



Commissioner Diversity, Environmental Pressures, and Sustainability Disclosure Before and During The COVID-19 Pandemic

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Abstract

This study aims to examine the influence of the diversity of the board of commissioners and environmental pressures on the disclosure of sustainability reports before and during the COVID-19 pandemic. This research is quantitative and uses secondary data obtained from annual reports and sustainability reports issued by each company. The sample was determined using a purposive sampling technique. Before the COVID-19 pandemic, the size of the board of commissioners had a negative effect on the disclosure of sustainability reports, while gender, education, and citizenship diversity had a positive effect. During the COVID-19 pandemic, gender diversity and the size of the board of commissioners positively affected the disclosure of sustainability reports, whereas education and citizenship diversity had no effect. This study compares the influence of the diversity of the board of commissioners and environmental pressures before and during the COVID-19 pandemic.

Keywords: sustainability report; diversity of commissioners; environmental pressure

INTRODUCTION

Currently, the view regarding company success is becoming increasingly broader. Initially, investors believed that a company's success could be seen from its economic aspects alone. Still, investors now value companies

responsible for social and environmental aspects. These three aspects are reflected in the sustainability report with the triple bottom line idea contained in the Sustainability Reporting Guidelines published by GRI (Sofa & Respati, 2020). This view encourages

companies to focus on financial reporting and publish reports for stakeholders, society, and the surrounding environment. Information regarding these three aspects can be conveyed through a sustainability report. A sustainability report is a document that contains information on the impact of company operations on economic, environmental, and social aspects.

Talking about changes in the views of investors who are now also concerned about the impact of company operations on the environmental and social impact of economy activities, the Ministry of Environment and Forestry (KLHK) has received several reports regarding irresponsible practices from companies in carrying out their operations. For example, in 2018, PT Bukit Asam polluted the Kiahah River (Rahayu & Cahyaningsih, 2022). Coal mining case in Berau, East Kalimantan. The Kimia Farma office conducted the reuse of antigen test kits. (www.kompasiana.com).

Environmental pollution was carried out by PT HAYI (www.liputan6.com). Using suction vessels produced by PT Stanibndo Inti Perkasa (SIP) for mining activities in Bangka Belitung impacts the livelihoods of the local community. PT Indominco Mandiri is polluting the

environment, and it is suspected that environmental pollution activities are caused by the disposal of B3 waste (Madona & Khafid, 2020).

The public is becoming more aware of the significance of corporate accountability and transparency in company operations through sustainability reports. Companies provide sustainability reports to convey the economic, social, and environmental implications of their operations. Sustainability reports help companies plan, report, prepare, and disclose information about their commitment, implementation, measurement, and accountability for managing economic, social, and environmental issues (Maryana & Carolina, 2021).

Success for the organization hinges on prioritizing the economic, social, and environmental concerns of stakeholders like consumers, employees, suppliers, and creditors, and others. Sustainability reports are essential to be reported by companies because, with these reports, companies can meet the demands of stakeholders (Ariyani et al., 2018). Based on research conducted by Jahmane & Gaies (2020); Pham & Tran (2020); Wang et al. (2019), stated that the company's reputation and performance will improve if it implements social and environmental

projects. The company is currently encountering a worldwide issue, specifically the COVID-19 pandemic.

The COVID-19 pandemic has significantly affected every element of existence. Rising poverty, unemployment, and declining education levels are examples of the impact of the COVID-19 pandemic (Maryana & Carolina, 2021). Despite the obstacles posed by the COVID-19 pandemic, organizations can thrive by focusing on profitability and considering the effects of their operations on economic, social, and environmental factors. Thus, corporations must release sustainability reports to update stakeholders on the environmental impact of company operations (Ariyani et al., 2018).

Various factors, including board diversity and environmental concerns, can influence the disclosure of sustainability reports. Commissioners exhibit diversity in gender, education, physical stature, and nationality. The commissioners oversee and provide guidance to the directors in making operational decisions for the company.

Diverse commissioners contribute to enhanced disclosure points by facilitating the exchange of ideas from varied views based on gender differences in thinking

between men and women. Enhancing disclosure requires educational variety. Sustainability reports should cover not just economic issues but also social and environmental aspects. The corporation can enhance the speed and precision of its choices by selecting the appropriate number of commissioners.

