Do Women on Board, Institutional Ownership, and Governance Committee Relate to Environmental, Social, Governance (ESG) Disclosure?

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Abstract. The ever-increasing market demand for transparency of performance information and company policies regarding the disclosure of Environmental, Social, and Governance (ESG) practices encourages shareholders to use ESG in assessing the quality of company management. This study aims to examine the influence of women on board, governance committee, institutional ownership, firm age, and firm size on ESG disclosure. The population of this study is state-owned enterprises listed on Indonesia Stock Exchange (IDX) during the period of 2018–2020. The applied sampling technique was purposive sampling. This study used linear regression analysis with STATA software. The results of this study indicated that women on board have an influence on ESG disclosure, governance committee has no influence on ESG disclosure, institutional ownership has positive influence on ESG disclosure, firm age has negative effects on ESG disclosure, and firm size has negative effects on ESG disclosure.

Keywords: ESG Disclosure · Women on Board · Governance Committee · Institutional Ownership · Firm Age · Firm Size

1 Introduction

Nowadays, companies are faced with increasing market demand for transparency of performance information and company policies regarding the disclosure of Environmental, Social, and Governance (ESG) [9]. The demand encourages shareholders to use ESG as a proxy in assessing the quality of company management. This can be seen in the significant increase in the number of companies disclosing this information and the rise of sustainability issues in recent years [20]. This condition shows that the transparency of ESG information is not only based on market demand but is also accompanied by the company's willingness to meet the demand. However, despite public attention to this increase, one question arises, i.e., the company's motive to disclose ESG information.

Corporate governance is believed to be a factor that encourages the transparency of corporate information [32, 33]. Corporate governance can be implemented appropriately with the presence of a board that plays an essential role in a company [4, 10, 28].

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In 2014, Financial Services Authority (*Otoritas Jasa Keuangan*/OJK) issued a road map of Indonesian corporate governance for business entities in the form of a limited liability company with a two-tier board system. In this system, the company is required to have two boards in its corporate structure, i.e., the board of commissioners (BoC) and the board of directors (BoD). The company's entire board represents shareholders who function as supervisors, evaluators, and advisors to ensure that the company's management can maximize returns for shareholders. Additionally, diversity in a company's board can encourage more comprehensive and objective decision-making because it is based on various perspectives and interests. This diversity can be seen in terms of age, background (ethnicity, education, expertise), race, and gender.

An interesting part of diversity in the composition of a company's board is gender, particularly women. The presence of women in the composition of a company's board is believed to change both the work method and perspective of the directors. The representation of women on a company's board is still a public concern due to the prevailing assumption that men have sufficient ability and quality to lead compared to women from several countries. Previous research concluded that the presence of three women as directors would change the work method within the BoD. It also shows that women's voices, ideas, and perspectives will be heard more in the BoD. Therefore, a great deal of change can be seen in the company [16, 17].

In Indonesia, there are rules regulating gender equality. The rules are manifested in Presidential Instruction No. 9 of 2000 (kemenpppa.go.id) on gender mainstreaming, hoping that gender perspectives can be integrated into national development and Law no. 7 of 1984 on eliminating all forms of gender discrimination. In addition to Indonesia, the Malaysian government in 2011 required the public sector to designate 30% of the positions in the company's BoD to be held by women. Similarly, Spain has issued a policy on the quotas for female members on corporate boards. Those rules are made to lessen discrimination against women in the company. [19] stated that in 2011, France established The Law of Zimmerman to require companies to designate a 40% members quota to be occupied by women.

Gender diversity is believed to influence the disclosure of ESG information. [30] succeeded in proving that there is a positive relationship between board gender diversity (assumed by the presence of women in the company) on the company's ESG performance. In addition, [7] prove a positive relationship between women on board and ESG disclosure. This is also proven that women in the company's BoD influence the company's ESG performance for the better [25]. However, [8] stated that the presence of women on a company's board negatively influences ESG disclosure. Similarly, [24] stated that the presence of women on company's board has a negative influence. It is often found that gender diversity indirectly influences various measurements of company performance [2]. Therefore, other factors are required to support the relationship between women on board and the company's ESG disclosure. This is the reason behind the use of other influential variables, i.e., institutional ownership and governance committee, as well as firm size and firm age as the variable control, in this study. The presence of institutional ownership in a company will encourage a change in the role to improve the disclosure of company information. The governance committee also has a positive relationship with the disclosure of corporate ESG information [3, 8]. According to [22], the size and age of the company have a positive influence on the company's ESG. This proves that a large company's size and age will generate a better company's ESG.

