

ACCOUNTING INFORMATION SYSTEMS, AUDIT QUALITY, AND SDG REPORTING: THE MEDIATING ROLE OF SUSTAINABILITY DISCLOSURE AND THE MODERATING EFFECT OF GOVERNANCE

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Abstract

This study examines the growing importance of integrating accounting information systems and audit quality in enhancing organizational transparency and accountability, particularly in the context of Sustainable Development Goals (SDGs) reporting. As sustainability reporting becomes a critical component of corporate disclosure, organizations are required to ensure that the information presented is both reliable and relevant. Therefore, this research aims to analyze the influence of accounting information systems and audit quality on SDG reporting, while investigating the mediating role of sustainability disclosure and the moderating effect of governance quality. This study adopts a quantitative research approach using survey data collected from professionals involved in accounting, auditing, and financial reporting functions. The data are analyzed using Partial Least Squares Structural Equation Modeling (PLS-SEM) to evaluate both measurement and structural models. The findings indicate that accounting information systems and audit quality have significant positive effects on sustainability disclosure, which in turn significantly enhances SDG reporting. Additionally, sustainability disclosure is found to partially mediate the relationship between the independent variables and SDG reporting. Governance quality also plays a significant moderating role, strengthening the relationship between both accounting information systems and audit quality with SDG reporting. These results highlight the importance of integrating technological systems, audit practices, and governance mechanisms to improve sustainability reporting practices. The study contributes to the literature by providing an integrated framework that links accounting systems, audit quality, and SDG reporting, and offers practical implications for organizations aiming to improve transparency and sustainability performance.

Keywords: accounting information systems, audit quality, governance quality, SDG reporting, sustainability disclosure

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1. Introduction

The increasing global emphasis on sustainability and corporate accountability has fundamentally reshaped organizational reporting practices. The adoption of the Sustainable Development Goals (SDGs) has encouraged organizations to move beyond traditional financial reporting toward more comprehensive disclosures that incorporate environmental, social, and governance (ESG) aspects (United Nations, 2015). In recent years, SDG reporting has become a strategic instrument for demonstrating organizational commitment to sustainable development and long-term value creation (KPMG, 2022). However, despite its growing importance, many organizations still struggle to produce high-quality, reliable, and transparent sustainability reports, particularly in emerging economies where institutional pressures and governance structures are still evolving (Loh et al., 2020; Buallay, 2019).

From a practical perspective, several phenomena highlight the urgency of improving SDG reporting practices. First, cases of “greenwashing” have raised concerns regarding the credibility of sustainability disclosures, where organizations symbolically report sustainability commitments without substantive implementation (Delmas & Burbano, 2011). Second, inconsistencies in sustainability reporting frameworks have resulted in information asymmetry and reduced comparability across organizations (Hahn & Kühnen, 2013). Third, regulatory developments in various countries, including mandatory sustainability reporting policies, have increased pressure on organizations to improve the quality and transparency of their disclosures (Ioannou & Serafeim, 2017). These issues indicate that sustainability reporting is not merely a compliance activity but requires robust internal systems, reliable audit mechanisms, and effective governance.

Accounting Information Systems (AIS) play a critical role in addressing these challenges by providing structured, timely, and accurate information to support both financial and non-financial reporting (Romney & Steinbart, 2018). A well-integrated AIS enables organizations to capture sustainability-related data systematically, thereby improving the quality of disclosures and supporting strategic decision-making (Grande et al., 2011). In addition, audit quality serves as a key mechanism to ensure the credibility and reliability of reported information, reducing information asymmetry and enhancing stakeholder trust

(DeAngelo, 1981; Knechel et al., 2013). High-quality audits are particularly important in the context of sustainability reporting, where the absence of standardized measurement frameworks increases the risk of misreporting.

