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Do Representation of Women Directors and Their Demographic Characteristics Affect CSR Disclosure? Evidence from Malaysia

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Abstract: This study examines the effects of having women directors on corporate board on company's corporate social responsibility (CSR) disclosure. We also examine if women directors' demographic characteristics would influence CSR disclosure. From an initial sample of 300 non-financial companies listed in Bursa Malaysia, 139 companies have women on corporate boards. Using data for the year 2013, we found that tenure negatively influences CSR disclosure. As the number of years of serving the corporate board increases, the women directors were found to have less influence on CSR disclosure. Other predictive variables, however, were found to be insignificant in influencing companies' CSR disclosure. Findings from this study add to the literature on the impacts of having women directors on company's corporate board and their demographic characteristics on CSR disclosure from the point of view of a developing country. The results may be useful for policy makers to improve the representation of women directors as preliminary analyses provide some evidence that companies with women directors provide a better quality of CSR disclosure.

Keywords: Women directors; Board diversity; Corporate social responsibility disclosure; Bursa Malaysia, Developing country.

1. Introduction

In Malaysia, efforts have been taken by the government and authoritative bodies to improve companies' corporate social responsibility (CSR) disclosure and representation of women on corporate boards. For CSR disclosure, Bursa Malaysia requires listed companies to disclose their CSR information in the annual reports starting from the year 2007. In addition, the Malaysian government introduced a number of initiatives to induce CSR disclosure made by listed companies – for example, tax incentive, Environment, Social and Governance (ESG) Index and allocation from a national investment organisation to invest in companies showing a high ESG index. These initiatives to induce companies to provide greater CSR disclosure may be supported by prior studies that found benefits of implementing CSR activities and providing CSR disclosure. For example, Amran and Siti-Nabiha (2009), Mohamad Taha (2013), Kahreh *et al.* (2014), Cahan *et al.* (2015) and Usman and Amran (2015) found that CSR helps improve a company's values and financial performance, brand image and reputation.

Besides efforts to increase and improve CSR disclosure, the Malaysian government and authoritative bodies also make the effort to increase the participation of women on corporate boards. The government has announced an affirmative action that boards of listed companies should comprise of 30% women by 2016. Bursa Malaysia supported the initiative by requiring companies to disclose in the annual reports on their efforts to increase the representation of women directors starting from the year 2012. The initiative taken by Bursa Malaysia is also in line with the suggestions made by the Malaysian Code on Corporate Governance (2012) that nominating committees develop, maintain and review the criteria to be used in director's recruitment process. As reported by the Minority Shareholder Watchdog Group (2015), the percentage of women directors in Bursa Malaysia listed companies has improved slightly from 7.5% in 2009, 8.2% in 2010, 8.4% in 2011, 8.6% in 2012 and 2013, and 9.1% in 2014 to 9.9% in 2015. These figures are far from the 30% target, and may be due to the barriers that limit women's' upward mobility or lack of potential women to be appointed as directors.

Despite the various initiatives taken by the government and authoritative bodies to improve companies' CSR disclosure, and the benefit that may arise as a results of implementing and disclosing CSR information, prior studies by Othman *et al.* (2011), Ahmed Haji (2013) and Fatima *et al.* (2015) however found a low level of CSR (and environmental) disclosure made by companies listed in Bursa Malaysia. This situation provides an opportunity to examine other factors that help improve companies' CSR disclosure.

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As for the effects of women directors on CSR disclosure, prior studies have found mixed results. Some studies found that having women directors would positively impact CSR activities and disclosure of the companies (for example (Jia and Zhang, 2012), (Giannarakis, 2014), (Liao *et al.*, 2015). Other studies have found a negative effect of having women directors on companies' CSR disclosure (for example (Shamil *et al.*, 2014), (Muttakin *et al.*, 2015). Bear *et al.* (2010), Fernandez-Feijoo *et al.* (2013) and Alazzani *et al.* (2014) found that women directors positively influence companies' CSR disclosure when there is a higher representation of women directors on boards. However, Bowrin (2013) Giannarakis (2014), Kahreh *et al.* (2014) and Glass *et al.* (2015) were unable to find any significant relationship between women directors and CSR disclosure.