Based on previous research, it can be concluded that the presence of women can influence the company's ESG. Although this topic is interesting to be analyzed, studies about this topic are still rare, and many inconsistencies are found in such a limited number of studies. More studies are found on the topic of the influence of women on board on company value and performance. This study is expected to increase not only public awareness of gender equality in companies but also company awareness that ESG disclosure is a corporate communication tool to reveal the contribution of sustainable development. ESG can also be used to consider whether state-owned enterprises (SOEs) in Indonesia have properly carried out business practices by taking into account the environment, social, and governance in their business practices. This study provides empirical evidence on whether women on board, institutional ownership, and governance committees influence ESG disclosure in SOEs listed on the Indonesia Stock Exchange. The difference between this study and previous research lies in the sample of companies. SOEs are used in this study because they are still rarely used in previous research. This study will become a benchmark for SOEs at the forefront in enforcing gender diversity in the company's board to be followed by other companies in Indonesia.

2 Literature Review

2.1 Critical Mass Theory

Period has passed, the interactions within a group will change, and the substantive behavior involved in the group will emerge. In general, when a minority group has reached a critical period, its members will change to be more assertive to achieve common interests in order that this change displays a more distinctive behavior [15]. This theory is widely applied in social science research and is very compatible to be applied in a variety of research. Before a minority group reaches its critical period, it will not show a behavioral change. Instead, they tend to adapt their behavior to a majority group.

This theory also explains that gender diversity will be positive when the representation of women in a group is fulfilled. Several studies have shown that to achieve good corporate performance, a company must have high diversity, a minimum of 30% female representation, or at least three women on the company's board [14, 29]. Another research conducted by [1] suggests that the critical period experienced by a group does not exceed 50%. Another research also states that the critical period for women in a company will be passed when three women are on the company's board. The research interviewed fifty women on the company's boards. The result indicates that when the company has three women on the company's board, there will be a change in the company's work method. This increases the likelihood for women's opinions to be heard in the dynamics of the company [16, 17].

2.2 Environmental, Social, Governance (ESG)

ESG has three factors in assessing a company's sustainability, i.e., environmental, social, and governance. Disclosure of this information affects the company's performance and sustainability in the future. Environmental performance can be seen from disclosure or measurement, reporting of activities that cause environmental damage, business permits, use of renewable energy, depletion of natural resources, disposal of the generated waste, and use of hazardous chemicals. Social performance can be seen in social welfare in the company that can cause social risks such as labor wages, political contributions and risks, sexual harassment, and slavery. Governance performance can be seen in relationships with stakeholders, stakeholder rights, authority arrangements for directors, managers, shareholders, and other parties [31]. It can be concluded that the indicators in ESG reveal more about the company's non-financial data as an evaluation of the company's capability to manage and minimize risk [11].

In a research conducted by [27], it is stated that the responsibility for environmental management by the company will be an added value for stakeholders in the company. This increasing demand for ESG has given rise to several world institutions, one of which is the Global Reporting Initiative (GRI) [21]. In Indonesia, there are already regulations regarding the disclosure of corporate sustainability, namely Law No. 40 of 2007 on limited liability companies. Article 66, paragraph 2 point c of the law states that the annual report must contain at least a report on the implementation of social and environmental responsibilities. Furthermore, Article 74 paragraph 1 states that companies in the field of natural resources are obliged to perform social and environmental responsibilities. Regarding the preparation of reports, Indonesian Accounting Standard (*Pernyataan Standar Akuntansi Keuangan*/PSAK) 1 states that companies can present environmental reports separately from their financial statements. In 2017, OJK issued Rule No. 51/POJK.03/2017on the implementation of sustainable finance for financial service institutions, issuers, and public companies. This rule contains procedures for disclosure, sanctions for not publishing the report.

