บทความวิจัย (Research Article)

ผลกระทบของการรายงานความรับผิดชอบต่อสังคมที่มีผลต่อความเชื่อมั่นของนักลงทุนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย

The Effect of Social Responsibility Reporting on Firm's Investor Confident of Thai Listed Company

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บทคัดย่อ

งานวิจัยนี้มีวัตถุประสงค์ เพื่อศึกษาผลกระทบของการรายงานความรับผิดชอบต่อสังคมที่มีผลต่อความเชื่อมั่นของนักลงทุนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย เนื่องจากนักลงทุนขาดความเชื่อมั่นในการลงทุนจากการรับข้อมูลเกี่ยวกับความรับผิดชอบต่อสังคมที่ไม่เพียงพอ ในรายงานความรับผิดชอบต่อสังคม ข้อมูลทุติยภูมิสำหรับการวิเคราะห์ทางสถิติเป็นข้อมูลที่ได้รับจากบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย จำนวน 98 บริษัท ที่ได้รับการประกาศรายชื่อบริษัทจดทะเบียนที่มีผลการดำเนินงานโดดเด่นด้านสิ่งแวดล้อม สังคม และธรรมาภิบาล ซึ่งถือเป็นรายชื่อหุ้นยั่งยืนของประเทศไทย ประจำปี พ.ศ. 2562 ระยะเวลาที่ใช้ในการจัดเก็บข้อมูลทุติยภูมิ อยู่ระหว่าง ปี พ.ศ. 2558-2562 โดยใช้โปรแกรมทางสถิติ STATA ในการวิเคราะห์ทางสถิติเชิงปริมาณ ซึ่งเป็นเครื่องมือทางสถิติที่ถูกนำมาใช้เพื่อประเมินพารามิเตอร์ในการทดสอบสมมติฐาน ผลการวิจัยพบว่า การรายงานความรับผิดชอบต่อสังคมซึ่งประกอบด้วยงบมูลค่าเพิ่มและการเปิดเผยข้อมูลความยั่งยืนมีผลกระทบเชิงบวกอย่างมีนัยสำคัญต่อความเชื่อมั่นของนักลงทุนของบริษัทจดทะเบียนในตลาดหลักทรัพย์แห่งประเทศไทย ข้อเสนอแนะจากงานวิจัย ได้แก่ งบมูลค่าเพิ่มถือว่าเป็นงบการเงินเสริมนอกเหนือจากงบการเงินตามมาตรฐานการบัญชี ฉบับที่ 1 เรื่องการนำเสนองบการเงิน ซึ่งสามารถนำเสนอข้อมูลเกี่ยวกับการสร้างความมั่งคั่งให้กับสังคม และการเปิดเผยข้อมูลผลการดำเนินงานด้านสิ่งแวดล้อม สังคม และบรรษัทภิบาลที่เชื่อมโยงกับผลการดำเนินงานทางการเงินและสามารถสะท้อนได้ว่าธุรกิจมีการกำกับดูแลกิจการที่ดีและบริหารงานอย่างโปร่งใส สามารถจัดการความเสี่ยงอย่างมีประสิทธิภาพที่มีการคำนึงถึงผู้มีส่วนได้เสีย ทำให้ธุรกิจมีศักยภาพในการแข่งขันและสามารถสร้างผลตอบแทนได้ในระยะยาว

คำสำคัญ: การรายงานความรับผิดชอบต่อสังคม งบมูลค่าเพิ่ม การเปิดเผยข้อมูลความยั่งยืน ความเชื่อมั่นของนักลงทุน

