

Mandatory Reporting on Corporate Social Responsibility (CSR) as A Multinational Corporate Accountability Contemplate (Case Study at PT. Pertamina (Persero))

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Abstract

The purpose of this study is to examine how PT. Pertamina (Persero), a state-owned firm engaged in the exploration and production of oil, gas, and geothermal energy in Indonesia, has implemented mandatory CSR reporting as a forum for accountability. This is a library research project in which data is collected in the form of journals, books, documents, and other relevant textual sources, which are then descriptively examined and conclusions drawn based on the issues discussed. According to the findings, PT Pertamina (Persero) has completed statutory CSR reporting in the form of an annual report and a sustainability report, both of which are available on the company's official website. PT Pertamina also continues to develop in relation to CSR activities that have a broad positive impact in order to increase corporate accountability. The four pillars of CSR and PKBL, Pertamina Hijau, Pertamina Sehat, Pertamina Cerdas, and Pertamina Berdikari, which encompass social, economic, educational, health, and environmental issues, demonstrate this. It is intended that through implementing these initiatives, they will be able to deliver useful services to the community while also benefiting the national economy.

INTRODUCTION

Corporate social responsibility (CSR) is becoming increasingly popular in other countries. In certain jurisdictions, corporate social responsibility (CSR) information is even included in the notes of a company's financial accounts as a

success indicator (Limbong, 2020). Companies can be encouraged to implement Corporate Social Responsibility (CSR) from both the outside (external drivers) and the inside (internal drives) (internal drivers). External forces are included, such as the existence of legislation, laws, community pressure, the burden of enterprises that receive exemplary status, and the necessary Environmental Impact Analysis (Amdal). The motivation from within the company comes mostly from the actions of the company's management and owners, particularly the corporation's level of concern/responsibility for the community's development (community development responsibility). Companies can gain reputation by providing social contributions to society, which has an impact on improving economic results and minimizing adverse risks for the organization (Ladina et. al., 2016).

CSR has become a requirement in Indonesia for every firm that operates as a Limited Liability Company (PT) and uses natural resources in its operations. This is governed by Article 74 of Law No. 40 of 2007 on Limited Liability Corporations, as well as Article 15, Article 17, and Article 34 of Law No. 25 of 2007 on Investment, which governs companies' obligations to carry out CSR activities. There are still numerous issues with its execution since the company does not carry out CSR adequately and is not on goal or ideal. Several cases of challenges with CSR implementation in Indonesia, such as in Papua, where PT Freeport Indonesia, which has been in operation since 1969, has not been able to avoid long-term conflicts with local populations, both over customary land and social and economic inequality (Wibisono, 2015). "The pollution of Buyat Bay (the discharge of tailings to the seabed) caused by PT Newmont Minahasa Raya (NMR) operations is not just a national and international issue in Riau; the community is demanding compensation up to the DPR level" (Mulyadi, 2017). Many coal mining businesses in Samarinda fail to meet their commitments and engage in CSR, despite the fact that the community suffers greatly as a result of their activities (Siagian, 2019).

In Indonesia, corporate social responsibility (CSR) has evolved from a voluntary activity to an obligatory responsibility practice. "The government's legal politics regarding the obligation (mandatory) to implement corporate social responsibility (CSR) to companies, as referred to in the UUPT and UUPM, is actually a policy that emphasizes natural resource management (SDA) for the

people's prosperity, as mandated by the 1945 Constitution (Purwanto). In a nutshell, CSR responsibilities exemplify social solidarity or a company's care for society and the environment. CSR duties, on the other hand, can promote corporate awareness as well as societal coexistence. There has never been a corporation that created goods or services without a needy community. As long as numerous challenges are not handled or alternative solutions are not considered, the identity that is expected from CSR implementation will not be realized. The traditional view of CSR as a voluntary moral obligation continues to be a roadblock. Legal conventions do not always influence a company's behavior, which asserts that the sole purpose of the company's existence is to make as much money as possible. Everyone who starts a business wants to make money, but as the business grows, the community notices and feels the socioeconomic and cultural effects of the company's operations. The company's growth, scope, and capabilities are no longer considered as singular, but rather as providing benefits and caring for the community (Firdaus, 2020).

