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The Impact of Characteristics, Independence, Diversity, and Activities of the Board of Director on the Sustainable Development Goals Disclosure

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Abstract: The role of the board of director is very important in disclosing the Sustainable Development Goals because most of the company's leadership with a higher number of directors, the existence of independent directors, directors with diversity, and an adequate number of board of director meetings can determine the company's sustainability strategy. This study aims to analyze the commitment of the board of director to Sustainable Development Goals disclosure in public companies by proving the influence of characteristics (size of the board of director), independence (proportion of independent directors), diversity (presence of female directors), and activity of the board of director (number of board of director meetings) on Sustainable Development Goals disclosure. This research is a quantitative research with documentation as data collection method. The sample of this research is a financial sector public company listed on the Indonesia Stock Exchange from 2019-2021. The data analysis method used in this study is multiple linear regression with the panel data approach. The results of this study are that there is a positive effect of the presence of directors at board of director meetings on the disclosure of Sustainable Development Goals which has been controlled by profitability and firm size. The results of other studies are that there is no effect of the size of the board of director, the proportion of independent directors, the presence of female directors, and the number of board of director meetings on the Sustainable Development Goals disclosure which have been controlled by profitability and firm size.

Keywords: Sustainable Development Goals Disclosure, Characteristics of the Board of director, Independence of the Board of director, Diversity of the Board of director, Activities of the Board of director

INTRODUCTION

The Sustainable Development Goals are a set of goals adopted by the 194 member states of the United Nations in 2015 as part of a new sustainability agenda to promote prosperity for all and protect the planet. The Sustainable Development Goals build on the success of the Millennium Development Goals with 17 goals and 169 indicators expected to be achieved over the next 15 years as a form of further effort to go further in ending all forms of poverty, fighting inequality, and tackling climate change. Each goal has a set of indicators. The Sustainable Development Goals are expected to accelerate innovation, increase economic growth and development on a wider and faster scale, and can generate many new jobs (World Business Council for Sustainable Development, 2017).

Recently, there has been a shift in views on the role of companies in supporting the economy from the traditional paradigm with the main goal of company operations in seeking profit for shareholders to a social paradigm that sees companies as profit-seeking global citizens with a positive environmental and social impact in mind. In carrying out social and environmental roles to support the achievement of the Sustainable Development Goals agenda, the private sector represented by the company together with the government sector must include elements of the Sustainable Development Goals in the company's strategy and followed by the implementation of the strategy (Farida, 2019).

The role of the board of director is very important in disclosing the Sustainable Development Goals because most of the company's leadership determines the company's sustainability strategy. The characteristics of the board of director influence how a company decides on a sustainability reporting strategy to provide better information to company stakeholders. Thus, the roles and responsibilities of the board of director are broader because they are not only responsible to the owner of the funds but also to various stakeholders (Sekarlangit & Wardhani, 2021). In addition, the role of women today in management or even on the company's board of director is also a concern for stakeholders and can be used as evidence that the company has provided equal opportunities for male and female workers to work and have a stake in building the future of the company in a better direction (Herawati, et al., 2021).

The characteristics of the board of director influence how companies decide on sustainability reporting strategies to provide better information to company stakeholders (Sekarlangit & Wardhani, 2021). The size of the board of director has a positive impact on the disclosure of Sustainable Development Goals because the presence of more members of the board of director provides more experience and expertise, so that the Sustainable Development Goals disclosure can be carried out properly. The presence of female directors is expected to provide added value to the company because women provide a lot of input and oversight of the implementation of the Sustainable Development Goals, thus providing added value to the company (Rao & Tilt, 2016a). The presence of female directors is important in ensuring the company's efforts to make good disclosures (Rao & Tilt, 2016b; Shaukat, et al., 2016). An adequate number of board of director meetings can help support the company's sustainable performance.