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Abstract

This research has objective to study the effect of social responsibility reporting on firm's investor confident. Due to the lack of confidence in investing from receiving inadequate information about social responsibility, investors are unable to do so. The secondary data is used for the analysis with sample of 98 firms of The Stock Exchange of Thailand (SET) announces listed firms with outstanding performance on Environmental, Social and Governance (ESG) aspects on the Thailand Sustainability Investment (THSI) list for 2019. The study period is 2015-2019. STATA (STATA/SE 12.0) as statistical tools were employed to estimate parameters in hypotheses testing. The findings show that social responsibility reporting, which consists of value added statement and sustainability disclosure, have the significant positive effect on firm's investor confident. Research suggestion is a supplementary financial statement, in addition to financial statements, follow Thai accounting standards 1 (revised 2017). Presentation of value added statement, which can provide information about wealth creation to society. Disclosure of environmental performance can reflect that the business has good corporate governance and transparent management. Thus, social responsibility reporting can effective risk management with stakeholders in mind and makes the business competitive and can generate long-term returns.

Keywords: Social responsibility reporting, Value added statement, Sustainability disclosure, Firm's investor confident

Introduction

A social responsibility reporting is usually annual report published by firms to report their corporate social responsibility actions and results (Poonpool & Plukphonngam, 2019). Social responsibility reporting is a document that synthesizes and makes public all the information on the actions implemented by firms regarding their contribution to the principles of sustainable development (Campopiano & Massis, 2015).

The main intention of a social responsibility reporting is to improve the transparency of activities within businesses. The two goals of social responsibility reporting are 1) aim to enable firms to measure the value of their activities on the environment, on society and on the economy. And 2) allows firms to externally communicate with their stakeholders what are their goals regarding corporate social responsibility. This allows stakeholders to get to know better what are the short, medium and long-term goals of firms and make more informed decisions (Hossain, 2017).

A value added statement is regarded as a part of social responsibility reporting. Under the market economic condition, enterprise is a profit entity, whose goal and motivate is pursuing profit and the biggest economic benefit. Value-added is the natural characteristic of capital, value-added accounting and management services enterprise pursuing the maximum value,

value-added and economic benefits. However, sustainability disclosure focuses on explain about maintaining and improving social quality with concepts such as cohesion, reciprocity and honesty and the importance of relationships amongst people (Hossain, 2017). It can be encouraged and supported by laws, information and shared ideas of equality and rights. Sustainability disclosure is creating the opinion that sustaining the sustainability objects represents and ensures the essence of social responsibility evolution as an integrated goal of business operations. The fact that sustainability disclosure is emphasized by the theory of social responsibility because the principle of sustainable development addresses social and economic improvement that protects the environment and supports equality, and therefore the economy and society and the ecological system are mutually dependent (Mensah, 2019).

Value added statement is a financial statement that depicts wealth created by an organization and how is that wealth distributed among various stakeholders (Turatunmanon & Pornpundechwittaya, 2020). The various stakeholders comprise of the employees, shareholders, government, creditors and the wealth that is retained in the business. As per the concept of enterprise theory, profit is calculated for various stakeholders by an organization. Value Added is this profit generated by the collective efforts of management, employees, capital and the utilization of its capacity that is distributed amongst its various stakeholders (Haller & Staden, 2014).

A sustainability Disclosure is a report published by a company or organization about the economic, environmental and social impacts caused by its everyday activities (Poonpool et al., 2019). A sustainability report also presents the organization's values and governance model, and demonstrates the link between its strategy and its commitment to a sustainable global economy (Kocamiş & Yıldırım, 2016).

Firms that invest in and report on social responsibility issues see an improvement in their share price as firm's investor confident which investors do care about social responsibility performance information in to their valuations. Specifically, the annual change in stock prices is positively associated with the change in social responsibility performance only if the firm publishes social responsibility reporting during the year, confirming that social responsibility reporting convey new information that is viewed as relevant and as having value by the market (Carroll & Shabana, 2010).

Social responsibility reporting, and that social responsibility quality and perceived credibility are important factors in market valuation. This research identified a link between publication of the report and a positive impact on the company's stock price, suggesting investors value this information as important. And then there is tracking significant trading movements around the release dates of Social responsibility reporting and says these suggest investors do revise their expectations of future cash flows and/or risks of a firm in reaction to the release of its annual social responsibility reporting and make trading decisions accordingly (Brown-Liburd & Zamora, 2015).