The company's business activities will produce issues that will harm the environment surrounding it. Environmental issues have morphed into a complex catastrophe that affects a wide range of industries, including accountancy. Investors must consider environmental challenges and consider what has to be done. Mandatory Corporate Social Responsibility (CSR) reporting, which strives to balance company performance and protect existing environmental conditions, is one strategy to address environmental issues that necessitate cost measurement and allocation. Many businesses believe that a company's success can only be judged in terms of profit, whereas in reality, a company's success may also be measured in terms of environmental responsibility and corporate social responsibility.

As one of the Indonesian companies with a core business in oil, gas, and geothermal exploration and production, PT. Pertamina (Persero) is required to present CSR mandatory reporting as a company commitment to carry out its obligations based on the decision to take policies and actions while considering stakeholders. stakeholders and the environment in which the company conducts its activities based on applicable legal provisions. According to the abstract, the purpose of this research is to examine the implementation of mandatory CSR reporting as a forum for accountability at PT. Pertamina (Persero).

Corporate Social Responsibility

The notion of Corporate Social Responsibility (CSR), which states that businesses should not only be concerned with their own interests, but also with the fact that there are many other surroundings to consider (Ladina et al., 2016). According to Sapia and Andyani (2015), Corporate Social Responsibility (CSR) is an organizational concept, particularly for a corporation that has a responsibility to consumers, employees, shareholders, communities, and the environment in all aspects of its operations. This definition demonstrates that Corporate Social Responsibility (CSR) is a type of action that stems from ethical considerations and aims to improve the company's economy while also enhancing the quality of life for employees, the surrounding community, and the general public. The concept of Corporate Social Responsibility (CSR) can be defined as a company activity that helps to solve social problems by increasing the economy, improving community quality of life, and reducing various operational impacts on the environment by adhering to applicable laws, all of which benefit the company and the environment in the long run (Shindhutomo, 2017).

In a study on CSR, Archie B. Carroll (1991) proposed the notion of the CSR pyramid, which specifies four corporate obligations, including:

1. Fiscal Responsibilities

The company's first task, according to the statement, is to become a functioning economic unit capable of surviving in its industry. The company's primary goal is to generate a profit. The company's foundation is profit. In order to survive and expand, businesses must have economic added value as a prerequisite.

2. Ethical Responsibility

The organization has a responsibility to follow excellent, honest, and fair business procedures. The company's organizational behavior should be guided by community norms.

3. Social Responsibility

Corporate legal responsibility necessitates that the company's operations adhere to the rule of "playing by the rules of the game." Suparsabawa and Sanica (2020) define law as a conditioned moral vision of society, and adhering to these standards is a further requirement for social responsibility.

4. Philanthropic Responsibilities

Companies must also make a profit, follow the law, and act ethically. Companies must also be able to make contributions that are felt directly by the community. The goal is to improve everyone's quality of life. " (Suparsabawa and Sanica, 2020) "The owners and workers who work in the firm have a dual obligation, namely to the company and to the public, which is today known as non-fiduciary responsibility."

Legitimacy Theory

Organizations' incentive for voluntary environmental disclosure has been widely explained using legitimacy theory (Pellegrino and Lodhia, 2012). The concept of organizational legitimacy created by Dowling and Pfeffer is the basis for legitimacy theory (1975). Organizations will continue to explore for ways to ensure that their operations are within the constraints and norms prevailing in society, according to legitimacy theory (Rokhlinasari, 2015).

The legitimacy thesis is based on the "social contract" that exists between a company and the society in which it operates, which requires the company to be continually sensitive to its surroundings (Ghozali and Chariri, 2007). The presumption of legitimacy is linked to authoritative, legal, emotional, binding, or truth features associated to a government order or state, which is valid if it has the authority to govern (Ikbal, 2012).

Based on legitimacy theory, organizations will continue to strive to ensure that they are perceived as operating within the boundaries and norms of society. Environmental disclosure is one way for organizations to gain this legitimacy (Jannah, 2014). This theory explicitly recognizes that business is limited by a social contract which states that the entity agrees to perform various social activities of the entity to be accepted by society with the ultimate goal of ensuring the entity's survival in the company. According to Rokhlinasari (2015), one of the impetuses for corporations to make judgments about publishing company information is public perception and recognition. When there is a match between the existence of a corporation that does not interfere or is consistent with the existence of a value system that exists in society and the environment, this legitimacy theory can be obtained. As a result, legitimacy has the benefit of assisting the company's survival (going concern)" (Husaini and Trinesia, 2020).