2.3 Women on Board and Environmental, Social, and Governance (ESG) Disclosure

Women on Board are female representatives who serve as board members in a company. The composition of the Board's company is an important factor in company management to influence ESG [34]. Compared to men, women are quite different in their leadership style, career path, and company needs priority when appointed as board members of a company [12]. In addition, women's experiences and interests tend to be oriented to social, welfare, and environmental purposes. Among men, their experience and interest tend to be oriented toward financial goals. Therefore, background, psychological characteristics, and experiences influence them in making decisions that impact the ESG and stakeholders to avoid the risk of information asymmetry [23, 35].

Women on Board have different perspectives and opinions from men [6]. With such differences, the company's Board can create a new environment atmosphere in the form of ideas and strategies for the company. Moreover, the perspectives and opinions of women on the Board can facilitate companies to make strategic decisions; one of them is to improve ESG [18]. Previous research on women on Board supported the idea that women's participation in the company's board positively influences the disclosure of corporate ESG information [7, 30, 34]. It can be concluded that the presence of women on the Board in a company tends to encourage it to be more active in implementing and disclosing ESG in its annual report. Furthermore, the representation of women will empower corporate governance and has a high probability of improving the company's ESG disclosure. Therefore, the formulation of the hypothesis is as follows:

H1: Women on board influences environmental, social, and governance (ESG) disclosure

2.4 Governance Committee and Environmental, Social, and Governance (ESG) Disclosure

Having a committee dedicated to governance is likely to be an important factor in monitoring, controlling, and assisting the board in relation to the company's business responsibilities and activities [3]. The committee can provide added value for the company by demonstrating stakeholders' interests by enhancing the company's business focus in response to social issues. This committee is also established to monitor company compliance with the applicable social responsibility regulations. The board can also design and implement a corporate social responsibility program through this committee. This committee can enhance stakeholder participation in company culture and ensure that the prevailing risks are adequately assessed and addressed [8].

Such a committee is viewed as an important mechanism for the company to maximize development opportunities. The establishment of this committee by a company indicates not only its commitment to stakeholders with regard to social responsibility, but also motivation for sustainability as the company's long-term strategy. It is expected that this committee can promote and monitor the company's annual activities and sustainability report in a more effective way. Hence, the hypotheses is formulated as follows:

H2: Governance committee influences environmental, social, and governance (ESG) disclosure

2.5 Institutional Ownership and Environmental, Social, and Governance (ESG) Disclosure

Institutional ownership is share ownership in various institutions, such as foundations, banks, retirement institutions, limited liability companies, and others [26]. An institution is usually capable of controlling majority shares because it is considered to have many resources, and it can monitor management policies more strictly than other shareholders. Nowadays, many companies are held by shareholders coming from institutions. Numerous shareholders of the sort encourage various research bodies to be conducted to discover the impact and influence of institutional shareholders on the company. Institutional shareholders play an important role in company governance. This role affects other shareholders to leave their passive roles and start being active in making company management decisions and seeking to minimize agency conflicts between the management and shareholders.

However, not all opinions from institutional shareholders are in line with the company's goals. This can affect company performance, among which is to limit ESG disclosure. In order to prevent it, a new perspective is required among shareholders in the hope that they can take an active role in growing their wealth. Several previous research bodies have discovered that institutional shareholders can alter their vision and commitment to ESG disclosure. As the number of institutional shareholders increases, decision-making will be more inclined towards a long-term vision for the company. When ESG disclosure in the long term provides positive value for the company and other shareholders, they will enhance ESG. Hence, the hypotheses is formulated as follows:

H3: Institutional ownership influences environmental, social, and governance (ESG) disclosure

3 Research Methods

This study applies quantitative research method. It also uses hypothesis testing, which aims to analyze, identify, describe, and obtain empirical evidence from two or more variables used in it. The applied research framework provides an overview of the relationship between independent variable (i.e. women on board) which influences dependent variable (i.e. Environmental, Social, and Governance Disclosure (ESGD) (Fig. 1).

