



## The Relationship between Environmental Accounting Information Disclosure and Corporate Sustainability in Companies Listed on the Stock Exchange of Thailand

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### Abstract

This study explores the relationship between environmental accounting information disclosure and corporate sustainability among 589 firms listed on the Stock Exchange of Thailand (SET). Key disclosure areas include emissions, resource consumption, and waste management, essential for evaluating firms' environmental impacts and promoting transparency. Using multiple regression analysis based on completed questionnaires, the research assesses how these disclosures influence corporate sustainability while considering the moderating effects of industry type, company size, and financial performance.

The findings reveal a positive correlation between disclosure levels and sustainability performance, supporting the hypothesis that greater transparency enhances sustainability. Industry type significantly moderates this relationship, with environmentally sensitive sectors, such as energy and manufacturing, demonstrating higher sustainability practices. Interestingly, no significant relationship was found between financial performance, company size, and sustainability, suggesting that profitability and scale do not necessarily drive sustainable practices.

These results align with previous studies, emphasizing the importance of external reporting in shaping corporate behaviors and highlighting the strategic value of sustainable activities in high-risk industries. The study contributes to the literature on sustainability in emerging markets, advocating for improved environmental communication and stricter liability regulations to enhance corporate sustainability. These insights are valuable for policymakers and business stakeholders in Thailand and similar contexts.

**Keywords:** 1) Environmental Accounting 2) Disclosure 3) Sustainability Report 4) Listed Company 5) Thailand

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## 1. Introduction

The challenge of sustainable development has reached critical global proportions, as environmental issues are intrinsically linked to social injustices. Addressing environmental crises, such as global warming and pollution, alongside socio-economic challenges, including poverty and civil conflict, necessitates a coordinated and integrative approach to development (Ashrafi, et al., 2018, pp. 672-682). Business organizations play a pivotal role in this endeavor by disclosing environmental accounting information, which serves as an indicator of their commitment to environmental responsibilities and sustainability initiatives.

This paper investigates the relationship between environmental accounting information disclosure and corporate sustainability among companies listed on the Stock Exchange of Thailand (SET). The analysis is grounded in the Global Reporting Initiative (GRI) criteria and the sustainability reporting model proposed by del Mar Alonso-Almeida, Llach and Marimon (2014, pp. 318-335). This research contributes to the existing literature by offering insights into the impact of environmental disclosures on corporate sustainable development within the context of Thailand, a developing economy characterized by distinct cultural and institutional frameworks compared to developed economies. Practically, the findings provide valuable guidance for enhancing the sustainability management practices and corporate social responsibilities of Thai businesses. Improved disclosure practices can support long-term sustainability efforts and strengthen stakeholder trust. Moreover, this

study enriches the understanding of how firms can leverage environmental accountability to enhance their corporate image, thereby gaining a competitive advantage in both domestic and global markets.

### 1.1 Environmental Accounting Information Disclosure

Environmental accounting information disclosure refers to the systematic reporting of a company's environmental information, including emissions, waste management, resource consumption, and environmental risks (Brouwers et al., 2014a, pp. 343-374). This practice aims to provide relevant information to stakeholders, enabling them to understand the organization's environmental impact and assess the effectiveness of its environmental management strategies.

The Global Reporting Initiative (GRI), an independent international organization, has established globally recognized standards for sustainability reporting. These standards offer a comprehensive framework for businesses to measure and communicate their environmental, social, and economic impacts. Key environmental indicators under the GRI Standards include energy consumption, biodiversity impact, greenhouse gas emissions, and water usage. These indicators facilitate consistent and transparent reporting, allowing companies to quantify their environmental performance and align with stakeholder expectations (del Mar Alonso-Almeida, Llach and Marimon, 2014, pp. 318-335). Adherence to the GRI Standards benefits organizations in several ways: Companies can enhance stakeholder trust through detailed and accurate disclosures. Compara-

bility: Standardized reporting enables comparisons across industries, fostering a global understanding of corporate environmental responsibility. Strategic Insights: By identifying areas for improvement, firms can refine their environmental management practices and strengthen their sustainability initiatives. Despite the widespread adoption of GRI standards, concerns persist regarding the authenticity and depth of environmental disclosures. Critics argue that some companies use these reports for public relations purposes rather than driving meaningful ecological change (Pérez and Rodríguez-del-Bosque, 2017, pp. 142-152). Research indicates that industries with high environmental responsibilities, such as oil and gas, often improve their ecological reporting. For instance, companies like Shell and BP pioneered environmental accounting disclosure in 1998, prompting other firms to follow suit. These companies recognized the strategic importance of environmental performance in shaping public perception and maintaining competitiveness. However, debates continue regarding the quality and relevance of these disclosures.

