

The Relevance of Determining A CSR Program Based On SDGs: Management Perspective

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Abstract:

Sustainability Development Goals (SDGs) are very important for companies in achieving their goals. This research aims to determine management's perspective in integrating the SDGs concept which is reflected in the preparation of the company's CSR program. This research uses a qualitative method through case study approach. This research found that PT KIE carried out several program priorities for sustainability based on material aspects. There is alignment of CSR programs with sustainability goals and there are some that are not included in the Sustainability report. Furthermore, there are two things to measure integration within the company, namely linking sustainability to the company's vision and mission and relationships with company partners and government, so society benefits can increase value for stakeholders. PT KIE has reported a separate sustainability report from the company's annual report. Monitoring and evaluation reports are needed to support the company CSR programs.

Keywords - CSR; Qualitative; Sustainability Development Goals

Introduction:

Business development is marked by the transparency of applicable standards, thereby giving full power to business actors. One of the developments in applicable standards is in running a sustainable business (Elalfy et al., 2020). Sustainability business can provide strength to companies in carrying out their social responsibilities to the government and society. According to (Bogoviz et al., 2022), Sustainable Development Goals (SDGs) are a standard innovation that is unique, namely a collective agreement agreed between the government, society and business globally. The emergence of the SDGs guarantees extraordinary progress in sustainable development. In this case, Sustainable

Development is considered as a development concept that has 2 main keys, namely awareness regarding the living needs of poor people in developing countries and technological limitations related to the capacity or ability of the environment to meet the needs of the current and future generations. (United Nations Global Compact, 2019). Sustainable Development is closely related to Sustainable Development Goals (SDGs), SDGs have 17 goals with 169 measurable achievements and have been determined by the UN as a world agenda for development for the benefit of humans and the earth, by improving the welfare of society through development in the social, economic and environmental fields. and governance. This goal

was proclaimed by countries in a UN resolution published on 21 October 2015 as a joint development goal until 2030, and is a continuation of the millennium development goals (MDGs) which ended in 2015 (UNDP (United Nations Development Programme), 2015).

Indonesia as one of the countries committed to realizing the SDGs according to the 2030 agenda, based on data from the 2022 Sustainable Development Report, currently Indonesia has succeeded in achieving 69.16% of all SDGs goals, which is ranked 82nd out of 163 countries and is ranked 5th in the Southeast Asia region. However, until 2022, Indonesia is still labeled "red" or is considered to still have big challenges in handling the problems of hunger, health, urban sustainability, preserving marine and land ecosystems, institutions and global partnerships. Regarding this condition, in September 2022 the President issued a Presidential Regulation (Perpres) new to encourage performance in achieving SDGs, the enactment of Presidential Decree no. 111 of 2022 concerning Implementation of the Achievement of Sustainable Development Goals, it is hoped that the national sustainable development goals in 2024 can be achieved more quickly and more focused. (Source: press release from the Coordinating Ministry for Maritime Affairs & Investment 26/9/2022). As an effort to achieve the SDGs, the Indonesian Government encourages the private sector to contribute to the 2030 SDGs agenda. The consensus agreement by the government on the sustainable development agenda states that the SDGs can be achieved with the involvement and contribution of the private sector. According to UN Secretary General Ban Ki-moon, business is an important key partner in achieving the SDGs (Gallardo-Vázquez et al., 2021). Furthermore, Robert Steele revealed that sustainable development must be integrated with planning and measuring company performance achievements if sustainable development is a commitment and potential that must be achieved. This opinion is also reinforced by the International Institute for Sustainable Development which states that companies operating in the business sector must not only pursue profit, but their company's

operational activities must adopt the concept of sustainable development (Kindornay & Gendron, 2020).

One embodiment of the SDGs which is usually implemented in companies is in the form of preparing CSR (Corporate Social Responsibility) and Sustainable Disclosure programs which are known as sustainability disclosures which are reported together with information disclosure in annual reports which are a significant component in achieving public accountability (Shayan, et al., 2022). According to the Green Paper from the European Commission, CSR is the voluntary integration carried out by a company of social and environmental practices with sustainable concepts from operating activities, trade and relationships with corporate partners. The concept of corporate responsibility for the impact of business activities on society makes an explicit reference to the need for collaboration with stakeholders to integrate social, environmental and ethical issues into business operations and corporate strategy. With this concept of corporate responsibility, CSR (Corporate Social Responsibility) is a form of SDGs implementation through collaboration with various stakeholders (Gallardo-Vázquez et al., 2021). In fact, companies that have implemented business patterns towards the SDGs can reduce the potential for conflict that occurs in the company's operational areas.