Accountability Trilogy

The concept of the trilogy of accountability is three main aspects that are interconnected and strengthen their respective existence in the concept of accountability. These three aspects are the giver of the trust (Allah SWT), the recipient of the trust (human), and what is entrusted (nature). In the accountability trilogy itself, Allah SWT is at the top, namely at the peak, while humans and nature are respectively at the bottom (base) where both obey and submit to Allah SWT. This accountability trilogy can be an appropriate basis for the realization of a sharia accountability (Husain and Abdullah, 2015). The accountability trilogy can be illustrated in the following figure.

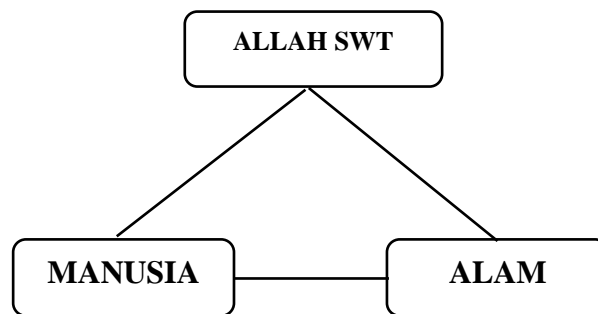


Figure 1: Accountability Trilogy

Based on trilogy chart above, it can be explained that accountability is derived from the relationship between humans and Allah SWT (*Hablumminaallah*) who is the caliph of Allah and the relationship between humans and humans (*Hablumminannas*) in carrying out mu'amalah, as well as the relationship between humans and nature (*Hablum fil ardh*) in utilizing and maintaining the natural surroundings (Kholmi, 2012). The following describes these three relationships from a human point of view.

The first is the relationship between humans and Allah SWT (*hablumminaallah*). Allah SWT created the heavens and the earth and their contents (living things). Humans are living beings who are very noble in the eyes of Allah SWT and humans have the title as the caliph of Allah SWT on earth. This predicate illustrates that Allah SWT entrusts His power to humans to regulate and maintain this world. According to Husain and Abdullah (2015), every human being has been given the mandate of *khalifatullah fil ardh*, or mercy for all creatures created by Allah SWT on this earth, where mankind

would establish God as the ultimate principal. As a result, accountability for trust is an accountability to God that stems from a person's internal activity.

Second, the relationship between humans (*Hablumminannas*). Human created as social beings who will make Human beings are complex creatures because humans themselves have the potential and advantages in the form of the ability to think, science, communicate and interact with the social environment. Humans as social beings definitely need interaction and communication with other humans so that their nature as social beings can develop and be channeled properly. Therefore, humans are given the mandate (trust) by the creator of Allah SWT to carry out the duties and responsibilities between humans in various aspects of life. Accountability that occurs between humans is by maintaining harmony and justice that can bring benefits to the wider community.

Third, the relationship between humans and nature (*Hablum fil ardh*). In life, humans cannot be separated from nature, which means that nature has provided a place to live and is a source of livelihood for humans. Therefore, humans must maintain and preserve the universe. However, much of the damage that occurs on this earth, both on land and at sea is caused by irresponsible human actions. Humans are required to manage and maintain and maintain this natural wealth as well as possible and humans are prohibited from doing damage on earth because this universe belongs to Allah SWT which is intended for all humans. As caliphs on this earth, humans are given the mandate and responsibility to maintain and protect the universe for the welfare of all humans and the preservation of the universe. Thus, in this life we must be more responsible for the preservation of nature or by not contributing to the destruction of the universe.

METHODS

Research Approach

This study uses qualitative research to solve research problems. Qualitative methodology is defined as a research process that produces descriptive data in the form of written or spoken words from people and observable behavior (Moloeng, 2017). This method is related to the interpretation of the information found in the field by previous researchers.