The variety of nationalities among the commissioners is expected to increase the total points of disclosure due to the presence of foreign and domestic commissioners in exchanging experiences. Environmental pressure can originate from external or internal sources. High environmental pressures might lead corporations to focus more on the environmental impact of their operations, aligning with stakeholder theory. Stakeholder theory posits that organizations consider not only their own interests but also the interests of stakeholders (Wahyudi, 2021). Companies can release sustainability reports to attain this purpose.

Previous research on commissioner's diversity in sustainability reports has yielded inconsistent results and has therefore exposed research gaps (Justin & Hadiprajitno (2019); Tasya & Cheisviyanny (2019), Indrianingsih & Agustina (2020), conducted research related to gender. The results of this

study state that gender diversity has a positively influence transparency. Meanwhile, the results of research by Dizar et al. (2018); Farida (2019), stated that gender diversity does not impact disclosure. Hadya & Susanto (2018) research related to education was conducted, and which revealed a positive impact of education on disclosure. Meanwhile, Khan et al. (2019) say that education has no effect on disclosure. Research related to board size has been carried out by Ramadhani & Maresti (2021); Setiawan et al. (2018) found that board size positively influences disclosure. Fuente et al. (2017) found that board size negatively impacts disclosure. Research related to citizenship was conducted by Ibrahim & Hanefah (2016) conducted research on citizenship and found that it positively influenced transparency. Meanwhile, Hadya & Susanto (2018) argue that citizenship diversity does not impact disclosure.

Research on the influence of the diversity of the board of commissioners or directors has been carried out by Adel et al. (2019); Cicchiello et al. (2021); Katmon et al. (2019); Khan et al. (2019); McCarthy et al. (2017); Mudiyansele (2018). The researchers in this study expanded on previous research by incorporating environmental pressure

variables and comparing the publication of sustainability reports before (2015-2019) and during (2020) the COVID-19 Pandemic, instead of solely focusing on the impact of diversity on the board of commissioners. This research differs from earlier studies due to the inclusion of environmental pressure variables, research samples, and variations in research durations.

This study investigates how the diversity of commissioners and environmental pressure influence corporations' disclosure of sustainability reports in Indonesia before (2015-2019) and during (2020) the COVID-19 epidemic. This study is anticipated to yield both theoretical and practical advantages. This research can serve as a reference for future studies on how board diversity and environmental pressure impact the disclosure of sustainability reports for academics and researchers. Companies can offer real benefits by focusing on board diversity and responding to environmental pressures to enhance the quality of sustainability report disclosures. Research findings from the pre-COVID-19 and COVID-19 periods are anticipated to influence the enhancement of sustainability report disclosures in the post-COVID-19 era.

LITERATURE REVIEW AND HYPOTHESES DEVELOPMENT

Stakeholder Theory

Stakeholder theory explains how a company's management addresses and handles stakeholder expectations. Stakeholder theory posits that a company's purpose is to provide advantages to stakeholders rather than solely pursuing its own interests (Wahyudi, 2021). Freeman introduced the stakeholder theory in 1984, which suggests that the rise of social responsibility signifies a transition from focusing on internal to external stakeholder concerns (Ariyani et al., 2018). Stakeholder theory highlights the importance of managers considering the interests of all stakeholders, not just shareholders.

Stakeholders play a crucial role in ensuring the company's operations continue smoothly. Stakeholders are important in controlling the resources needed to maintain the company's operations. The companies must cultivate positive relationships with stakeholders, particularly those who possess the authority to provide the necessary resources for the company's operations.

To protect the interests of each party, the company needs to issue a sustainability report. By issuing sustainability reports, companies can provide information and assist

companies in planning, reporting, preparing, and disclosing information about the company's commitment, implementation, measurement, and accountability for management performance concerning economic, social, and environmental matters (Maryana & Carolina, 2021). The sustainability report is the company's commitment to the community so that the company cares more about the surrounding environment.

Commissioners' Board Gender and Sustainability Report Disclosure

In making decisions, women tend to be careful and think more about the impact of the decisions. Having a female board of directors should positively impact the company's performance because women are typically more compliant in meeting their social obligations and more meticulous in exercising control over their roles. Amorelli & García-Sánchez (2021) conducted a literature review indicating that board diversity is a crucial element for enhancing corporate performance and communication. Having a board can enhance transparency and fulfill stakeholders' expectations. Studies indicate that having a diverse gender composition on a board of directors has a crucial impact in enhancing the publication of sustainability reports.

