ACCOUNTING DEPARTMENT
FACULTY OF ECONOMIC AND BUSINESS
ANDALAS UNIVERSITY

THESIS

BOARD CHARACTERISTICS, SUSTAINABLE CORPORATE GOVERNANCE AND NON-FINANCIAL DISCLOSURE PRACTICES

By:
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Thesis Advisor:
Prof. Dr. Niki Lukviarman. S.E., MBA., Ak., CA

Submitted to fulfill the requirements to obtain Bachelor Degree in Economics

PADANG

2025

ACCOUNTING DEPARTMENT

FACULTY OF ECONOMICS AND BUSINESS

ANDALAS UNIVERSITY

THESIS APPROVAL LETTER

Herewith, stated that:

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Field of Study	: International Accounting
Thesis Title	: BOARD CHARACTERISTICS, SUSTAINABLE CORPORATE GOVERNANCE AND NON-FINANCIAL DISCLOSURE PRACTICES

Has already passed the thesis seminar on August 7th, 2025 based on procedures and regulation prevailed in the Faculty of Economic and Business, Andalas University.

Padang, November 4th 2025

Head of International Accounting Program	**Thesis Advisor**
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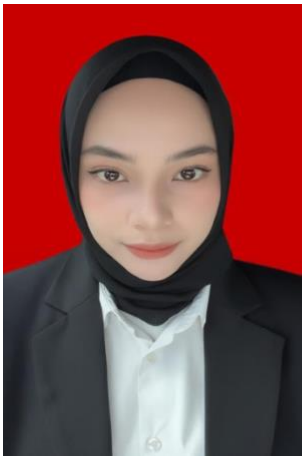
<table>
<tr><td rowspan="2"></td><td>Alumna's University Number:</td><td>Khairun Nisa</td><td>Alumna's Faculty Number:</td></tr>
<tr><td colspan="3">BIODATA
a) Place/Date of Birth: Solok, December 10th 2002 b) Parent's Name: Zumarli Damrah and Yulinda Zubir c) Faculty: Economics and Business d) Major: International Accounting e) ID Number: 2110533043 f) Graduation Date: November 22nd 2025 g) Grade: Cum Laude h) GPA: 3.82 i) Length of Study: 4 years and 1 months. j) Parent's Address: Jl. Ahmad Yani, Lubuk Sikarah, Kota Solok.</td></tr>
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BOARD CHARACTERISTICS, SUSTAINABLE CORPORATE GOVERNANCE AND NON-FINANCIAL DISCLOSURE PRACTICES

Thesis by: Khairun Nisa
Thesis Advisor: Prof. Dr. Niki Lukviarman. S.E., MBA., Ak., CA

ABSTRACT

This study aims to empirically examine the influence of board of commissioners characteristics on sustainable corporate governance and non-financial disclosure practices, particularly Environmental, Social, and Governance (ESG) performance, in manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2018–2023. The board characteristics examined include board size, independence, attendance rate, and educational background. A quantitative approach was employed through panel data regression analysis of 144 observations from 24 companies over six years, with secondary data obtained from Refinitiv Eikon and the IDX official website. The results indicate that board size has a significant influence on the combined ESG score as well as on environmental, social, and corporate governance performance separately. Meanwhile, board independence, attendance, and educational background show varying influences, depending on the ESG dimension being tested. These findings indicate that an effective board structure, particularly in terms of the number of members and diversity of competencies, plays a crucial role in enhancing transparency, accountability, and corporate responsiveness to sustainability issues. This research has implications for companies, investors, and regulators to consider board characteristics as a strategic element in achieving sustainable governance and enhancing stakeholder trust. The limitations of this study include its sectoral scope, which is limited to the manufacturing industry and the Indonesian geographical context, so further studies are recommended to include other sectors and countries to broaden the generalization of the results.

Keywords*:* *Board characteristics, Corporate governance, Non-financial disclosure*

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This study aims to empirically examine the influence of board of commissioners characteristics on sustainable corporate governance and non-financial disclosure practices, particularly Environmental, Social, and Governance (ESG) performance, in manufacturing companies listed on the Indonesia Stock Exchange (IDX) during the period 2018–2023. The board characteristics examined include board size, independence, attendance rate, and educational background. A quantitative approach was employed through panel data regression analysis of 144 observations from 24 companies over six years, with secondary data obtained from Refinitiv Eikon and the IDX official website. The results indicate that board size has a significant influence on the combined ESG score as well as on environmental, social, and corporate governance performance separately. Meanwhile, board independence, attendance, and educational background show varying influences, depending on the ESG dimension being tested. These findings indicate that an effective board structure, particularly in terms of the number of members and diversity of competencies, plays a crucial role in enhancing transparency, accountability, and corporate responsiveness to sustainability issues. This research has implications for companies, investors, and regulators to consider board characteristics as a strategic element in achieving sustainable governance and enhancing stakeholder trust. The limitations of this study include its sectoral scope, which is limited to the manufacturing industry and the Indonesian geographical context, so further studies are recommended to include other sectors and countries to broaden the generalization of the results.

Keywords: Board characteristics, Corporate governance, Non-financial disclosure

This thesis has already examined on August 7th, 2025 and approved by thesis advisor and thesis examiner:

Signature	1.	2.
Name	**Niki Lukviarman. Prof., Dr., S.E., MBA., Ak., CA**	**Sri Daryanti Zen, S.E., AK., C.A., M.B.A., PH.D.**

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Signature

Alumnae has already registered at Faculty/University and gets alumna's number:

	Staff of Faculty/University	
Alumna's Number at Faculty	Name:	Signature:
Alumna's Number at University	Name:	Signature:

LETTER OF STATEMENT

I am who undersign this letter hereby declare that the thesis entitled:

" BOARD CHARACTERISTICS, SUSTAINABLE CORPORATE GOVERNANCE AND NON-FINANCIAL DISCLOSURE PRACTICES",

is the result of my own work to obtain an academic degree in college and performed with the best of my knowledge, there is no work or opinions written or published by others, except those written in the text and mentioned in the bibliography. If in this thesis found plagiarism, I will receive a sanction given for the title that I get.

Padang, November 4th 2025

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