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Determinants of Corporate Social Responsibility Disclosure by Turkish Insurance Companies*

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ABSTRACT: The aim of this study is to empirically examine the determinants of corporate social responsibility disclosure practices by Turkish insurance companies. For this purpose, the annual reports of insurance companies are analysed. In order to examine the determinants of insurance companies' corporate social responsibility disclosure, two independent variables, namely, return on assets and leverage, and three control variables are included in the study, namely, size, age and listing status of the company. Panel data analysis is employed using 54 insurance companies' data on the period of 2009-2017. Our findings indicate that leverage, firm size, age and listing status have effect on insurance companies' social responsibility disclosure.

Keywords: Corporate Social Responsibility (CSR), Annual Reports, Insurance Companies, Developing Country, Turkey

Jel Code: M10, M14, M40

Türk Sigorta Şirketlerinin Kurumsal Sosyal Sorumluluk Açıklamalarını Belirleyen Faktörler

ÖZ: Bu çalışmanın amacı, Türk sigorta şirketlerinin kurumsal sosyal sorumluluk açıklamalarını belirleyen faktörleri ampirik olarak analiz etmektedir. Bu amaçla sigorta şirketlerinin yıllık faaliyet raporları incelenmiştir. Sigorta şirketlerinin kurumsal sosyal sorumluluk açıklamasının etkileyen faktörlerin incelenmesi için iki bağımsız değişken, yani aktif karlılığı ve finansal kaldıraç ile üç kontrol değişkeni, şirketin büyüklüğü, yaşı ve borsada yer alıp almaması araştırmaya dahil edilmiştir. Panel veri analizi kullanılarak 54 sigorta şirketinin, 2009-2017 dönemine ait verileri analiz edilmiştir. Araştırma sonuçları, sigorta şirketlerinin sosyal sorumluluk açıklamalarında sigorta şirketlerinin finansal kaldıraç düzeyinin, şirketin büyüklüğünün, yaşının ve borsada yer almasının etkisi olduğunu göstermektedir.

Anahtar Kelimeler: Kurumsal Sosyal Sorumluluk (KSS), Faaliyet Raporu, Sigorta Şirketleri, Gelişmekte Olan Ülkeler, Türkiye

Jel Kodu: M10, M14, M40

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1. Introduction

The role of companies in society has been changing worldwide over recent decades and in line with the changes, the expectations of the stakeholders have also grown and become more complicated. For that reason, companies need to disclose more information to reflect their role and satisfy its stakeholders expectations. Not only stakeholders but also companies would be benefited by disclosing information. Because information that reflect both financial and non-financial performance of companies provides basis for a dialog between the companies and its stakeholders. However, it would be a challenge for companies to collect, evaluate and integrate the different information needs of such dissimilar groups could not be considered as one group (Dierkes and Antal, 1985). After the requested information is determined, the information could be announced and made available through different communication tools. Corporate reports are the most common tools to communicate with stakeholders. From an accounting perspective, the annual reports that include financial statements and other information is the primary formal communication document to promote performance of the companies (Smith, et al., 2005; Gray et al., 1995).

Annual reports, traditionally focused on shareholders (Moreno and Cámara, 2016) and used to reveal mainly financial information in a generalized format. For the reason, it is accepted as general purpose financial report (Lodhia, 2004). According to Macintosh (1990) an annual report is an invariable reflection of corporate information which top management considered as important and proper to reveal to stakeholders and it reflects a corporation’s historical non-financial consciousness (Lodhia, 2004). Although the information content of annual reports and financial statements is largely determined by regulators, the reports would include voluntary non-financial information. Companies disclose the non-financial, corporate social responsibility (CSR) related information because the more information disclosed, the more likely and easily investors and other stakeholders may evaluate the company (Malafronte, et al., 2018).Thus, revealing CSR related information in annual reports or preparing a separate CSR report acquires significant importance for companies and its stakeholders (Young and Marais, 2012). A recent survey presents that 93% of the top 250 organizations listed on the Fortune Global 500 ranking issued a type of CSR reports (KPMG, 2017).

