

## **ABSTRACT**

*The purpose of this research is to analyze the effect of corporate governance factors on corporate social responsibility (CSR) disclosures, as well as their impact on the company's financial performance. The corporate governance factors used in this study are foreign ownership, state ownership, board of commissioners size, proportion of independent commissioners and board of commissioners' educational background. The CSR disclosures in this study is used by measuring the amount and quality of disclosures in annual report. To measure company's financial performance, this study uses several proxies, namely return on equity (ROE), return on assets (ROA), return on sales (ROS), Tobin's Q and stock returns (RET).*

*The population in this study are non-financial companies listed on Indonesia Stock Exchange 2015-2017 period. Based on the purposive sampling method, 194 companies were selected with a total of 582 observations. This study used Structural Equation Model (SEM) approach with alternative Partial Least Square (PLS) method as data analysis.*

*The results of this study shows that state ownership, board of commissioner size and proportion of independent commissioners have a significant positive effect on CSR disclosures. While foreign ownership and the educational background of the board of commissioners have no significant effect on CSR disclosures. Then, CSR disclosures has a significant positive effect on the company's financial performance.*

**Keyword:** *Corporate governance, CSR disclosures, financial performance.*