Data Types and Sources

The type of information in this research is in the form of readings and concepts, because this research is included in the type of literature research. Aspects that researchers analyze include definitions, concepts, thoughts and thoughts and arguments in the literature that are relevant to the research content. The data sources in this research are secondary data sources. Secondary data is information obtained from the literature or using library research methods with the aim of collecting data information with the encouragement of various modules on the internet.

Data collection

In this study, researchers used non-interactive techniques, also known as analytical research, conducting studies based on document analysis. This study does not collect data interactively through interaction with human data sources, but by using the literature study method. Literature study itself is a research method that seeks to synthesize various previous research results to be reviewed and used as material for making research results and conclusions. In this case, researchers carry out data collection methods in the form of journals, books, documents, and various other relevant written sources.

Data analysis

Data analysis is an activity carried out to process and analyze the data that has been collected. The main purpose of data analysis is to provide information to solve problems (Kuncoro, 2013: 197). This study uses three steps in the data analysis process, namely: (1) collecting research literature; (2) data transcript; (3) final conclusion.

RESULTS AND DISCUSSION

CSR *mandatory reporting* at PT. Pertamina (Persero)

Corporate Social Responsibility (CSR) is a corporation's commitment to fulfill its responsibilities based on policy and action decisions that include stakeholders and the environment in which the firm operates, as well as applicable legal requirements (Wahyudi and Azheri, 2008: 36). Many large multinational corporations consider CSR to be a legal requirement. This is done by the company in order to ensure the company's business continuity. Based on the information presented above, it can be stated that all firms regard CSR programs as an obligation that must be created and implemented by them, with

the implementation process taking into account (John, 2010:22).

Each company will set its own CSR policies, which will, of course, be tailored to the needs and standards of that particular organization. The implementation of CSR for SOEs is governed by Law No. 19 of 2003 on BUMN, as well as government regulations (PP) outlined in Law No. 12 of 1998 on Limited Liability Companies. The rules for BUMN and BUMS are the same: both must apply CSR to the company. The regulations must, of course, be followed by all corporate entities. CSR is a requirement that must be met (Busyra, 2012:304). CSR, defined as a company's commitment to meet its commitments, is based on a decision to adopt policies and actions that take into account stakeholders and the environment in which the firm operates, as well as necessary legal regulations (Wahyudi and Azheri, 2008: 36).

Governments and stock exchanges in several developed and developing countries have encouraged and pressured companies to act in an environmentally and socially friendly manner, through mandatory disclosure of *Corporate Social Responsibility* (CSR) or *Environment Social Governance* (ESG) activities and policies (Boodoo, 2016). In other words, some governments and stock exchanges want companies to publicly disclose their social and environmental policies, among other things, seeking to reduce any negative externalities they may cause.

In Indonesia, CSR (*Corporate Social Responsibility*) is one of the obligations that must be carried out by every company in accordance with the contents of Article 74 of the Limited Liability Company Law (UUPT) Number 40 of 2007. Through this law, industry or corporations are obliged to implement it, Corporations are not only required to have concern for environmental issues, but also on social issues from the community who directly feel the negative impacts of the company's operations. Industry or corporations play a role in encouraging healthy economic growth by considering environmental factors (Siregar, 2007:1). It can be concluded that CSR or corporate social responsibility is a moral commitment to create prosperity in the company's work area by accommodating economic, social and environmental activities.

The Financial Services Authority (OJK) requires the preparation of a *sustainability report* considering the conditions in recent years, the environment has suffered a lot of detrimental damage. For this reason, awareness from

various parties is needed to make changes as a form of responsibility for environmental safety. According to Law number 40 of 2007, the government issued a regulation whereby every company that runs a business in the natural resources sector is required to carry out social and environmental responsibility activities, known as *Corporate Social Responsibility (CSR)*. And interestingly, starting in 2017, the government through the OJK issued a new regulation, namely the obligation to make a sustainability report. In this case, PT Pertamina has carried out its obligations as a company, namely the responsibilities presented in the *annual report* and *sustainability report* as a form of transparency of information on environmental improvements.

