THE EFFECT OF GOOD CORPORATE GOVERNANCE (GCG) AND BOARD GENDER DIVERSITY ON ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG) FACTORS

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Abstract

This study aims to examine and analyze the impact of good corporate governance (ESG) and board gender diversity on environmental, social, and governance (ESG) performance. This study uses companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange for the 2020–2024 period as its research subjects. The sampling technique used is purposive sampling, with a sample size of 12 companies over 5 years, and the analysis technique used in this study is multiple linear regression analysis. The results of this study indicate that when analyzed individually, good corporate governance has a significant negative effect on environmental, social, and governance (ESG) performance, and board gender diversity also has a significant negative effect on ESG performance. Furthermore, the simultaneous analysis reveals that good corporate governance and board gender diversity together have a significant effect on environmental, social, and governance (ESG) performance.

Keywords: Good Corporate Governance, Board Gender Diversity, Environmental, Social And Governance

INTRODUCTION

Attention to environmental, social, and governance (ESG) issues is growing, as these aspects are considered crucial in assessing corporate responsibility and sustainability (Amalia & Kusuma, 2023). As ESG gains prominence, investors are demanding transparency in reporting and a commitment to sustainable business practices from companies (Dwijayanti & Jayanti, 2024). Environmental, Social, and Governance (ESG) is a concept of sustainable development that encompasses environmental, social, and governance aspects. The environmental aspect relates to the impact of a company's activities on the environment, while the social aspect covers the company's relationships with employees and the community (Dwi Jayanti et al., 2024). The four leading ESG rating agencies are Bloomberg, MSCI, Refinitiv, and Sustainalytics. Companies that achieve high ESG scores generally focus on creating long-term value for shareholders. However, ESG data is still not being optimally utilized by many companies and investors.

The rise of various environmental issues has prompted companies to pay greater attention to sustainability. This situation has also increased stakeholder demands for transparency regarding environmental, social, and corporate governance responsibilities. In Indonesia, the adoption of sustainability is supported by OJK regulations through PJOK No. 51/PJOK.03/2017, which encourages the implementation of ESG principles among financial institutions, issuers, and public companies (Financial Services Authority Regulation). Sustainability reports serve as a means for companies to communicate their performance and the impacts they generate; thus, their disclosure is a crucial aspect in supporting corporate transparency (Amalia & Kusuma, 2023). This trend is driven by growing public awareness of sustainability issues, climate change, and corporate social responsibility (Romli & Abdurohim, 2024).

ESG risk assessment is becoming increasingly important through ratings provided by organizations such as Sustainalytics and MSCI. Investors use ESG scores to assess non-financial risks when making investment decisions. However, according to a 2021 IBCSD survey, Indonesia's ESG index still ranks relatively low in the global capital markets, and the performance of sustainability indices such as the SKI-KEHATI also declined in 2024. ESG-based trends continue to rise in Indonesia, marked by the growth of assets under management in ESG mutual funds from Rp42.2 billion in 2016 to Rp5.99 trillion in 2023 and the positive performance of the SRI-KEHATI index, which grew 14% year-over-year in 2022—far exceeding the performance of the IHSG, which rose by approximately 4.09% over the same period. Nevertheless, companies included in the index still face various challenges related to corporate governance and ESG disclosure (Frindos et al., 2023).

ESG performance can be measured using the ESG Score (Restyasih et al., 2025). According to (Fujianti et al., 2024), the GRI is used to measure a company's accountability to stakeholders regarding ESG aspects. According to (Syafrullah & Muharam, 2019), the environmental pillar measures environmental aspects such as emissions and pollution; the social pillar measures social aspects such as workforce management and diversity; and the governance pillar measures corporate governance aspects, including the board of directors. This study uses the ESG Risk Rating because it covers environmental, social, and governance aspects (Wati & Werastuti, 2025). The concept of ESG originated from ethical and social investing and later evolved into an assessment method covering environmental, social, and

governance aspects. Currently, ESG is assessed by specialized rating agencies using financial and non-financial data related to the environment, society, and governance (Engert, 2024). The following figure shows the ESG scores for companies in the SRI-KEHATI index for the 2020–2024 period:

