

ABSTRACT

The purpose of this study is to examine the influence of corporate governance structure on environmental disclosure of a firm. To measure the corporate governance structure consisting of 5 proxy there are independent board is using the proportion of independent board, institutional ownership is using the percentage of institutional investors, board size is using the total number of commissioners, the proportion of women directors is using the ratio of the number of women directors to the total number of directors and sizes audit committee using the total number of audit committee members in the firm, while to measure the amount of environmental disclosure using the GRI disclosure items. This study also used several control variables are firm size as measured by total assets and operating revenues, profitability is measured using ROA and the type of industry that is measured using a dummy variable.

The population in this study consists of all the entire company incorporated in NCSR in year 2009, 2010, 2011 and 2012. The sampling method used in this study is purposive sampling. By doing sampling and processing data, the final amounts of the sample are 60 samples from 15 firms in one year. This study uses linear regression as an analysis technique to examine the hypotheses.

The analysis showed that both institutional ownership and audit committee size have significant positive influence on environmental disclosure. While the proportion of independent board of commissioner, board size and proportion of women director did not significantly affect environmental disclosure. From these results it can be concluded that the structure of corporate governance positive influence on the environmental disclosures.

Keyword: corporate governance structure, environmental disclosure, sustainability report, GRI