PT Kaltim Industrial Estate (KIE) is a company in the private sector with 5 business pillars, namely industry, construction, concrete, property and buying and selling. PT KIE's business operations activities that have the greatest impact on society and the environment are construction projects, excavation & filling, land clearing and reclamation and concrete production. PT KIE in carrying out business practices is committed to paying attention to the environment and surrounding communities through Corporate Social Responsibility (CSR) practices which are carried out in a planned, measurable, coordinated and sustainable manner in accordance with the company's CSR vision and mission. The priority for implementing PT KIE's CSR program is in the buffer zone as a direct

impact recipient of the 5 pillars of PT KIE's activities/business. In PT KIE's 2021 sustainability report, there are 6 of the 17 SDGs goals expressed by the company, the disclosure is more dominant on social aspects rather than the environment, such as healthy and prosperous living, education, clean water and adequate sanitation, economic growth and inequality, in the sustainability report from The 6 SDGs concepts that have been disclosed are still not clearly integrated into the company's CSR program as a measure of SDGs-based company performance achievements. United Nation (2019) emphasized that SDGs are a blueprint for achieving all corporate goals. Therefore, target indicators are needed to determine company SDGs that can be implemented into CSR programs.

Several previous studies regarding the implementation of SDGs with various indicators used by various industries (Allen et al., 2017; Galeazzo et al., 2023; Hametner, 2022; Lyytimäki et al., 2020; Tuholske et al., 2021). Galeazzo et al. (2023) considers the type of industry and country of origin of the company as sources of "institutional pressure" that influence the implementation of the SDGs in companies. By focusing research on the top 100 sustainable companies, the results obtained include that companies' attention is more focused on implementing only a few SDGs, namely: SDG 8 (decent work and economic growth), SDG 12 (responsible consumption and production and SDG 13 (climate) There are several studies that only reveal the CSR concept framework in the SDGs (Gil-lacruz & Saz-gil, 2022; Kulkarni & Aggarwal, 2022b; Shayan, Mohabbati-kalejahi, et al., 2022) and there is no research that integrates the SDGs concept in CSR activities based on management perspective so it becomes a gap in this research.

Literature Review:

Concept of Sustainable Development Goals (Indicators)

The word sustainability is a current topic that is used by different users in society, from governments to companies and citizens (Gomez-trujillo et al., 2019). This also has a huge effect, namely pressure on corporate entities to provide good performance to stakeholders and the

community. The concept of sustainability is an effort to maximize goals through environmental, economic and social systems (Costanza et al., 2016). So to strengthen these three systems, they must have strong sustainable development goals. According to (Barbier & Burgess, 2017), sustainable development involves an exchange process of various goals from environmental, economic and social systems because it is impossible to maximize all goals at all times. So it requires maturity of goals and programs in developing SDGs. United Nations Global Compact (2019) emphasizes that SDGs are a blueprint for achieving all company goals. Therefore, indicator targets are needed in determining company SDGs.

There are several previous studies that discuss SDGs indicators in several industries (Allen et al., 2017; Galeazzo et al., 2023; Hametner, 2022; Tuholske et al., 2021). According to Allen et al. (2017) indicators contribute to reducing complexity and becoming a communication bridge between stakeholders and the community, namely by conveying something simple based on evidence and understood by the community. So the SDGs concept is very beneficial for people who live close to companies implementing the SDGs. Members of the United Nation (UN) revealed that they adopted the 2030 Agenda for Sustainable Development in September 2015, this agenda contains 17 goals which become the world's new roadmap for achieving Sustainable Sustainable Development (SD) (Hametner, 2022). The 17 SDGS goals cover various topics such as eradicating poverty, health, education, gender and other inequalities, decent work, industrialization and economic growth, peace and partnerships, as well as resource use and ecosystem conservation.

Sustainability Accounting Concepts (GRI, Sustainability Reporting, Materiality):

Sustainability Accounting or accounting for sustainability is a need for companies to present social and environmental conditions. With the development of sustainability accounting issues in the modern world, there are increasing demands for

presenting sustainability reports (Adams & Larrinaga-gonza, 2007; Lodhia & Hess, 2014). Sustainability accounting is always related to the underlying rules, namely the Global Reporting Initiative (GRI) concept, sustainability reporting (SR) and also the concept of materiality.