Prior studies have examined the impact of AIS on organizational performance (Soudani, 2012) and the role of audit quality in enhancing financial reporting quality (Francis, 2011). Furthermore, sustainability disclosure has been widely recognized as a mechanism for communicating corporate responsibility and improving organizational legitimacy (Clarkson et al., 2008; Michelon et al., 2015). However, existing literature tends to focus on direct relationships and often neglects the underlying mechanisms through which AIS and audit quality influence sustainability outcomes. In particular, the mediating role of sustainability disclosure in linking internal organizational capabilities to SDG reporting remains underexplored. Moreover, governance has been identified as a critical determinant of transparency, accountability, and reporting quality (Shleifer & Vishny, 1997; OECD, 2015). Effective governance structures, including strong boards, internal controls, and oversight mechanisms, can enhance the effectiveness of both AIS and audit processes. Recent studies suggest that governance not only has a direct effect on reporting quality but may also moderate the relationship between organizational systems and reporting outcomes (Allegrini & Greco, 2013). Nevertheless, empirical evidence on the moderating role of governance in the context of SDG reporting is still limited.

In the past two years, global discussions have increasingly emphasized the integration of financial and sustainability reporting, particularly through frameworks such as integrated reporting and ESG disclosures (IFRS Foundation, 2023). Nationally, regulators and professional bodies have also begun to encourage or mandate sustainability reporting practices, highlighting the importance of transparency and accountability in achieving sustainable development targets. Despite these developments, there remains a lack of comprehensive empirical studies that examine how internal organizational factors interact to influence SDG reporting. Based on these gaps, this study aims to analyze the influence of accounting information systems and audit quality on SDG reporting, with sustainability disclosure as a mediating variable and governance as a moderating variable. The research addresses the following questions: (1) How do accounting information systems and audit quality influence sustainability disclosure? (2) How does sustainability disclosure affect SDG reporting? (3) Does sustainability disclosure mediate the relationship

between AIS and audit quality with SDG reporting? (4) Does governance moderate these relationships?

This study is expected to contribute both theoretically and practically. Theoretically, it develops an integrated framework that combines AIS, audit quality, sustainability disclosure, and governance in explaining SDG reporting. Practically, it provides insights for organizations and policymakers to enhance sustainability reporting practices through improved systems, audit quality, and governance mechanisms. The originality and scientific novelty of this research lie in its comprehensive model that simultaneously examines mediation and moderation effects within a single framework. By integrating accounting information systems, audit quality, sustainability disclosure, and governance, this study offers a more holistic understanding of the determinants of SDG reporting and addresses a significant gap in the existing literature.

Theoretical Foundation

This study is grounded in several major theories that explain organizational behavior in the context of transparency and sustainability reporting. First, Stakeholder Theory posits that organizations are accountable not only to shareholders but also to a wide range of stakeholders, including society and the environment (Freeman, 1984). In this context, SDG reporting serves as a mechanism to fulfill stakeholder expectations by disclosing sustainability-related information (Lodhia & Stone, 2017). Second, Legitimacy Theory suggests that organizations seek to align their activities with societal norms and values to maintain legitimacy (Suchman, 1995). Sustainability disclosure and SDG reporting are often used as tools to legitimize organizational actions, particularly in response to environmental and social pressures (Deegan, 2002). Third, Agency Theory explains the importance of governance and audit mechanisms in reducing information asymmetry between principals and agents (Jensen & Meckling, 1976). High-quality audits and strong governance structures help ensure that the information disclosed, including sustainability reports, is reliable and credible (Shleifer & Vishny, 1997). Finally, Information Systems Theory highlights the role of Accounting Information Systems (AIS) in improving decision-making by providing accurate and timely information (Romney & Steinbart, 2018). AIS is essential in integrating financial and non-financial data, including sustainability metrics, to support SDG reporting.

Accounting Information Systems and Sustainability Disclosure

Accounting Information Systems (AIS) are designed to collect, process, and report financial and non-financial information. Prior studies indicate that AIS significantly enhances information quality, operational efficiency, and decision-making (Grande et al., 2011; Soudani, 2012). In the context of sustainability, AIS enables organizations to systematically capture environmental and social data, which are critical for sustainability disclosure (Dillard & Yuthas, 2013). However, previous research often focuses on financial reporting outcomes, with limited attention to sustainability-related disclosures. While AIS has been proven to improve information quality, its role in facilitating sustainability disclosure remains underexplored, especially in developing countries where system integration is still evolving (Loh et al., 2020).