3.1 Population, Sample, and Methods of Collecting Data

Population of this study is public companies listed on IDX, with SOEs for the period of 2018–2020 as the samples. The data used in this study are secondary data that can be accessed from the IDX and the enterprises' official websites. Purposive sampling method was used to collect samples, with sample selection criteria and processes can be seen in Table 1.

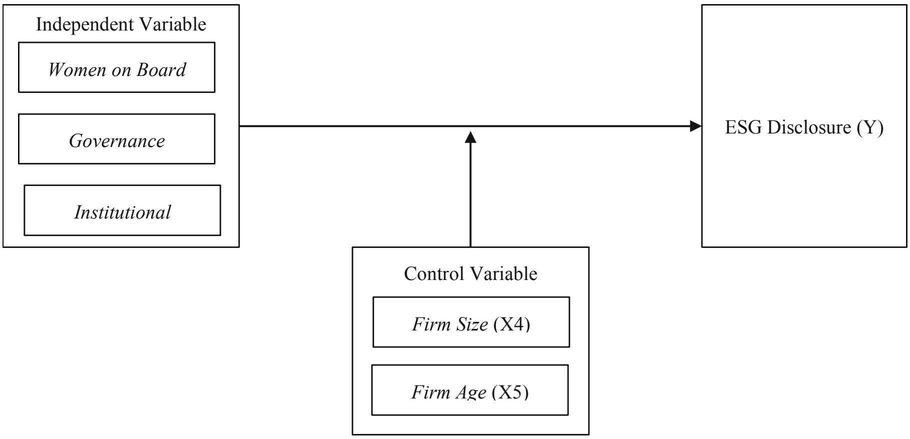

Fig. 1. Research Framework

Table 1. Research Sample Selection

No.	Criteria	Total
1.	State-owned Enterprises listed on IDX	22
2.	State-owned companies that failed to publish comprehensive annual report during 2018–2020	(0)
3.	State-owned companies that failed to publish sustainability report during 2018–2020	(4)
4.	State-owned companies whose financial reports use currency other than rupiah	(3)
5.	State-owned companies that meet the criteria	15

Table 2. ESG Value Indicator

Dimension	Indicator	Total
Environment	Materials, Energy, Water & Effluents, Biodiversity, Emission, Waste, Environmental, Supplier Environmental Assessment	32
Social	Employment, Labor Management, Occupational Health and Safety, Training and Education, Diversity and Equal Opportunity, Non-Discrimination, Freedom of Association, Child Labor, Forced and Compulsory Labor, Security Practices, Right of Indigenous People, Human Right Assessment, Local Communities, Supplier Social Assessment, Public Policy, Customer Health and Safety, Marketing and Labeling, Customer Privacy, Socioeconomic Compliance	40
Governance	Procurement Practice, Anti-Corruption, Anti-Competitive Behavior, Tax	9

3.2 Definition of Operational and Measurement Variables

3.2.1 Dependent Variable (Environmental, Social, and Governance Disclosure)

In this research, ESG is used as dependent variable. ESG values are determined using sustainability reports from each sample company. ESG values are measured by three available indicators, i.e. environment, social, and governance based on disclosure guidance issued by GRI (Table 2).

3.2.2 Independent Variables (Women on Board, Governance Committee, Institutional Ownership) and Control Variables (Firm Size and Firm Age)

Independent variables of this study are women on board, governance committee, and institutional ownership, with a high possibility of influencing the disclosure of ESG information. Among the variables, governance committee and institutional ownership are still rarely used in researches related to ESG.

Companies with massive assets are believed to be more dedicated to conducting social and environmental projects; hence asset size is used as the control variable in this study to discover its influence on ESG [3, 13]. Furthermore, firm age is used as a

Table 3. Variable Measurement

Variable	Definition	Measurement
Dependent Variable		
ESG Score	ESG Disclosure Score	Assessed using three indicators (environmental, social, governance) with measurement guide by GRI
Independent Variable		
WOB	*Women on Board*	$\frac{\text{Number of female directors on board}}{\text{Total BoD in the company}}$
GCOM	*Governance Committee*	Score 1, if the company has Governance Committee. Score 0, if the company does not have Governance Committee.
INSTO	*Institutional ownership*	$\frac{\text{Number of institutional share}}{\text{Number of outstanding share}}$
Control Variable		
SIZE	*Firm Size*	Logarithm of company's total asset
AGE	*Firm age*	The number of years since company establishment

control variable based on the research conducted by [5], which proposes that the age of the company has a positive influence on company values and governance (Table 3).