Although there is growing literature about CSR related information disclosure in annual reports from non-financial companies, many prior studies on CSR ignore the financial sector; in particular, insurance companies (Ullah, et al. 2019). This paper aims to contribute our knowledge and understanding the determinants of corporate social responsibility disclosure practices by Turkish insurance companies. The determinants of corporate social responsibility disclosure in insurance companies are required to be documented (Kılıç, et al., 2015). According to the knowledge of the authors, there is no study examining the CSR disclosure in the Turkish insurance industry. This study will therefore provide insight into role of the specific company characteristics in CSR related disclosure of insurance companies. In addition, the study examine an emerging county’s insurance sector. Turkey and most of the previous research in CSR have been conducted in developed countries (Kılıç, et al., 2015; Khemir and Baccouche, 2015; Zaid, et al., 2019). According to literature, CSR practices varies from country to country since the cultural factors may have effect on the act of companies (Adams, et al., 1998), especially between developed and emerging ones (Khemir and Baccouche, 2015). For that reason, in order to improve corporate social responsibility practices and disclosure, it is important to understand the determinants of the disclosure in different countries and industries (Adams, et al., 1998). Turkey is the one of most remarkable developing countries in the world. For that reason, examining CSR related disclosure in Turkish insurance industry will present important implications for other developing countries (Kılıç, et al., 2015).

Therefore, the paper aims to determine whether the specific company characteristics, namely profitability, leverage, size, and listing status of companies are associated with corporate social disclosure practices of Turkish insurance companies. For this purpose, annual reports of Turkish insurance companies from 2009 to 2017 financial year are analysed. Document analysis method is used to gather data to measure the extend of corporate resources disclosure in annual reports and panel data analysis is conducted, using eight years data for 54 insurance companies actively operated in the period.

The remainder of the paper is organized as follows. After the introduction, the literature review and hypothesis development are presented. The methodology of the research is presented in the third section. The results and the discussion of the empirical analysis is provided in the fourth section. The last section presents some conclusions and practical implications and provide suggestions for further researches.

2. Literature Review And Hypothesis

Corporate social responsibility is a business model in which companies strategically self-regulated while performing its operations and in order to manage their own legitimacy aims to convince its stakeholders that the business conducted in a sustainable way by providing related information (Sharma and Sharma, 2011; Kılıç, et al., 2015; Gamerschlag, et al., 2011; Porter and Kramer, 2006; Archel, et al., 2009; Castelló and Lozano, J. 2009; Young and Marais, 2012). There are different theories in the literature that account for the reason of CSR related disclosure. According to the legitimacy theory, the reason of the disclosure is to satisfy its stakeholders' expectations (Lanis and Richardson, 2013). In the same vein, the stakeholder theory stated that companies need to harmonize the interests of organizations with the different stakeholders to gain their approvals (Freeman, 1984). In addition, corporate disclosure theory, benefits of disclosure exceed costs (Alfraih, 2016).

Many companies nowadays disclose CSR related information for several reasons, such as, to manage stakeholders' expectations and their own legitimacy (Castelló and Lozano, J. 2009; Young and Marais, 2012; Branco and Rodrigues, 2006), to enhance level of employee commitment, customer loyalty, and business performance (Lucchini and Moisello, 2017), to reduce information asymmetry between the company and its stakeholders (Kılıç, et al., 2015).

Insurance companies are important for both businesses and individuals because they price and value financial assets, they screen and trace borrowers, they enable to manage financial risks, and they offset the financial consequences of unwanted circumstances and situations (Scholtens, 2011). Thus, insurance companies contribute to economic improvement and sustainable development. However, as their impact is indirect and they perform intermediary activities, it is hard to clarify the role of insurance companies in sustainable development (Scholtens, 2011; Ullah, et al., 2019). Although, there is a vast of studies in the field of CSR for non-financial companies, there is limited studies for the insurance companies (Ullah, et al., 2019). Das (2013) examine the annual reports of 26 insurance companies in India to find out the extend of CSR disclosure and to determine the level of human resources disclosure embedded in the disclosure. It is found that life insurance and listed companies disclose more information than non-life insurance companies (Das, 2013). Scholtens (2011) investigates more than 150 institutions from 20 countries to assess the CSR of insurance companies and stated that there is a significant difference between different types of insurers and countries. In addition, insurance companies integrate the social and ethical aspects of CSR than environmental aspects (Scholtens, 2011). Obalola (2008) reveals that Nigerian insurance companies view CSR as a philanthropic activity and the companies perform CSR-related activities through their involvement in community-based projects. Olowokudejo, et al. (2011) stated that insurance companies are involved in four forms of CSR activities, namely, business ethics, urban affairs, consumer affairs and environmental affairs and they focus on consumer affairs. Ullah, et al. (2019), reveals that board independence and the proportion of female directors have positive effect on the extent of CSR disclosures but ownership negatively effects the level of CSR disclosure. There is a paucity of literature related to the determinants of corporate social responsibility disclosure of insurance companies. Thus, the study aims to contribute to fill the gap in the existing CSR related disclosure literature.