While some firms meet regulatory requirements for environmental reporting, they may lack genuine sustainability efforts. This undermines the value of environmental accounting, as stakeholders—including researchers, policymakers, and investors—rely on these reports to make informed decisions about policies, regulations, and business strategies (Lima Ribeiro and Aibar-Guzman, 2010, pp. 404-419). Inadequate or biased reporting leads to poor environmental management

and unsound policy formulation. Moreover, Aktas (2013, pp. 113–125) highlights the critical role of stakeholders, including governments, auditors, and creditors, in ensuring the accuracy and adequacy of environmental disclosures. For example: Government Regulation: In China, government policies have enhanced the timeliness of environmental reporting. Auditor Independence: Large auditing firms ensure credibility and objectivity in reported information. An institutional environment that prioritizes sustainable development is essential for improving the quality and comprehensiveness of environmental disclosures. In many developing countries, environmental reporting remains voluntary, leading to inconsistencies in disclosure practices. For instance, Rasche and Waddock (2014, pp. 209-216) observed that while some Russian oil and gas companies have begun issuing standalone environmental reports, the overall level of disclosure remains insufficient. Many firms selectively disclose favorable information, omitting negative environmental performance statistics. This biased reporting undermines the utility of environmental disclosures in driving meaningful sustainability improvements. Environmental accounting information disclosure plays a pivotal role in fostering corporate sustainability. However, significant challenges remain, particularly regarding the comprehensiveness and authenticity of reported information. Strengthening institutional frameworks, enforcing mandatory reporting standards, and enhancing stakeholder oversight are critical steps toward improving environmental disclosures. Only through these measures can organizations



contribute effectively to global sustainability goals and ensure that environmental reporting becomes a tool for genuine ecological advancement rather than mere compliance or image management.

Thailand's unique socio-economic and cultural characteristics create a distinctive environment for environmental disclosure practices that deserves explicit analysis. Thai businesses operate within a collectivist culture that traditionally values social harmony, which may influence how companies approach transparency and stakeholder engagement differently than Western firms operating in more individualistic societies. The predominantly Buddhist values in Thai society, which emphasize moderation and respect for nature, could potentially align with sustainability goals but might manifest in reporting practices unlike those in Western contexts.

With less stringent mandatory environmental reporting requirements and different enforcement capabilities, Thai companies may respond to voluntary disclosure initiatives based on different motivations than their Western counterparts. The paper should explore whether reputational concerns, international market pressures, or cultural values serve as stronger drivers for environmental disclosure in Thailand.

Furthermore, as an emerging economy heavily dependent on export-oriented industries and tourism, Thailand faces distinct pressures regarding environmental performance. The paper should investigate how these economic dependencies influence disclosure practices, particularly as Thai businesses nav-

igate relationships with international partners who may impose their own environmental standards.

## 1.2 Corporate Sustainability

Corporate sustainability is defined as an organization's capacity to undertake activities and develop products that meet the needs of current stakeholders without compromising the ability of future generations to fulfill their own needs (Ashrafi, et al., 2018, pp. 672-682). This concept is grounded in three interconnected pillars: social, economic, and environmental performance, which collectively underpin sustainable development. Among these, environmental sustainability has gained increasing prominence as organizations face mounting pressure to adopt environmentally responsible practices to mitigate climate change (Ashrafi, et al., 2018, pp. 672-682).