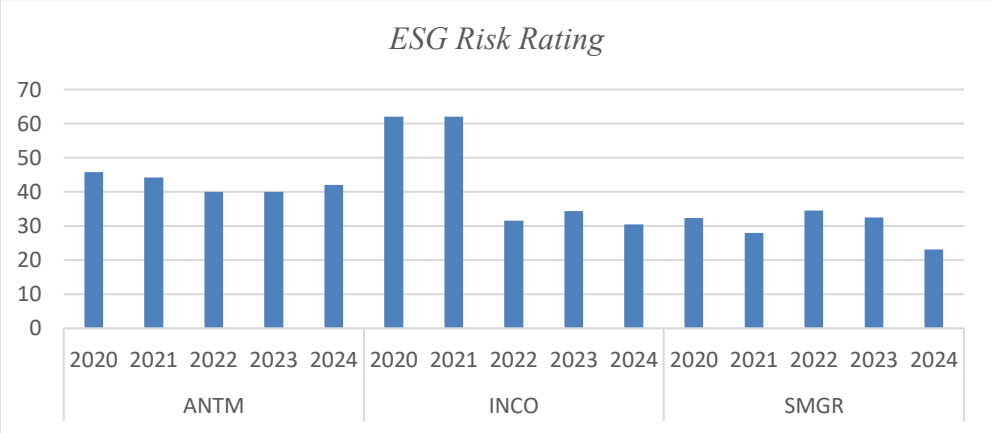

Figure 1.
Environmental, social and governance (ESG) Risk Rating
Source: Data processed (2025)

In the table above, environmental, social, and governance (ESG) in this study is measured using an ESG risk rating, which is calculated as the sum of the scores for individual unmanaged material environmental, social, and governance risks. In the figure above, the ESG risk rating shows a decline for several companies from 2020 to 2024. This may be influenced by several internal and external factors, such as corporate governance, corporate accountability, and gender diversity on the board of directors.

One of the factors that can influence an ESG risk rating is good corporate governance. According to the Organization for Economic Co-operation and Development (OECD), corporate governance is a system used to direct and control a company by regulating the distribution of rights, responsibilities, and obligations among shareholders, the board of directors, management, and other stakeholders (Tampubolon & Rohman, 2024). The implementation of good corporate governance aims to serve as a guideline for managing a company so that it operates effectively and is able to increase its value (Hidayat & Herawaty, 2024). Effective implementation of GCG can support a company's sustainability through the application of ESG principles, as well as demonstrate the company's commitment to social responsibility, environmental stewardship, and business ethics (Yorsalina & Widiastuty, 2025).

The ASEAN Corporate Governance Scorecard is a tool developed by the ASEAN Capital Market Forum (ACMF) to assess the implementation of corporate governance in the ASEAN region. An ACGS score of at least 75% indicates good corporate governance and can boost investor confidence (Saleha et al., 2024). Previous research conducted by (Riziqiyah et al., 2025) found that Good Corporate Governance (GCG) influences sustainability performance. However, according to (Ramadan et al., 2025), Good Corporate Governance (GCG) does not have a significant effect on ESG.

In addition to Good Corporate Governance (GCG), another factor that can influence the ESG Risk Rating is Board Gender Diversity. Diversity within an organization is a key

factor that can enhance a company's performance and value. Board diversity also plays a role in improving management effectiveness and supporting the implementation of good corporate governance. In this regard, the involvement of women on the board is considered to make a positive contribution to the company(Dizar et al., 2019). The presence of women on the board can improve the quality of decision-making and the effectiveness of discussions through diverse perspectives. This has the potential to improve the company's performance and value (Farida, 2019).