In line with the aim of the study, the following hypothesis were formulated:

There are many studies in the CSR related disclosure that examines the relationship between profitability and the level of CSR disclosure, although the results is controversial (Giannarakis, 2014). Profitable firm could attract attention of society and be scrutinized. Especially, if they perceived as "overly" profitable, the companies could face political cost (Gamerschlag et. al, 2011). For that reason, more profitable companies may disclose more information to offset the pressure. In addition, more profitable companies could have more sources that needed to collect, process and report related information (Kılıç et al., 2015). Return on assets is used as the proxy of profitability and measured by net income to total assets. Based on previous arguments and we proposed that

H1. There is association between profitability and the extend of CSR disclosure.

Leveraged companies need to have close relationship with their creditors and disclose more information to satisfy the expectations of creditors (Giannarakis, 2014). According to agency theory, companies with high level of financial leverage disclose more information in order to reduce their agency costs and, as a result, their cost of capital (Reverte, 2009). In addition, leveraged companies tend to reveal more information because of the increased potential for wealth transfers from debtholders to shareholders and managers (Ferguson, et al., 2002). Ahmed and Curtis (1999) showed that there is a positive relationship between disclosure level and leverage. On the other hand, Rahman et al, (2011) found that leverage is insignificant in explaining the total disclosure. Leverage is measured by total liabilities to total assets and based on previous arguments, we proposed that

H2. There is association between leverage of insurance companies and the extend of CSR disclosure.

Company size is one of the most used variables in the literature to explain the CSR disclosure (Kılıç, et al., 2015). Large companies are more visible and have more market power and are more newsworthy (Reverte, 2019). For that reason, large companies are subject to more political and regulatory pressures from stakeholders (Watts and Zimmerman, 1986). In order to eliminate the pressure and reduce political cost, larger companies disclose more information (Gamerschlag, et al., 2011; Giannarakis, 2014). From the empirical perspective, various research in different countries found that there is positive relationship between CSR disclosure and company size (Reverte, 2019; Rahman et al., 2011; Tagesson et. al, 2009; Gamerschlag, et al., 2011; Giannarakis, 2014). Company size is measured by number of employees and based on previous arguments, we proposed that

H3. There is association between size of insurance companies and the extend of CSR disclosure.

The age of insurance companies may have role in disclosure level. Roberts (1992) stated that more mature companies has a firmly entrenched reputation and involve more social responsibility activities. According to Khan et al. (2013) company age is correlated to corporate social disclosure. Choi (1999) hypothesis that the more mature companies is higher can be value of reputation and the history of involvement in social responsibility activities. Muttakin et al., (2018) found that age of firm is significantly correlated to CSR disclosure. On the other hand, Zaid et al. (2019) found significant negative relationship between age of firm and CSR disclosure. Age is the number of years since the firm's inception and based on previous arguments, we proposed that

H4. There is association between age of insurance companies and the extend of CSR disclosure.

One of the most common corporate characteristics examined regarding disclosure level is listing status of the company (Ahmed and Curtis, 1999). Listed companies is required to be in line with regulations and disclose required information regularly (Kılıç, et al. 2015). Disclosing mandatory and voluntary information help companies to communicate its funders and make easier for companies to access the funds (Menassa, 2010). Branco and Rodrigues, (2006) pointed out that listed companies are socially visible, and it contributes to an increased disclosure. Based on previous arguments, we proposed that

H5. There is association between listing status of insurance companies and the extend of CSR disclosure.

3. Methodolgy

3.1. Sample and data collection

This study aims to provide some empirical evidence on the effects of company related variables on insurance companies' corporate social responsibility disclosure in Turkey over the period of 2009-2017. This time period is chosen, since it captures the time over which most of the companies' data are available and presents the most current available data for the research period. There are 62 insurance companies actively operated in Turkey, and 38 of which have been non-life insurance, 4 life insurance, 18 pension and 2 reinsurance companies at the end of the 2017 (Hazine ve Maliye Bakanlığı, 2019).