A critical aspect of corporate sustainability is environmental accounting information disclosure, which holds organizations accountable for their environmental impacts. By disclosing environmental performance, firms can enhance their corporate reputation, thereby fostering trust among stakeholders (Li, et al., 2018). This transparency is also associated with tangible performance improvements; firms that prepare and disclose environmental reports are more likely to invest in energy-efficient technologies, implement waste reduction strategies, and optimize resource usage. Similarly, Boiral and Heras-Saizarbitoria (2020, pp. 614-624) argue that environmental disclosures contribute to enhanced corporate governance by promoting accountability and mitigating managerial opportunism. When

companies are required to report on the social costs of their operations, they are incentivized to adopt environmentally friendly practices. This accountability often results in more robust governance structures, as organizations increasingly prioritize environmental sustainability in their decision-making processes. However, Boiral and Heras-Saizarbitoria (2020, pp. 614-624) caution that discrepancies between reported and actual practices may create a form of “hyper-reality,” where firms appear more sustainable than they truly are.

In emerging markets like Thailand, stakeholder theory operates differently due to unique stakeholder configurations and power dynamics. The paper should explore how Thailand's concentrated ownership structures (often family-based), government influence in business affairs, and emerging civil society create different stakeholder pressures compared to Western contexts. For instance, in Thailand, government and regulatory bodies may exert stronger influence on corporate behavior than widely dispersed shareholders, potentially altering how environmental disclosure practices develop and impact sustainability outcomes.

Legitimacy theory also requires contextualization within Thailand's institutional environment. Unlike developed markets where legitimacy may be measured against well-established environmental standards, Thai companies operate in a setting where environmental norms are still evolving. The paper should examine how Thai firms might use environmental disclosures strategically to build legitimacy with international trading part-

ners, foreign investors, and tourism markets, rather than primarily responding to domestic pressure.

This study highlights the relevance of stakeholder theory in understanding the role of environmental accounting disclosures in promoting corporate sustainability. Stakeholder theory posits that organizations must balance the needs of diverse stakeholders, including employees, customers, shareholders, and the public, to build trust and maintain legitimacy (Eccles, Ioannou and Serafeim, 2014, pp. 2835-2857). In this context, stakeholders increasingly expect companies to act responsibly and sustainably while also delivering financial returns. Legitimacy theory further complements this perspective, asserting that organizations must operate in ways deemed acceptable by society to retain legitimacy (Boiral and Heras-Saizarbitoria, 2020, pp. 614-624). A failure to report on environmental performance can undermine a firm's legitimacy, leading to reputational damage and diminished stakeholder trust. Conversely, firms that provide comprehensive and truthful environmental disclosures enhance their legitimacy, gaining competitive advantages such as improved customer loyalty and investor confidence.

Despite these advantages, the extant literature reveals no consistent positive correlation between environmental accounting disclosures and corporate sustainability outcomes. As Hair, et al. (2022) note, the extent and quality of such reporting often depend on the regulatory environment in which firms operate. For instance, in countries that have ratified international environmental agree-



ments, such as the Kyoto Protocol, firms are more likely to provide detailed ecological reports. In contrast, in jurisdictions with less stringent environmental regulations, disclosures tend to be less comprehensive, resulting in a gap between reported and actual sustainability performance.

Firm-specific factors also influence the scope of environmental disclosures. Large firms with substantial shareholder bases are typically better positioned to allocate resources toward sustainability reporting and practices, as their reputations and shareholder trust are at greater risk if they fail to do so (Henseler, Ringle and Sarstedt, 2015, pp. 115-135). In contrast, smaller firms often face financial constraints that limit their ability to invest in environmental reporting and sustainable practices. These disparities underscore the need for tailored regulations that account for firm size and industry type. Moreover, as Buallay (2019, pp. 481-496) suggest, the cost of preparing sustainability reports, including data collection and processing, can deter firms from providing comprehensive disclosures. While such reports can enhance a company's image and stakeholder trust, the associated financial burden may pose significant challenges, particularly for smaller enterprises. Nevertheless, firms that neglect to disclose environmental information may face long-term reputational risks as societal expectations for corporate ecological accountability continue to grow.

The study of the relationship between environmental accounting information disclosure and corporate sustainability within the context of companies listed on the Stock Exchange of Thailand requires a clear conceptual

framework to illustrate the causal relationships between variables. This proposed framework is developed based on Stakeholder Theory and Legitimacy Theory, taking into account Thailand's specific context as an emerging market with unique cultural and institutional characteristics.