Board gender diversity in this study was measured by comparing the number of female board members to the total number of board members (Irfan & Sarumpaet, 2023). Differences in values and perspectives between women and men can complement one another in the decision-making process, thereby supporting the implementation of more effective sustainability practices (Mohtar et al., 2025). Board diversity fosters more critical and comprehensive discussions, which can reduce the risk of groupthink. Furthermore, gender diversity reflects a company's commitment to ESG and the principle of inclusivity, which can enhance investor confidence as well as the company's ESG performance, particularly in environmental and social aspects (Wu et al., 2024). Board diversity improves the quality of oversight and decision-making due to the presence of diverse perspectives and expertise (Kustinah et al., 2025). Previous research conducted by (Setiani & Novitasari, 2024) found that board gender diversity has a positive effect on ESG scores. However, according to (Aisyah et al., 2022), gender diversity has a negative effect on ESG performance.

There is a research gap because most studies in Indonesia still focus on corporate value or ESG disclosure, while the ESG Risk Rating—as an indicator of ESG risk—has rarely been studied, particularly among companies included in the SRI-KEHATI index. Furthermore, research findings on the impact of gender diversity and board characteristics on ESG risk remain inconsistent. Therefore, companies in the SRI-KEHATI index serve as a relevant sample for examining the role of corporate governance and board characteristics in mitigating ESG risk.

REVIEW OF LITERATURE

Legitimacy Theory

The Legitimacy Theory introduced by John Dowling and Jeffrey Pfeffer (1975) explains that companies have a social contract with society and must therefore conduct activities in accordance with prevailing social values, norms, and expectations. By meeting these expectations, companies can gain legitimacy and support from stakeholders and the public. Legitimacy theory explains that the disclosure of corporate social responsibility aims to gain legitimacy from the operational environment, ensure the company's sustainability, and create alignment between the company's activities and societal expectations (Amalia & Kusuma, 2023).

Agency Theory

According to Michael C. Jensen and William H. Meckling (1976), agency theory explains the contractual relationship between the principal (owner) and the agent (manager) in a company. This theory highlights the existence of information asymmetry—a situation in

which managers possess more information than investors, preventing investors from fully understanding the managers' efforts and actions in managing the company.

RESEARCH METHOD

This study employs a quantitative method using secondary data obtained from annual reports, sustainability reports, and the official websites of the respective companies listed on www.idx.co.id. This study aims to analyze and evaluate the impact of good corporate governance and board gender diversity on environmental, social, and governance (ESG) performance among companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange for the 2020–2024 period. For sample selection, a non-probability sampling method was used, specifically purposive sampling, based on the following criteria:

1. Companies included in the SRI-KEHATI Index that were listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period.
2. Companies that consistently remained in the SRI-KEHATI Index during the 2020–2024 period.
3. SRI-KEHATI index companies that include information on the ASEAN Corporate Governance Scorecard indicators in their annual reports during the 2020–2024 period.
4. Companies that have maintained an ESG Risk Rating consecutively during the 2020–2024 period.

The SRI-KEHATI index companies listed on the Indonesia Stock Exchange for the 2020–2024 period consist of 25 companies. Using purposive sampling based on predetermined criteria, 12 companies were selected as the research sample. This study uses two independent variables good corporate governance and board gender diversity and one dependent variable environmental, social, and governance (ESG).

Research Hypothesis

This study aims to analyze the impact of good corporate governance and board gender diversity on environmental, social, and governance (ESG) performance among companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange during the 2020–2024 period. Based on a literature review and previous research, the hypotheses proposed in this study are as follows:

- H1 : Good corporate governance has a negative impact on environmental, social, and performance.
- H2 : Board Gender Diversity has a negative impact on Environmental, Social, and Governance (ESG).
- H3 : Good Corporate Governance (GCG) dan Board Gender Diversity influences Environmental, Social, and Governance (ESG).

Research Model

This research model illustrates the relationship between the independent variables (good corporate governance and board gender diversity) and the dependent variable (environmental, social, and governance). This model can be illustrated as follows:

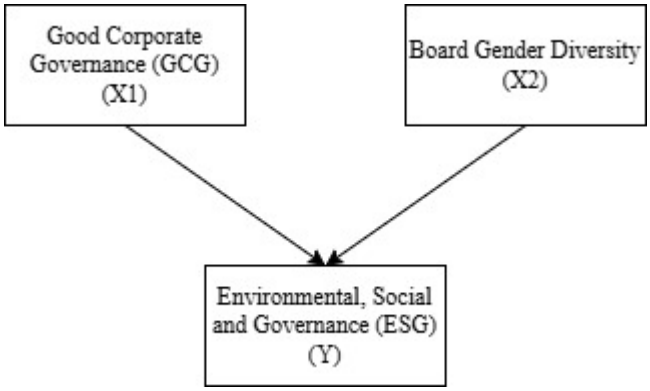

Figure 2.
Conceptual Framework

This research model illustrates the relationship between Good Corporate Governance (GCG) and Board Gender Diversity as independent variables and Environmental, Social, and Governance (ESG) as the dependent variable. This model is grounded in legitimacy theory and agency theory. Legitimacy theory explains that companies must conduct activities in line with stakeholder expectations through transparency and sustainability, as reflected in annual reports and sustainability reports. Meanwhile, agency theory explains the relationship between principals and agents in promoting effective oversight mechanisms. The implementation of GCG through good governance and board gender diversity is expected to improve oversight, the quality of decision-making, and the management of corporate sustainability risks. Therefore, this study examines the influence of GCG and board gender diversity on ESG.

RESULTS AND DISCUSSION

The following are the research results obtained from the analysis using SPSS, namely:

Table 1.
Results of Descriptive Statistical Tests

Descriptive Statistics

	N	Minimum	Maximum	Mean	Std. Deviation
Good Corporate Governance	60	.72	1.16	.9954	.11034
Board Gender Diversity	60	.00	.60	.1642	.13011
Environmental,Social,and Governance (ESG)	60	17.42	62.02	28.8907	8.66634
Valid N (listwise)	60				

Source: Data processed (2026)

Based on Table 1 the results of the descriptive statistical analysis show that the Good Corporate Governance variable (X1) has a minimum value of 0.72; a maximum value of 1.16; a mean of 0.9954; and a standard deviation of 0.11034. The Board Gender Diversity variable (X2) has a minimum value of 0.00; a maximum value of 0.60; a mean of 0.1642; and a standard deviation of 0.13011. The Environmental, Social, and Governance (ESG)

variable (Y) has a minimum value of 17.42; a maximum value of 62.02; a mean of 28.8907; and a standard deviation of 8.66634.

Table 2.
Results of the Multiple Linear Regression Analysis

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	42.325	4.445		9.522	<,001
	Good Corporate Governance	-43.627	7.538	-.617	-5.788	<,001
	Board Gender Diversity	-16.170	7.336	-.235	-2.204	.032

a. Dependent Variable: Environmental,Social,and Governance (ESG)

Source: Data processed (2026)

Based on Table 2 above and the results of the multiple linear regression analysis, the multiple linear regression equation for this study is as follows:

$$Y = 42{,}325 - 43{,}627X_1 - 16{,}170X_2$$

Based on the multiple linear regression equation above, we can determine the extent of the independent variables' influence on the dependent variable, namely Environmental, Social, and Governance (ESG). The explanation of the influence of each variable based on the equation above is as follows:

1. The constant term of 42.325 represents the Environmental, Social, and Governance (ESG) coefficient for companies in the SRI-KEHATI Index listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period, which is influenced by Good Corporate Governance and Board Gender Diversity. This means that if the value of the independent variable is 0, then the Environmental, Social, and Governance (ESG) score is 42.325.
2. The regression coefficient for Good Corporate Governance (X1) of -43.672 indicates that as Good Corporate Governance increases, the Environmental, Social, and Governance (ESG) score decreases. This means that if the Good Corporate Governance (X1) variable increases by one unit, the Environmental, Social, and Governance (ESG) (Y) value will decrease by -43.672.

The regression coefficient for Board Gender Diversity (X2) is -16.170, indicating that higher levels of Board Gender Diversity are associated with lower Environmental, Social, and Governance (ESG) scores. This means that if the Board Gender Diversity (X2) variable increases by one unit, the Environmental, Social, and Governance (ESG) score (Y) will decrease by -16.170.