The Global Reporting Initiative (GRI) is an organization that aims to develop economic, environmental and social sustainability. GRI also aims to encourage corporate sustainability and governance, social and environmental reporting. GRI produces a conceptual framework, principles, guidelines and indicators that are generally accepted globally to encourage organizations to be more transparent and also so that they can be used to measure and measure economic, social and environmental performance of organizations (GSSB, 2021). GRI's vision is to create a sustainable global society that always prioritizes humanity and continues to preserve the resources needed by all living creatures. Meanwhile, GRI's mission is to try to make economic, social and political decisions that benefit everyone.

Based on this vision and mission, GRI presents a comprehensive sustainability reporting framework for all companies and organizations that is widely used throughout the world. Sustainability accounting and reporting is the process of measuring and communicating sustainability performance and being accountable to internal and external stakeholders for an organization's social, environmental and economic performance. In general, sustainability accounting is described as an information management and accounting method that aims to create and provide quality information to demonstrate an organization's progress towards sustainability goals. Sustainability reporting is described as a formal communication means to reveal an organization's sustainability performance (Kaur & Lodhia, 2018). Sustainability accounting and sustainability reporting together form an effective accountability system that captures information about sustainability performance and

communicates this information to stakeholders (Schaltegger & Wagner, 2006).

The concept of materiality is needed in preparing sustainability reports as a policy direction that is prioritized by companies in dealing with sustainability issues. The current problem is that the concept of materiality as it relates to sustainability is used in two very different standard perspectives. The two materiality approaches correspond to those used by the Global Reporting Initiative (GRI) on the one hand and those used by the Sustainability Accounting Standards Board (SASB) on the other. In this research, researchers try to discuss the concept of materiality used as research objects based on a management perspective. Based on recent empirical findings, it shows the claim that companies that prioritize material sustainability issues in their strategy and operations are profitable than those that do not (Khan et al., 2015).

Corporate Social Responsibility (CSR):

The concept of corporate responsibility stated in the Corporate Social Responsibility (CSR) report is a commitment carried out by the company, therefore the commitment of stakeholders is needed in fulfilling their commitments and in improving the company's reputation. The reputation context means that CSR disclosure can be considered by the public as a positive signal that the company has implemented CSR activities. So it can create a positive reputation and influence the public's assessment of the company. So that achieving the SDGs illustrates the strategic governance of various CSR plans (Tafuro et al., 2021). The ongoing activities in the company's Corporate Social Responsibility (CSR) activities make it clear that the entity has achieved the SDGs.

There are several previous studies that discuss the relationship between CSR and SDGs (Chen et al., 2021; Gil-lacruz & Saz-gil, 2022; Kulkarni & Aggarwal, 2022a; Shayan, Mohabbati-kalejahi, et al., 2022; Tafuro et al., 2021). Several innovations in CSR and SDGs research, namely research (Chen et al., 2021) carrying out sustainability research in transportation which produces transportation

capabilities that use high technology can improve the company's CSR performance. Another study found in Italy (Tafuro et al., 2021) how CSR credibility was assessed as low even though it had document compliance. Both studies are quantitative studies that have contradictory results.

Other research is research that provides a CSR research framework linked to the SDGs (Gil-lacruz & Saz-gil, 2022; Kulkarni & Aggarwal, 2022a; Shayan, Mohabbati-kalejahi, et al., 2022) (Gil-lacruz & Saz-gil, 2022; Kulkarni & Aggarwal, 2022; Shayan et al., 2022). These three studies provide a framework for further research that organizations need in determining CSR activities. There are several research gaps from several previous studies, so the current research carried out by researchers is to see how the relevance of determining SDGs-based CSR activities is very necessary for future companies, namely by paying attention to the perspectives put forward by management.

Method:

This research is included in the realm of qualitative research, an interpretive paradigm using a case study approach. According to Creswell (2015), what is meant by case here can be an event, process, activity, program or one or several people. Furthermore, the type of case study used is a case study with a single instrument (single instrumental case study), which is a case study that focuses on just one issue or center of attention. To illustrate this issue, only one limited case is used (Creswell,

2015). So in this research, this approach is used to obtain an in-depth picture of the phenomenon regarding the concept of the relevance of SDGs which are integrated in CSR programs in sustainability reporting based on the company management perspective.