CSR mandatory reporting as a forum for accountability at PT. Pertamina (Persero)

CSR refers to a company's obligation to develop the surrounding environment through various social initiatives such as educational, economic, environmental, and so on, on a national and worldwide scale. The adoption of CSR is supposed to have a positive impact on the environment in which the business operates. CSR (Corporate Social Responsibility) is a business organization's moral responsibility to its stakeholders who are impacted by the company's operations, either directly or indirectly. Companies must be closely supervised by the government in order to reduce environmental damage and increase social welfare. As a result, every firm has an obligation to declare CSR as a means of improving accountability to the environment and its surrounds.

PT Pertamina does not just focus on generating company profits when running its business; it also considers environmental and social factors by implementing activities or initiatives that benefit everyone. The company had a positive performance during the Covid-19 pandemic, with a net profit in 2020. Pertamina Group also continued to strengthen the four pillars of its Corporate Social Responsibility (CSR) program, also known as Social and Environmental Responsibility (TJSL), by implementing numerous social innovations and expanding its reach. This is part of Pertamina's commitment to implementing ESG values in order to support the Sustainable Development Goals (SDGs), particularly points 3, 4, 7, and 8, which include ensuring a healthy life and supporting prosperity, ensuring inclusive and quality education, ensuring affordable energy, and supporting inclusive and sustainable economic growth.

The following are CSR (*Corporate Social Responsibility*) carried out by PT Pertamina (Persero) including:

1. Environment

Pertamina actively participated in a variety of programs in 2020 that generated advantages while reducing negative environmental impacts. Management of B3 and non-B3 waste, effluents, spills, emissions, and flares are all part of these efforts. Pertamina supports the B30 BBM Program and the Green Refinery in Plaju in order to reduce emissions. As part of its biodiversity initiative, Pertamina uses PKBL to plant mangroves, particularly in the "Pertamina Hijau" pillar.

The activities carried out by Pertamina in the environmental sector during 2020, were recognized by the Ministry of Environment and Forestry, with the acquisition of PROPER (Program for Assessment of Company Performance Ratings in Environmental Management). In 2020 PROPER (2019 environmental performance assessment), Pertamina group obtained 16 Gold PROPER and 64 Green PROPER. Further information regarding Pertamina's activities, efforts and initiatives in TJSL in the environmental sector, benefits and active involvement of stakeholders, can be seen from the annual report and 2020 sustainability report.

2. Employment

With a wide range of products and services as well as a spread out area of operations, Pertamina has a large workforce base; including contractors and partners who are Pertamina's responsibility. To realize health, safety, security, & environment (HSSE or K3L) excellence, Pertamina implements policies related to occupational health and safety that need to be applied to all operational aspects, including by workers and other stakeholders. Pertamina has also adopted the ISO45001 Occupational Health and Safety Management System as a standard management system in managing occupational health and safety aspects.

Pertamina has formed an Occupational Safety and Health Committee (P2K3), which involves employees, to manage occupational safety and health (K3). This committee jointly supervises, develops the culture and implementation of K3 within Pertamina. For this K3 and manpower management, Pertamina has received several awards, including obtaining 53

awards at the 2020 Oil and Gas Safety Award.

3. Consumer

In accordance with the mandate from the Government, Pertamina is also tasked with maintaining the national energy supply which includes end users. In this regard, Pertamina continues to improve the quality of its products and services, among which are managed through social and environmental responsibility (TJSL) in the consumer sector. Social and environmental responsibilities in the consumer sector include: product quality assurance, service quality, customer safety and health, customer complaints and resolutions, and service digitization.

Pertamina implements CSR in the consumer sector with various programs that involve customers directly. One of them is “Quality Fuel” and “Proper Use of LPG”. Another program is the use of technology through digitizing gas stations and the MyPertamina application. Another TJSL initiative in the consumer sector is the National Customer Day and *Customer Gathering* activities which are routinely carried out. In practice, this activity is coordinated by each Marketing Operation Region (MOR) and aims to interact directly with customers.