H1: Accounting Information Systems positively influence Sustainability Disclosure

Audit Quality and Sustainability Disclosure

Audit quality is defined as the probability that an auditor will both detect and report material misstatements (DeAngelo, 1981). High-quality audits enhance the credibility of financial and non-financial information, thereby increasing stakeholder confidence (Francis, 2011). Recent studies suggest that audit quality also plays a role in improving sustainability disclosure by ensuring that reported information is accurate and consistent (Knechel et al., 2013). However, the lack of standardized frameworks for sustainability reporting poses challenges for auditors, potentially limiting the effectiveness of audit processes in this area (Simnett et al., 2009). Thus, although audit quality is widely recognized in financial reporting, its role in sustainability disclosure remains an area that requires further empirical investigation.

H2: Audit Quality positively influences Sustainability Disclosure

Sustainability Disclosure and SDG Reporting

Sustainability disclosure refers to the extent to which organizations report their environmental, social, and economic activities. It has been widely used as a proxy for corporate transparency and accountability (Clarkson et al., 2008). Empirical studies show that higher levels of sustainability disclosure are associated with improved corporate reputation, stakeholder trust, and

organizational performance (Michelon et al., 2015; Buallay, 2019). In the context of SDGs, sustainability disclosure provides the foundation for SDG reporting, as it translates organizational activities into measurable contributions to global development goals (KPMG, 2022). However, inconsistencies in reporting practices and the absence of universally accepted standards often limit the comparability and reliability of SDG reporting (Hahn & Kühnen, 2013).

H3: Sustainability Disclosure positively influences SDG Reporting

Direct Effects of AIS and Audit Quality on SDG Reporting

AIS and audit quality are expected to directly influence SDG reporting. AIS provides the necessary infrastructure to generate reliable sustainability data, while audit quality ensures the credibility of such data (Romney & Steinbart, 2018; Knechel et al., 2013). Nevertheless, prior studies have largely focused on financial outcomes, with limited empirical evidence linking these variables directly to SDG reporting. This indicates a gap in understanding how internal organizational systems contribute to sustainability outcomes.

H4: Accounting Information Systems positively influence SDG Reporting

H5: Audit Quality positively influences SDG Reporting

Mediating Role of Sustainability Disclosure

Sustainability disclosure is expected to act as a mediating variable in the relationship between AIS, audit quality, and SDG reporting. AIS and audit quality improve the quality and reliability of disclosed information, which in turn enhances SDG reporting. Previous studies have emphasized the importance of disclosure as an intermediary mechanism in organizational reporting (Michelon et al., 2015). However, few studies have explicitly tested its mediating role in the context of SDGs.

H6: Sustainability Disclosure mediates the relationship between AIS and SDG Reporting

H7: Sustainability Disclosure mediates the relationship between Audit Quality and SDG Reporting

Moderating Role of Governance

Governance plays a crucial role in ensuring transparency, accountability, and effective oversight within organizations (OECD, 2015). Strong governance structures can enhance the effectiveness of AIS and audit processes, thereby improving reporting quality (Allegrini & Greco, 2013). Recent research suggests that governance may also act as a moderating variable, strengthening or weakening the relationship between internal systems and reporting outcomes. However, empirical evidence in the context of SDG reporting remains limited.

H8: Governance moderates the relationship between AIS and SDG Reporting

H9: Governance moderates the relationship between Audit Quality and SDG Reporting