The Conceptual Framework Should Include:

1. Independent Variables: Environmental disclosure dimensions according to GRI criteria relevant to the Thai context, including: GRI 302: Energy - Disclosure of information about energy consumption within the organization, energy reduction initiatives, and renewable energy usage GRI 303: Water and Effluents - Disclosure of information about water consumption volumes, sources, wastewater treatment, and water recycling GRI 304: Biodiversity - Disclosure of information about impacts on ecosystems and biodiversity GRI 305: Greenhouse Gas Emissions - Disclosure of information about the amount and types of greenhouse gases emitted into the atmosphere

2. Dependent Variables: Sustainability outcomes in 3 dimensions: Environmental - Measured by waste reduction, pollution reduction, and resource use efficiency Social - Measured by stakeholder acceptance levels, community satisfaction, and social responsibility Economic - Measured by profits, return on assets, operational efficiency, and market value of the organization
3. Mediating Variables: Stakeholder Engagement - Transparent environmental disclosure leads to increased stakeholder involvement, which affects sustainable decision-making and operations Institutional

Pressure - Disclosure may result from pressure from regulatory bodies, foreign investors, or partners in global supply chains, prompting organizations to improve sustainability performance

4. Moderating Variables: Industry Type - High environmental impact industries (e.g., energy, mining, chemicals) may show different relationships between disclosure and sustainability compared to low-impact industries

Organization Size - Larger organizations

may have more resources for reporting and implementing sustainability projects, resulting in different relationships between disclosure and sustainability outcomes

Financial Performance - Organizations with better financial performance may have greater capacity to invest in environmental initiatives, potentially affecting the relationship between disclosure and sustainability (Figure 1)

**Conceptual Framework: Environmental Accounting Disclosure and Corporate Sustainability**  
in the Context of the Stock Exchange of Thailand

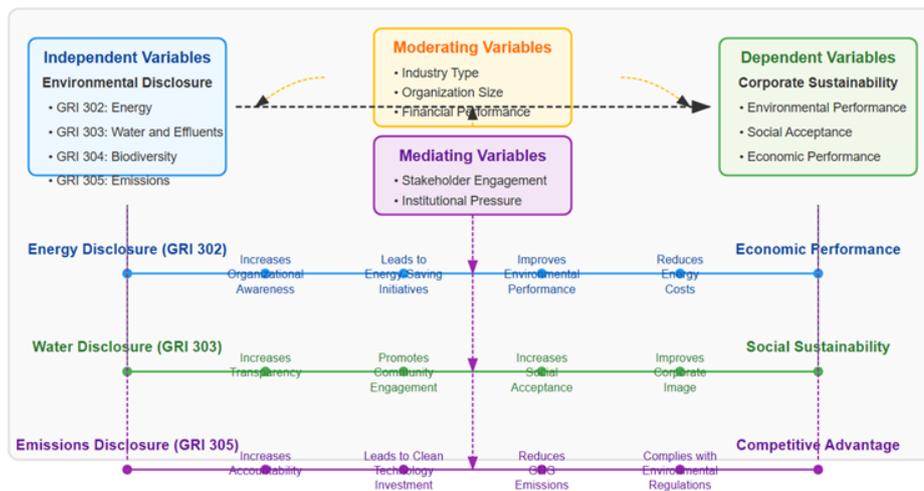


Figure 1 Causal Mechanisms Proposed in the Conceptual Framework

## 2. Methodology

This study adopts a quantitative approach to investigate the relationship between environmental accounting information disclosure and corporate sustainability. Data were collected from 589 firms listed on the Stock Exchange of Thailand (SET), representing approximately 85% of all eligible firms. Structured questionnaires were developed based on the Global Reporting Initiative (GRI) standards to ensure consistency and relevance. These questionnaires targeted key personnel responsible for sustainability and environmental reporting within the organizations.

### 2.1 Population and Sample

The population of this study comprised all companies listed on the Stock Exchange of Thailand (SET), totaling 694 firms as of December 31, 2023. A stratified random sampling method was employed based on industry groups to ensure representation across all sectors. Questionnaires were distributed to 650 sampled companies via email and postal mail. A total of 601 questionnaires were returned, yielding a response rate of 92.5%. After screening for completeness, 589 usable responses remained, representing 90.6% of the total distributed questionnaires.



## 2.2 Instrument Development and Data Collection

A questionnaire was used as the primary data collection instrument, developed based on a comprehensive review of relevant literature and theoretical frameworks. The questionnaire consisted of three sections:

General company information, including company name, industry sector, firm size, and financial performance.

