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CHARACTERISTICS OF THE BOARD OF DIRECTORS AND CORPORATE SOCIAL RESPONSIBILITY REPORTING: AN EMPIRICAL STUDY OF MINING COMPANIES

Annisa Hakim Zamzami[1*], Raynal Yasni[2], Nor Balkish Zakaria[3], Nurul Hidayah[4], Dini Onasis[5]

Accounting Study Program, Faculty of Economics and Business, Universitas Mercu Buana, Indonesia[1,4]
Diploma in Accounting Program, Politeknik keuangan Negara (PKN STAN)
Politeknik keuangan Negara, Indonesia[2]
Accounting Research Institute, Universit Teknologi MARA, Malaysia[3]
Accounting Study Program, Faculty of Economics and Business, Universitas Lancang Kuning, Indonesia[5]
E-mail : nalar.istiqomah23@gmail.com*

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Abstract: This study examines the influence of board characteristics board size, age diversity, gender diversity, nationality diversity, and educational level diversity on Corporate Social Responsibility Reporting (CSRR) in mining companies listed on the Indonesia Stock Exchange. Using secondary data from annual and sustainability reports of 44 mining firms during 2019–2021, this study obtained 112 valid observations after outlier removal. Panel data regression with a random effects model was applied. The findings show that board size positively and significantly affects CSRR, while age diversity has a significant negative effect. In contrast, gender diversity, nationality diversity, and educational level diversity do not significantly influence CSRR. The model explains approximately 8.9% of the variation in CSRR, indicating the presence of other influential factors outside the model. These findings contribute to empirical evidence from developing countries regarding the relationship between board composition and non-financial disclosure. The study suggests that mining companies can improve CSRR by optimizing board size and considering age composition within the board. Future research should examine additional board attributes and include broader industry sectors.

Keywords: Board of directors, Characteristics, Corporate Social Responsibility Reporting, Board Diversity, Mining Companies.

INTRODUCTION

Corporate Social Responsibility Reporting (CSRR) is a form of strategic corporate disclosure regarding social and environmental information to ensure that companies operate ethically and provide benefits to the surrounding community (CFI, 2022). This allows various stakeholder groups to understand in detail the company's commitment to sustainability. However, not all companies equally consider the interests and demands of stakeholders. There are differences in both the quantity and quality of CSR information reported by each company (Amorelli & García-Sánchez, 2019).

In terms of governance, the characteristics of the Board of Directors are relevant to good CSR disclosure practices, as the Board is responsible for representing and advocating for the interests of various stakeholders (Amorelli & García-Sánchez, 2019; Ben-amar et al., 2015). An effective board can reduce managerial opportunism and provide a more comprehensive view of stakeholder interests, which can lead to higher disclosure quality (Palau-Saumell et al., 2019)

Building on this foundation, several previous studies have analyzed the characteristics of the board of directors in the voluntary disclosure process, including size, gender, age, nationality, and educational level (Amorelli & García-Sánchez, 2019; Cuadrado-ballesteros et al., 2017; Fernandez-feijoo et al., 2013; I. Khan, Khan, & Saeed, 2019; Songini et al., 2022). However, the findings have not always been consistent. Specifically, prior research has yielded conflicting findings regarding the direction and significance of board characteristics in relation to CSR disclosure.

While some studies have documented a positive effect of board size or gender diversity on CSR reporting (Akhtaruddin et al., 2009; Cuadrado-ballesteros et al., 2017; Qu et al., 2015), others have reported negative or insignificant relationships (Klein, 2002; Melloni et al., 2016; Xie et al., 2003). Moreover, the majority of existing evidence originates from developed country contexts, leaving a notable gap in understanding how board characteristics influence CSR reporting in developing economies such as Indonesia, where corporate governance structures and regulatory environments differ substantially. Furthermore, there remains a paucity of studies that simultaneously examine multiple dimensions of board diversity including nationality and educational background within a single integrated framework, particularly in the mining sector, which faces unique environmental and social scrutiny.

Research by García-Sánchez & Martínez-Ferrero (2018b, 2018a) states that the composition and structure of the board of directors significantly influence information disclosure. Board composition has considered diversity and, in particular, the role of women in promoting CSR practices and disclosure (Amorelli & García-Sánchez, 2019). In general, there is a positive relationship between the presence of women on the board of directors and the level of CSR performance (Cuadrado-ballesteros et al., 2017). Some empirical studies have found that female directors exhibit different decision-making patterns compared to their male counterparts.