The sample consist of 62 insurance companies that actively operated over the period of 2009-2017. Insurance companies that do not have active corporate internet page and available annual reports are excluded from sample. For that reason, the final sample comprises 54 insurance companies over the period, resulting 447 firm-year observations.

The empirical data in this study mainly based on information provided in audited annual reports of insurance companies that are retrieved from corporate internet page of them. The annual reports of the companies are the primary source of information for researchers and stakeholders for understanding the company and its activities during the relevant accounting period (Garg and Kumar, 2019; Mishra, Devi and Gupta, 2015). The role of annual reports in corporate communication is important, especially, when the companies are not willing to reveal any information about their non-financial performance. Annual reports published by companies involve both financial (mandatory) and non-financial (voluntary) disclosures. There are various laws and regulations that establish financial reporting and disclosure framework, and these are very useful for both preparers (i.e. the company) and users to understand the company's performance. But to understand companies' overall performance, stakeholders need additional information about the companies' activities that are not presented in financial reports(Md Zaini, et al., 2019). Annual reports are an important communication medium contained both the financial and non-financial information that valuable information for understanding companies' performance. For that reason, the reports are selected for the analysis.

In addition to annual reports, corporate internet page of insurance companies and "Public Disclosure Platform" are used to gather data for the analysis. The data and CSR-related information was hand collected from the annual reports of the relevant insurance companies between May 2016 and December 2018.

3.2. Dependent Variable

In this study, document analysis method is used to gather data pertaining to corporate social responsibility disclosure of insurance companies. Document analysis is a systematic procedure for reviewing a material to elicit meaning, gain understanding, and develop empirical knowledge (Bowen, 2009).

Based on document analysis of annual reports and research literature, six main categories of corporate social responsibility disclosure (CSRs) were identified and included in the CSRs (Bayoud et al., 2012, Branco and Rodrigues, 2006, Das, 2013, Gamerschlag et. al,2011; Ismail and Ibrahim, 2009; Menassa, 2010; Scholtens, 2009; Suher, 2010; Tagesson et. al, 2009). These are environmental disclosure, human resources disclosure, products and human resources disclosure, community involvement disclosure, ethics disclosure and corporate governance disclosure. For this study, the disclosure about CSR acquired from the annual reports of the 54 insurance companies over the period of 2009-2017.

3.3. Independent Variables

Table 1presents the definitions and calculations of variables in this study. As discussed in the literature review section, two characteristics of companies, namely return on assets and leverage are examined as independent variables. The data are gathered and calculated from the annual reports of the companies for the period of 2009-2017. Return on assets is measured by net income to total assets, while leverage is measured by total liabilities to total assets.

Table 1: Dependent and Independent Variables

Dependent variable	**Code**	**Measurement**
Corporate Social Responsbility Disclosure Score	CSRs	Corporate social responsiblity score of the company
Independent variables		
Return on assets	ROA	Net income to total assets
Leverage	LEV	Total liabilities to total assets
Control variables		
Size	SIZE	Number of Employees
Age of firm	AGE	The number of years since the firm's

		inception
Listing status	BIST	1 if the insurance company listed on BIST, 0 otherwise

3.4. Control Variables

As summarized in Table 2, three control variables included in the analysis are number of employees, age of firm, and listing status of the companies. Number of employees and age data are compiled from the annual reports of the companies. The listing status of insurance companies obtained by online searching of "Public Disclosure Platform" and if the company is listed on the Borsa Istanbul Stock Exchange (BIST), we give value of "1" to that variable; if it is not, we give value of "0".

3.5. Model and Method of Estimation

Panel data method which enables to observe the same cross-sectional units are followed over a given time period (Wooldridge, 2002). By using the previously explained variables, the following model is formulated to identify the determinants of corporate social responsibility disclosure of the insurance companies:

$$CSRs = \alpha_0 + \alpha_1 ROA_{it} + \alpha_2 LEV_{it} + \alpha_3 SIZE_{it} + \alpha_4 AGE_{it} + \alpha_5 BIST_{it} + \eta_i + \lambda_t + u_{it} \text{ (I)}$$

$$CSRs = \alpha_0 + \alpha_1 ROA_{it} + \alpha_2 SIZE_{it} + \alpha_3 AGE_{it} + \alpha_4 BIST_{it} + \eta_i + \lambda_t + u_{it} \text{ (II)}$$

$$CSRs = \alpha_0 + \alpha_1 LEV_{it} + \alpha_2 SIZE_{it} + \alpha_3 AGE_{it} + \alpha_4 BIST_{it} + \eta_i + \lambda_t + u_{it} \text{ (III)}$$

$_i = 1, 2, \ldots, 54$

$_t = 2009 - 2017$

η_i = Unobservable heterogeneity (individual effect) which is specific for each firm

λ_t = Parameters of time dummy variables.

u_{it} = The error term.