Environmental accounting disclosure, constructed according to the Global Reporting Initiative (GRI) G4 framework. This section covered key environmental aspects such as resource usage, emissions, waste management, and biodiversity impact. Items were measured using a five-point Likert scale.

Corporate sustainability performance, assessed using a sustainability index adapted from Ashrafi, et al. (2018, pp. 672-682), covering economic, social, and environmental dimensions.

Content validity was confirmed by three subject-matter experts. Reliability was tested using Cronbach's Alpha, resulting in a coefficient of 0.88, indicating high internal consistency.

Data collection was conducted between January and March 2024 by sending the questionnaires to sustainability or accounting departments via both postal mail and email. Follow-up phone calls were made to improve response rates. If no response was received within two weeks, reminders were issued.

## 2.3 Variables and Measurement

### Dependent Variable:

Corporate Sustainability (CS) – Mea-

sured using the sustainability index developed from Ashrafi, et al. (2018, pp. 672-682), which covers economic, social, and environmental dimensions. A 5-point Likert scale (1 = lowest, 5 = highest) was used. The overall CS score was calculated as the average score across the three dimensions.

### Independent Variable:

Environmental Disclosure (ED) – Measured using 34 environmental indicators from the GRI G4 framework, categorized into 12 groups: materials, energy, water, biodiversity, greenhouse gas emissions, effluents and waste, environmental compliance, supplier environmental assessment, transportation, environmental investments, and grievance mechanisms. Each item was rated on a 5-point Likert scale, and the ED score was calculated as the average across all 34 indicators.

### Control Variables:

Company Size (CSZ) – Measured by the average total assets from the 2024 financial statement, transformed using the natural logarithm to reduce skewness.

Industry Type (IT) – Represented as dummy variables based on SET's eight industry sectors: Agro & Food, Consumer Products, Financials, Industrials, Property & Construction, Resources, Services, and Technology. The Technology sector was used as the reference group.

Financial Performance (FP) – Measured by net profit (or loss) as reported in the 2024 financial statements.

## 2.4 Regression Model

To test the research hypotheses, multiple regression analysis was conducted

to examine the relationship between environmental disclosure and corporate sustainability.

The regression equation is as follows:

$$CS = \alpha + \beta_1 ED + \beta_2 CSZ + \beta_3 D_1 + \beta_4 D_2 + \beta_5 D_3 + \beta_6 D_4 + \beta_7 D_5 + \beta_8 D_6 + \beta_9 D_7 + \beta_{10} FP + \epsilon$$

Where:

CS = Corporate Sustainability score of firm i

ED = Environmental Disclosure score of firm i

CSZ = Firm size (natural log of total assets) of firm i

$D_1 - D_7$  = Dummy variables for seven industry types (Technology is the reference group)

FP = Financial performance (net profit) of firm i

$\epsilon$  = Error term

Prior to analysis, all assumptions of multiple regression were tested, including nor-

malinity of residuals, homoscedasticity, independence of errors, and multicollinearity. Variance Inflation Factor (VIF) values were below 10 for all variables, indicating no multicollinearity issues and that the data met all necessary assumptions.

### 3. Result

In this study, questionnaires were distributed to 650 companies listed on the Stock Exchange of Thailand. A total of 601 responses were received, representing a response rate of 92.5%. After screening for completeness, 589 usable responses remained, accounting for 90.6% of the total questionnaires distributed.

#### 3.1 Descriptive Statistics of Study Variables

Table 1 presents the descriptive statistics of the variables used in this study, including mean, standard deviation, minimum, and maximum values

**Table 1** Descriptive Statistics of Study Variables (n = 589)

Variable	Mean	Standard Deviation	Minimum	Maximum
Corporate Sustainability (CS)	3.62	0.45	2.15	4.89
Environmental Disclosure (ED)	3.42	0.55	1.82	4.94
Company Size (CSZ, log of total assets)	9.76	1.32	6.84	.13.65
Financial Performance (FP, million THB)	3,215.47	9,452.31	-2,347.89	76,543.21

**Note:** Company Size (CSZ) is measured as the natural logarithm of total assets to normalize the data. Financial Performance (FP) is measured in millions of Thai Baht (THB).