Cicchiello et al. (2021) found that having women on the board of directors has a beneficial impact on sustainability report disclosure due to women's tendency to prioritize social and environmental factors in decision-making. Companies should create policies on gender diversity that focus on economic factors and consider the influence of firm operations on social and economic issues. Fuente et al. (2017) examined how the inclusion of women on boards of directors affects the publication of CSR information in companies listed on the Madrid Stock Exchange. Female directors contribute more knowledge and a more open attitude towards discussing Corporate Social Responsibility (CSR), leading to a favorable impact on CSR disclosure. Female directors positively influence CSR. This highlights the significance of gender diversity among the board of directors. From the above explanation, the hypothesis of this study is as follows:

H1a: Before the COVID-19 pandemic, the gender of the commissioner positively influenced sustainability report disclosure.

H1b: During the COVID-19 pandemic, Gender of commissioners positively influenced sustainability report disclosure

Board of Commissioners Education and Sustainability Report Disclosure

The board's education variety is shown in the level of education or training. For instance, the schooling levels are S1, S2, and S3. There is a variety of educational backgrounds in fields such as economics, engineering, arts, and medicine. Individuals with advanced education can analyze, strategize, and resolve issues encountered by the organization. Commissions with greater education possess more extensive insights, enabling them to discern appropriate courses of action (Amaliyah & Solikhah, 2019).

Hadya and Susanto (2018) research findings indicate that the board's level of education positively influences disclosure. A highly educated board of directors might demonstrate a more expansive perspective in corporate management. Boards of directors with advanced education levels are inclined to analyze and evaluate the long-term viability of the company's operation more thoroughly and critically. The hypothesis of this study is as follows:

H2a: Before the COVID-19 pandemic, the board of commissioner's education had a positive effect on the disclosure of sustainability reports.

H2b: During the COVID-19 pandemic, the board of commissioner's education had a positive effect on the disclosure of sustainability reports.

Board of Commissioner Size and Sustainability Report Disclosure

The magnitude of the commissioner denotes the quantity of commissioners within a company. There are two perspectives on how the size of commissions affects firm performance. One argument is that a corporation with numerous commissioners can make better judgments due to the diverse range of viewpoints considered. Consequently, utilizing a large corporation will enhance the organization's performance.

A higher commission is advantageous for business, according to the second opinion. Setting a large commission size can lead to disagreements among members (Setiawan et al., 2018). Adel et al. (2019) suggest that a commissioner that is too large will have difficulties in communication and lengthier decision-making times compared to organizations with a smaller commissioner size. Companies with smaller boards will prioritize problem-solving, leading to shorter discussion times and quicker decision-making.

From the above explanation, the hypothesis of this study is as follows:

H3a: Before the COVID-19 pandemic, the size of the commissioner had a negative effect on the disclosure of sustainability reports.

H3b: During the COVID-19 pandemic, the size of the commissioner had a negative effect on the disclosure of sustainability reports.

Board of Commissioner Nationality and Sustainability Report Disclosure

The diversity of nationalities of commissioners can give different thoughts to domestic commissioners. The presence of foreign commissioners can have a positive impact on the performance of the company. The appointment of foreign commissioners is expected to increase the disclosure of sustainability reports in the following ways. For example, domestic and foreign commissioners can first exchange ideas about technological developments, progress, and innovations that differ between countries. Second, with the presence of foreign commissioners, the commissioners can exchange experiences regarding their previous experiences in the international market related to sustainability

development issues such as product safety, employee relations, and the impact of company operations, which are helpful in improving the quality of disclosure of sustainability reports (Katmon et al., 2019).

The commissioners' diverse perspectives are anticipated to enhance the execution of sustainability reports (Setiawan et al., 2018). Based on the research results of Ibrahim & Hanefah (2016), found that a diverse range of nationalities among commissioners had a favorable impact on the production of sustainability reports. Foreign commissioners can provide diverse sources of revenue, knowledge, and skills to enhance the execution of sustainability reports. From the above explanation, the hypothesis of this study is as follows:

H4a: Before the COVID-19 pandemic, the nationality of the commissioner positively influenced the disclosure of sustainability reports.

H4b: During the COVID-19 pandemic, the nationality of the commissioner positively influenced the disclosure of sustainability reports.