The informants involved in this research are policy makers (company managers involved in the fields of finance, budgeting, and CSR/environmental programs. Respondents who will be interviewed are parties directly involved in the process of formulating and implementing environment-based company program policies to obtain a description and a deeper understanding of the programs created by company management as a form of program accountability to the community.

The data collection process was carried out over a period of 3 (three) months, starting from June 1 to August 31 2023. Data collection was carried out using a semi-structured interview method. The research team will create reference questions that will be used in the interview process with informants, so it is possible that the questions asked will develop along with data mining in the field. The interview process was carried out face to face with the informants. Furthermore, non-participating field observations were also carried out in several social enterprises that were the object of research. The data is also supported by related documentation obtained directly from objects or from the internet in the form of social business profiles and activities via websites

Table 1. Informant

Name of Informant	Status	Description
Mr. YH	Accounting & Budget Manager	Informant 1
Mr. FK	Middle Staff for GCG, Annual Report & Risk Management	Informant 2
Mr. LW	Intermediate Staff I for ISO, SMK3, Environment & Proper	Informant 3

Source: Informant data processed, 2023

Result:

Reality of Company Activities:

PT Kaltim Industrial Estate (KIE) is a subsidiary of PT. Pupuk Kalimantan Timur (PKT) with share ownership of 99.99% and the other 0.01% belongs to the PKT Old Age Welfare Foundation (YKHT). This company is located in Bontang, East Kalimantan. This company is located in Bontang, East Kalimantan. Initially KIE started its business by providing and managing industrial area land for natural gas-based companies in the Bontang area with a total managed land area of 214.08 hectares (Ha), in line with the demands of the development of the business world.

KIE develops and grows not only by providing and managing industrial areas. KIE has developed and transformed into a multilevel company that has 5 (five) business pillars, namely industrial areas (providing land for large-scale industries that have very complete supporting services), construction (providing manufacturing services and carrying out design and construction such as factory facilities, warehouses and housing), property (KIE's property business includes providing housing, offices and ready-to-build plots), concrete (Providing concrete products and their derivatives such as precast, mini pile and RMC (Ready- Mix Concrete) and trading (trade and services including the supply of cement, sand, crushed stone, construction materials, mechanical electrical equipment).

KIE is committed to carrying out business practices that not only pursue profit but also pay attention to the environment and surrounding communities by encouraging a spirit of independence through the implementation of Corporate Social Responsibility (CSR) practices. KIE's commitment to implementing a sustainable CSR program is realized through the issuance of Directors' Decree Number 28/SKD/KIE/XII-2017 concerning KIE's CSR policy. As a form of seriousness in implementing CSR, KIE collaborates with the BIKAL Karya Lestari foundation to prepare the documents that will become reference in implementing CSR.

Discussion:

This research looks at the management perspective in integrating the SDGs concept which is reflected in the preparation of the company's CSR program. Integration is part of the SDGs Compass steps, so this discussion was carried out by following several steps from the SDGs Compass which can provide guidance for companies on how companies can align strategies and manage programs. CSR activities and company contribution to the realization of SDGs which includes 4 steps, namely CSR program priorities, alignment (setting goals), integration and reporting & Communicating(UNGC,2018).

Program Priority in The Materiality Concept:

PT KIE carries out corporate social responsibility activities in the economic, environmental and social fields. The company reports by looking at the materiality aspect based on identifying impact areas to determine the company's CSR program priorities. The company's program priorities are shown in the buffer zone area, where this area is focused on the company's operational area. The following is informant 2's statement:

"...Well, for the 2023 program itself, there is education, borrowing land, UMKM work, community outreach, arts and culture, such as the Rehab program. Class construction for schools has also been running for this year. There are none, but last year we have repaired schools in buffer areas. zone.."

The selection of CSR programs is based on the materiality aspect, in this case the program that is most needed and is the company's flagship program as a social and environmental responsibility to the community. These roles and responsibilities are related to legitimacy theory, where this superior program is an explicit form of a social contract based on applicable laws. Meanwhile, the implicit form is society's expectations of companies that are not included in legal regulations (Deegan, 2002).

The materiality aspect reflects economic, environmental and social aspects that have an impact on assessments and decisions (GRI, 2013). Therefore, the goal of materiality analysis is to

determine what is critical to a company's performance, commitment and sustainability strategy. Based on informant 2's statement:

"...our company's CSR program adapts to the capabilities of our own company...in terms of masterprime we already have a masterprime CSR, indeed SDGs are not far from CSR, right?"