Developing models for the effects of social responsibility reporting on firm's investor confident is a challenge as the literature on social responsibility reporting is vast, varied, and evolving. Yet, there was not any systematic testing about effects of social responsibility reporting on firm's investor confident within Thailand and abroad. These have motivated researches to continue to develop improved models with this research question. Therefore, research question is how to the effects of social responsibility reporting includes value added statement and sustainability disclosure can create firm's investor confident.

This research will offer useful guidance for measuring and implementing social responsibility reporting and facilitate further**.** The purposes of this study are to identify the value added statement of social responsibility reporting effects on firm's investor confident. The sustainability disclosure effects on firm's investor confident. And then the social responsibility reporting includes value added statement and sustainability disclosure effects on firm's investor confident.

literature review

The research model of this study is illustrated in figure 1. It shows the effects of social responsibility reporting includes value added statement and sustainability disclosure can create firm's investor confident (Poonpool, 2017). The value added statement concept derives the difference between the value added of a business and the cost of the capital invested in social responsibility. When value added is greater than the cost of invested capital, it indicates that firm's investor confident is well run. And there is analyzing the impact of social responsibility reporting on firm's investor confident, such as dividends and stock return for the Thai listed companies (Tortella & Brusco, 2003).

Theoretical and Hypotheses Development

Effects of value added statement

Economic Value Added (EVA) as a tool represents the concept of economic profits, which indicates that so as to achieve the value for shareholders; the company must manage the use of the available resources to achieve a return on invested capital greater than the cost of capital, whether owned or Borrowed. The EVA as a tool represents the concept of economic profits, which indicates that so as to achieve the value for shareholders; the company must manage the use of the available resources to achieve a return on invested capital greater than the cost of capital, whether owned or Borrowed.

Value added is measured as the difference between a firm's sales revenue and the costs of materials, goods and services bought-in from outside the firm. Where a firm has other sources of income, it is convenient to add these into sales revenue. Data on value added statement output, prices, and costs were used to generate the net output produced by manufacturing company. These information consists of gross value of output minus bought-in materials, goods, and services equal net value of output (Hossain, 2017). Net value of output plus inventory adjustment minus depreciation adjustment equal net value added. In the other hand, the total of value distributed consist of to pay employees, government, rent, financiers, and undistributed value or call that net value added. The value added statement as a tool represents the concept of economic profits, which indicates that to achieve the value for shareholders; the company must manage the use of the available resources to achieve a return on invested capital greater than the cost of capital, whether owned of borrowed. The higher the value added statement that investors apparently want their invested capital to grow. In fact, one of the main goals of a firm is maximization of shareholders' wealth by increasing the stock price (Khan & Thomas, 2007). The possibility of using the investment strategy including value added indicators to achieving up normal returns compared with the average stock return. The value added statement measures performance in terms of value added by the enterprise through the collective efforts of management, employees and the providers of capital. The statement shows how value added has been distributed to those contributing to its creation firm’s investor confident by stock price. Value added statement is the accounting synonym for wealth creation. Thus it reflects wealth creation and wealth distribution. This translates into two very powerful and mutually supporting strategies include maximum wealth creation and sensible distribution (Pantea et al., 2008). Optimum wealth creation is the result of getting the higher stock price as firm’s investor confident.

Thus, value added statement is a key performance index that initiates or motivates companies to find out ways to increase efficiency of capital utilization and consequently produce a superior operating performance, and therefore should in theory reflect a stock's intrinsic value. Therefore, the following hypothesis is posited:

H1a: The higher the value added statement of social responsibility reporting, the more likely that the firm achieves greater firm’s investor confident.

