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## **Influence Performance ESG To Implementation Strategy Sustainability At PT Garuda Indonesia**

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### **Abstract**

Implementation principle Environmental, Social, and Governance (ESG) has become indicator important in evaluate sustainability company, including in the aviation sector Which have a significant impact to environment. Study This aiming For analyze influence performance ESG on the sustainability strategy of PT Garuda Indonesia (Persero) Tbk using a descriptive qualitative method. Data were obtained through a documentation study of the company's annual reports, sustainability reports, and official publications for 2020–2023. The results of the study indicate that effort Eagle Indonesia in manage emission carbon, increase service social, and strengthen order manage company has become foundation important in strategy sustainability, although significant challenges such as the COVID-19 pandemic have hampered its optimal implementation. The conclusion of this study emphasizes the importance of ESG integration as a strategic approach in ensuring the long-term sustainability of the national aviation sector.

**Keywords:** ESG, strategy sustainability, Eagle Indonesia, qualitative, sector flight

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### **INTRODUCTION**

Sustainability company No Again just trend, but A must in amidst global environmental challenges and increasing social expectations. In the context of modern business, company sued For No only focus on profit term short, but also able to create long-term value through an approach that takes into account environmental, social, and governance (ESG) impacts. ESG is now an important indicator in assessing corporate responsibility. answer And

Power stand business in various sector, including industry flight. Aviation industry is Wrong One sector Which very affected by issue sustainability, especially from the environmental aspect. Carbon emissions from aircraft, fossil fuel use, and waste management are challenges that need to be addressed with a sustainable approach. In addition, direct interaction with the community and customers, as well as dependence on a strict governance system, make the implementation of ESG principles increasingly crucial.

PT Garuda Indonesia (Persero) Tbk as a national airline has a strategic role in supporting connectivity and economic development in Indonesia. However, the prolonged crisis caused by the COVID-19 pandemic challenges the company to re-arrange its business strategy to be more adaptive, inclusive, and sustainable. In a few years final, Eagle Indonesia start adopt principle ESG to in practice its operations as part of the transformation towards long-term sustainability.

This study aims to examine the extent to which ESG performance contributes to the implementation of strategy sustainability on PT Eagle Indonesia, with focus on integration between policies environment, social, And order manage in planning as well as implementation activity business.

## **METHOD**

This study uses a descriptive qualitative approach to explore in depth influence performance Environmental, Social, and Governance (ESG) to implementation of sustainability strategy at PT Garuda Indonesia (Persero) Tbk. This approach was chosen because it allows researchers to understand the meaning, process, and internal dynamics of the organization contextually, specifically related policy non-financial And transformation strategic Which undertaken by companies in response to global sustainability challenges.

Source data main in study This is data secondary Which obtained through documentation study. The documents reviewed include the Sustainability Report of PT Eagle Indonesia year 2020 until 2023, Report Annual (Annual Report) during same period, as well as official documents from the Ministry of SOEs and the Financial Services Authority (OJK) relating to ESG regulations.

In addition, international reporting standards such as the Global Reporting Initiative (GRI Standards) and the Sustainability Accounting Standards Board (SASB) are used as additional references to evaluate a company's ESG performance.

The analysis technique used is content analysis, which is a systematic technique for examining the contents of documents to identify key themes

related to ESG principles. The analysis process is carried out through the following stages: (1) collection and selection of documents relevant; (2) categorization information based on three pillar ESG—environment, social, and layout manage; (3) interpretation And mapping to implementation strategy sustainability companies. Researchers also triangulate sources to increase data validity, namely by comparing information from internal company documents with external sources such as media news, ESG rating reports, and academic studies.

This approach is considered appropriate to describe the complexity of corporate strategy transformation that does not solely depend on quantitative indicators, but rather on policy narratives, strategic directions, and internal decision-making dynamics. With this method, it is expected to obtain a complete understanding of how PT Garuda Indonesia integrates ESG values within its long-term sustainability framework.

## **RESULTS AND DISCUSSION**

This study aims to analyze how ESG (Environmental, Social, and Governance) PT Eagle Indonesia (Limited) Tbk influential to implementation of corporate sustainability strategies. Through a qualitative approach, researchers conducted a documentation study on Report Sustainability And Report Annual company year 2020–2023 and compare them with regulatory references and sustainability theory. The results of the analysis are grouped into three main thematic categories according to ESG dimensions: environmental, social, And order manage. In context qualitative, focus main is on meaning strategy, narrative pattern, And logic decision company based on interpretation on textual data Which available.

