

**THE EFFECT OF CORPORATE GOVERNANCE MECHANISM AND FIRMS
CHARACTERISTICS TOWARDS THE LEVEL
OF ENVIRONMENTAL DICLOSURE IN
INDONESIA AND MALAYSIA**

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ABSTRACT

This study examines the effect of corporate governance mechanisms and firm characteristics towards the level of environmental disclosure on manufacturing firms listed on Indonesian Stock Exchange and the Malaysian Stock Exchange in year 2014. The study focus on the proportion of independent board, the number of board meetings, firm size, firm leverage, and profitability. The research sample consist of 68 manufacturing companies in Indonesia and 74 manufacturing companies in Malaysia. The results of this study shows significant association between firm size and environmental disclosure in Indonesia. Meanwhile in Malaysia, the proportion of independent board, the number of board meetings have positive significant effect to environmental disclosure and firm leverage has negative association with the environmental disclosure in Malaysia.

Keywords: Corporate Governance Mechanism, Environmental Diclsoure, Independent Board Member, Number of Board Meetings, Firm Characteistics