3.3 Methods of Data Analysis

The analysis applied in this study is regression analysis which will be processed using STATA 17 software, with study model as follows:

$$ESG\ Score = \alpha + \beta_1 WOB + \beta_2 GOVCOM + \beta_3 INSTO + \beta_4 FSIZE + \beta_5 FA + \varepsilon t$$

Description:

α	*intercept*
β_1WOB	Coefficient of women on board
$\beta_2 GOVCOM$	Coefficient of governance committee
$\beta_3 INSTO$	Coefficient of institutional ownership
$\beta_4 FSIZE$	Coefficient of firm size
$\beta_5 FA$	Coefficient of firm age
εt	*error*

4 Result and Discussion

4.1 Descriptive Statistics

Applied in this study is descriptive statistics to provide overview of the data and explanation regarding the characteristics of each variable. Environmental, Social, and Governance Disclosure is Y, Women on Board is X1, Institutional Ownership is X2, Governance Committee is X3, Firm Age is X4, and Firm Size is X5. Descriptive statistics

Table 4. Descriptive Statistics Result

Variable	Obs	Mean	Std. Dev.	Min	Max
ESGD	45	0.2814815	0.1614321	0	0.7283951
WOB	45	0.0542876	0.0776599	0	0.25
INSTO	45	0.3514289	0.3188283	0.648873	0.9713958
GCOM	45	0.6666667	0.4767313	0	1
AGE	45	76.73333	43.80452	20	203
SIZE	45	10.09828	2.267467	7.161898	14.09479

Source: Data processing result from STATA (2021)

Table 5. Shapiro-Wilk Test Result

Shapiro-Wilk W test for normal data					
Variable	Obs	W	V	z	Prob > z
res	45	0.98222	0.770	−0.554	0.71009

Source: Data processing result from STATA (2021)

data comprises of the number of observation, average value, standard deviation, and minimum-maximum value.

Based on the Table 4, the number of observations of each variable is 45. For ESGD variable (Y), the average value is 0.2814815, standard deviation is 0.1614321, with minimum value 0 and maximum value 0.7283951. For WOB variable (X1), the average value is 0.0542876, standard deviation is 0.0776599, with minimum value of 0 and maximum value of 0.25. For INSTO variable (X3), the average value is 0.3514289, standard deviation is 0.3188283, with minimum value of 0.648873 and maximum value of 0.9713958. For GCOM variable (X4), the average value is 0.6666667, standard deviation is 0.4767313, with minimum value of 0 and maximum value of 1. For AGE variable (X5), the average value is 76.73333, standard deviation is 43.80452, with minimum value of 20 and maximum value of 203. For SIZE variable (X6), the average value is 10.09828, standard deviation is 2.267467, with minimum value of 7.161898 and maximum value of 14.09479.

4.2 Classic Assumption Test

4.2.1 Normality Test

In this study, normality is tested using statistical analysis with Shapiro-Wilk test. Table 5 presents the result of Shapiro-Wilk normality test.

Based on the Table 5, normality test shows probability value (Prob > z) of 0.71009 or 71.009% higher than significance value of 5%. It can be concluded that residual data from the study model is distributed normally and meets normality requirements.