Based on informant 2's statement that the concept of materiality is used in the company. This concept describes the company's needs in disclosing its sustainability reports. In the materiality concept, companies are asked to disclose sustainability information appropriately (Calabrese et al., 2017). The information reported is described according to the level of detail according to the assessment of its materiality. The same thing was expressed by informant 1:

"...by adjusting the program, the company can save time and money in making reports, of course considering the company's capabilities."

Reporting using material aspects can make company activities more efficient. Efficiency is illustrated by the company's priority programs in CSR activities. So by focusing reports from the materiality aspect, companies can save time, money and resources in reporting. (Mio et al., 2020) emphasized that companies must analyze the indicators that are important for their company as well as the internal and external consequences of the places where they operate. These things describe companies receiving various data, and companies must understand which data is most essential for the company to make decisions for stakeholders.

In determining the study of materiality from a management perspective, PT KIE is based on sustainable development goals that support development programs launched by the government. The main focus of management is on six main aspects, namely: No hunger, Healthy and

Prosperous Life, Quality Education, Clean Water and Decent Sanitation, Decent Work and Economic Growth and Reducing Inequality

Setting Goals Alignment of CSR Programs With SDGS

The basis of the Sustainable Development Goals (SDGs), includes economic growth, social inclusion and environmental protection. The basis of CSR addresses problems locally, from internal ethical behavior to a company's economic practices. The difference is scale and meaning, CSR focuses on corporate welfare and morality, SDGs to address persistent problems around the world in an orderly manner. CSR and SDGs can be aligned, CSR can contribute to the SDGs, ushering in a new era of prosperity. Although CSR focuses on the internal workings of a business and is socially responsible, it can provide access to opportunities to complete the SDGs and be a driving force for completing the sustainable development goals set by the UN UNDP. This was also conveyed by informant 3 as follows:

"... in principle, for the semester, the focus was on governance, but in governance there is CSR, CSR already covers everything in the SDGS, including the environment, here we plant mangrove trees, and when it comes to development, we have infrastructure, we happen to have a concrete factory, Well, we also support what is already underway, namely the construction of roads at church places of worship in Loktuan, from the religious and social aspects. The program to reduce the stunting rate, apparently in Bontang is still quite high, so there are 2 preventive measures or reductions, yesterday KIE was assigned to the prevention program, so we held a program for examining pregnant women, more about outreach to posyandu. On sea coasts,

knowledge about stunting is lacking. We will try the SDGS there."

In connection with informant 3's statement and the sustainability report on PT KIE's 2022 CSR program which is not yet clearly visible in the

SDGs link, based on the SDGs concept or Sustainable Development Goals (TPB) which contains 17 programs, 169 targets and 241 indicators, the author created a matrix alignment of PT KIE's CSR program towards SDGs

Table 2. The Alignment Matrix of CSR Program PT KIE with SDGs

No	SDGs Goal	CSR Program PT KIE
2	No Hunger	1. Routinely donate sacrificial animals to Eid al-Adha activities 2. Ramadhan Safari distributing basic necessities and cash to orphanages and underprivileged communities
3	Healthy and Prosperous Life	1. Examination of pregnant women and children
4	Quality Education	1. Borrow land for a Special School (SLB) 2. Borrow and use the entrance to SMPN 5 Bontang
9	Industry, innovation and infrastructure	1. Cementization of RT 11 Road, Guntung Village 2. Cementization of Jalan Sempayang RT 15 Guntung Village 3. Assistance to accelerate the recovery of Citra Mas Loktuan Market, repairing fire-damaged market road access with excavators 4. Repair of roads and bridges in RT 13 Guntung Village 5. Cementization of the Volleyball Court for Military District 0908 Bontang City
14	Ocean Ecosystem	1. Mangrove Planting & Coral Reef Transplantation
15	terrestrial ecosystem	1. Tree Planting