Environmental Pressures and Sustainability Report Disclosure

Environmental pressure refers to the external demand for the corporation to enhance the environment that has been negatively impacted by its operations (Alfaiz & Aryati, 2019). Communities and environmental organizations will request that firms restore land that has been harmed by the company's operations. Companies aim to fulfill these criteria by engaging in socially responsible initiatives and providing comprehensive documentation of these efforts in their sustainability reports (Rudyanto & Siregar, 2018).

Companies under pressure from the community with a high impact on environmental damage will publish more transparent social responsibility information. This more transparent disclosure of information aims to reduce society's negative stigma towards the company. The same state regulates the activity of companies in Law No. 4 of 2007 concerning Limited Liability Companies in Article 74; the law obliges companies to assume corporate social responsibility toward society. From the above explanation, the hypothesis of this study is as follows:

H5a: Before the COVID-19 pandemic, environmental pressure had a

positive effect on the disclosure of sustainability reports.

H5b: During the COVID-19 pandemic, environmental pressure had a positive effect on the disclosure of sustainability reports.

METHOD

Research Design

The study employs quantitative method. Research is utilized to elucidate the aspects influencing the publication of sustainability reports. Gender, education, size, nationality, and environmental pressure are the variables that impact sustainability reports. The control variables in this study were company age, size, profit, and leverage. Researchers utilize control variables to reduce the impact of external factors apart from the independent variable.

Population and Sample

This study's population comprises companies listed on the IDX that release annual and sustainability reports. The study's sample consists of corporations that release comprehensive annual reports and sustainability reports, selected through purposive sampling procedures. Purposive sampling is a sampling method that involves selecting participants based on

certain criteria (Liana, 2019). The criteria in this study are as listed:

1. Companies that were listed on the Indonesia Stock Exchange (IDX) between 2015 and 2020.
2. Companies that issued sustainability reports between 2015 and 2020.
3. Companies that publish complete data on the board of commissioners, company profile and financial reports.

Table 1 displays the operational definition and measurement of each variable utilized in the regression model.

RESULTS AND DISCUSSION

Descriptive Statistics

According to Table 2, prior to the COVID-19, companies revealed an average of 33% of the total points that were required to be declared. The board of commissioners has an average education level of S1 and S2, with the greatest education level being S3 and the lowest being Senior High School. The typical corporation in the research sample has six boards of commissioners. Foreign commissioners are present in an average of 14.3% of the enterprises in the survey. The mean age of the sampled enterprises was 47 years, with an average size of 31,046, a

Table 1. Operational Definition and Measurement of Variables

Variable	Proxy	Variable Definition
Sustainability Report	$SR = \frac{\sum \text{points disclosure}}{\text{points must disclosure}}$ (Latifah & Purwanti, 2019)	A sustainability report is a report on the economic, environmental and social impacts of a company's activities.
Commissioner Gender	If there are female commissioners in the company = 1; if there is no female commissioner = 0 (Justin & Hadiprajitno, 2019).	Board of commissioners' <i>gender</i> describes the presence of a female board in the company.
Commissioner Education	The education of the commissioners is calculated using the average education of the commissioners. If the commissioner with an undergraduate education is given 1 point, S2 will be given 2 points and S3 will be given 3 points. If the education is not up to S1, then 0 points will be given. The total commissioner education points will later be divided by the number of commissioners (Amaliyah & Solikhah, 2019).	The level of education of the board of commissioners explains the average level of education that the board has taken.
Commissioner Size	The number of commissioners in a company (Setiawan et al., 2018)	The size of the board of commissioners can describe the number of commissioners in a company.
Commissioner Nationality	The proportion of foreign commissioners in the company (Setiawan et al., 2018).	Nationality diversity describes the presence of foreign commissioners on the board of commissioners.
Environmental Pressure	Industrial firms in the sectors of agriculture, automotive, aviation, chemical, construction, construction materials, energy, energy utilities, forest products and paper, logistics, metal goods, mining, railways, waste management, and water utilities receive 1 point. If the company does not belong to the specified industry, it will receive zero points (Sellami et al., 2019).	Environmental pressure is the demand from external parties for the company to improve the environment that has been damaged by the company's operations.
Company Age	The year of incorporation of the company is calculated from the year of incorporation of the company until the calculation of the sample (Setiawan et al., 2018).	Company Age describes how long the company has been established.
Company Size	$S_COMP = \ln(\text{Total Assets})$ (Girindratama & Rudiawarni, 2022)	Company size serves to classify the size of a company.
Profit	$ROE = \frac{\text{Net profit}}{\text{Equity}}$ (Setiawan et al., 2018)	Profitability refers to the amount of profit generated by a corporation during a specific timeframe.
Leverage	$DER = \frac{\text{Amount of Debt}}{\text{Equity}}$ (Setiawan et al., 2018)	Companies utilize leverage to evaluate the extent to which the company's capital is affected by debt.