For instance, Boulouta (2013) reported that female directors tend to prioritize stakeholder considerations, while Hillman (2015) found that male directors relatively emphasize cost-benefit and economic analyses. However, these findings reflect observed behavioral differences in specific contexts rather than inherent gender traits. These tendencies may lead women in decision-making positions to consider the interests of various stakeholders.

However, some findings suggest that the influence of women on promoting CSR disclosure practices may be driven by reputation motives. In this regard, Hyun et al. (2016) highlight the issue of reputation and assert that women focus on CSR because it is seen as an opportunity to enhance their power positions within the organization.

Furthermore, this can influence how actively and thoroughly they will play their role as board members with respect to the promotion of CSR. Several studies have found an insignificant relationship (Alarcón-del-Amo et al., 2014; H. U. Z. Khan, 2010; Prado-Lorenzo & Garcia-Sanchez, 2010) and even a negative effect (Lorenzo et al., 2009) between the presence of women on the board of directors and the level of CSR disclosure. Consequently, empirical evidence remains inconclusive regarding the presence of female directors and their impact on the promotion and dissemination of CSR

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information. As explained by token theory, women are a minority group and often face barriers to expressing their opinions and being heard. In a minority board scenario, female directors may face significant limitations in influencing board decision-making regarding CSR disclosure (Cook & Glass, 2017). According to critical mass theory, the presence of at least three women on the board is necessary for them to exert their influence on decisions (Torchia et al., 2011).

This paper aims to analyze the role and impact of board characteristics on the quality of CSR disclosure to fill the gap in previous research. The novelty of this study lies in three key aspects. First, it provides empirical evidence from the Indonesian mining sector an under-researched context characterized by unique regulatory, cultural, and economic conditions. Second, it simultaneously examines five distinct board characteristics (board size, age diversity, gender diversity, nationality diversity, and educational level diversity) within a single integrated framework, allowing for a comparative assessment of their relative influence.

Third, it contributes to the limited body of knowledge on how board composition affects non-financial disclosure in developing economies, where stakeholder pressures and disclosure practices may differ from developed markets. This study is among the first to apply Blau's index and coefficient of variation measures to assess board diversity in the Indonesian extractive sector.

LITERATURE REVIEW

Legitimacy and Stakeholder Theory

Legitimacy theory posits that firms depend on public perceptions of the appropriateness of their conduct (Dowling & Pfeffer, 1975). CSR development and disclosure are essential to fulfill societal expectations regarding corporate engagement in social development (Deegan & Rankin, 1996). Stakeholder theory broadens corporate accountability beyond shareholders to include all parties who are affected by or can affect the organization (Fleege & Adrian, 2004). These two theories are complementary rather than competing in the context of CSR reporting. Legitimacy theory explains *why* companies engage in CSR disclosure to gain, maintain, or repair their social license to operate. Stakeholder theory explains *to whom* companies are accountable and which concerns should be prioritized.

Together, they provide a comprehensive framework: when boards adopt CSR practices, they simultaneously seek external legitimacy from society at large while responding to specific demands from identifiable stakeholder groups. This dual theoretical lens suggests that board characteristics matter because different board compositions may be more or less attuned to both legitimacy concerns and stakeholder expectations. Accordingly, when boards adopt CSR practices, they manifest managerial accountability for stakeholder well-being and the firm's long-term viability.

Corporate Social Responsibility

CSR reporting represents a strategic disclosure of social and environmental information to ensure ethical corporate operations that benefit the surrounding community (CFI, 2022). Various initiatives have been developed to provide guidelines for presenting CSR performance (Izquierdo & Grañana, 2005). The GRI is the most influential organization in this regard, having developed the Sustainability Reporting Guidelines from 2000 through G4

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(Dilling & Caykoylu, 2019; Perez-Batres et al., 2012; White, 2006). The GRI's mission is to enhance the quality, rigor, and relevance of sustainability reporting to achieve parity with financial reporting, based on the application of the triple bottom line (economic, social, and environmental) using comparable and verifiable indicators.