Effects of sustainability disclosure

Sustainability disclosure have become part of the strategic planning of organizations, which is not mandatory in many countries, sustainability disclosure is usually voluntary. Since 2015, firms listed on the stock exchange of Thailand (SET) have been required to social responsibility reporting in either an annual registration statement or a separate report called a sustainability disclosure. The Stock Exchange of Thailand (SET) announces 98 listed companies with outstanding performance on Environmental, Social and Governance (ESG) aspects on the Thailand Sustainability Investment (THSI) list for 2019, up from 51 firms when it was first launched in 2015. The consistently increasing, reflecting Thai listed companies’ outstanding progress in pursuing sustainable development into business practices (Poowadin et al., 2018).

THSI list is based on sustainability assessment questionnaires in 19 categories, covering economic (including governance), social and environmental dimensions. Companies selected for THSI list must score at least 50 percent on the assessments in each dimension, or those which are components of the Dow Jones Sustainability Index (DJSI) and meet qualifications criteria. The criteria cover assessment of corporate governance report quality, net profit and shareholders' equity, passing SET/ mai listed companies' qualifications, and having no significant negative impact on ESG. The assessment is carried out by the sustainable investment committee consisting of experts in corporate governance and social responsibility, including representatives from the capital market organizations, strictly adhering to transparent and reliable process (Grigoris, 2016).

Sustainability disclosure connects the companies' strategies from a sustainable framework by disclosing information on the three dimensional levels (environment, economic and social) which corresponds to the basically three sustainability indexes that have the largest impact and representativeness on an international level. Thai sustainability indices evaluates three spheres of action (Environment, Economic and Social) based on approximately 19 categories, 42 main questions, and 182 detailed questions (Hu & Loh, 2018).

THSI which use the ESG guideline are strongly encouraged to submit their stability discourser reports to external assurance and corporate sustainability disclosure is an important driver for organizations towards better stock return as firm's investor confident. Sustainability disclosure would affect customers' perception about a company's product or service; as a result this change can increase number of sale and ultimately can increase total revenue. On the other hand, companies need to assure shareholders about the risk. Naturally potential investors look for lower risk and higher return (Subramaniam & Stewart, 2009). Thus sustainability disclosure would increase share price in two ways, first by increasing revenue, net profit and inspires better financial performance, there is a research documents significant short-term stock market reaction to the release of sustainability reports. In particular, abnormal stock returns around the release of such reports are positively related to firm sustainability performance, and this positive link is smaller for firms in a strong information environment. The results of the recent research show that over the long term, relative to non-reporting firms, firms that release sustainability reports enjoy higher value relevance of sustainability performance. These findings suggest that sustainability reports enhance information transparency and allow investors to incorporate sustainability information in stock valuation (Lackmann et al., 2012).

Thus, sustainability disclosure has a positive relationship with firm's investor confident. Therefore, we posit the hypothesis as follows:

H1b: The higher sustainability disclosure of social responsibility reporting seek, the more likely the firms achieve greater firm's investor confident.

Effects of social responsibility reporting

The social responsibility reporting includes value added statement and sustainability disclosure can create firm's investor confident. Because of the value added statement is a supplementary financial statement, in addition to traditional financial statement, which can satisfy the additional information needs of all the stakeholders of business, as a part of social responsibility reporting to sustainability disclosure (Baalouch et al., 2019). The value added statement is an important sustainability disclosure issue linked to social responsibility reporting. Value added and the information contained in the value added statement can conceptually be regarded as a reflection of how the company is managed about sustainability (i.e., environmental, social and governance) into social responsibility for all stakeholders (Haller & Staden, 2014). The value added information published in sustainability disclosure to determine if the information provided is useful for assessing distributional fairness between stakeholders. Although there are researchers found that a company's sole goal should be maximizing profits no matter the impact, there are benefits for the company when social responsibility reporting is implemented. Thus, social responsibility reporting involves a commitment by industries to exhibit ethical behavior and invest in causes that aim to improve the quality of life for employees, their families, the community, and broader society (Low, 2016).

Thus, this research implies that a firm with high social responsibility reporting will gain high firm's investor confident. Hence, the following hypothesis is proposed:

H2: Social responsibility reporting has a positive relationship with firm's investor confident.