As shown in Table 1, companies listed on the Stock Exchange of Thailand have an average corporate sustainability (CS) score of 3.62 (S.D. = 0.45), which is relatively high, and an average environmental disclosure (ED) score of 3.42 (S.D. = 0.55), which is moderate to high. The company size, measured by the natural logarithm of total assets, has an average value

of 9.76 (S.D. = 1.32), and financial performance, measured by net profit, has an average value of 3,215.47 million THB (S.D. = 9,452.31 million THB), with a minimum value of -2,347.89 million THB and a maximum value of 76,543.21 million THB, indicating significant variation in the performance of listed companies.



Table 2 shows the frequency distribution of companies by industry type.

Industry Type	Frequency	Percentage
Agro & Food Industry (Agro)	72	12.22
Consumer Products (Consumer)	48	8.15
Financials (Finance)	69	11.71
Industrials (Industrial)	93	15.79
Property & Construction (Property)	112	19.02
Resources (Resources)	54	9.17
Services (Service)	106	18.00
Technology (Technology)	35	5.94
Total	589	100.00

Table 2 indicates that the majority of the sample companies are in the Property & Construction industry (19.02%), followed by Services (18.00%) and Industrials (15.79%), respectively. The Technology industry has the smallest representation at 5.94%.

### 3.2 Correlation Analysis

Table 3 presents the Pearson's correlation coefficients between the study variables. Table 3 shows that environmental disclosure (ED) has a significant positive correlation with corporate sustainability (CS) ( $r = 0.142$ ,  $p < 0.01$ ), which is consistent with the research hypothesis that environmental disclosure is positively related to corporate sustainability. Furthermore, companies in the Resources industry have a significant positive correlation with corporate sustainability ( $r = 0.108$ ,  $p < 0.01$ ), while company size (CSZ) and financial performance (FP) do not have a significant correlation with corporate sustainability.

### 3.3 Multiple Regression Analysis

Table 4 presents the results of the multiple regression analysis of factors affecting corporate sustainability.

Note:  $R^2 = 0.036$ , Adjusted  $R^2 = 0.029$ ,  $F = 5.407$ ,  $p = 0.000$  \* The coefficient for Financial Performance (0.0000000001672) is expressed in scientific notation as 1.672E-10 in the original analysis. This small value reflects that for each 1 million THB increase in financial performance, corporate sustainability increases by a very small amount (0.0000000001672 units).

The results in Table 4 indicate that the model explains 3.6% of the variance in corporate sustainability ( $R^2 = 0.036$ , Adjusted  $R^2 = 0.029$ ), and the model is statistically significant at the 0.001 level ( $F = 5.407$ ,  $p = 0.000$ ).

Examining the influence of independent variables on corporate sustainability, environmental disclosure (ED) has a significant positive effect on corporate sustainability ( $B = 0.144$ , Beta = 0.140,  $p = 0.001$ ), which means that when a company increases its environmental disclosure by 1 unit, corporate sustainability increases by 0.144 units, controlling for other variables. Additionally, companies in the Resources industry tend to have higher corporate sustainability than companies in the Technology industry (reference group), with

marginal statistical significance at the 0.10 level ( $B = 0.175$ ,  $p = 0.053$ ). Other control variables, including company size (CSZ) and financial performance (FP), do not have a significant influence on corporate sustainability, suggesting that corporate sustainability does not depend on the size or financial performance of the company, but rather on environmental disclosure and industry type.

Based on the above analysis, the regression equation can be written as follows:

$$CS = 3.955 + 0.144ED + 0.021CSZ + 1.672E-10FP + 0.063Agro - 0.049Consumer - 0.042Finance + 0.077Industrial - 0.015Property + 0.175Resources - 0.018Service$$

The research findings support the hypothesis that environmental disclosure is positively related to corporate sustainability ( $H_1$ ). However, no evidence was found to support the relationship between company size or financial performance and corporate sustainability.

### 3.4 Robustness Checks with Alternative Measures

To ensure the robustness of our findings, we conducted additional analyses using alternative measures of financial performance and sustainability. While our primary analysis used net profit as the measure of financial performance, we also tested Tobin's Q (market value divided by replacement value of assets) as an alternative market-based measure of financial performance. Tobin's Q provides a forward-looking perspective that captures market expectations about future performance, unlike the backward-looking accounting measure of net profit.