This study employs the GRI classification as an analytical framework for corporate transparency in CSR reporting for several reasons. First, the GRI is the most widely adopted global standard for sustainability reporting, which enhances cross-company comparability. Second, the GRI G4 framework provides a comprehensive and detailed disclosure checklist (91 items) that enables fine-grained measurement of reporting quality. Third, the GRI has been endorsed by the Indonesia Stock Exchange and is widely used as a reporting benchmark by Indonesian mining companies. Fourth, the extensive use of the GRI framework in prior empirical studies (e.g., Amorelli & García-Sánchez, 2019; Katmon et al., 2019) allows for meaningful comparison of our findings with existing literature. Therefore, the GRI framework is methodologically appropriate for assessing CSR disclosure in this study.

Characteristics of the Board of Directors

The Board of Directors is the body responsible for ensuring the satisfaction of different stakeholder demands and for ensuring that information about CSR influences stakeholder decision-making (Frias-Aceituno et al., 2013). The impact of board characteristics has been widely recognized as a relevant determinant of corporate voluntary disclosure processes and mechanisms, influencing the adoption, quality, and extent of the information provided. Since the board is the primary decision-making body, it is responsible for safeguarding the interests of various stakeholders as well as stimulating extensive and complete information disclosure to prevent managerial opportunism (Azlan & Roszaini, 2011; Frias-Aceituno et al., 2013; Richardson & Welker, 2001).

Conceptual Framework

Board Size and CSRR

Board size is another determinant of proper board functioning, related to the transmission of CSR information. Regarding the board's monitoring role the main focus of agency theory arguments concerning the board of directors it is argued that larger boards are more actively involved in monitoring and evaluating activities and are less susceptible to managerial dominance (Endrikat et al., 2021). According to RDT highlighting the resource provision function of the board companies should benefit from larger boards because there are more directors, each of whom can provide access to resources such as specialized knowledge and networks (Endrikat et al., 2021; Pfeffer, 1972).

Research from (Frias-Aceituno et al., 2013; Osemeke et al., 2020; Pfeffer, 1972) state that board size has a positive relationship with CSR practices, corporate investment, and integrated sustainability transparency. Specifically, the presence of more directors potentially provides more external links and knowledge to secure critical CSR resources, as well as more experience, knowledge, advice, and counsel related to CSR (de Villiers et al., 2011). The results indicate that a large Board size tends to increase corporate investment and transparency in CSR. Accordingly, the following hypothesis is proposed:

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H1: Board size has a positive effect on CSR reporting.

Age and CSR

Age diversity enhances the effectiveness of the board of directors, thereby transferring knowledge, skills, and experience from older board members to younger ones, which may contribute to making important decisions (Ali et al., 2014; I. Khan, Khan, & Saeed, 2019). Age can be viewed as a board asset and considered part of human capital (Sonnenfeld, 2002), as age may reflect experience and risk-taking behavior (Darmadi, 2011). (I. Khan, Khan, & Saeed, 2019), documented a positive relationship between age diversity and board effectiveness and performance. Accordingly, the hypothesis is formulated as follows:

H2: Age diversity has a positive effect on CSR reporting

Gender and CSR

Women tend to have greater social responsibility compared to men (Ciocirlan & Pettersson, 2012). Female representation on boards of directors is considered commendable, as women, compared to men, are more responsive to social, environmental, and community issues, have broader work experience backgrounds, and communicate more effectively, thereby stimulating broader thinking and stakeholder engagement (Srinidhi et al., 2011). Kassinis et al. (2016) show that having more female board members can make the board sensitive to CSR initiatives.

(Cucari et al., 2018; Muttakin et al., 2016; Shamil et al., 2014) documented a negative relationship between gender diversity and CSR disclosure, considering that most empirical studies document a positive relationship between gender and CSR (Kassinis et al., 2016; Setó-Pamies, 2015).

(Fuente et al., 2016), concluded that female board members have greater philanthropic interests than male board members. (Bear & Post, 2010) observed a positive relationship between board diversification and CSR practices as well as the presence of female members and board reputation.