Table 2. Pre-COVID-19 Descriptive Statistics (2015-2019)

Variable	N	Mean	Std. Dev	Min	Max
SR	270	0,330	0,165	0,051	0,967
EDU	270	1,828	0,474	0,666	3
SIZE	270	5,811	2	2	13
CITY	270	0,143	0,222	0	0,75
CA	270	47,014	27,214	2	124
S_COMP	270	31,046	1,827	24,180	37,290
PROF	270	0,137	0,226	-0,337	1,399
LEV	270	2,583	2,783	0,144	20,558

Source: Data processed, 2023

Table 3. Descriptive Statistics During the COVID-19 Pandemic

Variable	N	Mean	Std. Dev	Min	Max
SR	69	0,379	0,177	0,064	0,961
EDU	69	1,735	0,429	0,667	3
SIZE	69	5,625	2,078	2	11
CITY	69	0,166	0,218	0	0,714
CA	69	45.69	24.413	6	125
S_COMP	69	30,757	1,832	23,589	34,952
PROF	69	0,513	3,353	-0,572	27,805
LEV	69	2,652	3,966	0,040	24,848

Source: Data processed, 2023

Table 4. Independent Sample t-Test Results

Comparison of sustainability report releases before and during the COVID-19 pandemic	Sig
	0.007<0.05

Source: Data processed, 2023

mean profit of 0,137, and a leverage of 2,583.

Based on Table 3, we can see that during the COVID-19 pandemic, companies, on average, disclosed 37.9% of the total points that should be disclosed. The average education of the board of commissioners is S1 and S2, with the highest level of education being S3 and the lowest education being Senior High School. In the research sample, the average company has six boards of commissioners. The average presence of foreign commissioners in the entire

sample of companies is 16.6%. The average age of the companies sampled was 46 years, with an average company size of 31.757, an average profit of 0.513, and a leverage of 2.652.

Table 4 indicates that the significance value of 0.007 (which is less than 0.05) pertains to variations in sustainability reports released before and during the COVID-19 pandemic. Sustainability reports released during the COVID-19 pandemic have increased compared to those released before the COVID-19

Table 5. Descriptive Statistics of Dummy Variables

Variables	Category	%
GDR_K Before the Pandemic	1	37
	0	63
GDR_K During the Pandemic	1	40.5
	0	59.5
EVI before the Pandemic	1	51
	0	49
EVI during the Pandemic	1	41.6
	0	58.4

Source: Data processed, 2023

Tabel 6. Endogeneity Test

Regression Equation	Wu-Hausman
Commissioner	0.494
Commissioner pre COVID-19 pandemic	0.606
During the COVID-19 Pandemic	0.355

Source: Data processed, 2023

epidemic. During the COVID-19 pandemic, firms provided additional disclosure points, leading to disparities in disclosure. The rise in disclosure points is evident when comparing the average total disclosure points in Tables 2 and 3. Comparing Tables 2 and 3 reveals a 4.9% increase in transparency from 33% to 37.9%. Companies are more likely to reveal additional information to reduce risk when the level of risk is elevated.

Based on Table 5, we can see that in the pre-pandemic period, the percentage of companies that had female commissioners was 37%. Meanwhile, during the COVID-19 pandemic, 40.5% of companies had female commissioners. Before the COVID-19 pandemic, 51% of the companies sampled for this study

were under environmental pressure. Meanwhile, during the COVID-19 pandemic, 41.6% of companies were under environmental pressure. Environmental pressure refers to the significant impact that a company's operations have on the surrounding environment, leading to requests from the community for the corporation to enhance the impacted environment.

Based on Table 6, we can see that the Wu-Hausman p-value for each regression equation is > 0.05 , indicating that the findings of each regression equation are not affected by endogeneity.