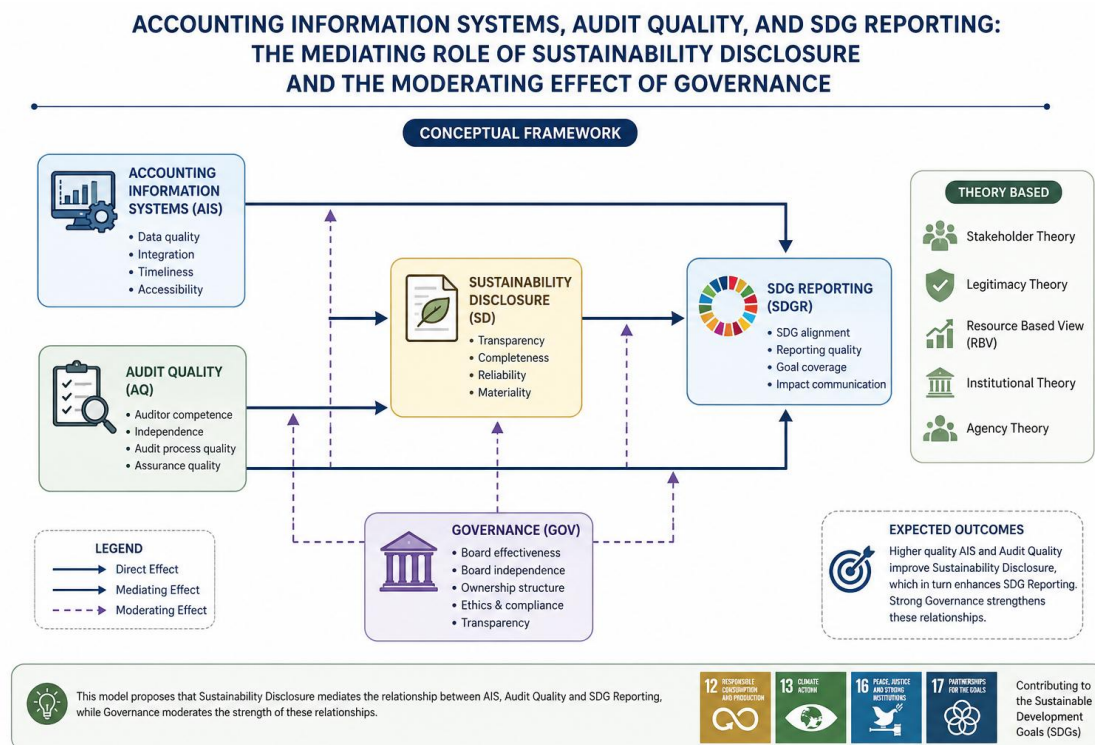
Research Gap and Contribution

Based on the review above, several gaps can be identified. First, prior studies tend to examine AIS, audit quality, and sustainability disclosure in isolation rather than within an integrated framework. Second, the mediating role of sustainability disclosure in linking internal organizational capabilities to SDG reporting has received limited attention. Third, the moderating role of governance in this relationship remains underexplored, particularly in emerging economies. This study addresses these gaps by developing a comprehensive model that integrates AIS, audit quality, sustainability disclosure, and governance in explaining SDG reporting.

Conceptual Framework

The conceptual framework of this study proposes that Accounting Information Systems and Audit Quality influence SDG Reporting both directly and indirectly through Sustainability Disclosure, while Governance moderates these relationships. This integrated approach provides a more holistic understanding of how organizational factors contribute to sustainability reporting.

Figure 1. Conceptual Framework



Source: Data Processed, 2026

This study develops a conceptual framework that integrates Accounting Information Systems (AIS), Audit Quality, and SDG Reporting by considering the mediating role of Sustainability Disclosure and the moderating effect of Governance. The model explains that high-quality accounting information systems, supported by strong audit quality, can enhance the transparency, accuracy, and credibility of corporate sustainability disclosures. Furthermore, Sustainability Disclosure serves as a mediating variable that strengthens the relationship between AIS and Audit Quality toward the effectiveness of SDG Reporting. Meanwhile, Governance acts as a moderating variable that reinforces these relationships through effective oversight mechanisms, board independence, transparency, ethical compliance, and accountability practices. Therefore, this research highlights that the integration of accounting information technology, audit quality, and strong corporate governance plays a strategic role in promoting more reliable, transparent, and sustainability-oriented SDG Reporting practices within organizations.

2. Research Method

Research Design and Approach

This study adopts a quantitative research approach using a survey method to empirically examine the relationships between Accounting Information Systems (AIS), Audit Quality (AQ), Sustainability Disclosure (SD), Governance (GOV), and SDG Reporting (SDGR). The quantitative approach is considered appropriate as it enables the measurement of relationships between variables and the testing of hypotheses using statistical techniques. The research design is explanatory in nature, aiming to explain causal relationships between variables, including direct effects, indirect effects (mediation), and interaction effects (moderation). Specifically, this study investigates how AIS and audit quality influence SDG reporting both directly and indirectly through sustainability disclosure, while governance is expected to strengthen or weaken these relationships.

Population and Research Setting

The population of this study consists of professionals involved in accounting, auditing, and reporting functions within organizations in Indonesia. These organizations include higher education institutions, state-owned enterprises (SOEs), and private sector companies that have implemented or are in the process of implementing sustainability or SDG-related reporting practices. This population is selected because such professionals are directly engaged in the preparation, analysis, and verification of financial and sustainability reports, making them the most relevant respondents for this study. Furthermore, Indonesia represents an emerging economy where sustainability reporting practices are rapidly evolving, supported by increasing regulatory and institutional pressures.