4. Community development

As one of the State-Owned Enterprises (BUMN), Pertamina is expected to be able to build the socio-economic community. This task is carried out by Pertamina, among others, through social responsibility programs in the field of community empowerment. Social responsibility in the field of community empowerment is carried out in the four pillars of CSR and PKBL. The four pillars are Pertamina Hijau, Pertamina Sehat, Pertamina Cerdas, and Pertamina Berdikari, which cover social, economic, educational, health and environmental aspects.

a. Pertamina Sehat

Pertamina has impacted more than 900 beneficiaries. In addition, thousands of toddlers and pregnant women are monitored for their health and growth, thousands of people are empowered to work opportunities for people with disabilities (Difable). As stated by Fajriyah Usman that the Pertamina Sehat program has provided job opportunities for 26 people with disabilities with an entrepreneurial turnover per year of around Rp.

165 million and can save medical expenses of Rp. 15 million per year, in addition, the existence of Pertamina Hijau program aims to save the environment. Pertamina Group has been preserving thousands of flora and fauna, new sedimentation and saving land from fires, forest utilization and planting mangrove trees.

b. Pertamina Berdikari

In this program, the community is encouraged to produce energy independently. Pertamina Group has had an impact on reducing emissions, channeling methane gas, utilizing sewage into renewable energy and reducing waste accumulation, land use using used cooking oil into electrical energy. The TJSJL program for community (regional) empowerment is able to provide economic impacts to 6,929 beneficiaries worth almost Rp 1 billion per year.

c. Pertamina Cerdas

Pertamina's efforts to assist the Government in improving the quality of human resources have benefited 3,295 students. Pertamina Cerdas program has also provided learning for children with special needs and increased public understanding in the field of health and the environment.

d. Creating Shared Value

This activity aims to increase the company's competitive value through social and economic activities. Pertamina developed the *Enduro Student Program* (ESP) to provide education, training and internships for SMK graduates to be able to become independent young entrepreneurs. A total of 113 beneficiaries spread over 64 active workshop outlets and were able to generate CSV of Rp 1 billion through the sale of Pertamina lubricant bottles and company repair service revenues.

Table 1: Pertamina's Four Pillar Activities in 2020

Target	Activity	Location
PERTAMINA CERDAS		
Elementary and secondary school	Gambit love school	Refining Unit II Sei Pakning
Higher	Earth Buddy Competition	Universities in Indonesia

Target	Activity	Location
PERTAMINA CERDAS		
education		
Higher education	Construction of the integrated teaching laboratory building, Faculty of Engineering, University of Indonesia.	Depok, West Java
Higher education	Construction of a postgraduate warehouse for the Faculty of Law, Sebelas Maret University (UNS).	Sukarta, Indonesia
Non-formal education	Education for the Abak Dalam (SAD) tribe	Pertamina EP Asset 1 Jambi Field
Non-formal education	Enduring <i>Student Program</i>	Pertamina Lubricant
	Special needs children program “Dreamable”	Bandung Group Fuel Terminal Operation Area – Marketing Operating Region III West Java
PERTAMINA SEHAT		
Babies and toddlers	Growth and development information system (Si Flower) to help the development of infants and toddlers	Boyolali Fuel Terminal Area - Marketing Operation Region IV Central Java
Handling Covid 19	The synergy of mothers on COVID-19 alert in Kemiren Asri village	Operation Area for Refinery Unit IV Cilacap - Central Java
Public health	Empowerment of the Gersik Deaf Community (Kotugres)	Pertamina Gas Gersik Operation Area - West Java
PERTAMINA HIJAU		
Biodiversity	Management of “botanical gardens” as a body conservation area and ecotourism	Bogor, West Java
Tourist Area	Patra marine independent group tourism area development program	Operational Area Marketing Operation Region VI Balikpapan
Environment	Earth Love Village Responds to Fire	Pertamina Hulu Energi (PHE) Jambi Mereng Operation Area