The results of the research shown by Farida (2019) showed that the presence of women on the board of director has no effect on the Sustainable Development Goals disclosure. Cicchiello, et al. (2021) proved in their research that gender diversity has a positive relationship with sustainability reporting and the involvement of external assurance. Sekarlangit & Wardhani (2021) in their research proved that there is a positive effect on the proportion of attendance of board of director meetings and the existence of a Corporate Social Responsibility committee on the Sustainable Development Goals disclosure and there is no effect on the size of the board of director, the proportion of independent directors, the presence of female directors, the presence of foreign directors, and the number board of director meeting on the Sustainable Development Goals disclosure. Setyawan & Wulandari (2021) stated that the presence of women on the board of director influences the Sustainable Development Goals disclosure. Singh, et al. (2021) in their research stated that there was a positive and insignificant effect of gender diversity on the board of director on Sustainability Development Goals.

This research is replicated from Sekarlangit & Wardhani (2021) by expanding the more recent research period from 2016-2017 to 2019-2021 and changing the research sample that focuses on banking public companies in Indonesia. This study aims to prove the role of the board of director in disclosing Sustainable Development Goals based on aspects of the Sustainable Development Goals disclosure by the company. In particular, this study proves the effect of size of the board of director, proportion of independent directors, existence of female directors, and number of board of director meetings on Sustainable Development Goals disclosure which is controlled by firm size and profitability.

LITERATURE REVIEW

Positive Accounting Theory

Agency theory states that agency relationships occur because of contracts or agreements between managers (agents) and investors (principals). There is a difference in interests between investors and managers when investors do not have the convenience to obtain the information they want related to the performance of managers causing information asymmetry because investors never know the efforts that have been made by managers in contributing to fulfilling investors' interests (Jensen & Meckling, 1976). Investors ultimately carry out a control mechanism to monitor manager performance, namely by asking managers to report that has been audited by external parties and voluntary disclosure through disclosure of corporate social responsibility or SDGs in annual reports or corporate sustainability reports (Farida, 2019).

Stakeholder Theory

Stakeholder theory defines stakeholders in an organization as a group or individual who can affect or be affected by the achievement of organizational goals. In stakeholder theory, managers must consider the interests of all company stakeholders. Stakeholders in question are not only shareholders but parties who can influence the company in achieving its goals or parties who can be influenced by the achievement of company goals such as creditors, the public, suppliers and others (Freeman, 1984).

Sustainable Development Goals

Sustainable Development Goals (SDGs) were proclaimed by the United Nations in 2015 in which there are 17 indicator items that are compiled and will be achieved by 2030. Sustainable Development Goals (SDGs) are structured to involve countries in fighting economic, social, and the environment, especially in overcoming the problems of poverty, social inequality and climate change. If all the achievements of the Sustainable Development Goals involve all elements of society who are expected to participate in achieving this goal, it is hoped that the environment and social can be better for people's lives (Farida, 2019).

Board of Director

The board of director is a company organ that is in charge and responsible for managing the company in accordance with the division of tasks and authority. The composition of the board of director must be such that it enables effective, precise and fast decision-making, and can act independently (KNKG, 2006). Directors must also have the level of professionalism, integrity, experience and skills required to carry out their duties. The board of director is responsible for managing the company so that it can generate profits and ensure the continuity of the company's business. The Directors are accountable for their management at the GMS in accordance with the applicable laws and regulations (Sari, 2019).

Diversity is the social, cultural, physical and environmental differences between people. Diversity of top management provides several advantages for companies, such as (1) increasing creativity because employee diversity can stimulate consideration of alternatives that are less clear, (2) improving decision making because homogeneous groups will tend to lead to groupthink, (3) increasing system flexibility because of diversity at different levels produce more openness to new ideas in general and greater tolerance in doing things in a different way, (4) the existence of management decisions with unique perspectives, creativity and other innovative approaches, (5) improve management oversight, (6) provide access to more constitutional and other external environmental resources, and (7) provide legitimacy for companies with internal and external constitutions (Carter, et al., 2007).

One of the changes in corporate governance is the opportunity for women to occupy leadership positions, namely on the company's board of director. In general, there is at least one female director on the board of director of a company listed on the Stock Exchange. In general, there is at least 1 female director on the board of director of a company listed on the Stock Exchange (Farida, 2019). An adequate number of board of director meetings is necessary to make effective strategic decisions related to the company's sustainability performance (Sekarlangit & Wardhani, 2021). Based on the Financial Services Authority Regulation Number 33/POJK.04/2014, the board of director is required to hold a meeting at least once a month which is attended by a majority of all members of the board of director (Financial Service Authority, 2014).