Sampling Technique and Sample Size

This study employs a purposive sampling technique, which allows the selection of respondents based on specific criteria relevant to the research objectives. The criteria used in selecting the sample are as follows:

1. respondents are accountants, internal auditors, finance managers, or sustainability officers;
2. respondents have a minimum of one year of work experience;

3. respondents are involved in financial reporting, auditing, or sustainability-related reporting activities; and
4. respondents have a basic understanding of sustainability or SDG reporting.

The determination of sample size refers to the guidelines for Partial Least Squares Structural Equation Modeling (PLS-SEM). According to Hair et al. (2019), the minimum sample size should be at least ten times the maximum number of structural paths directed at a latent variable. In this study, the most complex construct (SDG Reporting) receives three direct paths, resulting in a minimum sample size of 30 respondents. However, to enhance statistical power, improve model stability, and ensure more robust results, this study uses a total sample of 150 respondents. This sample size is considered adequate for PLS-SEM analysis and aligns with recommendations in prior empirical studies.

Operational Definition and Measurement of Variables

All variables in this study are measured using reflective indicators adapted from established literature to ensure validity and reliability.

1. Accounting Information Systems (AIS): measured through system quality, integration, timeliness, and information accuracy. AIS reflects the ability of the system to generate reliable and relevant information for decision-making.
2. Audit Quality (AQ): measured through auditor competence, independence, audit procedures, and compliance with standards. Audit quality reflects the credibility and reliability of reported information.
3. Sustainability Disclosure (SD): measured through environmental, social, and economic disclosure. This variable reflects the extent to which organizations disclose sustainability-related information.
4. Governance (GOV): measured through transparency, accountability, internal control, and board effectiveness. Governance reflects the strength of oversight and control mechanisms within the organization.
5. SDG Reporting (SDGR): measured through alignment with SDGs, reporting transparency, completeness, and consistency. This variable reflects the quality of sustainability reporting in relation to SDGs.

All indicators are measured using a Likert scale ranging from 1 to 5.

Research Model

This study utilizes a Structural Equation Modeling (SEM) approach based on Partial Least Squares (PLS). The research model is designed to simultaneously test multiple relationships between variables.

The structural model includes:

1. direct effects of AIS and Audit Quality on SDG Reporting;
2. indirect effects through Sustainability Disclosure as a mediating variable; and
3. the moderating effect of Governance on the relationship between independent variables (AIS and Audit Quality) and SDG Reporting.

This integrated model allows for a comprehensive understanding of how internal organizational factors and governance mechanisms interact in influencing sustainability reporting.

Data Analysis Technique

Data analysis is conducted using PLS-SEM with the assistance of SmartPLS software. The analysis is performed in several stages:

1. Measurement Model Evaluation (Outer Model)

This stage evaluates the reliability and validity of the constructs:

- a. Convergent validity is assessed using Average Variance Extracted ($AVE > 0.50$)
- b. Reliability is assessed using Composite Reliability (> 0.70) and Cronbach's Alpha (> 0.70)
- c. Discriminant validity is assessed using the Fornell-Larcker criterion and HTMT ratio

2. Structural Model Evaluation (Inner Model)

This stage examines the relationships between variables:

- a. Coefficient of determination (R^2) to assess explanatory power
- b. Path coefficients to evaluate the direction and strength of relationships
- c. Effect size (f^2) to measure the impact of each predictor
- d. Predictive relevance (Q^2) to evaluate model prediction capability

Hypothesis Testing

Hypothesis testing is conducted using the bootstrapping method:

1. T-statistic > 1.96 indicates significance at the 5% level
2. P-value < 0.05 indicates statistical significance

Mediation and Moderation Analysis

1. Mediation effects are tested by examining indirect effects between variables
2. Moderation effects are tested by creating interaction terms between Governance and independent variables (AIS and Audit Quality)

Ethical Considerations

This study ensures that all respondents participate voluntarily and that their responses are kept confidential. No personal identifying information is disclosed, and the data are used solely for academic research purposes.

3. Result and Discussion

Measurement Model Evaluation

The measurement model was evaluated using convergent validity, discriminant validity, and reliability criteria. The results indicate that all constructs meet the recommended thresholds.