Target	Activity	Location
PERTAMINA CERDAS		
Biodiversity	Green Gem (Applied Mangrove Conservation)	Sei Pakning Unit II Refusing Operation Area
Biodiversity	Maangrove Biopot Innovation for Disaster Mitigation	Pertamina EP Asset 1 Operation Areas Overseas
Environment	Conservation Tourism in the Midst of a Pandemic Through Wonopotro Ecoedutounism	Boyolali Fuel Terminal Operation Area – Marketing Operation Region IV Central Java
Environment	Reducing the Use of Chemical Fertilizers by Up to 30% Through Our Marnek Program (MERLITA)	Maos Fuel Terminal Operation Area – Marketing Operation Region IV Central Java
Environment	Coastal & Processed Seaweed Cultivation (Berdikari)	Pertamina EP Asset 3 Operation Area Tambun Fild – Central Java
Biodiversity	Labuan & Tlangah Coastal Mangrove Park Ecotourism	WHO Pertamina Hulu Mahakare Operation Area
Environment	Waste Management Community Area (WILOORA)	Balongan Unit VI Refining Operation Area
Environment	Independent Soft Village	Sei Pakning Unit II Refining Operation Area
Environment	Environmentally Aware Community Village (Masdarling)	PT Badak NGL . Operation Area
PERTAMINA BERDIKARI		
Public	Pertamina Village/Pertamina Assisted Village	80 Assisted Villages throughout Indonesia
	MSME Partnership Program	34 Provinces in Indonesia

From the foregoing, it may be stated that PT Pertamina conducts its business in line with government mandated regulations.. However, this form of accountability is not only applied because of this mandatory regulation, but this needs to be made an obligation that must be carried out by companies in carrying out their business activities that utilize Natural Resources (SDA) on earth. Therefore, it is important for companies to keep in mind the relationship with humans, nature and the creator. This relationship is explained in depth in the trilogy of accountability principles.

The trilogy of accountability principles reveals how to be accountable both vertically and horizontally. Vertical accountability is how the company is accountable to the Creator as the highest *principal*. While horizontal accountability is accountability to humans and nature. The trilogy of accountability which is the basis for developing accountability in Islam has been present in the Islamic concept of life, namely humans in their existence must be supported by three components, namely the presence of God, Humans and Nature (Husain and Abdullah, 2015). In simple terms, it can be said that a healthy company is a company that can carry out its functions properly.

As part of nature, human existence in nature is mutually necessary, complementary and complementary to each other with different roles. PT Pertamina by running the *Corporate Social Responsibility* (CSR) program. With this program, the main focus is on the company's attention to the environment which is considered the most important part in the company's future development. The accountability trilogy also views that the environmental approach in the natural aspect is something that can be promoted conditionally, without an environment the company cannot stand firmly as it is today. PT Pertamina involves employees who participate in activities related to the relationship with nature, which are directed at how the relationship between humans and nature is considered as a foothold and also as a place of production as an immaterial relationship.

The success of an entity can never be separated from the nature where it earns income or managed resources. Nature which is a source of wealth also requires a touch of attention such as care and avoiding human greed. But not a little damage to nature caused by uncivilized humans, as described in the QS. Ar-Ruum/30: 41

ظَهَرَ الْفَسَادُ فِي الْبَرِّ وَالْبَحْرِ بِمَا كَسَبَتْ أَيْدِي النَّاسِ لِيُذِيقَهُمْ بَعْضَ الَّذِي عَمِلُوا لَعَلَّهُمْ يَرْجِعُونَ

Corruption has appeared throughout the land and sea by [reason of] what the hands of people have earned so He may let them taste part of [the consequence of] what they have done that perhaps they will return [to righteousness]

The destruction that occurs on the face of the earth is clearly caused by mankind, as stated in the preceding verse. Natural managers with a large portion of the market should pay close attention to and manage nature as effectively as possible. The entity's goodness to humans and nature has also directly carried

out the mandate possessed by every human since birth, namely as khalifatullah fil ardh, namely as a mercy for all creatures created by Allah SWT on this earth where humans will place God. as the highest principal by carrying out His orders and avoiding His prohibitions.

CONCLUSION

The researcher can conclude that PT Pertamina (Persero) has carried out mandatory CSR reporting through the annual report and sustainability report published on the company's official website based on the results of the research and discussion that have been published and described in the previous chapter. the. PT Pertamina also continues to develop in relation to CSR activities that have a broad positive impact in order to increase corporate accountability. The four pillars of CSR and PKBL, Pertamina Green, Pertamina Sehat, Pertamina Smart, and Pertamina Berdikari, which encompass social, economic, educational, health, and environmental issues, demonstrate this. It is intended that through conducting these initiatives, they will be able to deliver useful services to the community while also benefiting the economy as a whole.

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