The Effect of the Size of Board of Director on the Sustainable Development Goals Disclosure

The high size of the board of director in giving directions, communicating, and making decisions becomes less effective with the possibility that the board of director is fully controlled by the CEO (Said, et al., 2009) Board members with foreign citizenship can bring new ideas, knowledge and expertise to help improve the effectiveness and efficiency of the company's operations even though the company must incur substantial costs to employ them (Sari, 2019). Based on stakeholder theory, an increasingly large board of director can consist of various stakeholder groups that can demand inclusivity from various factors in corporate sustainability reporting activities that are supported to improve the quality of corporate sustainability reports by disclosing Sustainable Development Goals (Rao, et al., 2012).

Ha_1: The size of the board of director has a positive influence on the Sustainable Development Goals disclosure.

The Effect of the Proportion of Independent Director on the Sustainable Development Goals Disclosure

According to agency theory, the board of director can reduce agency costs by providing oversight of policies made by management (Hu & Loh, 2018). This is due to the lack of material ties that the directors have in fulfilling their duties and responsibilities as company leaders which causes the directors to be required to carry out their duties to fulfill the interests of shareholders in the long term (Sekarlangit & Wardhani, 2021). Based on stakeholder theory, independent directors can improve the governance mechanism for independent directors to support the improvement of company performance in the economic, environmental and social aspects of the company in the long term which can affect the improvement of sustainability performance (Rao, et al., 2012).

Ha_2: The proportion of independent directors has a positive influence on the Sustainable Development Goals disclosure.

The Effect of the Presence of Women Directors on the Sustainable Development Goals Disclosure

The sustainable development goals provide a framework for analyzing business risks and opportunities to create long-term corporate value. With the board of director' awareness of

developing knowledge of the Sustainable Development Goals, it is hoped that the Sustainable Development Goals will become an integral part of the company's business strategy. One of the changes in corporate governance is the opportunity for women to occupy leadership positions, namely on the company's board of director. In general, there is at least one female director on the board of director of a company listed on the Stock Exchange (Farida, 2019).
Ha_3: The presence of female directors has a positive influence on the Sustainable Development Goals disclosure.

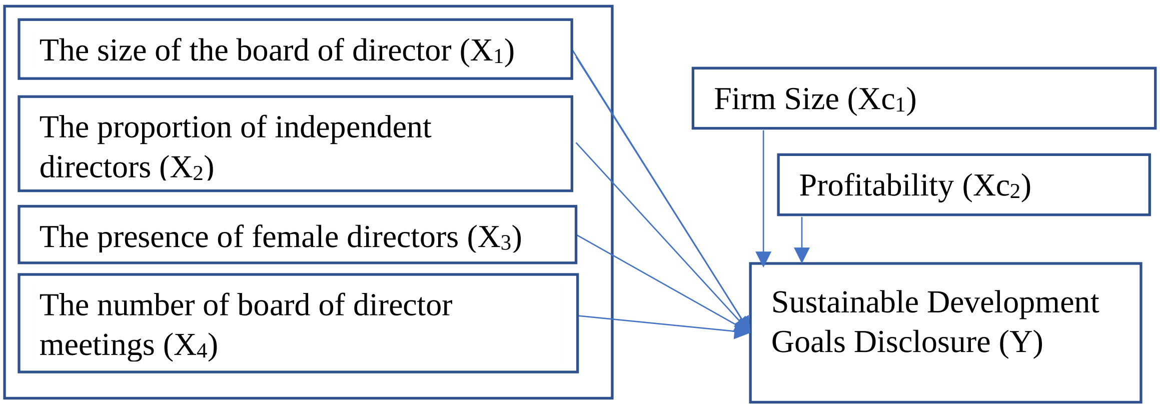
The Effect of the Number of Board of Director Meetings on the Sustainable Development Goals Disclosure

The most common problem limiting the effective performance of boards of directors is the lack of time allocated by directors to carry out their duties of directing and communicating information to middle and lower levels of management. An adequate number of board of director meetings is necessary to make effective strategic decisions related to the company's performance (Sekarlangit & Wardhani, 2021). Based on the Financial Services Authority No. 33/POJK.04/2014, the board of director is required to hold a meeting at least once a month by a majority of all members of the board of director (Financial Services Authority, 2014)
Ha_4: The number of board of director meetings has a positive influence on the Sustainable Development Goals disclosure.