Table 3.
Results of the Pearson Correlation Analysis

Correlations

		Good Corporate Governance	Board Gender Diversity	Environmental, Social,and Governance (ESG)
Good Corporate Governance	Pearson Correlation	1	.023	-.623***
	Sig. (2-tailed)		.872	<,001
	N	52	52	52
Board Gender Diversity	Pearson Correlation	.023	1	-.249
	Sig. (2-tailed)	.872		.075
	N	52	52	52
Environmental,Social,and Governance (ESG)	Pearson Correlation	-.623***	-.249	1
	Sig. (2-tailed)	<,001	.075	
	N	52	52	52

***. Correlation at 0.001(2-tailed)

Source: Data processed (2026)

Table 4.
Results of the Correlation Analysis Interpretation

Independent Variabel	Correlation Coefficient	Coefficient Interval	Relationship Level
Good Corporate Governance (X1)	0,623	0,60-0,799	Strong
Board Gender Diversity (X2)	0,249	0,20-0,399	Low

Source: Data processed (2026)

Based on the table above, the results show that the relationship between the variables of Good Corporate Governance and ESG has a correlation coefficient of 0.623, indicating a strong relationship between the two variables. The correlation coefficient is negative, meaning that the higher the level of Good Corporate Governance, the lower the ESG score, and conversely, the lower the level of Good Corporate Governance, the higher the ESG score. The results of the correlation test between Board Gender Diversity and ESG show a correlation coefficient of 0.249, indicating a weak relationship between the two variables. The correlation coefficient is negative, meaning that the higher the level of Board Gender Diversity, the lower the ESG score; conversely, the lower the level of Board Gender Diversity, the higher the ESG score.

Table 5.
Results of the Coefficient of Determination Analysis

Model Summary[b]

Model	R	R Square	Adjusted R Square	Std. Error of the Estimate	Durbin-Watson
1	.666[a]	.443	.420	4.78909	2.070

a. Predictors: (Constant), Board Gender Diversity, Good Corporate Governance

b. Dependent Variable: Environmental,Social,and Governance (ESG)

Source: Data processed (2026)

Based on Table 5 above, it can be seen that the coefficient of determination is 44.3%. This indicates that the independent variables used in this study—Good Corporate Governance and Board Gender Diversity—account for 44.3% of the variation, while the remaining 55.7% is influenced by other variables not included in this study.

Table 6.
Results of the Partial Hypothesis Test (t-Test)

Coefficients[a]

Model		Unstandardized Coefficients B	Unstandardized Coefficients Std. Error	Standardized Coefficients Beta	t	Sig.
1	(Constant)	42.325	4.445		9.522	<,001
	Good Corporate Governance	-43.627	7.538	-.617	-5.788	<,001
	Board Gender Diversity	-16.170	7.336	-.235	-2.204	.032

a. Dependent Variable: Environmental,Social,and Governance (ESG)

Source: Data processed (2026)

Based on Table 6 above, it can be seen that the t-table value at a significance level of α/2; n-k-1), is 2.008 with degrees of freedom df = n-k-1, where n is the number of data points

and k is the number of independent variables. Thus, df = 53-2-1 = 50, and the resulting t-table value is 2.008.

1. Testing the Good Corporate Governance Variable

The Good Corporate Governance variable (X1) in the table above shows that the calculated t-value for the Good Corporate Governance variable is -5.788, which is less than the critical t-value of 2.008 (i.e., the calculated t-value is less than the critical t-value). Since the significance level is 0.001 < 0.05, H0 is rejected and Ha is accepted. This means there is a significant negative relationship between Good Corporate Governance and Environmental, Social, and Governance (ESG).

2. Testing the Board Gender Diversity Variable

The Board Gender Diversity (X2) variable in the table above shows that the calculated t-value for the Board Gender Diversity variable is -2.204, which is less than the critical t-value of 2.008 (i.e., the calculated t-value < critical t-value). Since the significance level is 0.032 < 0.05, H0 is rejected and Ha is accepted. This means there is a significant negative relationship between Board Gender Diversity and Environmental, Social, and Governance (ESG).