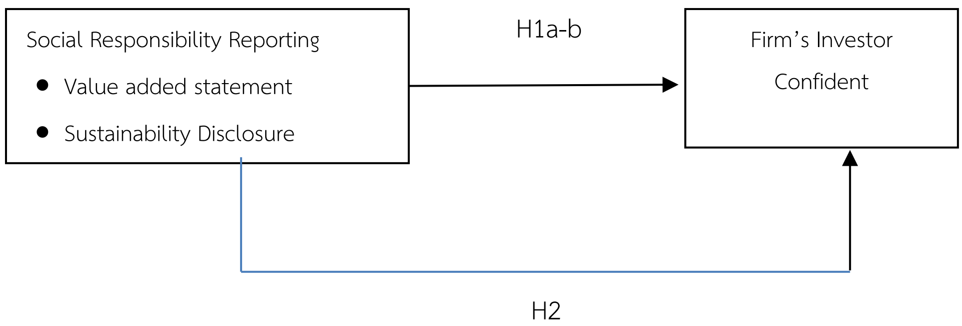

Figure 1 The effect of social responsibility reporting on firm's investor confident of Thai listed company

Research Methods

Sample

The study uses secondary data for the analysis. The population is of 90 firms (without 8 financial institutions business because commercial banks are public limited companies that are authorized to operate commercial banks under the Financial Institutions Business and specialized financial institutions established by the state to assist people in accordance with state policy. To develop, promote the economy and support investment) of The Stock Exchange of Thailand (SET) announces listed firms with outstanding performance on Environmental, Social and Governance (ESG) aspects on the Thailand Sustainability Investment (THSI) list for 2019. The study period is 2015-2019 (SET, 2019).

Measure

The required data pertaining to the social responsibility reporting includes value added statement and sustainability disclosure. A value Added Statement (VAS) is regarded as a part of social responsibility reporting. Value added is measured as a percentage of the difference between a firm's sales revenue and the costs of materials, goods and services bought-in from outside the firm (Hossain, 2017). Where a firm has other sources of income, it is convenient to add these into sales revenue. The percentage of value added statement (independent variable) is calculated by using the formula:

$$\%\ VAS_{it} = ((S_{it}-C_{it})/S_{it})*100$$

Where:

%VAS = percentage of value added statement
S = selling price of a product
C = the cost of bought-in materials and components
i and t = (Subscripts refers to i = 1, 2, ..., Sections and t = 1, 2, ..., time periods)

Sustainability disclosure index refer to the sustainability assessment questionnaires consisting of 19 categories, 42 main questions, and 182 detailed questions. These questions covered social, economic, and environmental dimensions, as well as corporate governance. The stock exchange of Thailand (SET) reviews the assessment questions each year to ensure that accurately reflect the currently context for building sustainability, which might change at the global level (Kocamiş & Yıldırım, 2016). Three important question areas were added regarding emerging risk assessment, materiality (identification of key business issues), and the disclosure of greenhouse gas emissions. The sustainability disclosure index (independent variable) is calculated by using the formula:

$$SDI = AS_{it}/MS_{it}$$

Where:

SDI = Sustainability Disclosure Index

AS = Actual Score

MS = Maximum score consisting of 19 categories, 42 main questions, and 182 detailed questions.

i and t = (Subscripts refers to i N = 1, 2, ..., Sections and t T = 1, 2, ..., time periods)

Firm's investor confident is one of the main drivers of equity markets. This research measure the strength of investors' fear and greed by looking at the changing prices of Treasuries (that safe-haven during times of fear) compared to that of high-yield bonds (representing greed, or a desperate reaching for income). As their returns converge or diverge, investor can almost feel the change in the stock market's emotional temperature (Tang, Luna-Arocas, Sutarso, & Tang, 2004). This spread often precedes a turn in the stock market. The stock return as firm's investor confident (Dependent variable) is calculated by using the formula:

$$FIC = ((P_1-P_0)+D)/P0$$

Where:

