

ABSTRACT

This study aims to analyze the characteristic factors of Islamic Corporate Governance in Islamic banks in Asia region that can affect the disclosure of corporate social responsibility (CSR) in the Annual Reports of Islamic banks. These characteristic factors such as Islamic Governance (including the presence of the supervisory board, composition Islamic sharia supervisory board skills), the size of board of commissioners, independent commissioners, board of commissioners meeting, size of the audit committee, audit committee independence, audit committee meetings and profitability.

Populations of this research are the Islamic banks in Asia, overall the sample consists of seven sharia banks which are the members of AAOIFI and three (3) Islamic banks in Indonesia which are not yet become a members, but have adopted regulations and standards arranged by AAOIFI. So that there are 10 Islamic banks in the sample with 50 annual reports that are determined through purposive sampling. This study analyzed the annual reports of Islamic banks with a panel method analysis. Data analysis was performed with the classical assumption test and hypothesis testing using multiple linear regression method.

The results of this study indicate that of the eight independent variables, seven variables affect the disclosure of CSR, but the four variables (composition of independent commissioners, board of commissioners meeting, the size of board of commissioners, composition of audit committee independence) has a negative coefficient so the hypothesis is rejected four variables and the third variable (Islamic Governance, the size of board of commissioners, audit committee meetings) positively influence the level of CSR disclosure. While the profitability variable is not a positive influence on the level of CSR disclosure.

Keywords: Corporate Social Responsibility (CSR), the characteristics of ICG, Islamic Bank, member of AAOIFI