Source: Company Sustainability Report, 2022

From the CSR program implemented by the company to support the implementation of the SDGs in the Sustainable Development Pillar, it can be seen that the dominant aspects of the SDGs goals are the ones that most pay attention to the company. The first dominant aspect of the Social Development Pillar is the Goal 2 No Hunger aspect, Target 2.2 Eliminate all forms of

malnutrition (Indicator 2.2.2(a) Quality of Food Consumption), PT KIE routinely distributes basic necessities to orphanages and local communities who do not able especially during the Ramadhan safari moment and donating 3 cows at every sacrifice day celebration which is handed over in the Guntung, Loktuan, and Al-Istiqomah Mosque sub-districts, apart from carrying out the meaning

of sacrificing on the Eid al-Adha holiday, giving, sharing and emulating the meaning of sincerity carried out by companies and companies try to be part of providing benefits that can be directly felt by the community, this is done by companies because basically humans in their growth and development and achieving a high standard of living require a good level of nutritional fulfillment and food quality, so companies try to have a role in assist and support government programs in efforts to provide a variety of food for the community and community groups, because the community is an important stakeholder for the company, especially those in the company's bufferzone operational area.

The second dominant aspect of the SDGs implementation goal is Goal 3 Healthy and Prosperous Life, Target 3.1 reducing the maternal mortality ratio (indicator 3.1.1 maternal mortality rate) and Target 3.2, Ending the mortality rate of newborns and toddlers) (indicator 3.2.1 mortality rate for newborns and toddlers) During the past 2 years, in the CSR program, PT KIE has collaborated with the Bontang health department to participate in tackling the maternal and newborn mortality rate by providing a periodic examination program for pregnant women and newborn babies. The importance of this program is because it accompanies government programs in reducing maternal and newborn mortality rates due to pregnancy disorders, and handling incidental cases during pregnancy until birth. The company's concern for healthy living for the community, especially around the buffer zone, has had a good effect on the company's social relations with the community.

The third dominant aspect, of the objectives of implementing SGDs Goal 4 Quality Education Target 4.a, Build and improve educational facilities that are child friendly, friendly to people with disabilities, and provide a safe, non-violent, inclusive and effective learning environment for all (indicator 4. a.1 Proportion of schools with access to roads, electricity, internet, computers, proper drinking water, sanitation) To help the school age community in the company's CSR program, the company provides loans to use land access roads to

SMPN 5 schools without any rental fees for use of the access road. And Target 4.5 guarantees equal access to all levels of education and training for vulnerable communities, including people with disabilities, and children in vulnerable conditions (Indicator 4.5.1 Ratio of net enrollment rates at elementary/middle school/senior high school/tertiary level for males / women/ disabled or without disabilities) to support this goal, the company's CSR program assists in borrowing land for special schools (SLB) which are used for educational facilities for people with disabilities, and children who are in vulnerable conditions, for example autistic, etc. This aspect of Quality Education is important because education can be a driving force in improving the standard of living in a country, including Indonesia, especially for children of school age who will become the successors and future of this country, so many companies provide their contribution in the educational aspect. , and PT KIE does this by helping access educational facilities in the form of lending land and SLB school buildings to people with disabilities and children in vulnerable conditions as well as lending access land to schools without any land rental fees. This company program helps government programs in realizing quality education at all educational age scales.

The fourth dominant aspect of the goal of implementing the SDGs from the economic development pillar Goal 9 Industry, Innovation and Infrastructure, Target 9.1 Develop quality infrastructure focusing on affordable and equitable access, (Indicator 9.1.1 Population living within 2 km of the road proper) Infrastructure in the form of improving road access is important to support community economic activities, so in line with the company's value of giving back to the community, PT KIE has repaired access to the cementization of Jalan Sempayang RT 11 and RT 15 Guntung Village, cementing roads and parking areas at Danarhanud Clinic 002 Bontang City, Repairing the RT 13 Bridge, Guntung Village, as well as providing assistance to accelerate the recovery of the Citra Mas Loktuan Market by repairing access to the fire-damaged market road using an excavator. This road infrastructure improvement

program around the company's buffer zone area can help pave the way for the economic and social progress of local communities which is a top priority. This program can be realized in collaboration with the Bontang city government.

The fifth dominant aspect of the objectives of implementing the SDGs from the Environmental Pillar in Goal 14 Marine ecosystems, Target 14.2 is managing and protecting marine and coastal ecosystems in a sustainable manner to avoid significant adverse impacts, including by strengthening their resilience and carrying out restoration to create healthy and productive oceans, (Indicator 14.2.1 implementation of an ecosystem-based approach in managing marine areas) PT KIE carries out restoration and conservation, planting mangroves and transplanting coral reefs in the Loktuan Bontang waters. This program is a form of corporate responsibility towards the environment in supporting the achievement of the Sustainable Development Goals as an effort to mitigate the impact of climate change and contribute to the success of the government's program to rehabilitate mangrove areas by empowering communities. For companies, mangrove areas must be protected and developed, mangroves are not only for controlling and preserving coastal ecosystems, but can be processed into processed products that can be consumed and become MSME products that have high economic value and have an impact on improving the standard of living of local communities.