Hypothesis Testing

Commissioners' gender diversity has a favorable effect on the production of sustainability reports both before and after the COVID-19

Table 7. Hypothesis Test

Variables	Before COVID-19	During COVID-19
C	0.697 (0.000)	0.348 (0.182)
GDR	0.042 (0.019)**	0.085 (0.033)**
EDU	0.074 (0.000)*	0.037 (0.241)
B_SIZE	-0.016 (0.000)*	0.023 (0.040)**
CITY	0.101 (0.013)**	0.034 (0.351)
EVI	0.078 (0.000)*	0.102 (0.009)*
CA	0.000 (0.076)***	0.000 (0.432)
S_COMP	-0.016 (0.01)*	-0.008 (0.268)
PROF	-0.013 (0.382)	0.004 (0.271)
LEV	0.000 (0.411)	-0.002 (0.362)
R ²	0.139	0.296
F-Stat	4.69	2.76
Prob (F-Stat)	0.000	0.009

Significance Level: 1%*,5%**,10%**

Source: Data processed, 2023

Pandemic (Table 7). Prior to the COVID-19, 37% of corporations had female commissioners in research samples.

Meanwhile, during the COVID-19 pandemic, 40.5% of companies had female commissioners. Zaid et al. (2020), argues that women and men have different moral reasoning. Women are more socially oriented and think more about the opinions of others, tend to think more about ethics and issues, and are more vulnerable to environmental and social issues concerns compared to men (Aksoy et al., 2020). Women in committees exhibit greater prudence and are inclined to steer clear of

conflicts in decision-making. Based on the literature review conducted by Amorelli & García-Sánchez, (2021), Diversity is vital in improving and reporting on a company's performance. The findings of this study align with Justin & Hadiprajitno 2019; Setiawan et al. (2018); Tasya & Cheisviyanny(2019); Indrianingsih & Agustina (2020).

Prior to the COVID-19, the board of commissioners' education had a beneficial influence on sustainability reports. Educational attainment can reflect an individual's ability to solve current difficulties. An individual's level of skill can indicate the quality of their mindset. The quality of

proposals and decisions improves as a person's level of education increases.

An extensively educated commissioner is a useful asset for the firm as their advanced education enables them to think critically in strategic planning, leading to improved decision-making by the directors. The commissioner's education is evaluated based on both the level of education attained and the educational background. Upon closer examination of the commissioners' membership, we find a variety of educational backgrounds.

Diverse educational backgrounds can enhance the quality of sustainability reports by fostering a variety of viewpoints and opinions. Katmon et al. (2019) contends that when companies disclose sustainability reports, they reveal not only financial or economic aspects but also environmental and social aspects, such as employees, products, and community issues. The effectiveness of sustainability report disclosure diminishes when all board members have a financial background. The educational background diversity of the commissioners is crucial for talks on law, finance, morals, technical knowledge, stakeholder welfare, and other topics.

Amid the COVID-19 pandemic, the education of the commissioners did not impact the release of sustainability reports. Commissioner education decreased during the COVID-19. The restructuring of the commissioners led to a reduction in the educational qualifications of the commissioners. Companies during the COVID-19 pandemic require a diverse and comprehensive board of directors. The COVID-19 pandemic is a global issue that significantly affects various industries, necessitating firms to have skilled human resources.

The magnitude of the commissioners hindered sustainability reporting before to the COVID-19 outbreak. The commission's size during COVID-19 positively influenced the publishing of the Sustainability Report. Having the appropriate board of commissioner's size enables organizations to make prompt and impartial decisions. Prior to the COVID-19, the corporation was deemed appropriate for establishing a smaller board of commissioners. Reducing the size of the board of commissioners allows for expedited decision-making.

During the COVID-19 epidemic, the corporation should consider expanding its board of commissioners to benefit from a wider range of counsel and perspectives. The COVID-

19 pandemic is a worldwide issue that greatly affects many areas of life. The COVID-19 epidemic started to affect Indonesia in early 2020, presenting a new challenge for the company. A larger commissioner size can be utilized during the COVID-19 epidemic. Amid the COVID-19 pandemic, companies want advice from diverse perspectives.