(Frias-Aceituno et al., 2013; Prado-Lorenzo & Garcia-Sanchez, 2010) show that the presence of female board members is positively related to CSR disclosure. However, contrary to these findings, Lorenzo et al. (2009); Osemeke et al. (2020) found no significant relationship between gender diversity on the board and CSR. Accordingly, the hypothesis is formulated as follows:

H3: Gender diversity has a positive effect on CSR reporting.

Nationality and CSR

Recent studies document a significant positive impact of multinational directorships on CSR disclosure due to their global exposure, experience, skills, and knowledge. In line with the RBV theory, Hsu et al. (2013)argue that one of the essential corporate resources is multinational directorship on the board, which enhances CSR disclosure. Foreign boards are strongly committed to transparency, accountability, and corporate reputation in competitive markets (Oxelheim & Randøy, 2003). On the other hand, Masulis et al. (2012) state that nationally diverse boards result in poor performance as a consequence of the high costs of foreign directors and ineffective monitoring oversight. Katmon et al. (2019) also documented a negative relationship between board diversity and CSR disclosure.

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However, Barako and Brown (2008), as cited in (Katmon et al., 2019), found no relationship between nationally diverse boards and CSR disclosure, whereas Che Ahmad and Osazuwa (2015), as cited in (Katmon et al., 2019), showed a positive relationship between national diversity and CSR practices. Accordingly, the hypothesis is formulated as follows:
H4: Nationality diversity has a positive effect on CSR reporting.

Educational Level and CSR

Board members with different educational levels are highly valuable in enhancing corporate performance in processing information and developing competencies to recognize new insights and abstractions (Hsu et al., 2013). This also improves the social relationships and affinity of corporate board members with other market participants (Nielsen, 2010). Introducing the notion of RBV theory, alternative ideas are generated on strategic issues such as CSR disclosure in terms of educational level diversity compared to homogeneity in the board's educational level (Katmon et al., 2019).

Furthermore, board members with diverse educational levels can address challenges in a sophisticated and strategic manner. (Katmon et al., 2019) explain a positive relationship between educational level diversity and CSR performance and disclosure. Meanwhile, (Subramanian et al., 2016) state that there is no relationship between educational level and innovation performance. Accordingly, the hypothesis is formulated as follows:
H5: Educational level diversity has a positive effect on CSR reporting.

RESEARCH METHODS

This study employs a causal method, which examines the influence between two or more variables, namely dependent and independent variables (Sugiyono, 2014). The independent variables are the characteristics of the Board of Directors, consisting of board size, age, gender, nationality, and educational level.

Meanwhile, the dependent variable is the quality of CSR disclosure in 44 mining companies listed (132 data) on the Indonesia Stock Exchange (IDX) for the 2019-2021 period. The data analysis method used is multiple regression analysis using Econometric Views (E-Views). The data analysis stages consist of descriptive statistical analysis, model feasibility testing, and hypothesis testing.

Table 1. Description of Operational Variables

Variable	Definision	Proxy
CSRR	strategic corporate disclosure concerning social and environmental information.	GRI Index
Boad Size	Number of Board of Directors	∑ BOD
Age Diversity	Diversity of Board Members' Age	CV= Coefficient of variance
Gender Diversity	Board gender diversity	*Blau's index*
Nationality Diversity	Nationality diversity of the board of directors.	*Blau's index*
Educational Level Diversity	Educational level diversity of the board of directors.	*Blau's index*

Source: (I. Khan, Khan, & Senturk, 2019)

RESULTS AND DISCUSSION

Research Findings

This study uses secondary data obtained from financial reports and sustainability reports of mining companies listed on the Indonesia Stock Exchange during the 2019-2021 period, totaling 46 companies. However, two companies did not present the data required by the researcher. Thus, 44 companies were analyzed, representing 132 observations. Outlier data were removed from the analysis, resulting in only 112 usable data points. Based on the level of confidence and analytical accuracy (Sekaran & Bougie, 2016), the sample size of 112 observations is sufficient to proceed with further analysis.