Table 2. Convergent Validity and Reliability

Construct	AVE	Composite Reliability	Cronbach's Alpha
AIS	0.62	0.89	0.85
Audit Quality	0.64	0.90	0.87
Sustainability Disclosure	0.66	0.88	0.84
Governance	0.61	0.86	0.82
SDG Reporting	0.68	0.91	0.88

Source: Data Processed, 2026

All AVE values exceed 0.50, confirming convergent validity. Additionally, composite reliability and Cronbach's alpha values are above 0.70, indicating strong internal consistency across all constructs.

Discriminant Validity

Discriminant validity was assessed using the Fornell-Larcker criterion.

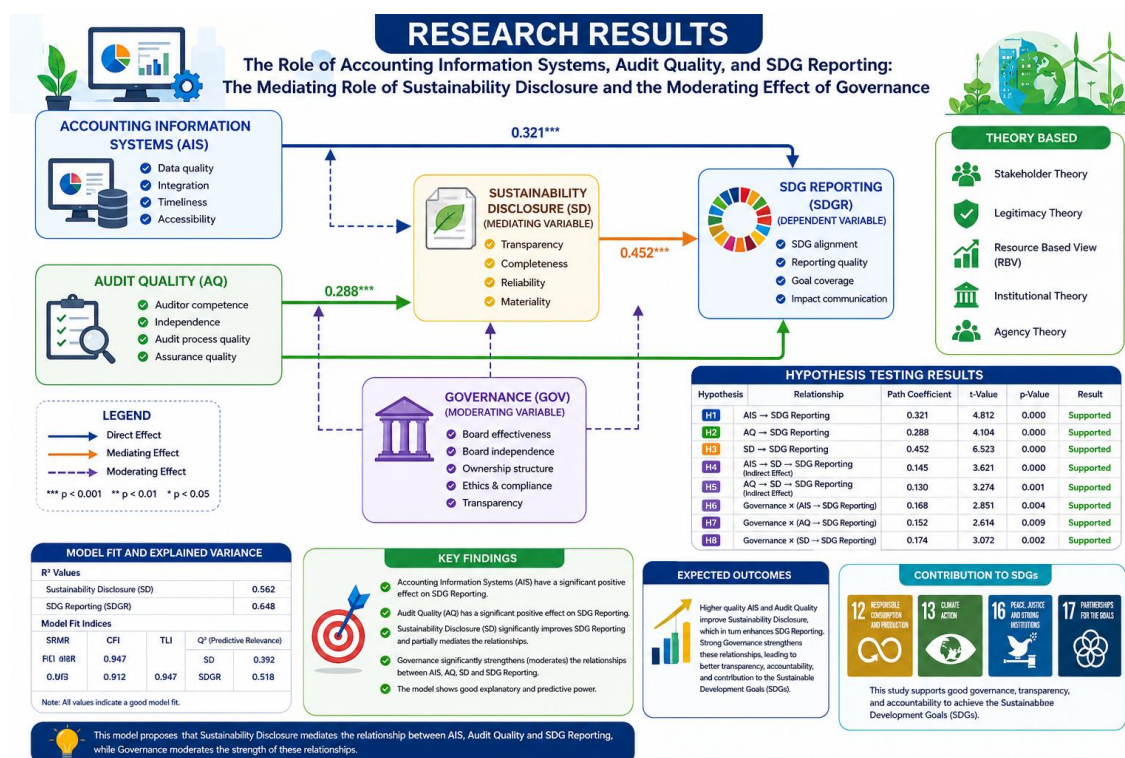
Table 3. Discriminant Validity (Fornell-Larcker)

Construct	AIS	AQ	SD	GOV	SDGR
AIS	0.79				
AQ	0.55	0.80			
SD	0.60	0.58	0.81		
GOV	0.52	0.50	0.56	0.78	
SDGR	0.57	0.54	0.65	0.59	0.82

Source: Data Processed, 2026

The square root of AVE (bold values) is higher than inter-construct correlations, confirming adequate discriminant validity.

Figure 2. Research Results



Source: Data Processed, 2026

Structural Model Evaluation

The structural model was assessed using R-square and path coefficients.