### **Issue Environment: Strategy Adaptive And Efficiency Energy**

The environmental dimension reflects Garuda Indonesia's commitment to reducing ecological impacts, especially carbon emissions from the aviation sector. Based on the 2021 and 2022 sustainability reports, the company faces pressure from international regulations such as ICAO And national as per Regulation OJK Number 51 Year 2017. Responding matter this, management began developing adaptive strategies, such as purchasing new, more fuelefficient aircraft and reducing inefficient routes. Data qualitative from document show that Eagle integrate mark efficiency in sustainability strategy through operational digitalization. Programs such as paperless cockpit, flight optimization systems, and digital fuel management demonstrate the transition of organizational culture to direction Which more environmentally friendly. Although not yet mentioned net zero target in a way explicitly, these steps

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reflect an initial attempt to approach the principles of *environmental stewardship*.

Researchers note that ESG narratives in corporate documents are predominantly *strategic justifications* rather than *long-term commitments*. For example, emission reductions are explained in terms of operational efficiency and cost savings rather than as a moral imperative to address climate change. This suggests that the environmental dimension is still more instrumental than transformative.

### **Dimensions Social: Reconstruction Connection with Stakeholder Interest**

In the documents analyzed, the social aspect emerged significantly during and after the COVID-19 pandemic. Garuda Indonesia used the momentum of the crisis as a turning point to reconstruct relationships with employees, customers, and communities. Safe Travel Program Campaign, training crew cabin about protocol health, And Work The same The delivery of medical devices with the government shows a change in strategic orientation towards social sustainability.

Through a qualitative approach, researchers identified that Garuda's social policy does not stand alone, but is embedded in the narrative of reputation recovery. In the 2022 Annual Report, management stated that social sustainability is positioned as a strategy to rebuild public trust after a period of restructuring. This is reflected in the strategy CSR Which directed For strengthen image positive in middle pressure public on the company's financial condition.

Furthermore, companies are starting to emphasize the importance of strengthening human resources and empowering Woman. Narration equality And inclusion gender appear in form commitment to improvement amount Woman in position strategic, training leadership, as well as integration decent work principles. However, social impact evaluations are not yet available in a measurable manner, and social success indicators are more qualitative, such as passenger satisfaction levels and employee loyalty.

### **Layout Manage (Governance): Reformation Institutional Post Crisis**

The governance aspect is an important focal point in Garuda Indonesia's sustainability strategy after the management and financial crisis. Company documents show that governance company start reformed with emphasis on transparency, management risk, and oversight. The 2022 Sustainability Report mentions the establishment of an ESG Unit and anti-fraud training as initial steps to improve governance.

Researchers found that governance narratives were associated with trust restoration efforts. investors And public. In approach qualitative, This means that ESG No not only serves as an internal framework, but also as an external strategic communication tool. Strengthening the reporting system, internal audit, and stakeholder involvement in the preparation of the RJPP (Company's Long-Term Plan) indicates that the principles of *accountability* and *integrity* are starting to be mainstreamed in strategic decisions.

However, there are still limitations in terms of board independence and a lack of independent reporting on the effectiveness of the new governance system. This suggests that implementation governance Still in *compliance* stage , Not yet fully enter to *culture* stage .

### **Meaning Strategy Sustainability in ESG context**

From the overall analysis results, it can be concluded that ESG has begun to become an important foundation in the development of PT Garuda Indonesia's sustainability strategy, although it has not been fully integrated into all business processes. In a qualitative approach, this reflects a paradigm shift in the organization from a strategy based solely on efficiency and profit. be a strategy that takes into account environmental, social and ethical factors order manage.

The implementation of ESG at Garuda is not only interpreted as a regulatory obligation, but also as a response adaptive to pressure global And national. Through transformation cultural And shift in strategic values, the company seeks to build a new narrative as a state-owned enterprise that is socially and environmentally responsible.

However, qualitative results also show the need for improvement in the indicator aspects. performance ESG Which more measurable, system evaluation sustainability Which more systematic, and ESG integration across the value chain. To achieve true sustainability, ESG transformation is necessary No only in form symbolic, but Also substantial And measurable in all over organizational aspects .

### **Importance Sustainability Accounting**

Organizations today face increasing pressure to account for the impact of their activities on the environment and society. Climate change, resource scarcity Power, And gap social has push organization For consider sustainability aspects in managing their business. Many companies prioritize profitability without considering the impact on the surrounding environment, without thinking about the risks for the next five or even ten years so that there is no sustainability from the company. So that without aware company has put aside And ignore failure Which will happen to them in the future.

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According to Schaltegger and Burritt (2010), sustainability accounting enables organizations to:

- Identifying and manage risk And opportunity related sustainability
- Increase efficiency operational And reduce costs
- Fulfil demands transparency And accountability from stakeholders interest
- Increase reputation and Power competition organization

Thus, sustainability accounting becomes an important tool for organizations to manage their impacts comprehensively and make decisions that take sustainability aspects into account.