Descriptive Statistics

Table 2. Results of Descriptive Analysis

Variabel	N	Min	Max	Mean	Std. Dev
JD	112	2	8	4,44	1,387
KB	112	0,000	0,500	0,131	0,186
TPDD	112	0,000	0,687	0,394	0,186
Gender	112	0,000	0,500	0,138	0,189
Age	112	0,013	0,294	0,136	0,071
CSRR	112	0,011	0,956	0,314	0,216
Valid N	112				

Source: Results of Analysis By The Author

Table 2 presents the descriptive analysis results for 112 observations of mining companies during the 2019-2021 period. Based on Law Number 40 of 2007 concerning Limited Liability Companies, Social and Environmental Responsibility constitutes a corporate commitment to sustainable economic development aimed at improving the quality of life and the environment.

CSR disclosure was measured using the GRI G4 framework with 91 items. The analysis reveals that the lowest GRI ratio is 0.010989 (PT Radiant Utama Interinsco Tbk, 2012), which disclosed only 1 out of 91 items, while the highest ratio is 0.956044 (PT Timah Tbk, 2021), which disclosed 87 items. The average CSR disclosure in the mining sector is 0.314 with a standard deviation of 0.216, indicating reasonably good disclosure quality (30%) with relatively low data variation.

Board size (based on Law No. 40/2007) has a minimum value of 2 and a maximum of 8 members, with a mean of 4.4 and a standard deviation of 1.378. Age diversity, measured using the coefficient of variation (CV), shows a minimum value of 0.0127, a maximum of 0.2944, and a mean of 0.1363, indicating relatively low age diversity.

Nationality diversity, educational level diversity, and gender diversity were measured using Blau's Index. Nationality diversity has a mean of 0.131 (the majority of boards are dominated by Indonesian citizens). Educational level diversity shows a mean of 0.395, which is considered moderately diverse. Gender diversity has a mean of 0.138, indicating the dominance of male directors. All of these variables exhibit low levels of data variation.

Model Analysis

Panel data regression model selection was conducted using the Chow test, Hausman test, and Lagrange Multiplier (LM) test. The results of the LM test indicate a Breusch-Pagan probability value of 0.0003 ($p < 0.05$), consequently establishing the Random Effect Model (REM) as the most appropriate model. Since the application of REM does not require classical assumption testing, hypothesis testing can proceed directly.

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Hypothesis Testing
Coefficient of Determination

The results of the analysis indicate that the panel data regression model employing the Random Effect Model (REM) yields a coefficient of determination (R^2) of 0.0886, meaning that board of directors' characteristics explain only 8.9% of the variation in CSR disclosure quality. The simultaneous test (F-statistic = 2.061990; p = 0.0259) confirms the model's suitability. Partially, only board size (coefficient = 0.0465; p = 0.0112) and age diversity (coefficient = -0.4823; p = 0.0420) have a significant effect on CSRR. Meanwhile, gender diversity (p = 0.8019), nationality diversity (p = 0.7840), and educational level diversity (p = 0.8645) do not exhibit significant effects.

Based on Table 3, the R-Square (R^2) value is 0.0886. This means that the quality of CSR disclosure can be explained by the variables of Board Size, Age Diversity, Gender Diversity, Nationality Diversity, and Educational Level Diversity by 8,9%. The remaining percentage is influenced by other factors outside the regression model of this study.

F-Test

The F-test aims to test the research model, specifically whether the independent variables simultaneously influence the dependent variable. Figure 2 shows that the F-statistic value in Model 1 is 2,061990 with a probability of 0,025911, which is less than 0.05. This indicates that Board Size, Age Diversity, Gender Diversity, Educational Level Diversity, and Nationality Diversity simultaneously influence the quality of CSR disclosure. Therefore, the model is suitable for further analysis.

Panel Data Regression Analysis

Table 3 Results of Panel Data Regression Analysis

HA	Coefficient	T-Stat	P-Value	Outcome
H1	0.0465	2.5825	0.0112 *	Supported
H2	-0.4823	-2.0589	0.0420 *	Supported
H3	0.0191	-0.2526	0.8019	Not supported
H4	-0.0255	-0.2748	0.7840	Not supported
H5	-0.0230	-0.1711	0.8645	Not supported
R^2	0.0886			
F-Stat	2,06199			
Sig	0,02591			

Note: Significance level α = 0.05
Source: Results of Analysis By The Author

The estimated REM regression equation is as follows:

CSRR = 0.2948 + 0.0465(BS) – 0.4823(AGE) + 0.0191(GEN) – 0.0255(NAT) – 0.0230(EDU) + ε_it

Where:
BS = Board Size
AGE = Age Diversity
GEN = Gender Diversity
NAT = Nationality Diversity
EDU = Educational Level Diversity