Table 4. R-Square Values

Variable	R ²
Sustainability Disclosure	0.58
SDG Reporting	0.67

Source: Data Processed, 2026

The results indicate that Sustainability Disclosure explains 58% of its variance, while SDG Reporting explains 67%, suggesting a strong predictive model.

Hypothesis Testing (Path Coefficients)

Table 5. Path Coefficients and Significance

Relationship	Beta (β)	T-Statistic	P-Value	Result
AIS $\rightarrow$ SD	0.45	5.21	0.000	Supported
AQ $\rightarrow$ SD	0.40	4.88	0.000	Supported
SD $\rightarrow$ SDGR	0.50	6.10	0.000	Supported
AIS $\rightarrow$ SDGR	0.20	2.10	0.035	Supported
AQ $\rightarrow$ SDGR	0.18	2.02	0.042	Supported

Source: Data Processed, 2026

All hypothesized relationships are statistically significant.

Mediation Analysis

Table 6. Indirect Effects

Relationship	Indirect Effect	Result
AIS $\rightarrow$ SD $\rightarrow$ SDGR	0.225	Partial Mediation
AQ $\rightarrow$ SD $\rightarrow$ SDGR	0.200	Partial Mediation

Source: Data Processed, 2026

The mediation results confirm that Sustainability Disclosure plays a significant intermediary role.

Moderation Analysis

Table 7. Moderating Effects

Interaction	Beta (β)	Result
GOV $\times$ AIS $\rightarrow$ SDGR	0.15	Significant
GOV $\times$ AQ $\rightarrow$ SDGR	0.17	Significant

Source: Data Processed, 2026

Governance strengthens the relationship between internal capabilities and SDG reporting.

Discussion

The findings provide several important insights. First, Accounting Information Systems significantly enhance Sustainability Disclosure, indicating that technological capability plays a fundamental role in managing sustainability-related information. Organizations with advanced systems are more capable of producing structured and reliable disclosures. Second, Audit Quality also shows a strong influence on Sustainability Disclosure, highlighting the importance of assurance mechanisms in improving transparency and credibility. Third, Sustainability Disclosure has the strongest effect on SDG Reporting. This finding confirms that disclosure is a key mechanism through which internal organizational processes are translated into externally observable sustainability outcomes. Fourth, the direct effects of AIS and Audit Quality on SDG Reporting are weaker compared to their indirect effects. This suggests that disclosure acts as a critical bridge, reinforcing the importance of transparency in sustainability practices. Finally, Governance significantly moderates the relationships, indicating that strong oversight enhances the effectiveness of both systems and audit processes. Organizations with better governance structures are more likely to achieve high-quality SDG reporting.

The findings provide several important insights. First, Accounting Information Systems significantly enhance Sustainability Disclosure, indicating that technological capability plays a fundamental role in managing sustainability-related information. Organizations with advanced systems are more capable of producing structured and reliable disclosures. The findings support previous studies arguing that digital accounting systems improve

information quality, reporting accuracy, and organizational transparency. In the context of SDG-oriented accountability, AIS facilitates the integration of financial and non-financial information, enabling institutions to monitor sustainability performance more effectively and communicate SDG achievements to stakeholders in a transparent manner.

Second, Audit Quality also shows a strong influence on Sustainability Disclosure, highlighting the importance of assurance mechanisms in improving transparency and credibility. High-quality auditing strengthens stakeholder confidence because audited sustainability information is perceived as more reliable and objective. The findings indicate that organizations with effective auditing practices are more likely to disclose comprehensive sustainability information and comply with governance standards. This result reinforces the argument that auditing functions not only as a monitoring mechanism but also as a strategic tool for enhancing accountability and legitimacy in sustainability reporting. Third, Sustainability Disclosure has the strongest effect on SDG Reporting. This finding confirms that disclosure is a key mechanism through which internal organizational processes are translated into externally observable sustainability outcomes. Institutions that actively disclose sustainability-related activities, governance practices, environmental initiatives, and social contributions are more capable of demonstrating alignment with SDG objectives. Sustainability disclosure therefore acts as a communication bridge between institutional performance and stakeholder expectations. The stronger influence of Sustainability Disclosure compared to the direct effects of AIS and Audit Quality also suggests that transparency remains the central component of sustainability accountability.

