ABSTRACT

Consumer non-cyclicals companies listed on the Indonesia Stock Exchange operate in a sector that is closely associated with daily consumption, supply chain scrutiny, and growing expectations from stakeholders regarding ethical and sustainability practices. In this context, the adoption of Environmental, Social, and Governance (ESG) principles, along with effective internal oversight structures, is considered essential in strengthening corporate accountability and long-term value creation. This study seeks to investigate empirically the impact of board characteristics namely board independence, board size, gender diversity, board education, and board meetings on the ESG performance of consumer non-cyclicals firms listed on the Indonesia Stock Exchange for the 2020–2024 period.

This research applies a quantitative research design using secondary data collected from the Refinitiv database, as well as companies published annual and sustainability reports. The sample was determined through purposive sampling based on specific selection criteria. A total of 18 consumer non-cyclicals companies met the requirements and were observed over five years, resulting in 90 firm-year observations. ESG performance is proxied by the Refinitiv ESG Score and ESG Content Analysis based on the Global Reporting Initiative (GRI) Standards. The data are analyzed using multiple linear regression analysis.

The empirical findings reveal that board independence, board size, gender diversity, board education, and board meetings do not show a significant effect on ESG performance. This result implies that various structural and demographic attributes of the board of commissioners in this sector have not been effectively translated into substantive drivers for enhanced sustainability investments. ESG disclosure practices among consumer non-cyclical companies in Indonesia appear to be driven more by external regulatory compliance or institutional pressures rather than internal variations in board characteristics themselves.

Keywords: ESG Performance, Board Characteristics, Gender Diversity, leverage, profitability, Indonesia Stock Exchange.