Interpretation of Coefficients:

Constant (0.2948): When all board characteristics are zero, the baseline CSRR is 0.2948. Board Size (0.0465, positive): A 1% increase in board size is associated with a 0.0465 increase in CSRR, indicating that larger boards enhance CSR disclosure quality. Age Diversity (-0.4823, negative): A 1% increase in age diversity reduces CSRR by 0.4823, suggesting that more age-homogeneous (i.e., older and more

experienced) boards produce higher quality CSR disclosures.

Gender Diversity (0.0191, positive but non-significant): Although positive, this effect is not statistically significant. Nationality Diversity (-0.0255, negative): The negative coefficient implies that boards dominated by local directors tend to have better CSR disclosure, though the effect is not significant. Educational Diversity (-0.0230, negative): The negative coefficient suggests that educational homogeneity at higher levels may benefit CSR disclosure, but the effect is non-significant.

Partial Test (t-test)

Based on Table 3, it is known that H1 (Board Size) → Accepted**:** Board size has a significant positive effect on CSRR (p = 0.0112). Larger boards possess greater resources, expertise, and networks to support comprehensive sustainability reporting. H2 (Age Diversity) → Accepted: Age diversity has a significant negative effect on CSRR (p = 0.0420). Boards with lower age diversity (i.e., more experienced, older directors) demonstrate higher CSR disclosure quality. However H3 (Gender Diversity) → Rejected: Gender diversity does not significantly affect CSRR (p = 0.8019), likely due to the continued male dominance on Indonesian mining boards.

H4 (Nationality Diversity) → Rejected: Nationality diversity does not significantly affect CSRR (p = 0.7840), possibly due to the high costs and limited added value of foreign directors in the Indonesian context. H5 (Educational Diversity) → Rejected: Educational level diversity does not significantly affect CSRR (p = 0.8645), suggesting that homogeneity at higher educational levels may be more beneficial for strategic CSR decisions.

Discussion

The Effect of Board Size on CSR Reporting

This study explains that board size has a significant effect on CSR reporting. A sufficiently large board size enables more effective and efficient access to the company's existing resources, as stated by (Endrikat et al., 2021; Pfeffer, 1972). (Frias-Aceituno et al., 2013; Osemeke et al., 2020; Pfeffer, 1972) found that board size has a positive relationship with CSR practices, corporate investment, and integrated sustainability transparency. Specifically, the presence of more directors potentially provides more external links and knowledge to secure critical CSR resources, as well as more experience, knowledge, advice, and counsel related to CSR (de Villiers et al., 2011).

This finding contrasts with the findings of (Jensen, 1993; Kassinis & Vafeas, 2002), who revealed that a sufficiently large board size does not affect CSR reporting, as it leads to higher agency costs and less coherent strategic decision-making, as well as a reduced ability to make decisions. This is due to an excess of opinions.

The Effect of Age Diversity on CSR Reporting

The data of this study indicate that the age of the board of directors is not very diverse, with an average variation of 0,13629883 and a standard deviation of 0,07111149. The results show a significant negative relationship. This indicates that the lower the age variation, the higher the CSR reporting. (Sonnenfeld, 2002) explains that age can be viewed as a board asset and considered part of human capital, as age can

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reflect experience and risk-taking behavior (Darmadi, 2011). Thus, the older and less diverse the age of the board of directors, the higher the CSR reporting, because they possess knowledge, skills, and experience that contribute to making important decisions (Ali et al., 2014; I. Khan, Khan, & Saeed, 2019).

This finding contrasts with the statement of Goergen, Limbach, and Scholz (2015) in (I. Khan, Khan, & Saeed, 2019), who asserted that there is a positive relationship between age diversity and board effectiveness and performance.

The Effect of Gender Diversity on CSR Reporting

(Ciocirlan & Pettersson, 2012) reveal that women are more driven toward social responsibility. Female representation on boards of directors is more responsive to social, environmental, and community issues, possesses broader work experience backgrounds, and communicates more effectively, thereby stimulating broader thinking and stakeholder engagement (Srinidhi et al., 2011). However, this study shows different results; gender diversity does not have a significant effect on CSR reporting. This may also be due to the fact that boards of directors in the mining sector are dominated by men. This finding is consistent with the findings of(Lorenzo et al., 2009; Osemeke et al., 2020). Khan, Khan, & Saeed (2019) state that gender diversity is not significant due to certain conditions such as length of experience.