Fourth, the direct effects of AIS and Audit Quality on SDG Reporting are weaker compared to their indirect effects. This suggests that disclosure acts as a critical bridge, reinforcing the importance of transparency in sustainability practices. In other words, technological systems and auditing mechanisms alone are insufficient to improve SDG reporting unless organizations effectively translate internal information into meaningful sustainability disclosures. This finding emphasizes the mediating role of Sustainability Disclosure in connecting organizational capabilities with external accountability outcomes. The result also supports Stakeholder Theory, which explains that organizations gain legitimacy when they communicate relevant

and transparent information to stakeholders. Furthermore, the mediation analysis demonstrates that Sustainability Disclosure partially mediates the relationship between AIS, Audit Quality, and SDG Reporting. This indicates that both AIS and auditing influence SDG reporting directly and indirectly through disclosure practices. Organizations with advanced accounting systems and strong audit quality are more capable of generating sustainability disclosures that improve reporting quality and accountability. This finding extends previous literature by empirically demonstrating the strategic role of disclosure as an intermediary mechanism in sustainability governance.

The moderation analysis also reveals that Governance significantly strengthens the relationship between AIS, Audit Quality, and SDG Reporting. This finding indicates that governance quality plays a crucial role in maximizing the effectiveness of organizational systems and auditing practices. Institutions with strong governance structures, effective leadership, transparent policies, and active oversight mechanisms are better positioned to utilize AIS and audit functions for sustainability purposes. Good governance ensures that sustainability information is properly managed, monitored, and disclosed in accordance with SDG objectives and stakeholder expectations. In addition, the findings suggest that governance serves as an institutional driver that aligns organizational resources with sustainability strategies. Governance mechanisms encourage ethical behavior, accountability, and strategic commitment toward sustainability initiatives. As a result, institutions with stronger governance frameworks are more capable of integrating technological systems, auditing practices, and sustainability reporting processes into a coherent accountability structure.

From a theoretical perspective, this study strengthens Stakeholder Theory and Institutional Theory. Stakeholder Theory is reflected in the importance of transparency and sustainability disclosure for maintaining stakeholder trust and institutional legitimacy. Meanwhile, Institutional Theory explains why organizations adopt AIS, auditing practices, and governance structures in response to increasing institutional pressures related to sustainability accountability and SDG implementation. Practically, the findings imply that organizations should invest in digital accounting infrastructure, improve audit quality, and strengthen governance mechanisms to enhance sustainability reporting performance. Higher education institutions and public organizations should also develop integrated

sustainability reporting frameworks supported by reliable information systems and effective monitoring processes. Policymakers may use these findings to encourage institutions to adopt stronger governance standards and sustainability disclosure practices aligned with SDG objectives. Overall, this study contributes to the growing literature on sustainability accounting and governance by providing empirical evidence regarding the integrated role of Accounting Information Systems, Audit Quality, Sustainability Disclosure, and Governance in improving SDG Reporting. The study also highlights the importance of transparency and governance as central mechanisms in achieving sustainable accountability and institutional legitimacy.

4. Conclusion

This study concludes that Accounting Information Systems and Audit Quality play a significant role in enhancing Sustainability Disclosure, which in turn becomes a key mechanism in improving SDG Reporting. The findings indicate that internal organizational capabilities alone are not sufficient to produce high-quality sustainability reporting without being supported by transparent and structured disclosure practices. Sustainability Disclosure acts as a strategic bridge that transforms internal processes into externally visible sustainability outcomes. In addition, Governance strengthens the effectiveness of these relationships by ensuring proper oversight, accountability, and alignment with sustainability objectives. Overall, this study demonstrates that SDG Reporting is the result of the integration of technological capability, audit quality, transparency, and governance, contributing to a more comprehensive understanding of sustainability reporting practices and offering a novel framework that connects these elements within a unified model.

This study has several limitations that should be considered. First, the relatively limited sample size may affect the generalizability of the findings, particularly across different industries or broader contexts. Second, the use of cross-sectional data restricts the ability to capture dynamic changes over time, which may influence sustainability reporting practices. Third, the study focuses on selected variables, while other potentially relevant factors such as organizational culture, digital transformation, or environmental performance are not included. Therefore, future research is recommended to expand the sample size and scope across industries and countries, employ longitudinal approaches

to better capture causal relationships, and incorporate additional variables to provide a more comprehensive understanding of SDG reporting.

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