Research Model

The following is the research model to determine the effect of the size of board of director that represents characteristic of board of director, the proportion of independent directors that represent independence of board of director, the presence of female director that represent diversity of board of director, and the number of board of director meetings that represent activity of board of director to Sustainable Development Goals disclosure.

Figure 1. Research Model



METHODS

The research object in this study is the disclosure of Sustainable Development Goals and internal corporate governance mechanisms which are described based on the characteristics, independence, diversity, and activities of the board of director. The subject of this research is a public company listed on the Indonesia Stock Exchange. The population of this study are all public companies in financial sector that had been listed in the Indonesia Stock Exchange. The sample of this study is all public companies in banking subsector that had been listed on the Indonesia Stock Exchange. The sample of this study was determined by purposive sampling method with criteria such as (1) all banking companies that listed in Indonesia Stock Exchange consistently from 2019-2021, (2) all banking companies that published all the data that needed to be collected in this study. The total samples used in this study after we used criteria to select samples were amounted of 117 data from 39 banks of 42 banks in three years period from 2019-2021.

The dependent variable used in this study is the Sustainable Development Goals disclosure. The independent variables used in this study are the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), and activity activity of the board of director (number of board of director meetings). The control variables used in this study are firm size and profitability. The following is the operationalization of the variables used in this study.

Table 1. Variable Operationalization

Variable	Indicator	Measurement	Scale
Sustainable Development Goals disclosure	SDG Compass is based on the target of achieving 17 SDGs indicators	A score of 1 is given if the company discloses the SDGs in the reporting period and a score of 0 is given if the company does not disclose SDGs in the reporting period. The score of each SDG indicator disclosure target is then added up to a total of 17 targets. Furthermore, the total disclosure score is then divided by 17.	Ratio
Board of director size	Number of members of the board of director	The number of members who are members of the company's board of director in the reporting period	
The proportion of independent directors	Percentage of independent directors	Proportion of the number of independent directors to the total number of directors on the board of director	
Presence of female directors	Is there a female director or not	A score of 1 is given if there is at least 1 female director on the board of director and a score of 0 is given if there is no female director on the board of director	Nominal
Number of board director meetings	The number of meetings held by the directors	Number of meetings held by the company's board of director in a year	Ratio
Firm size	Total asset	Natural logarithm of total aset	
Profitability	Return on Assets	Return on Assets = Net Income / Total Assets	

Source: Amin & Sunarjanto (2016), Ahmad, et al. (2017), Farida (2019), Herawaty, et al. (2021), Sekarlangit &Wardhani (2021)

Research data were analyzed using a quantitative approach to explain the effect of the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), and activity of the board of director (number of board of director meetings) on Sustainable Development Goals disclosure which is controlled by firm size and profitability, Prior to the partial testing, a normality test and a classical assumption test were performed which consisted of multicollinearity, heteroscedasticity, and autocorrelation tests. Descriptive statistics are used to provide an overview or describe data in known variables based on the average (mean), minimum, maximum and standard deviation values. The coefficient of determination is used to measure how far the model's ability to describe the variation of the independent variables. Partial tests were carried out to show how far the influence of the independent variables individually explains the variation in the dependent variable (Ghozali, 2016).

The technique used in this study is multiple linear regression analysis. The multiple regression model is a regression model consisting of more than one independent variable which is used to determine the relationship between several independent variables and the dependent variable. The following is the regression model equation which will be estimated using multiple linear regression analysis.

SDGD = a + b_1 DIR.SIZE + b_2 DIR.IND + b_3 DIR.FEMALE + b_4 DIR.MEETING + b_5 SIZE + b_6 ROA + e

a = Constant

SDGD = Sustainable Development Goals Disclosure

DIR.SIZE = Size of the Board of director

DIR.IND = Proportion of Independent Directors

DIR.FEMALE = Presence of Female Directors

DIR.MEETING = Number of Board of director Meetings

SIZE = Firm Size

ROA = Profitability (Return on Assets)

$b_1 – b_6$ = Regression Coefficient

e = Errors

RESULT AND DISCUSSION

Result

Descriptive Statistics

The results of descriptive statistics based on minimum, maximum, mean, and standard deviation values can be explained in table 2 below.