Table 6. Pearson Correlation

Description		WOB	INSTO	GCOM	AGE	SIZE
Pearson Correlation	WOB	1.0000				
Sig.						
Obs.		45				
Pearson Correlation	INSTO	−0.4181*	1.0000			
Sig.		0.0043				
Obs.		45	45			
Pearson Correlation	GCOM	0.1359	−0.0941	1.0000		
Sig.		0.3734	0.5386			
Obs.		45	45	45		
Pearson Correlation	AGE	−0.0360	−0.0761	0.1034	1.0000	
Sig.		0.8142	0.6193	0.4991		
Obs.		45	45		45	
Pearson Correlation	SIZE	−0.4595*	0.2698	0.2758	0.0215	1.0000
Sig.		0.0015	0.0731	0.0667	0.8884	
Obs.		45	45	45	45	45

Source: Data processing result from STATA (2021)

4.2.2 Multicollinearity Test

This test aims to verify if independent variables in a research are related to each other. The test is Pearson Correlation to discover if there is high correlation between the independent variables that causes research model to be unreliable. Table 6 shows the multicollinearity test result using Pearson correlation.

Based on the Table 6, Pearson Correlation coefficients for women on board (X1), institutional ownership (X2), governance committee (X3), firm age (X4), and firm size (X5) variables did not indicate high correlations among them. Especially between women on board and firm size variables, of which the correlation value was significantly negative, i.e. below 0.05, this indicated a slight correlation between both variables. Additionally, multicollinearity test was also conducted by means of Tolerance and Variance Inflation Factor (VIF) tests. The results are presented in the following Table 7.

Based on the results in Table 7, Tolerance value of each variable was higher than 0.1, and VIF value of each variables was lower than 10. Thus, it can be concluded that the data in this study is free from multicollinearity issue.

4.2.3 Autocorrelation Test

Autocorrelation test in this study was conducted by means of Run Test against the residual from regression research model. The following Table 8 is the results of the test.

Table 7. Multicollinearity Test Result

Variable	VIF	Tolerance
WOB	1.45	0.688995
INSTO	1.37	0.727276
GCOM	1.28	0.780080
SIZE	1.13	0.881556
AGE	1.02	0.981562
VIF Mean	1.25	

Table 8. Autocorrelation Test Result

N (res <= 0.0098770298063755) = 22
N (res > 0.0098770298063755) = 23
Obs = 45
N (runs) = 20
Z = −1.05
Prob > |z| = 0.29

Table 9. Heteroskedasticity Test Result

Breusch-Pagan/Cook-Weisberg test for heteroskedasticity	
Ho: constant variance constant variance	
Variables: fitted values of ESGD	
Chi2 (1)	= 1.34
Prob > chi2	= 0.2473

Based on the Table 8, probability value of run test result is 0.29 or 29% and is above signification value of 5%, thus it can be concluded that there is no autocorrelation issue in this research.

4.2.4 Heteroskedasticity Test

This test was conducted to verify whether residual difference is not found in one observation to another. A good regression model is homoscedasticity because the nature of residual in one observation to another is constant. A study can be considered free from heteroskedasticity issue when Prob > chi2 value is higher than 0.05.

Table 10. Linear Regression Test Result

Linear regression				Number of Obs.	=	45
				F (5.39)	=	5.43
				Prob > F	=	0.0007
				R-squared	=	0.4777
				Root MSE	=	0.12392
ESGD	Coef.	Robust Std. Err.	t	P > |t|	(95% conf. interval)	
WOB	−0.4854504	0.2874312	−1.69	0.099	−1.066835	0.095934
INSTO	0.2104784	0.0764745	2.75	0.009	0.055794	0.3651627
GCOM	−0.0496703	0.044822	−1.11	0.275	−1.403314	0.0409908
AGE	−0.0011776	0.0003675	−3.20	0.003	−0.0019208	−0.0004343
SIZE	−0.0279383	0.0103815	−2.69	0.010	−0.0489368	−0.0069397
_cons	0.6394675	0.1203436	5.31	0.000	0.3960497	0.8828853

Based on the test in Table 9, Prob > chi2 value is 0.2473 and higher than 0.05. Thus, the study is free from heteroskedasticity issue.

4.2.5 Linear Regression Test

This test is conducted to discover not only the influence among the variables in the study, but also the answer about hypotheses acceptance or rejection.

Result of linear regression test in Table 10, shows how women on board, institutional ownership, governance committee, firm age, and firm size influence ESG Disclosure. It can be seen that R^2 value is 0.4777 or 48%, indicating that women on board, institutional ownership, governance committee, firm age, and firm size have an influence of 48% on ESG disclosure. The remaining 52% means that ESG disclosure is influenced by other variables excluded from the scope current study.