Table 7.
Results of the Simultaneous Hypothesis (F-Test)

ANOVA[a]

Model		Sum of Squares	df	Mean Square	F	Sig.
1	Regression	893.600	2	446.800	19.481	<,001[b]
	Residual	1123.833	49	22.935		
	Total	2017.433	51			

a. Dependent Variable: Environmental,Social,and Governance (ESG)

b. Predictors: (Constant), Board Gender Diversity, Good Corporate Governance

Source: Data processed (2026)

Based on Table 7 above, it can be seen that the F-test value of 19.481 > 3.18, or the calculated F-value > the critical F-value, with a significance level of 0.001 < 0.05; therefore, it can be concluded that H0 is rejected and Ha is accepted. This means that Good Corporate Governance and Board Gender Diversity together (simultaneously) have a significant effect on Environmental, Social, and Governance (ESG) factors in companies included in the SRI-KEHATI index listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period.

The Impact of Good Corporate Governance (GCG) on Environmental, Social and Governance (ESG)

The test results show that Good Corporate Governance has a significant negative effect on Environmental, Social, and Governance (ESG). This is indicated by the calculated t-value for the Good Corporate Governance variable, which is -5.788 < the critical t-value of 2.008; that is, the calculated t-value is less than the critical t-value with a significance level of 0.001 < 0.05. Therefore, H0 is rejected and Ha is accepted. This means there is a significant negative effect of Good Corporate Governance on Environmental, Social, and Governance (ESG) performance.

These results can be explained by the high average good corporate governance score of the sample companies during the 2020–2024 period, which reached 99.54%. Based on the ASEAN Corporate Governance Scorecard (ACGS) classification, most companies fall into

the "Very Good" to "Leadership in Corporate Governance" categories. This indicates that the companies have implemented good governance principles and meet requirements regarding shareholder protection, stakeholder engagement, information disclosure, and board accountability (Aldowaish et al., 2022). On the other hand, the average ESG score of the sample companies remains in the "medium risk" category, indicating that these companies still face environmental, social, and governance risks at a moderate level. In the ESG Risk Rating, a lower score reflects lower ESG risk, while a higher score indicates greater exposure to ESG risks.

Based on the measurement characteristics, the negative results in this study show that the better the quality of GCG, the lower the company's ESG risk rating. This indicates that the implementation of good corporate governance can mitigate ESG risks through more effective oversight, risk management, and transparency. Although the average GCG of companies is already in the "very good" category, the ESG risk rating is still classified as "medium risk," suggesting that ESG risk is also influenced by other factors such as industry characteristics, operational complexity, and exposure to environmental and social issues. Thus, the study's results demonstrate that improving the quality of GCG contributes to a reduction in a company's ESG risk level.

The results of this study are consistent with the theory of legitimacy proposed by Hidayat and Herawaty (2025), which states that GCG plays a role in ensuring that corporate activities align with stakeholder expectations. Effective GCG helps companies gain legitimacy and improve transparency, accountability, and sustainability, thereby reducing ESG risk levels. The results of this study are consistent with research conducted by (Santosa & Jayanti, 2025), which found that Good Corporate Governance (GCG) has a negative impact on Environmental, Social, and Governance (ESG) factors.

The Impact of Board Gender Diversity on Environmental, Social and Governance

The test results show that Board Gender Diversity has a significant negative effect on Environmental, Social, and Governance (ESG). This is indicated by the calculated t-value for the Board Gender Diversity variable, which is -2.204, which is less than the critical t-value of 2.008 (calculated t-value < critical t-value). With a significance level of 0.032 < 0.05, H0 is rejected and Ha is accepted. This means there is a significant negative effect of Board Gender Diversity on Environmental, Social, and Governance (ESG).

An explanation of these results can be seen in the average board gender diversity of the sample companies during the 2020–2024 period, which stood at 0.16 or 16%, indicating that women's representation on corporate boards remains relatively low. The highest value was recorded by PT Unilever Indonesia (UNVR) at 0.60 in 2020, while several companies, such as PT Indocement Tunggal Prakarsa (INCO) and PT Perusahaan Gas Negara (PGAS), had a value of 0.00 in certain periods, indicating that there were no women on their boards.

