

ABSTRACT

This research aims to investigate the impact of corporate governance on financial performance and to determine the mediating role of social disclosure on the relationship between corporate governance and financial performance using Tobin's Q as a measure. The independent variable used in this study is corporate governance, proxied by the G-ESG score obtained from Bloomberg Data Center. The mediating variable, social disclosure, is measured using the S-ESG score obtained from Bloomberg Data Center.

This empirical study employs secondary data obtained from Bloomberg Data Center. The sampling method used is purposive sampling. Through this method, 175 manufacturing companies listed on the Indonesia Stock Exchange during the period 2018-2022 were obtained. The multiple linear regression analysis method was also used in this study.

The findings of this research indicate that corporate governance has a significant impact on financial performance. Additionally, corporate governance also has a significant impact on social disclosure. However, through this research, it was found that social disclosure does not mediate the relationship between corporate governance and financial performance.

Keyword: Corporate Governance, Social Disclosure, and Financial Performance