4.3 Discussion of First Hypothesis

Based on the hypothesis test, it was found that women on board in a company negatively influence ESG disclosure, as indicated by the *sig* value of 0.099 < 0.05. However, the variable's coefficient value is negative. Thus, it can be concluded that the first hypothesis is rejected. This is inconsistent with the theory about women on board, stating that women's involvement in the BoD will improve company performance in its ESG disclosure due to their experience and interest oriented more toward goals related to social, well-being, and environment. As for men, they tend to be oriented toward financial goals. In addition, ESG disclosure has just been introduced in the last few years. Therefore, it can be concluded that business activities performed by SOEs listed on Indonesia Stock Exchange have not comprehensively implemented ESG, especially related to gender diversity, as that is required as one of ESG indicators.

This is in line with the research conducted by [8, 23], stating the negative relation between women on board and ESG disclosure, which indicates the presence of women in the BoD did not generate a different perspective. The result of this research also concluded that gender is not a positive variable in ESG disclosure. The negative relation between women on board and ESG disclosure is based on the data collected by the researchers. In the research, companies with women on board have lower ESG scores compared to companies without women on board. However, there is a contrary research which concluded that the presence of women in the BoD would prevent the misappropriation of ESG disclosure. Another contradiction is found in the bodies of research by [7, 30, 34], which support the view that women's participation in the BoD has a positive influence on the company's ESG information disclosure. These researches also state those female directors are considered more compassionate and compliant with the code of good corporate governance.

4.4 Discussion of Second Hypothesis

Based on the hypothesis test, it was proven that the governance committee has no influence on ESG disclosure, as indicated by the sig value of $0.275 > 0.05$. A negative coefficient value also indicates that the governance committee has no effect and is negative on ESG disclosure; thus the second hypothesis is rejected. This is not in line with the existing theory about governance committees, stating that the presence of a governance committee will improve the company's interest in complying with the applicable social responsibility regulations. In addition, there is no task separation within the structure of corporate governance to regulate the governance explicitly, because other committees usually perform this task.

This is inconsistent with the bodies of research conducted by [3], which conclude that the companies with governance committees will have a higher value of ESG disclosure than those without such committee.

4.5 Discussion of Control Variables

Based on the test results, it was proven that firm age has a negative influence on ESG disclosure, as indicated by the sig value of $0.003 < 0.05$, meaning that firm age has an influence on ESG disclosure. However, the variable's coefficient value is negative. Thus, it can be concluded that firm age has a negative influence on ESG disclosure. This is not in line with the research by Arrashi et al.

Test results also show that firm size has a negative influence on ESG disclosure, as indicated by the sig value of $0.010 < 0.05$, meaning that firm size influences ESG disclosure. However, the variable's coefficient value is also negative. It can be concluded that firm size negatively influences ESG disclosure. This is not in line with research by Arrashi et al.

5 Conclusion, Implications, Limitations of the Research

This study aims to prove the influence of women on board, institutional ownership, and governance committees on ESG disclosure in SOEs listed on Indonesia Stock Exchange during the period of 2018–2020. Based on the problem formulation, literature, hypothesis, analysis results and discussions that have been described previously, the following conclusions are drawn from the test results:

1. Women on board have negative influence on ESG disclosure.
2. Governance committee has no influence on ESG disclosure.
3. Institutional ownership has positive influence on ESG disclosure.
4. Firm age and firm size have negative effect on ESG disclosure.

The limitation of this study lies in the samples, which are only SOEs listed on the stock exchange. In addition, not all SOEs have comprehensive secondary data. Hence several companies are excluded from this study. Another limitation lies in the limited time of the study, causing the variables used in this study only to represent the majority of the influence on ESG disclosure. Suggestion for future research is to increase the number of company data to be studied to generate a wide-ranging research result, with a more extended research period to obtain more comprehensive results. Additionally, future research can use other company sectors and indexes available on Indonesia Stock Exchange, as well as other variables to discover more intensive influence related to ESG.

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