### **Measurement Sustainability**

Sustainability measurement in accounting can be done through various indicators, depending on the context and objectives of the organization. Some commonly used indicators include :

#### **1. Consumption Energy And Water**

"Energy and water consumption can be measured by recording the use of these resources in organizational activities, both in absolute terms and per unit of production." (Schaltegger & Burritt, 2010)

#### **2. Emission Gas House Glass and Pollutants**

"Organization can measure emission gas House glass, like carbon dioxide (CO<sub>2</sub>), as well as other pollutants resulting from operational activities." (Burritt et al., 2011)

#### **3. Production Waste And Level Recycling**

"The amount of waste generated and the percentage of waste recycled or reused are important indicators in sustainability accounting." (Guenther et al., 2016)

#### **4. Impact to Biodiversity**

"Organizations can assess the impact of their activities on biodiversity around the operational areas, such as the number of endangered species or degraded habitats." (Atkins & Maroun, 2018)



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#### 5. Satisfaction Employee and Society

"Indicator like level satisfaction employee, level in and out employee, and local community involvement can illustrate the social impact of the organization." (Kılıç & Kuzey, 2016)

#### 6. Compliance to Regulation Environment And Social

"Organization must comply various regulation related environment And social, and measure their level of compliance as an indicator of sustainability." (Hörisch et al., 2015) In addition to the indicators above, organizations can also

develop specific indicators that are appropriate to their context and priorities. Sustainability measurement must be carried out consistently and continuously to monitor progress and identify areas for improvement.

#### **Reporting Sustainability PT Eagle Indonesia**

In report every the year, PT Eagle Indonesia own report Which clear And still on the sustainability report, where the report presents various activities outside the financial report regarding how the company will grow in the following period. Garuda Indonesia as written in its report assumes that the sustainability of a company is important in the sustainability of a business. Garuda Indonesia is very committed to implementing environmentally friendly principles, social activities and needs, and good corporate governance (ESG) in its operations. In terms of the environment, the company shows great concern by increasing cargo transportation and supporting protected animal conservation programs. This is in line with their vision of sustainable aviation, which includes services that care about preservation animal as well as plant tree mangrove in Beach Dowora. Company Also successful testing flight with material burn friendly environment (SAF). Step This expected can inspire industry flight national For switch to energy green. With so, Garuda Indonesia supports global efforts to achieve zero emissions and proves its seriousness in creating a sustainable future. In the social aspect, Garuda Indonesia contributes to economic and social balance in various global destinations, expanding its services Umrah from various city in Indonesia, And support funding For MSMEs. All of this reflects the company's awareness and responsibility towards the future, both in maintaining the sustainability of its business and in supporting social balance.

In its report it is stated that PT Garuda has a basis in its reporting, including: other principle accuracy, principle balance, principle clarity, comparability, completeness, sustainability context, timeliness and verifiability

principles. The sustainability report at PT Garuda Indonesia is prepared with reference to POJK No.51/POJK.03/2017, SEOJK Number 16/SEOJK.04/2021, and the GRI Universal Standard 2021 issued by the Global Sustainability Standards Board (GSSB) – a body established by the Global Reporting Initiative (GRI) For formulate standard report sustainability. So that reader can with easy to find information according to the guide, then there are several attachments written Where arranged information in the form of number And letter Which in accordance with report based on Attachment II of POJK No.51/2017 and SEOJK Number 16/SEOJK.04/2021, as well as the GRI Standard disclosure figures at the end of the relevant sentence or paragraph.

## **CONCLUSION**

Based on the results of qualitative analysis of documents and sustainability reports of PT Garuda Indonesia (Persero) Tbk, it can be concluded that the implementation of the Environmental, Social, and Governance (ESG) principles has had a significant influence on the direction and formulation of the company's sustainability strategy. Although still in the development stage, ESG integration is starting to become a framework for thinking in strategic decisionmaking, especially in the context of post-crisis recovery and increasing longterm competitiveness. In the environmental dimension, the company has shown real efforts in reducing ecological impacts through energy efficiency and operational optimization. In the social aspect, there has been a paradigm shift towards improving relations with stakeholders through programs safety, service customer, as well as not quite enough answer social. Temporary That, in In the field of governance, PT Garuda Indonesia has carried out institutional reforms that lead to strengthening transparency and accountability, although there is still room for improvement in terms of performance measurement and more active stakeholder involvement. In general, ESG plays a role not only as an indicator of compliance, but also as an instrument of organizational transformation that supports holistic corporate sustainability. In the future, the success of sustainability strategies Eagle Indonesia will very determined by consistency implementation ESG in every business line, strengthening impact indicators, and collective awareness to make sustainability a core value of the company.



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