In the panel data analysis, Hausman specification (1978) test is conducted to make a decision between fixed or random effects method. When the Hausman test's null hypothesis is rejected then the fixed effect model should be used. Put another way, if Hausman test statistic is less than 0.05, the null hypothesis reject and the fixed effects model will be accepted. The Hausman test results indicate that the use of fixed effect model is appropriate for the study and the results are reported in Table 3.

4. Results And Discussion

4.1. Descriptive Statistics

Table 2 presents the descriptive statistics of the variables used in the study. The corporate social responsibility disclosure ranges from 60.375 with mean of 60.375. The mean of return on assets is -0.016 and its standard devision is 0.129. It indicate that the most of the insurance companies have net loss. Leverage ranges from 0.032 to 1.701 with a mean of 0.758. The size of insurance companies is measured by their number of employees and it ranging from 1 to 1605 with a mean of 325.745 and its standard deviation is 326.003. Firm ages ranging from 25.179 to 100 with a mean of 25.179.

Table 2: Descriptive Statistics

	N	Mean	SD	Min	Max
CSRs	447	69.579	60.375	0	41
ROA	447	-.016	.129	-1.174	.388
LEV	447	.758	.187	.032	1.701
SIZE	447	325.745	326.003	1	1605
AGE	447	28.536	25.179	1	100
BIST	447	.127	.333	0	1

4.2. Correlation Matrix

Table 3 reveals correlation matrix for the variables in the study.

Table 3: Correlation Matrix

	CSRs	ROA	LEV	SIZE	AGE	BIST
CSRs	1					
ROA	0.121	1				
LEV	0.097**	-0.405***	1			
SIZE	0.617***	0.166***	0.192***	1		
AGE	0.506***	0.075	-0.076	0.498***	1	
BIST	0.592***	0.060	0.019	0.389***	0.423***	1
*, ** and *** represents significance levels at p < 0.1; p < 0.05 and p < 0.01, respectively. Please find the definitions of variables in Table 1.						

Table 3 displays correlation coefficients for the variables used in the study. The results indicate that there is positive and significant correlation between corporate social responsibility disclosure and other variables, namely leverage, size, age and listing status of the company. In addition, the correlation among the variables is presented Table 3. There is positive and significant relation among size, age and listing status of the company. And leverage and size of the company also correlated to ROA. However, ROA is not statistically correlated to the extent of corporate social responsibility disclosure.

4.3. Panel Data Results

This section represents the results of the panel data models regarding the determinants of corporate social responsibility disclosure. Panel data regression analysis is based on financial and non-financial data over a nine-year period (447 firm-years). As previously explained, in order to find out the determinants of corporate social responsibility disclosure is three models are employed which is shown in Table 4. Return on assets (ROA), leverage (LEV), number of employee (SIZE), age of firm (AGE), and listing status of firm (BIST) are the variables which is included in the study as determinants of corporate social responsibility disclosure of firms.

In these models, corporate social responsibility disclosure is used as the dependent variable. In Model I, ROA and LEV are regressed against the CSRs with and inclusion of control variables, namely SIZE, AGE, and BIST. The null hypothesis of the Hausman test is rejected for the model I and fixed effect model is used to find out the impact of explanatory variables on the dependent variable. The results indicate that leverage is positively and significantly related with corporate social responsibility disclosure. The model explains 32.7% variations in the dependent variable due to the inclusion of explanatory variable and control variables in the model. The control variables, namely size, age and listing status of the company are also positively and significantly related to corporate social responsibility disclosure of companies. All results of the Model I are same as the correlation matrix (Table 3). These results highlight that leverage, size, age and listing status of companies have effect on companies' social responsibility disclosure.

