.05.077

Buallay, A. (2022). Sustainability Reporting and Agriculture Industries' Performance: Worldwide Evidence. *Journal of Agribusiness in Developing and Emerging Economies*, *12*(5), 769–790. https://doi.org/10.1108/JADEE-10-2020-0247

Dibene-Arriola, L. M., Carrillo-González, F. M., Quijas, S., & Rodríguez-Uribe, M. C. (2021). Energy efficiency Indicators for Hotel Buildings. *Sustainability (Switzerland)*, *13*(4), 1–11. https://doi.org/10.3390/su13041754

Dussaux, D., Vona, F., & Dechezleprêtre, A. (2023). Imported Carbon Emissions: Evidence from French Manufacturing Companies. *Canadian Journal of Economics*, *56*(2), 593–621. https://doi.org/10.1111/caje.12653

Four Seasons. (2022). *Four Seasons for Good 2022 Environmental, Social, and Governance (ESG) Report*.

Gabarda-Mallorquí, A., Garcia, X., & Ribas, A. (2017). Mass Tourism and Water Efficiency In The Hotel Industry: A Case Study. *International Journal of Hospitality Management*, *61*, 82–93. https://doi.org/10.1016/j.ijhm.2016.11.006

Gerdt, S. O., Wagner, E., & Schewe, G. (2019). The Relationship Between Sustainability and Customer Satisfaction In Hospitality: An Explorative Investigation Using Ewom as a Data Source. *Tourism Management*, *74*, 155–172. https://doi.org/10.1016/j.tourman.2019.02.010

Guilding, C. (2014). *Accounting Essentials for Hospitality Managers*. Routledge.

Hasan, M. T., Molla, M. S., & Khan, F. (2019). Effect of Board and Audit Committee Characteristics on Profitability: Evidence from Pharmaceutical and Chemical Industries in Bangladesh. *Finance & Economics Review*, *1*(1), 64–76.

https://riiopenjournals.com/index.php/finance-economics-review

Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The Use of Partial Least Squares Path Modeling In International Marketing. *Advances in International Marketing*, *20*, 277–319. https://doi.org/10.1108/S1474-7979(2009)0000020014

Jamal Ali, B., Gardi, B., Jabbar Othman, B., Ali Ahmed, S., Burhan Ismael, N., Abdalla Hamza, P., Mahmood Aziz, H., Yassin Sabir, B., Sorguli, S., & Anwar, G. (2021). Hotel Service Quality: The Impact of Service Quality on Customer Satisfaction in Hospitality. *International Journal of Engineering, Business and Management (IJEBM)*, *5*(3), 14–28. https://doi.org/10.22161/ijebm.5.3

Jasinskas, E., Streimikiene, D., Svagzdiene, B., & Simanavicius, A. (2016). Impact of Hotel Service Quality on The Loyalty of Customers. *Economic Research-Ekonomska Istrazivanja* , *29*(1), 559–572. https://doi.org/10.1080/1331677X.2016.1177465

Kallamu, B. S., & Saat, N. A. M. (2015). Audit Committee Attributes And Firm Performance: Evidence from Malaysian Finance Companies. *Asian Review of Accounting*, *23*(3), 206–231. https://doi.org/10.1108/ARA-11-2013-0076

Khaveh, A., Rajab Nikhashemi, S., Yousefi, A., & Haque, A. (2021). Voluntary Sustainability Disclosure, Revenue, and Shareholders Wealth-A Perspective from Singaporean Companies. In *Business Management Dynamics* (Vol. 1, Issue 9). http://ssrn.com/abstract=2071275Electroniccopyavailableat:http://ssrn.com/abstract=2071275

Kularatne, T., Wilson, C., Månsson, J., Hoang, V., & Lee, B. (2019). Do Environmentally Sustainable Practices Make Hotels More Efficient? A study of Major Hotels in Sri Lanka. *Tourism Management*, *71*, 213–225. https://doi.org/10.1016/j.tourman.2018.09.009

Laskar, N. (2019). Does Sustainability Reporting Enhance Firms Profitability? A Study on Select Companies from India and South Korea. *Indian Journal of Corporate Governance*, *12*(1), 2–20. https://doi.org/10.1177/0974686219836528

Lee, C. G. (2020). Are We Explaining The Movement of Hotel Room Rates Correctly? *Tourism*, *68*(1), 21–33. https://doi.org/10.37741/T.68.1.2

Levy, S. E., & Park, S. Y. (2011). An Analysis of CSR Activities In The Lodging Industry. *Journal of Hospitality and Tourism Management*, *18*(1), 147–154. https://doi.org/10.1375/jhtm.18.1.147

Mardianto, M., & Novita, N. (2024). How Financial Distress, Audit Committee, and CGI Shape Earnings Management through Stock Liquidity. *Jurnal Akuntansi*, *16*(2), 405–421. http://journal.maranatha.edu405

Minh, N. H., Thu Ha, N., Chi Anh, P., & Matsui, Y. (2015). Service Quality and Customer Satisfaction: A Case Study of Hotel Industry In Vietnam. *Asian Social Science*, *11*(10), 73–85. https://doi.org/10.5539/ass.v11n10p73

Mulyadi, R. (2017). Pengaruh Karakteristik Komite Audit dan Kualitas Audit terhadap Profitabilitas Perusahaan. *Jurnal Akuntansi*, *4*(2), 22–35.