The recent requirement to have more women directors on corporate boards provides us an opportunity to examine how their representation on boards influences CSR disclosure. Furthermore, a majority of prior studies that examined the effects of women directors on CSR disclosure are conducted using data from other countries. Being a developing country with an emerging economy, Malaysia makes an interesting platform for this study.

This paper examines the effects of having women directors on corporate boards on CSR disclosure. In addition, we examine the effects of women directors' demographic characteristics on CSR disclosure, an attempt to explain the specific women directors' demographic characteristics that influence CSR disclosure.

The contributions of this paper come in a number of ways. Firstly, as a newly focused area in Malaysia, this study is timely as it is in accordance to the target set by the government, the Bursa Malaysia listing requirement and the newly revised MCCG 2012. Secondly, this paper will contribute to the literature by listing the effects of having women directors on CSR disclosure from the perspective of a developing country. As the correlation analysis found a positive impact that women directors bring to CSR disclosure, this result provides some input for authoritative bodies to continue promoting the need to have (more) women directors on corporate boards. Thirdly, as this paper incorporates leadership theory in explaining the relationship between women directors and CSR disclosure, it contributes to the literature as prior studies have commonly used other theories such as signaling theory, legitimacy theory and agency theory in explaining the issue. Lastly, examining the specific effects of the demographic characteristics among women directors on CSR disclosure complements the investigation of their leadership styles and helps in predicting their decisions on companies' CSR disclosure.

The remainder of this paper is organised as follows. The next section discusses the theories and hypothesis development. This is followed by a discussion on research methods in Section 3. Findings and discussion are provided in Section 4. The final section concludes the paper.

2. Theory and Hypothesis Development

In explaining the effects of women directors on CSR disclosure, this paper refers to leadership theory. McWilliams *et al.* (2006) stated that "*understanding the role of leadership could be extended to understanding the decision-making process and how decisions about CSR activity are affected by demands from multiple stakeholders*". In Malaysia, the disclosure of CSR activities in the annual reports is mandatory. However, information to be disclosed depends on the discretion of the management. In this situation, leadership style may affect their decisions on certain CSR issues. Furthermore, as stated in Mazutis and Zintel (2015), leadership is crucial and it matters to corporate responsibility.

This study makes specific reference to transformational leadership style. Prior studies by Ng and Burke (2010), Du *et al.* (2013) and Mazutis and Zintel (2015) found a positive relationship between transformational leadership style and CSR disclosure. According to these authors, leaders with transformational leadership style are more concerned on the needs of stakeholders at large.

It is argued that the leadership style of women directors is different from the leadership style of men directors. According to Appelbaum *et al.* (2013) and Powell (2011), transformational leadership style appears to be more congruent with a feminine gender role, where it is positively associated with nurturance and agreeableness and is negatively associated with aggression. Thus, certain CSR issues will be handled differently by women directors as compared to men directors.

Prior studies found mixed results on the effects of having women directors on CSR disclosure. Jia and Zhang (2012), Giannarakis *et al.* (2014) and Liao *et al.* (2015) found a positive relationship between women directors and CSR disclosure. On the other hand, Shamil *et al.* (2014) and Muttakin *et al.* (2015) found that having women directors negatively impact companies' CSR disclosure. Other studies such as Bear *et al.* (2010), Fernandez-Feijoo *et al.* (2013) and Alazzani *et al.* (2014) found that having women directors enforce a positive influence on companies' CSR disclosure only when there is a higher representation of women directors on boards. Lastly, Bowrin (2013), Giannarakis (2014), Kahreh *et al.* (2014) and Glass *et al.* (2015) were unable to find a significant effect of having women on corporate boards on CSR disclosure.