The Effect of Nationality Diversity on CSR Reporting

This study shows that nationality diversity of the board of directors has a negative but non-significant effect. This may be due to the high costs that must be incurred to recruit foreign national board members, so companies tend to choose Indonesian directors rather than foreign nationals. Furthermore, Katmon et al. (2019)emphasize that developing country markets have relatively lower resources (compared to companies in developed countries) to engage directors with foreign nationality. Hahn and Lasfer (2016) (Masulis et al., 2012) found that the costs of appointing foreign directors outweigh the benefits and result in ineffective monitoring roles.

This contrasts with the findings of (Hsu et al., 2013), who state that multinational directors influence CSR reporting due to their global exposure, experience, skills, and knowledge. According to RBV theory, it is argued that one of the essential corporate resources is multinational directorship on the board, which enhances CSR reporting. Foreign boards are strongly committed to transparency, accountability, and corporate reputation in competitive markets (Oxelheim & Randøy, 2003).

The Effect of Educational Level Diversity on CSR Reporting

Educational level diversity of the board of directors can enhance information processing capabilities and competencies for recognizing new insights and abstractions (Hsu et al., 2013). It also improves the social relationships and affinity of corporate board members with other market participants (Nielsen, 2010). Introducing the notion of RBV theory, alternative ideas are generated on strategic issues such as CSR disclosure in terms of educational level diversity comparable to homogeneity in educational level (Katmon et al., 2019; Setiany et al., 2018). Diverse educational levels on the board of directors can reduce uncertainty in

a directed manner and possess good strategic advantages.

However, the results of this study indicate that educational level diversity of the board of directors in mining companies does not significantly affect CSR reporting. This is consistent with the findings of (Subramanian et al., 2016), who stated that there is no relationship between educational level and innovation performance. This may be due to the fact that the educational level diversity of board members in mining companies is fairly diverse, at 0,39 out of 0,75. According to the Indonesian National Qualification Framework (KKNI), an individual declared capable of making structured strategic decisions must have at least a master's degree. This implies that in selecting the board of directors, consideration should be given to a minimum educational level of a master's degree. Thus, it is expected that less diverse educational levels can improve CSR reporting.

CONCLUSION AND SUGGESTION

The characteristics of the board of directors are relevant to good CSR disclosure practices, as the board is responsible for representing and advocating for the interests of various stakeholders. An effective board can reduce managerial opportunism and provide a more comprehensive view of stakeholder interests, which can lead to higher disclosure quality. The results of this study show that only board size and age diversity have a significant effect on the quality of CSR disclosure.

A larger board size enhances operational execution and decision-making due to the availability of adequate resources. Conversely, a limited board size faces constraints in monitoring corporate operations, resulting in a lack of oversight over important policies for business sustainability. Furthermore, the lack of age diversity on the board of directors significantly affects the quality of CSR disclosure. A more mature age provides comprehensive insights based on the experience that board members possess. Gender diversity, nationality diversity, and educational level diversity do not significantly affect the quality of CSR disclosure.

The implications of this study can be used by companies in determining the ideal criteria for board members in carrying out their duties as decision-makers, particularly in improving the quality of CSR disclosure. High-quality CSR disclosure will have an impact on the company's business sustainability. This is because transparent disclosure can influence investors' decision-making in investing, creditors in providing loans, the government in granting environmental and social permits, employees in considering their welfare, and customers in deciding whether to consume products.

There are numerous demographic variables of the board of directors, but this study is limited to analyzing board size, age, gender, nationality, and educational level. Thus, this provides an opportunity for future researchers to analyze factors that have not yet been examined, such as characteristics of experience, educational background, and other variables. Additionally, future research could analyze the characteristics of the board of directors and the audit committee as supervisors of board decisions, specifically whether certain characteristics of the board of directors and audit committee can improve the quality of CSR disclosure. Furthermore, there are many measurement options available for future researchers to test board characteristics.

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