The research results show that board gender diversity has a significant negative impact on environmental, social, and governance (ESG) factors. These findings indicate that the higher the proportion of women on the board, the lower the ESG risks faced by the company. The presence of women provides a more diverse perspective and encourages greater attention to sustainability, accountability, and business ethics. Although the average level of board gender diversity among the sample companies remains relatively low, increased female representation on boards is expected to strengthen oversight and improve companies' management of ESG risks.

The negative coefficient in this study indicates that the higher the board gender diversity, the lower the company's ESG risk rating. Since a lower ESG score reflects better ESG conditions, these results suggest that board gender diversity contributes positively to a company's ESG management. In line with agency theory, board gender diversity can strengthen oversight of management, thereby helping to reduce a company's ESG risk. This finding is consistent with research conducted by Aisyah et al. (2022), which states that board gender diversity has a negative effect on Environmental, Social, and Governance (ESG) factors.

The Impact of Good Corporate Governance and Board Gender Diversity on Environmental, Social and Governance

The test results show that Good Corporate Governance and Board Gender Diversity have a significant impact on Environmental, Social, and Governance (ESG). This is based on the calculated F-value for all independent variables, which is 19.481—greater than the critical F-value of 3.18 (i.e., calculated F-value > critical F-value)—and the resulting p-value of 0.0001, which is smaller than the set significance level of 0.05. Thus, the conclusion is that the null hypothesis (H0) is rejected and the alternative hypothesis (Ha) is accepted. This means that when tested simultaneously, the variables of Good Corporate Governance and Board Gender Diversity were found to have a significant effect on Environmental, Social, and Governance (ESG). This indicates that, collectively, these variables have a significant impact on Environmental, Social, and Governance (ESG).

The implementation of GCG through the ASEAN Corporate Governance Scorecard (ACGS) plays a crucial role in supporting ESG implementation by strengthening corporate oversight, transparency, and accountability, thereby helping to improve ESG risk management. Board gender diversity contributes to enhancing ESG implementation by fostering a diversity of perspectives, strengthening oversight functions, and increasing the company's focus on environmental, social, and governance aspects.

The results of this study are consistent with research conducted byRestyasih et al., (2025) and Ramadan et al., (2025), which shows that Good Corporate Governance (GCG) has a negative effect on Environmental, Social, and Governance (ESG) factors, and studies conducted by Aisyah et al., (2022) and Sari & Fitriani, (2024) indicate that board gender diversity has a significant negative effect on Environmental, Social, and Governance (ESG) factors.

CONCLUSION

Based on the data analysis and discussion conducted previously, this study aims to test and analyze the effects of Good Corporate Governance (GCG) and Board Gender Diversity on Environmental, Social, and Governance (ESG) performance in companies listed on the SRI-KEHATI index on the Indonesia Stock Exchange (IDX). In this study, the sample consists of 53 observations representing 12 SRI-KEHATI index companies listed on the IDX for the period 2020–2024. Based on the analysis conducted, the following conclusions can be drawn: The state of Good Corporate Governance (GCG) among SRI-KEHATI index companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024 falls into the "Very Good" category according to the ASEAN Corporate Governance Scorecard (ACGS) classification, Board Gender Diversity among SRI-KEHATI index companies listed on the Indonesia Stock Exchange (IDX) from 2020 to 2024 is characterized by a low proportion of

women on the board of directors; Environmental, Social, and Governance (ESG) scores for SRI-KEHATI index companies listed on the Indonesia Stock Exchange (IDX) during the 2020–2024 period, on average, indicates that the Environmental, Social, and Governance (ESG) scores fall into the medium-risk category.

Based on the results of the hypothesis testing conducted in this study, the following conclusions were drawn: a. Good Corporate Governance (GCG) has a significant negative effect on Environmental, Social, and Governance (ESG) factors among companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period; b. Board gender diversity has a significant negative effect on Environmental, Social, and Governance (ESG) performance among companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period; c. Simultaneously, Good Corporate Governance (GCG) and Board Gender Diversity have a significant effect on Environmental, Social, and Governance (ESG) performance among companies in the SRI-KEHATI index listed on the Indonesia Stock Exchange (IDX) for the 2020–2024 period.

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