FIC = Stock Returns

P0 = Initial stock price

P1 = The ending stock price

D = The Dividends

A descriptive panel data research design is adopted for the study and it is analyzed with the help of STATA (STATA/SE 12.0), and SPSS (IBM SPSS Trials) as statistical tool. The study is based on fixed effect model and vector auto regression model for panel data. Firstly multi-colinearity test was done among the independent variables in order to avoid the adverse effect of variables in the regression estimates. Unit root test among the variables was done to check if the variables are non-stationary at level and at first difference become stationary. Pedroni co-integration test was conducted to test for the existence of long-term co-integration between the variables. As this research found that there was no co-integration between the dependent and independent variables, PVAR Model is adopted for the analysis. To choose the appropriate regression model between fixed and random effect models, Hausman test was employed. Accordingly, PVAR Model is estimated with the fixed effects. The present study aims to analyze the impact of value added statement and sustainability disclosure on stock returns as firm' investor confident (Chaimani & Salanti, 2015).

Muti-colinearity test: was conducted among the independent variables as the multi co-linearity may adversely affect the regression estimates. As it was found that the multi-colinearity exits between the variables, it is reduced to value added statement and sustainability disclosure (Senaviratna & Cooray, 2019).

Unit root test: this research was conducted to check whether the variables in non-stationary and possesses a unit root. After examining the stationary of data with the Levin, Lin and Chu test, these can be stated that all variables are non-stationary at level and at first difference these become stationary. The test was executed with a significance level of 5% (Levin et al., 2002).

Pedroni co-integration test: This study tests the existence of a long-term co-integration among firm's investor confident and the independent variables. If the variable are co-integrated, the residuals will be I(0) and if the variables are not co-integrated then the residuals will be I(1). As the results showed that no co-integration exists between the dependent and independent variables, panel VAR Model is chosen to analyze the data (Westerlund, 2005).

Fixed effect and random effect model: Panel data regression models are used to analyze the impact of independent variables on firm's investor confident. In a fixed effects model, the unobserved variables are permitted to have any relationship with the observed variables. The fixed effects models restraints for the effects of time-invariant variables with time-invariant effects. In a random effects model, the unobserved variables are presumed to be non-correlated with all the observed variables (Nadeem, Zaman, & Saleem, 2017). Fixed and random effect regression model:

$$Y_{it} = \alpha + \beta X_{it} + \varepsilon$$

Where:

Y_{it} = Dependent variable

X_{it} = Independent variables

i and t = (Subscripts refers to i N = 1, 2, ..., Sections and t T = 1, 2, ..., time periods)

α And β = Coefficients of the model

ε = Error term of the model

Results and Discussion

Descriptive analysis: provides the summary of the data set used in the present study. During the study period that was found the stock returns as firm's investor confident has reached maximum of 0.0702 and minimum of -0.0179 with the mean 0.0085. Value added statement has reached maximum of 0.2801 and minimum of 0.2491with the mean 0.2646. Sustainability

Disclosure has reached maximum of 1.0000 and minimum of 0.7142 with the mean 0.8571 (Table 1).

Table 1 Descriptive statistic of all the dependent and independent variables

Variables	Mean	Median	Maximum	Minimum	Std. Deviation
FIC	0.0085	0.0121	0.0702	-0.0179	1.8644
%VAS	0.2646	0.2532	0.2801	0.2491	0.5498
SDI	0.8571	0.8452	1.0000	0.7142	0.3465

Pedroni residual co-integration test:

- Dependent variable: Stock Return as Firm's investor confident
- Trend assumption: no deterministic intercept or trend
- Null hypothesis: co-integration does not exist among the variables
- Alternative hypothesis: co-integration exists among the variables

According to Table 2, majority p-values of Pedroni tests indicate that no co-integration exists among the variables. Therefore, this research employ PVAR Models instead of panel co-integration models. However, the panel unit root tests shows that all variables we consider are stationary in first differences. As the probability of 2 outcomes is more than 5% level of significance, null hypothesis is accepted. Hence, this result shows that co-integration does not exist between the dependent and independent variables and do not have long run relationship.