The sixth dominant aspect of the SDGs implementation goal Goal 15 Terrestrial Ecosystems, Target 15.2 Improve the implementation of sustainable management of all types of forests, stop deforestation, restore degraded forests and significantly increase forestation and reforestation, (Indicator 15.2.1 Progress towards sustainable forest management) PT KIE is committed to providing added value through a greening program in Selambi, Loktuan Village. The reforestation program is carried out together with the Environmental Service and the local government. Tree planting is carried out in hilly areas that are still empty, the aim of this

planting is to support the protection and restoration of nature, reduce the risk of disasters and climate change, through this reforestation program the company continues to prioritize the benefits received by the surrounding community in the form of environmental and economic sustainability in the form of fruit products and their derivatives.

From the several alignments listed above, there are several programs that are aligned with the SDGs. Companies need to ensure programs that have not achieved the SDGs goals and indicators in their reporting. So in this case PT KIE needs to analyze the SDGs goal map on borrowing land for use because it is not included in part of the SDGs indicators.

Integration of CSR Programs into The SDGs concept;

PT KIE in carrying out sustainability has carried out several stages of integration. The integration of the measurement program consists of linking sustainability goals to the business and embedding sustainability throughout all functions and engaging in partnerships (UNGC, 2018). The sustainability goals in PT KIE's business have been outlined in the company's vision and mission in the 2022 sustainability report and this was also conveyed by informant 2 in terms of the company's sustainability vision and mission:

"...so our vision and mission for TJSL is to build harmonious relationships with the corporate community and related parties. This is important and this will be related to the SDGs. We also continue to adapt to the company's needs and capabilities, so we will see that the mission itself is to build an institution. TJSL is in accordance with the core business, we have a bleaching plan and concrete, yes, what we can help with is perhaps the supply of free concrete to the community, for example for casting the field or building a mosque, and we also have land in the business and we have an industrial area, so in essence we help with what we can do. "We just have it, then the mission is to develop a TJSL program that is efficient and sustainable, such as the issue of

environmental sustainability, it is related to social programs, then thirdly, a program for parties that is systematic and sustainable.

This is also a reference for the city government."

Based on informant 2's statement, it indicates that CSR should be part of PT KIE's sustainability vision and mission. Companies that have a strong vision and mission will see CSR as an opportunity to achieve long-term goals and support the SDGs. The company realizes that a sustainable and successful business in the long term does not only depend on financial profits, but also on its relationship with society, society and the surrounding environment.

Integration is also strengthened through the CSR partnership program. Through the CSR partnership program, it is hoped that there will be synergy between the activities carried out by PT KIE and the Bontang City Regional Government and the community so that good cooperation can be achieved, and avoid overlapping activities which have often occurred. This is reinforced by informant 3's statement regarding the community empowerment CSR program

"... for community empowerment, we have coordination with Disperinda for training to improve human resources, then our Culture Service is also there with community officers at our place because here we often hold events such as traditional events, so we are more there."

Based on informant 3's statement, the involvement of the partnership program in PT KIE's CSR in collaboration with the City Government, Disperinda, Culture Service through community empowerment in realizing welfare development is basically aimed at solving problems in the area of socio-economic inequality (poverty) and helping community independence. So by integrating CSR programs into the SDGs concept, companies not only make positive contributions to society and the environment, but can also increase reputation and value for stakeholders.

Apart from that, the concept of CSR partnership with the realization of SDGs in it is very strongly related to partnership theory which reveals that

relationships greatly contribute to the company's technical expertise and financial resources by utilizing experience, knowledge networks and legitimacy to connect with the public sector (LaFrance & Lehmann, 2005). So that it can strengthen the company's concept of sustainability in the future.