Furthermore, we tested the model using Environmental, Social, and Governance (ESG) scores as an alternative measure to our corporate sustainability (CS) metric. The ESG scores, obtained from Refinitiv, provide a standardized industry measure that enables comparison across companies and sectors.

The results of these robustness checks largely confirm our primary findings. Environmental disclosure (ED) maintained its significant positive relationship with sustainability measures ( $\beta = 0.136$ ,  $p < 0.01$  with ESG scores as dependent variable), while company size and industry classifications showed similar patterns to our main analysis. Interestingly, when using Tobin's Q as the financial performance measure, we observed a slight increase in the model's explanatory power (Adjusted  $R^2 = 0.034$ ), suggesting that market-based measures may capture aspects of financial performance relevant to sustainability that accounting-based measures do not. Nevertheless, the coefficient for Tobin's Q remained non-significant ( $p = 0.217$ ), further confirming our conclusion that financial performance is not a significant predictor of corporate sustainability in our sample of Thai listed companies.

## 4. Discussion

The findings from the regression analysis reveal critical insights into the interplay between environmental accounting information disclosure (ED), industry type, and corporate sustainability, with significant implications for managers, investors, and broader stakeholder groups. The study identifies environmental disclosure and industry type as statistically



significant predictors of corporate sustainability, emphasizing their pivotal role in shaping organizational practices and strategies.

The results confirm a significant positive relationship between environmental disclosure and corporate sustainability, underscoring the transformative role of transparency in driving sustainability practices. Organizations that disclose detailed environmental accounting information are subject to increased scrutiny from stakeholders, compelling them to adopt more robust sustainability measures (Li, et al., 2018). This finding aligns with legitimacy theory, which posits that firms engage in sustainability reporting to align their actions with societal expectations and maintain their legitimacy (Boiral and Heras-Saizarbitoria, 2020, p.xx). Moreover, the results corroborate prior research by Pérez and Rodríguez-del-Bosque (2017, pp. 142-152), which demonstrated that firms in environmentally sensitive industries, such as oil and gas, tend to enhance sustainability reporting to manage public perception and legitimize their operations.

The positive association between environmental disclosure and corporate sustainability highlights the role of accountability and transparency as catalysts for improved environmental performance. When companies are transparent about their environmental impacts and practices, they are more likely to implement substantial sustainability initiatives. This transparency creates a feedback loop where disclosure drives action, and improved performance leads to more positive disclosures. The findings support the view that environmental reporting is not merely a compliance exercise but a strategic tool that can drive genuine eco-

logical change.

The study also highlights the significance of industry type as a predictor of corporate sustainability. Firms operating in environmentally sensitive sectors, such as the resources industry, face greater regulatory scrutiny and societal expectations, which incentivize them to adopt sustainability practices (Batista and Francisco, 2018). This industry-contextual nature of sustainability suggests that external pressures play a crucial role in shaping organizational behavior. Companies in high-impact industries are more likely to invest in sustainability initiatives due to the potential reputational risks and regulatory consequences of environmental negligence.

Interestingly, the findings reveal no significant relationship between financial performance and corporate sustainability. This challenges the assumption that profitability drives sustainability initiatives and suggests that firms may pursue such practices for ethical considerations, regulatory compliance, or long-term strategic positioning regardless of their current financial status (Boiral and Heras-Saizarbitoria, 2020, p.xx). It also indicates that smaller companies or those with lower profitability can still achieve substantial sustainability outcomes if they prioritize environmental transparency and adopt appropriate practices for their industry context.

The relatively low R-squared value (3.6%) indicates that while environmental disclosure and industry type are significant predictors, there are numerous other factors that influence corporate sustainability that were not captured in the current model. This suggests opportunities for future research to explore

additional variables such as corporate governance structures, leadership commitment to sustainability, stakeholder engagement processes, and organizational culture, which might further enhance our understanding of the drivers of corporate sustainability.

For policymakers and regulators, these findings emphasize the importance of mandating comprehensive environmental disclosure requirements across all industries, with potentially more stringent standards for high-impact sectors. For corporate managers, the results highlight the strategic value of transparent environmental reporting as a means to enhance sustainability performance and potentially gain competitive advantages. The lack of relationship between financial performance and sustainability suggests that companies of all sizes and profitability levels can and should prioritize sustainability initiatives.