Table 2 Pedroni co-integration test results

Alt. hypothesis; common AR co-efficient with in dimension	Statistic	Prob.	Weighted-Statistic	Prob.
Panel V-statisitc	-35787.75	1.00000	-4.287351	1.0000

Table 3 Hausman test results

Test summary	χ^2 statistic	χ^2 df	Prob.
Cross-section random	24.871000	2	0.0406*

Note: *The level of significance at 0.05

Hausman test: When the panel data is analyzed with fixed and random effects model, one of the models will be inconstant. Hence, the best model must be chosen between the two. In order to specify the appropriate estimation method of our PVAR Models, this research employed Hausman test. The result of Hausman test shows that the fixed effect model is appropriate.

- Null hypothesis random effect model is appropriate
- Alt, hypothesis: fixed effect model is appropriate

From the Table 3, this result is clear that the p-value of the Hausman test is lesser than 5% level of significance. Hence, null hypothesis is rejected and alternative hypothesis is accepted. This result can be concluded that the results of random effect is statistically insignificant and this research use fixed effect model for the estimation.

The econometric model: in this specific models use the panel VAR approach which includes the lagged independents into the estimation of the dependent. The equations is of that form, assuming a 2 lag length is optimal. The modified panel regression model for the research is:

$$FIC_{it} = \alpha + \beta_1 VAS_{it-1} + \beta_2 VAS_{it-2} + \beta_3 SD_{it-1}\ \beta_4 SD_{it-2} + \varepsilon_{it}$$

Where:

FIC_{it} = Firm's investor confident as dependent variable

VAS_{it} = Value added statement as independent variable

SD_{it} = Sustainability Disclosure as independent variable

i and t = (Subscripts refers to i = 1, 2, ..., Sections and t = 1, 2, ..., time periods)

α And β = Coefficients of the model

ε = Error term of the model

Null hypothesis: independent variables do not influence the dependent variable (stock return as firm's investor confident)

Alt. hypothesis: independent variables influence the dependent variable (stock return as firm's investor confident)

Table 4 Estimation results of PVAR Model using stock return as dependent variable

Variables	Co-efficient	SE	t-statistic	Probability
C	0.02022	0.00808	2.74164	0.00911
FIC_{t-1}	-0.38515	0.2801	-1.38337	0.17231
FIC_{t-2}	0.311045	0.21701	1.4366	0.15731
$\%VAS_{t-1}$	-0.00055	0.00139	-1.95037	0.05661*
$\%VAS_{t-2}$	0.001673	0.00144	1.6772	0.09991*
SDI_{t-1}	0.002212	0.00159	2.29458	0.02631**
SDI_{t-2}	-0.00031	0.00178	-2.10751	0.04011**

Note: *Results R2, 0.666576; Prob (F-statistic) 0.000001; Durbin Watson stat 2.001151; *The significance level at 0.1; ** The significance level at 0.05

Impacts of value added statement on its consequence

Table 4 presents the results of PVAR Model into the relationships between value added statement and firm's investor confident. To test hypotheses 1a, this study examined the relationships between the value added statement of social responsibility reporting and firm's investor confident. The results show that an independent variables is value added statement has a significant positive effect on firm's investor confident (b_1 and b_2 in the narrative and the coefficient in the table 4 = -0.00055, $p < 0.10$ in lag period 1; b_2 = 0.001673, $p < 0.10$ in lag period 2).

Hypothesis 1a is supported. Value added statement is a key performance index that initiates or motivates companies to find out ways to increase efficiency of capital utilization and consequently produce a superior operating performance, and therefore should in theory reflect a stock's intrinsic value (Pantea, Munteanu, Gligo, & Sopoian, 2008).

