

ABSTRACT

Environmental, social, and governance (ESG) aims to increase transparency for stakeholders such as investors, consumers, and the general public, helping them make more informed and responsible decisions. As awareness of environmental and social issues increases, ESG has become a crucial component in investment evaluation and business decision-making. ESG enables the evaluation of a company's long-term performance, encourages sustainable business practices, and enhances social and environmental responsibility in the business context.

The banking sector in Indonesia has not been widely studied in depth regarding the relationship between board size, women on the board, independent commissioners, audit committees and Environmental, Social, and Governance (ESG). Most previous studies tend to focus on the industrial sector, so this study offers a new perspective that is relevant to the Indonesian context.

This study uses a quantitative method, obtained from 5 banking sector companies for the period 2010-2022, so the number of observation data in this study is 65 data. This study uses secondary data types with data analysis techniques, namely panel data regression analysis using Eviews 12.

The results of the study indicate that board size, women on the board, independent commissioners, and audit committees have a simultaneous effect on Environmental, Social, and Governance (ESG). Board size and women on the board have a positive effect on Environmental, Social, and Governance (ESG). Other results show that independent commissioners do not have a significant effect on Environmental, social, and governance (ESG) and audit committees have a negative effect on Environmental, Social, and Governance (ESG).

Keyword: audit committee, board size, Environmental, Social, and Governance, independent commissioners