Nikolskaya, E. Y., Kovaleva, N. I., Uspenskaya, M. E., Makshakova, N. I., Lysoivanenko, E. N., & Lebedev, K. A. (2018). Innovative Quality Improvements in Hotel Services. *European Research Studies Journal*, *XXI*(2), 489–498.

Nitivattananon, V., & Srinonil, S. (2019). Enhancing Coastal Areas Governance for Sustainable Tourism In The

Context of Urbanization and Climate Change In Eastern Thailand. *Advances in Climate Change Research*, *10*(1), 47–58. https://doi.org/10.1016/j.accre.2019.03.003

Nugroho, P. I., & Arjowo, I. S. (2014). The Effects of Sustainability Report Disclosure Towards Financial Performance. *International Journal of Business and Management Studies*, *3*(3), 225–239.

Oroud, Y. (2019). The Effect of Audit Committee Characteristics on Profitability: Panel Data Evidence. *International Journal of Economics and Finance*, *11*(4), 104. https://doi.org/10.5539/ijef.v11n4p104

Pradono, C., & Cahyarini, L. L. (2022). Efektifitas Perjanjian Konversi Hutang Menjadi Saham/Convertible Bond Agreement Sebagai Alternatif Restrukturisasi Hutang Bank Untuk Melindungi Perseroan Terbatas Dari Kepailitan. *Notarius*, *15*(1), 266–282. https://doi.org/10.14710/nts.v15i1.46040

Purbandari, Y., & Suryani, R. (2021). Good Corporate Governance terhadap Sustainability Reporting. *Fokus Ekonomi*, *16*(1). http://ejournal.stiepena.ac.id/index.php/fe

Regulation of Indonesia Financial Services No 51 /POJK.03/2017 (2017).

Regulation of Indonesia Financial Services No 55 /POJK.04/2015 (2015).

Satria, A., Yuliusman, Y., & Yetti, S. (2023a). The Role of Profitability in Moderating the Influence of Company Size, Company Activities, Board of Directors, and Audit Committee on Disclosure of Sustainability Reports in Non-Financial Companies Registered on BEI and Publishing Sustainability Reports for 2018-2020. *Indonesian Journal of Economic & Management Sciences (IJEMS)*, *1*(4), 635–662. https://doi.org/10.55927/ijems.v1i4.5819

Satria, A., Yuliusman, Y., & Yetti, S. (2023b). The Role of Profitability in Moderating the Influence of Company Size, Company Activities, Board of Directors, and Audit Committee on Disclosure of Sustainability Reports in Non-Financial Companies Registered on BEI and Publishing Sustainability Reports for 2018-2020. *Indonesian Journal of Economic & Management Sciences (IJEMS)*, *1*(4), 635–662. https://doi.org/10.55927/ijems.v1i4.5819

Somphong, C., Udo, K., Ritphring, S., & Shirakawa, H. (2022). *A spatial hedonic analysis to estimate the value of beachfront with respect to the hotel 1 room rates in Thailand 2*. https://www.elsevier.com/open-access/userlicense/1.0/

Styles, D., Schoenberger, H., & Galvez-Martos, J. L. (2015). Water Management In The European Hospitality Sector: Best Practice, Performance Benchmarks And Improvement Potential. *Tourism Management*, *46*, 187–202. https://doi.org/10.1016/j.tourman.2014.07.005

Sustainable Hospitality Alliance. (2023). *Accelerating the Path to Net Positive Hospitality: Sustainable Hospitality Alliance five-year strategy*.

Tahmid, T., Hoque, M. N., Said, J., Saona, P., & Azad, M. A. K. (2022). Does ESG Initiatives Yield Greater Firm Value and Performance? New Evidence from European Firms. *Cogent Business and Management*, *9*(1). https://doi.org/10.1080/23311975.2022.2144098

Utama, S., Fitriany, Siregar, S. V., Rahadian, Y., Utama, C. A., & Simanjuntak, J. (2022). *Tata Kelola Korporat di Indonesia*. Penerbit Salemba Empat.