The commissioner's nationality has a beneficial impact on the release of sustainability reports prior to the COVID-19. Prior to the COVID-19, firms required a diverse range of nationalities for their commissioners. The appointment of the Commissioner of Foreign Affairs is anticipated to boost sustainability reporting by facilitating the exchange of ideas on technical advancements, advances, and innovations between domestic and foreign commissioners. Furthermore, the involvement of foreign commissioners allows for the exchange of experiences related to sustainability development issues, such as product safety, employee relations, and the impact of company operations. This exchange can enhance the quality of sustainability report disclosures (Katmon et al., 2019).

The study by Ibrahim & Hanefah (2016), found that a diverse range of nationalities among the

commissioners has a beneficial effect on the disclosure of sustainability reports. Having an international commissioner can provide diverse revenue, knowledge, and skills to enhance the execution of sustainability reports. Research data indicates that corporations with a significant number of foreign commissioners tend to publish comprehensive sustainability reports.

The board of commissioners' many nationalities do not impact the disclosure of sustainability reports amid the COVID-19 epidemic. The citizenship status of the Board of Commissioners indicates their origin, but it does not ensure that having diverse nationalities on the Board will enhance the overall disclosure score. Research data indicates that the attendance of foreign commissioners during the COVID-19 outbreak should be increased to prevent their effect on decision-making. The company's board of commissioners is responsible for overseeing and providing guidance to the board of directors in decision-making.

According to research by Rahma & Aldi (2020), found that the nationality diversity of the board of commissioners had no impact on the overall disclosure points. This study demonstrates that the involvement of foreign commissioners leads to

inefficient performance. The foreign board of commissioners' ineffective performance is attributed to their lack of comprehension of the local culture, rules, regulations, and ethics.

Environmental factors have a favorable influence on sustainability reports both before and after the COVID-19 epidemic. Environmental pressure arises when external entities request the corporation to restore the environment that has been harmed by the company's activities (Alfaiz & Aryati, 2019). Local communities and environmental organizations will urge firms to restore land that has been harmed by the company's activities. Businesses aim to conduct social responsibility initiatives and provide detailed accounts of them in sustainability reports (Rudyanto & Siregar, 2018).

The company will release more transparent social responsibility information due to community pressure and significant environmental effect from its operations. The study's findings indicate that Indonesian citizens exhibit a high level of care over environmental conditions and the environmental repercussions of corporate activities. Both the community and the government are concerned about the company's operations' influence on the

environment. The government has controlled the company's operations in Article 74 of Law No. 4 of 2007 governing Limited Liability Companies. Companies are mandated by law to fulfill corporate social responsibility towards the society (Ilene, 2016).

CONCLUSION, IMPLICATION AND LIMITATION

Research findings indicate that prior to the COVID-19 epidemic, gender diversity among commissioners, educational attainment, the existence of an international board of commissioners, and environmental pressures had a favorable impact on the disclosure of sustainability reports. A larger board of commissioners has a detrimental impact on the disclosure of sustainability reports. Gender diversity, board size, and environmental pressure had a favorable impact on sustainability report disclosure during the COVID-19 pandemic. Education and the presence of foreign commissioners have little impact on the disclosure of sustainability reports.

The research results have several consequences. The research results can contribute to the empirical literature in terms of theoretical implications. Secondly, firms should

focus on the social, economic, and environmental impacts of their operations on the surrounding environment. The organization might utilize the research results as an extra point of reference for identifying elements that can enhance the disclosure of sustainability reports.

The researchers encountered difficulties in their analysis because to the availability of data restricted to the year 2020, which was during the COVID-19 pandemic. Suggestions for further research, can extend the research period during the COVID-19 pandemic. The Covid 19 pandemic took place in Indonesia from 2020 - 2023. In the period during the COVID-19 pandemic, researchers can add data for 2021, 2022, and 2023. The study is praiseworthy for recognizing its limits because to the limited data availability during the COVID-19 pandemic, which is only for the year 2020. Transparency is crucial for upholding the credibility of the study. It would be advantageous to provide more detailed explanations about the consequences of this restriction. Discuss how the short data collection time may have affected the study's findings in terms of generalizability and robustness.

The suggestion for future researchers to extend the research period during the COVID-19

pandemic is valid and valuable. However, more specific guidance should be provided on how extending the research period could address the limitations identified. For instance, analyzing data throughout several years during the pandemic could improve the study's thoroughness and offer a more detailed insight into the impact of COVID-19 on the variables being studied.

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