Based on transformational leadership theory and results from past studies, we developed the following hypothesis:

H_1: Women directors bring a positive impact on CSR disclosure.

In explaining the effects of women directors' demographic characteristics on CSR disclosure, we refer to the upper echelons theory by Hambrick and Mason (1984). According to Hambrick and Mason (1984), "*organisational outcomes – both strategies and effectiveness – are viewed as a reflection of the values and cognitive bases of powerful actors in the organisation*". Furthermore, according to Hambrick (2007), directors' demographic characteristics such as age, tenure and education among others can be determinants of their strategic actions.

As for the effect of age, prior studies by Gellert and Schalk (2012), Cataldi *et al.* (2012) and Kunze *et al.* (2013) found that age influences task performance, job satisfaction and resistance to change. On the other hand, McIntyre *et al.* (2007), Bertolino *et al.* (2013) and Giannarakis (2014) were unable to find any significant influence of age on task performance, company performance and disclosure. Second, prior studies by Reeb and Zhao (2013) and Agnihotri (2014) found a positive effect of director's education on disclosure and decision-making process. In contrast, Díaz-Fernández *et al.* (2014) found a significant negative relationship between education level and company performance. Lastly, prior studies by McIntyre *et al.* (2007), Antia *et al.* (2010) and Othman *et al.* (2014) found a positive impact of directors with long tenure on company performance and decision-making process. On the other hand, Marquis and Lee (2013) and Agnihotri (2014) found a negative effect of long tenure on corporate philanthropy and decision-making process.

Based on the upper echelons theory and results from prior studies, we proposed the following hypotheses:

H_2: Women directors' age influences companies' CSR disclosure.

H_3: Women directors' education level influences companies' CSR disclosure.

H_4: Women directors' tenure influences CSR disclosure.

3. Research Method

We collected information from 300 non-financial companies in Bursa Malaysia. The 300 companies were selected using a stratified random sampling. The use of 300 companies is sufficient as suggested by Krejcie and Morgan (1970). Data from annual reports for the year 2013 were chosen, being the year the most recent annual reports were made available. The use of data from only one year in examining the issues of the study is sufficient as prior studies by Ahmed Haji (2013), Embong (2014) and Fatima *et al.* (2015) found an unchanged and insignificant increase of CSR (or environmental) disclosure. The authors also discovered a low level of disclosure on the extent and quality of voluntary disclosure in general and CSR disclosure in specific from the year 2005 to 2010. We collected all information from the annual reports, similar to that performed by other CSR studies (Ahmed Haji, 2013; Fatima *et al.*, 2015; Othman *et al.*, 2011). The use of companies listed in Bursa Malaysia is appropriate as the improvement made to MCCG 2012 provides an opportunity to study the impact of the new recommendation (that is the representation of women on boards) on business practice and decision-making process. Furthermore, improvements made to MCCG 2012 shows that authoritative bodies in Malaysia are concerned about Malaysia's business environment and aim to continue to protect companies' shareholders and stakeholders.

The CSR checklist was developed from a thorough review of checklists used in prior studies and a review of Bursa Malaysia's CSR framework. The CSR score for each company was divided by its possible total score. The CSR checklist used in this study has 25 items[1]. Each item is measured using a three-point Likert scale. The scale of zero is assigned for non-disclosure, one for disclosure made in brief and general and two for information disclosed in detail and quantitative information or cost related to the CSR activities are included in the report. The use of a three-point Likert scale enables this study to measure the quality of CSR disclosure made by companies.