Table 2. Descriptive Statistics Test Results

	Minimum	Maximum	Mean	Std. Deviation
Sustainable Development Goals Disclosure	0	1	0.3725	0.3107
Board of director size	3	13	7	3
Proportion of independent directors	0	1	0.01	0.055
Number of board of director meetings	6	105	36	23
Existence of female directors	0	1	0.51	0.506
Firm size	27.9095	35.0564	31.7462	23.383
Profitability	0.0011	0.0838	0.0172	0.0163

The companies with the highest Sustainable Development Goals disclosure are PT. Bank Negara Indonesia (Persero) Tbk and PT Bank Rakyat Indonesia (Persero) Tbk. Some banking companies do not disclose Sustainable Development Goals disclosure in their annual report and or sustainability report because Sustainable Development Goals disclosure wasn’t required as mandatory disclosure and banking sector had been directed to begin financial inclusion by supporting the government in financial sector for achieving 17 Sustainable Development Goals until 2025. The average rate of Sustainable Development Goals disclosure was 37.25% of the total 17 indicators, which have resulted that the companies had more consideration to support efforts of the government related to avoid the climate change and achieve SDGs. The average value (mean) of Sustainable Development Goals disclosure is higher than the standard deviation value, so it can be interpreted that the average value (mean) of Sustainable Development Goals disclosure can represent the overall data.

The company with the highest board of director size is PT. Bank Rakyat Indonesia (Persero) Tbk during 2019. The companies with the least board of director size are amounted only three members in PT. Bank Artos Indonesia and PT. BPD Banten Tbk during 2019. All banking companies have been maintained the minimum three members such as two directors and one president director. The average amount of board of director size was seven person (more than required) and have been appointed in General Meeting of Shareholders along with commissioners. The average value (mean) of board of director size is higher than the standard deviation value, so it can be interpreted that the average value (mean) of board of director size can represent the overall data.

The companies with the highest proportion of independent directors are PT. Bank Artos Indonesia Tbk and PT. Bank Central Asia Tbk during 2019. The average proportion of independent directors was zero because almost all of the banking companies didn't have independent director as member in board of director. This happened because no requirement of member of independent director that has been filled as member in board of director in the code of corporate governance or banking regulation until now. The average value (mean) of proportion of independent directors is higher than the standard deviation value, so it can be interpreted that the average value (mean) of proportion of independent directors can represent the overall data.

The companies that had female directors especially have minimum one female director as member of board of director. But overall, from all the member of board of directors, the role of female gender to fulfill the position as director is still relatively small compare than male directors. This happened because no requirement of portion of female director that has been filled as member in board of director in the code of corporate governance or banking regulation until now. The average value (mean) of the existence of female directors is higher than the standard deviation value, so it can be interpreted that the average value (mean) of the existence of female directors can represent the overall data.

The company with the highest total asset as firm size indicator is PT. Bank Rakyat Indonesia (Persero) Tbk during 2021 with the total amount of assets of 1.678.097.734 million rupiahs. The company with the lowest total asset as firm size indicator is PT. Bank Artos Indonesia (Persero) during 2019 with the total amount of assets of 1.321.057.201.505 rupiahs. The average value (mean) of firm size that was represented by total asset is 61.263.172.288.303 rupiahs. The average value (mean) of firm size is higher than the standard deviation value, so it can be interpreted that the average value (mean) of firm size can represent the overall data.

The company with the highest positive Return on Asset as profitability indicator is PT. Bank Mestika Dharma Tbk during 2021. The companies with the lowest positive Return on Asset as profitability indicator are PT. Bank Rakyat Indonesia Agroniaga Tbk during 2020. The average value (mean) of profitability that was represented by Return on Asset can be calculated around one untul two percents. This percentage was fair for banking companies during the slower period of interest rate offering and credit restructurisation that reduced banking profit during COVID-19. The average value (mean) of profitability is higher than the standard deviation value, so it can be interpreted that the average value (mean) of profitability can represent the overall data.