Table 4: Models results for CSRs

	Model I	Model II	Model III
ROA	16.730 (15.507)	2.664 (13.214)	
LEV	26.199* (15.215)		17.551 (12.935)
SIZE	.039*** (.012)	.039*** (.012)	.038*** (.012)
AGE	5.572*** (.637)	. 6.018*** (.584)	5.810*** (.598)
BIST	41.727** (18.750)	40.022***(18.771)	40.933** (18.739)
Constant	-127.203*** (16.200)	-120.229*** (15.725)	-127.330*** (16.203)
Hausman test	0.000	0.000	0.000
R-square	0.327	0.316	0.321
Observations	447	447	447
***p < 0.01, **p < 0.05, *p < 0.10,			

The results of Model II is in line with Model I. The model explains 31.6% variations in the dependent variable due to the inclusion of explanatory variable and control variables in the model. The size, age and listing status of the company are also positively and significantly related to corporate social responsibility disclosure.

In Model III illustrates the role of the leverage in terms of corporate social responsibility disclosure. The model explains 32.1% variations in the dependent variable due to the inclusion of explanatory variable and control variables in the model. According to test results, SIZE, AGE and listing status (BIST) are positively and significantly related to the companies' social responsibility disclosure.

5. Conclusions

The current study aims to investigate the determinants of insurance companies' social responsibility disclosure. For this purpose, the annual reports of insurance companies for the period of 2009-2017 are analysed using document analysis. In order to examine the determinants of insurance companies' corporate social responsibility disclosure, three panel data models are concluded. In the present paper, we include two independent variables, namely, return on equity and leverage, and three control variables are included, namely, size, age and listing status of the company.

Correlation analysis support a positive and significant correlation between the extent of corporate social responsibility disclosure and insurance companies' leverage, its size, its age, and its listing status. However, ROA is not statistically correlated to the extent of corporate social responsibility disclosure. The results of panel data models support that leverage, size, age and listing status of insurance companies have effect on the extent of corporate social responsibility disclosure. The empirical results is consistent with the findings of Ahmed and Curtis (1999), (Reverte, 2019), (Rahman et al, 2011), Muttakin et al, (2018).

For leveraged insurance companies, it would be needed to disclose more corporate social responsibility related information in order to highlight their non-financial performance. According to agency theory, companies with high level of financial leverage disclose more information in order to reduce their agency costs and, as a result, their cost of capital (Reverte, 2009). Regarding the company size, large companies are more visible, and it makes possible to publicly trace and scrutinized. For that reason, the companies voluntarily disclose more corporate social responsibility related information to highlight its contribution to society and eliminate the pressure. The age of insurance companies and listing status seem to be associated to the extent of corporate social responsibility disclosure. It may be expected for more mature companies to become more experienced about the management of its reputation and communication to its stakeholders. In addition, the more mature is the insurance companies, the more source may available to properly collect, process and report the data related to non-financial performance. Similarly, the listing status of the insurance companies is associated to the extent of corporate social responsibility disclosure. Likewise, the size of insurance companies, the listing status can also affect their visibility and the level of corporate social responsibility disclosure. Because listed companies is required to be in line with regulations and disclose required information regularly (Kılıç, et al. 2015). In addition, today, it is widely accepted that accounting information alone has only a limited ability to explain a firm's market value and performance (Lourenço, et al. 2014). For that reason, listed insurance companies may disclose more corporate social responsibility related information to highlight its performance more extensively. The results are coherent with the theory which stated that leveraged firms, larger firms, senior, and listed companies disclose more corporate social responsibility information.

This study makes several potential contribution and practical implications. First, the study is useful to understand the determinants of corporate social responsibility disclosure practices by insurance companies. Second, the paper provide some insights from a developing country, Turkey and represented the first attempt to examine the determinants of corporate social responsibility disclosure for insurance companies. Third, the data analysis in this paper based on longitudinal data on the insurance companies' corporate social responsibility disclosure. Finally, the implication for policy-regulators is that the development of disclosure policy need to focus on smaller size, young companies, non-listed insurance companies.

There are some limitations related to the study. The first limitation of the study is that it is conducted in only one developing country, Turkey. For that reason, it would be valuable to examine the determination of CSR disclosure by insurance companies. The second limitation is only annual reports of insurance companies are considered as the source of corporate social responsibility disclosure. However, companies may use different communication channels such as corporate webpage, social media, etc. The future research could examine other communications channel to examine the corporate social responsibility practices of insurance companies. The third limitation is that in the study corporate governance related variables are not included. For that reason, the future research could analysis the effect of corporate governance on the extend to corporate social responsibility disclosure of insurance companies.

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