Impacts of sustainability disclosure on its consequence

Table 4 presents the results of PVAR Model into the relationships between sustainability disclosure and firm's investor confident. To test hypotheses 1b, this study examined the relationships between the sustainability disclosure of social responsibility reporting and firm's investor confident. The results show that an independent variables is sustainability disclosure has a significant positive effect on firm's investor confident (b_3 and b_4 in the narrative and the coefficient in the table 4 = 0.002212, $p < 0.05$ in lag period 1; b_2 = -0.00031, $p < 0.05$ in lag period 2).

Hypothesis 1b is supported. Sustainability disclosure would affect customers' perception about a company's product or service; as a result this change can increase number of sale and ultimately can increase total revenue. On the other hand, companies need to assure shareholders about the risk (Lackmann, Ernstberger, & Stich, 2012). Naturally potential investors look for lower risk and higher return. Thus sustainability disclosure would increase share price in two ways, first by increasing revenue, net profit and inspires better financial performance, there is a research documents significant short-term stock market reaction to the release of sustainability reports. In particular, abnormal stock returns around the release of such reports are positively related to firm sustainability performance, and this positive link is smaller for firms in a strong information environment.

Table 5 Results of Wald test

Test statistic	Values	df	Prob.
F-statistic	2.767324	2	0.0387*
Chi-square	21.34675	2	0.0076*

Note: *The level of significance at 0.05

Wald test:

- Null hypothesis: there is no short-run relationship among the variables
- Alt. hypothesis: there is a short-run relationship among the variables

Impacts of social responsibility reporting on firm's investor confident

Table 5 presents the results of Wald test into the relationships between social responsibility reporting and firm's investor confident. To test hypothesis 2, this study examined the relationship between social responsibility reporting and firm's investor confident. The results of Wald test found that the probability of the test is less than 0.05 level of significance, null hypothesis is rejected and alternative hypothesis is accepted. Therefore, the results show that there is a short run causality running form value added statement and sustainability disclosure to firm's investor confident (Low, 2016). Hypothesis 1b is supported. The social responsibility reporting includes value added statement and sustainability disclosure can create firm's investor confident. Because of the value added statement is a supplementary financial statement, in addition to traditional financial statement, which can satisfy the additional information needs of all the stakeholders of business, as a part of social responsibility reporting to sustainability disclosure (Lackmann et al., 2012).

Conclusion

This study investigates the effects of Value added statement and sustainability disclosure on firm's investor confident. The study uses secondary data for the analysis. A Sample of 90 firms (without 8 financial institutions business) of The Stock Exchange of Thailand (SET) announces listed firms with outstanding performance on Environmental, Social and Governance (ESG) aspects on the Thailand Sustainability Investment (THSI) list for 2019. The study period is 2015-2019. This research found that value added statement is a key performance index that initiates or motivates companies to find out ways to increase efficiency of capital utilization and consequently produce a superior operating performance, and therefore should in theory reflect a stock's intrinsic value. However, the value added statement is a supplementary financial statement, in addition to traditional financial statement, which can satisfy the additional information needs of all the stakeholders of business, as a part of social responsibility reporting to sustainability disclosure. Sustainability reports enhance information transparency and allow investors to incorporate sustainability information in stock valuation. Moreover, this research implies that a firm with high social responsibility reporting will gain high firm's investor confident. However, overview of social responsibility reporting has a greater impact on investor credibility than splitting reports between value added statement and sustainability disclosure.

Suggestions

Theoretical contributions and future directions for research

This study provides important theoretical contributions extending on prior studies by incorporating both perspectives of social responsibility reporting s including value added statement, sustainability disclosure in the same model and links this social responsibility reporting to firm's investor confident. Finally, further research should reexamine this research model in other group for more generalization.

Practical contributions

For executive managers and firms' owners, this study helps them to understand and know that social responsibility reporting is an important factor that motivates the firms within Thai listed firms. Therefore, social responsibility reporting is the term used to describe new information management and accounting methods that attempt to create and provide value added statement, sustainability disclosure. Consequently the information leads to the identification of ways in which customers may be made more profitable, information claimed to enable businesses pursue the quest for superior performance.

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