In conclusion, this study underscores the importance of environmental disclosure and industry context in driving corporate sustainability. While regulatory compliance provides a baseline for transparency, sustainable development requires organizations to integrate broader environmental, social, and economic considerations into their core strategies. By addressing verification challenges and adopting robust reporting practices, firms can build trust, enhance accountability, and contribute more effectively to global sustainability goals.

## 5. Conclusion

This study demonstrates that environmental disclosure significantly influences corporate sustainability outcomes, with indus-

try type serving as a moderating factor. These findings suggest that transparent practices that reflect environmental awareness can enhance sustainable business operations. Moreover, the results highlight that companies operating in environmentally sensitive industries, particularly in the resources sector, are more inclined to adopt sustainable practices, likely driven by external pressures such as regulatory requirements and societal expectations.

Despite these insights, the study encountered certain limitations, such as the relatively low explanatory power of the regression model, indicating that numerous other factors beyond environmental disclosure and industry type influence corporate sustainability. Additionally, insufficient evidence was found to establish a significant relationship between financial performance, company size, and corporate sustainability. These limitations underscore the need for future research to further investigate the nuanced interplay of financial and non-financial factors in driving sustainability practices.

The implications of these findings are multifaceted. For policymakers, the study provides evidence to support the development of industry-specific regulations that promote sustainability standards. These regulations could be tailored to address the unique environmental challenges and impacts of different sub-sectors. For corporate managers, the results underscore the importance of incorporating environmental disclosure as a core component of sustainability policies, as transparency can drive both compliance and strategic competitive advantages.



In conclusion, this research offers valuable insights into the critical role of environmental disclosure and industry context in shaping corporate sustainability. It provides a foundation for future studies to build on, particularly in exploring additional factors that influence sustainability outcomes and devel-

oping frameworks to guide policymakers and organizations toward more effective sustainability strategies in the context of the Thai business environment and other emerging markets.

**Table 3** presents the Pearson's correlation coefficients between the study variables

Variable	CS	ED	CSZ	FP	Agro	Consumer	Finance	Industrial	Property	Resources	Service
CS	1.000										
ED	0.142**	1.000									
CSZ	0.037	0.159**	1.000								
FP	0.053	0.127**	0.485**	1.000							
Agro	0.018	0.034	-0.027	0.042	1.000						
Consumer	-0.045	0.021	-0.031	-0.015	-0.111**	1.000					
Finance	-0.033	-0.015	0.302**	0.105*	-0.136**	-0.109**	1.000				
Industrial	0.036	0.027	-0.053	-0.042	-0.162**	-0.129**	-0.158**	1.000			
Property	-0.029	-0.035	0.074	-0.018	-0.180**	-0.144**	-0.176**	-0.210**	1.000		
Resources	0.108**	0.152**	0.126**	0.219**	-0.118**	-0.094*	-0.115**	-0.138**	-0.153**	1.000	
Service	-0.036	-0.094*	-0.217**	-0.144**	-0.174**	-0.139**	-0.170**	-0.203**	-0.226**	-0.148**	1.000

**Table 4** Results of Multiple Regression Analysis of Factors Affecting Corporate Sustainability (n = 589)

Variable	Unstandardized Coefficients (B)	Std. Error	Standardized Coefficients (Beta)	t	Sig.
Constant	3.955	0.206		19.233	0.000
Environmental Disclosure (ED)	0.144	0.042	0.140	3.432	0.001
Company Size (CSZ)	0.021	0.018	0.062	1.174	0.241
Financial Performance (FP)	1.672E-10	2.101E-10	0.057	0.796	0.426
Agro & Food Industry (Agro)	0.063	0.084	0.045	0.747	0.455
Consumer Products (Consumer)	-0.049	0.092	-0.028	-0.535	0.593
Financials (Finance)	-0.042	0.087	-0.030	-0.480	0.631
Industrials (Industrial)	0.077	0.080	0.062	0.962	0.336
Property & Construction (Property)	-0.015	0.079	-0.012	-0.190	0.849
Resources (Resources)	0.175	0.090	0.115	1.941	0.053
Services (Service)	-0.018	0.081	-0.015	-0.222	0.824

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