Classic Assumption Tests

The normality test results with the Kolmogorov-Smirnov test showed a sig. value of 0.200 that above 0.1. Thus, the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity of the board of director (number of board of director meetings), firm size, and profitability have a normal distribution. The results of the multicollinearity test show that in the regression model, there is no correlation between the independent variables used in this study, such the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity of the board of director (number of board of director meetings), firm size, and profitability. It can be seen from the VIF value of each independent variable which is smaller than ten, and the tolerance value is more significant than 0.1. Therefore, the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity board of director (number of board of director meetings), firm size, and profitability do not have multicollinearity problems.

The results of the heteroscedasticity test show that the characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity board of director (number of board of director meetings), firm size, and profitability do not experience heteroscedasticity problems and can be used in research. The results of the autocorrelation test show that the residual data has a sig. value of 0.221 which means the sig. value was obtained above 0.1. It means that Ho cannot be rejected, indicating no autocorrelation characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity of the board of director (number of board of director meetings), firm size, and profitability with absolute residual value. These results indicate that the regression model is free from autocorrelation problems and can be used in research.

Coefficient of Determination Test

The results of the coefficient determination test can be explained in table 3 below.

Table 3. Coefficient of Determination Test Result

R	Adjusted R-Square
0.909	0.773

Based on table 3, it can be seen that the R-value is 0.909, so the relationship between the independent and dependent variables is 90.9%. From this R-value, it can be concluded that the relationship between characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity board of director (number of board of director meetings), firm size, and profitability on the Sustainable Development Goals disclosure is strong because the R-value is higher than 0.5. Adjusted R Square value of 0.773 means that the contribution between characteristics of the board of director (board of director size), independence of the board of director (proportion of independent directors), diversity of the board of director (presence of female directors), activity board of director (number of board of director meetings), firm size, and profitability on the Sustainable Development Goals disclosure is 77.3%. In contrast, the remaining 22.7% is explained by other variables not included in this research model.

Hypothesis Test

The results of the hypothesis-test in table 4 to prove the effect of the effect of board of director size, proportion of independent directors, existence of female directors, and number of board of director meetings on Sustainable Development Goals disclosure which is controlled by firm size and profitability as follows.

Table 4. Hypothesis Test Results

Variables	Coefficients	Sig.
Constant	-1.265	0.524
Board of director size	0.081	0.084

Proportion of independent directors	-4.255	0.113
Existence of female directors	-0.010	0.939
Number of board of director meetings	0.006	0.081
Firm size	0.026	0.719
Profitability	0.093	0.975

The form of the regression equation used in this study is as follows.

$SDGD = a + b_1\ DIR.SIZE + b_2\ DIR.IND + b_3\ DIR.FEMALE + b_4\ DIR.MEETING + b_5\ SIZE + b_6\ ROA + e$

$SDGD = -1.265 + 0.081\ DIR.SIZE - 4.255\ DIR.IND - 0.010\ DIR.FEMALE + 0.006\ DIR.MEETING + 0.026\ SIZE + 0.093\ ROA + e$

The board of director size shows the sig. value of 0.084 which is lower than the significance value of 0.05 and positive regression coefficient of 0.081. These results indicate that Ha_1 is accepted, so the board of director size has positive effect the Sustainable Development Goals disclosure. The proportion of independent directors shows the sig. value of 0.113 which is higher than the significance value of 0.1 and negative regression coefficient of -4.255. These results indicate that Ha_2 is rejected, so proportion of independent directors doesn't affect the Sustainable Development Goals disclosure. The existence of female directors shows the sig. 0.939 which is more than the significance value of 0.1 and a negative regression coefficient of 0.010. These results indicate that Ha_3 is rejected, so the existence of female directors doesn't affect the Sustainable Development Goals disclosure.

The number of board of director meetings shows the sig. 0.081 which is lower than the significance value of 0.1 and a positive regression coefficient of 0.006. These results indicate that Ha_4 is accepted, so number of board of director meetings doesn't affect Sustainable Development Goals disclosure. The firm size shows the sig. 0.719 which is more than the significance value of 0.1 and a positive regression coefficient of 0.026. These results indicate that firm size doesn’t affect Sustainable Development Goals disclosure. The profitability shows the sig. 0.975 which is more than the significance value of 0.1 and a positive regression coefficient of 0.093. These results indicate that profitability doesn’t affect Sustainable Development Goals disclosure.