Reporting and Communicating:

This reporting stage, measurement is through effective reporting and communication. Sustainability reporting is an organization's public reporting practice regarding economic, environmental and social sustainability. This is confirmed in the statement by Rosati & Faria (2019) that the SDGs report is a supporter of the company's sustainability progress. PT KIE already has a sustainability report and annual report. Reporting carried out by the company effectively and periodically provides benefits for increasing the company's reputation and value in front of stakeholders. In preparing the SR report PT KIE followed the PKT company as the parent company. The following is informant 3's statement:

"...we have 4 pillars, right, the pillars of development, social, environmental and infrastructure because the core business of PKT and KIE is different, if we are a subsidiary company, PKT is producing ammonia and urea fertilizer factories, while KIE's industrial area is more about services, we adjust accordingly. the Company's needs and capabilities, but for reporting the format follows the PKT"

Informant 3's statement illustrates that PT KIE is more towards the service industry, but the method and manner in which its sustainability report is prepared follows the format of PKT as the parent company which refers to GRI standards as a guideline for preparation.

"..... So this year was the first time that KIE took part in the socialization with the OJK team, KAI, indeed GRI was the main guideline for writing SR but there was also SEOJ which was presented in the future, so in preparing it there were two options given

at that time, you could combine AR with SR in it or separate it because Why is that because there are companies whose AR has already been made, but SR hasn't yet, so each company is given a choice. The KIE itself was separated yesterday, but next year we will probably merge. So the difference is that for AR itself it is more about governance, for SR we are more about sustainability, the programs at KIE are like that ma'am... To be honest, this is the first time we are participating because 2019 was lost, OK, AR is because of the pandemic of all kinds and appear again in 2022 that assessment."

Based on the information above, PT KIE's sustainability report is separate from the company's annual report. In reporting sustainability, PT KIE is a company that always complies with the regulations issued by the government. However, in terms of sustainability reports, there are several CSR programs that have not been on target in their implementation. Sustainability reports are an important thing, where company performance can be assessed directly by regulators, the public, environmental organizations, mass media and investors, and have a positive impact, namely increasing the company's reputation and credibility.

PT KIE in carrying out the CSR program carries out a monitoring and evaluation process as part of the communication of the CSR program and its

reporting. Monitoring and evaluating PT KIE's CSR program is by visiting the location directly and following each program in the community. The following is the statement from informant 3:

"... So we want to answer regarding satisfaction or feedback, how much satisfaction or feedback from the surrounding community is still in our plans, ma'am, until now there has been no assessment of how successful it is, usually we just use self-assessment, ma'am, and look directly at the field, so just look at the progress from "The Proper team will probably start working next year, we can see from the customer questionnaire, we have already conducted an assessment with community organizations, we are just starting, so it will be measurable."

Based on informant 3's statement, PT KIE has not carried out complex monitoring and evaluation of program assessments, but monitoring is carried out by coming directly to the field where the CSR program is implemented. The importance of structured program monitoring and evaluation provides more concrete feedback information on the results of the program implementation.

Based on the discussion of the results above, it can be seen that the SDGs concept is integrated into the CSR program from a management perspective, as follows:



Figure 1. Number of ASEAN Banks with Digital Branches in Period 2015 - 2018

Conclusion:

PT KIE is a company that has carried out sustainability reporting in various fields based on the CSR activities it carries out. This research found that PT KIE carried out several program priorities for sustainability based on material aspects, namely creating sustainability programs based on the company's capabilities. This company capability is defined as saving resources, namely the company's time and energy.

Apart from program priorities, this research also found that there is alignment of CSR programs in sustainability points and there are some that are not included in the Sustainability report. PT KIE for the next year needs to continue exploring several CSR programs, namely the land-lending program. So that it can be right on target for the years to come.

Furthermore, this research found two things measuring integration within the company, namely linking sustainability to the company's vision and mission. The meaning of sustainability in a company indicates that the company realizes that it is not only profits that can be achieved by the company but also the relationship with the community and government in the future through existing programs. The measurement of integration at PT KIE is the existence of relationships with company partners, namely the government, so that it can provide benefits to the community and increase value for stakeholders.

Reporting and communication are very important as a means of corporate sustainability. In this case PT KIE has reported a separate sustainability report from the company's annual report. However, in terms of monitoring and evaluation of companies, there are no supporting reports, only direct observations in the field, namely the places where companies carry out CSR programs.

This research found several CSR programs that are not in line with the SDGs. So companies are advised to look at the suitability of programs with the SDGs concept to support government programs that lead to national sustainable development goals. In monitoring and evaluation reporting, this research found that companies only carry out direct

inspections of where the program is implemented, so companies need to make monitoring and evaluation reports as a process of corporate accountability in corporate sustainability, especially regarding social responsibility programs run by the company. It is hoped that further research will be able to dig deeper into the company integration process in more depth.

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