Discussion

The Effect of the Size of Board of Director on the Sustainable Development Goals Disclosure

This research result accepted first alternative hypothesis (Ha_1) that stated there was positive effect of the board of director size on Sustainable Development Goals disclosure. This research aligns with the study conducted by Fuente, et al. (2019) and Mahmood & Orazalin (2017), which shows that the board of director size affect positively to Sustainable Development Goals disclosure. This research is not in line with the research undertaken by Rao, et al. (2012), which shows that board of director size didn’t affect Sustainable Development Goals disclosure. The larger number of boards will increase stakeholder engagement and improve the level of disclosures concerning the Sustainable Development Goals.

The Effect of Proportion of Independent Directors on the Sustainable Development Goals Disclosure

This research result rejected second alternative hypothesis (Ha_2) that stated there was no effect of proportion of independent directors on Sustainable Development Goals disclosure. The research result is not in line with Mahmood & Orazalin (2017) which states that the existence of independent directors has no effect to the quality of sustainability reports. The results of this study are in line with the results of research from Amran, et al. (2014), which states that independent directors didn't have significant effect to sustainability reporting. It shows that independent directors were not very concerned about non-financial reporting, especially in.

countries with a traditional economy where company information was still based on reporting financial information. Other reasons that can affect this result is there was no requirement to fulfill the existence of independent directors in board of director that resulting in a lack of roles for independent directors to make decision independently without internal company's influence as external parties in the company.

The Effect of the Existence of Female Directors on the Sustainable Development Goals Disclosure

This research result rejected third alternative hypothesis (Ha3) that stated there was no effect of the existence of female directors on Sustainable Development Goals disclosure. The results of this study are inconsistent with the results of research conducted by Shamil et al. (2014), Fuente, et al. (2017), and Mahmood & Orazalin (2017) which found that there was positive effect of the female directors to Sustainable Development Goals disclosure. The reason that can explain the results of this study is that the diversity of directors especially in which sex is included such as female gender do nothing related to the strategic decisions making. This related to phenomenon in Indonesia where leader in male gender has dominant portion to fulfill the role position as director in board of director. So, the female directors in sample companies with small portion compare than male director cannot prioritize the company's moral legitimacy to encourage disclosures of Sustainable Development Goals.

The Effect of the Number of Board of Director Meetings on the Sustainable Development Goals Disclosure

This research result accepted forth alternative hypothesis (Ha_4) that stated there was positive effect of the number of board of director meetings on Sustainable Development Goals disclosure. This research aligns with the study conducted by Hu & Loh (2018), which shows that the board of director size affect positively to Sustainable Development Goals disclosure. The board of director meeting can represent the time capacity possessed by the directors to make decision that influence the operation of the company. The sufficient frequency of board of director meetings is required in order to make effective decisions, where one of the decisions might be about Sustainability Development Goals disclosures.

The Effect of the Firm Size and Profitability on the Sustainable Development Goals Disclosure

The control variables used in this study such as firm size and profitability don't affect the Sustainable Development Goals disclosure. It indicates that the higher the company's profitability and assets that owned by the companies don't affect the companies to encourage disclosure of Sustainable Development Goals as non-financial reporting. There was argument that the companies are not required to do Sustainable Development Goals disclosure because there was no requirement in the banking regulatory related to this and the government only ask banking companies to do initiatives to support financial inclusivity of stakeholders to do the activities that supports the government to achieve Sustainable Development Goals.

CONCLUSION

Environmental performance does not affect corporate environmental disclosure. The results show that the company's high or low environmental performance did not impact corporate environmental disclosure. Female commissioners do not affect corporate environmental disclosure. The study results indicate that the more significant or lower amount of commissioner members in the commissioner's board didn't give anything meaningful to incorporate environmental disclosure. On the other hand, the female audit committee influences corporate environmental disclosure positively. The study results indicate that the number of female members in audit committees within the company can increase the quality of corporate environmental disclosure. Corporate visibility does not affect corporate environmental disclosure. The results showed that the higher the company's corporate visibility, it didn't involve increasing or decreasing its corporate environmental disclosure.

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