We use three different measurements to measure the effectiveness of women's directorship, consisting of dummy, actual number, and ratio. For dummy variable, the score of one is given to boards which have at least one women director, and zero to boards with all men directors. The ratio of women directors was measured as the number of women directors divided by the total number of board members. The use of different measurements may be able to provide better understanding on the issue being studied. We use three variables for women directors' demographic characteristics which are age, education level and tenure. Age and tenure were measured as the average age and tenure of women directors on boards, respectively. Women directors' education level was scored from a range of one to four – a score of one was given when women directors possess a diploma; two when women directors have a diploma and professional membership or degree or professional membership; three when women directors have a degree and professional membership or master or master and professional membership; four when women directors have a Ph.D. or Ph.D. and professional membership. The total score of women directors' education level was then divided based on the number of women directors on boards.

This paper uses six control variables, namely size of the company (proxied by total assets), profitability, leverage, proportion of independent directors on boards, and type of industry. These variables are deemed important and are normally used as control variables in past studies that examine voluntary and CSR disclosure.

We constructed two regression equations. The first equation is to test H_1 while equation two is for H_2 to H_4. We constructed different regression equations because, in testing H_1, all 300 sampled companies are used while for H_2 to H_4, we used only companies that have women directors on boards. The two regression equations constructed in this study were as follows:

$$CSRD = \beta_0 + + \beta_1 WMN + \beta_2 SIZE + \beta_3 PROFIT + \beta_4 LEV + \beta_5 BIND + \beta_6 BSZE + \sum INDMY + \varepsilon_{it,} \quad (1)$$

$$CSRD = \beta_0 + \beta_1 WAGE + \beta_2 WEDL + \beta_3 WATN + \beta_4 SIZE + \beta_5 PROFIT + \beta_6 LEV + \beta_7 BIND + \beta_8 BSZE + \sum INDMY + \varepsilon_{it} \quad (2)$$

where:

CSRD = Corporate social responsibility disclosure,
WMN = Representation of women directors (dummy/actual/ratio),
WEDL = Women directors' education level (average),

[1] The CSR disclosure checklist is available from the authors upon request.

WAGE = Women directors' age (average),
WATN = Tenure as directors (average),
SIZE = Size of the companies, measured as natural log of total assets,
PROFIT = Profitability, measured as net income/total assets,
LEV = Leverage, measured as total liability/total assets,
BIND = Proportion of independent directors on boards,
BSZE = Boards size, being the number of directors on boards,
INDMY = Dummy variables for industry type, and
ε_{it} = Error term

4. Findings and Discussion

Referring to Table 1, the mean for CSR disclosure for all sampled companies is .24, with a maximum and minimum value of .86 and .00 respectively. The mean value indicates that a majority of companies provide a relatively low disclosure which is similar to that found by Othman *et al.* (2011) and Ahmed Haji (2013). The minimum value indicates that there are companies that did not provide CSR disclosure in the annual reports, or they provide only pictures related to CSR activities performed by the companies that were not accounted in this study. Referring to data collected, there are four companies that have zero value of CSR disclosure. As for women directors, the maximum and minimum number of women directors for dummy variable represents companies with and without women directors on boards. From the table, 139 (46.33%) companies have at least one women director on boards while the remaining 161 (53.67%) companies have all men directors on boards. The maximum value of actual and ratio of women directors are 5 and 0.6 respectively. As for control variables, the geometric mean of the natural log of total assets is MYR 452 million ($e^{19.93}$) and it ranges from MYR 24 million ($e^{17.02}$) to MYR 99 billion ($e^{25.32}$). The ranges for profitability and leverage are -.408 to .832 and .0029 to .98 respectively. For board independence, the minimum value of .25 indicates that there are companies that did not fulfil the requirement to have 30% independent directors on boards while the maximum value of 1 indicates that there are companies that all the directors on boards are independent directors. From data of this study, there is one company that all of directors on boards are independent directors. Lastly, the maximum and minimum numbers of directors on boards are 17 and 4 directors respectively, with an average of 7 directors.

Table-1. Descriptive statistics for H_1

Construct	Operation measure	Mean / (SD)	Max.	Min.
1. CSR Disclosure	Three-point Likert scale	.24 / (.1637)	.86	.00
2. Women directors	Dummy Actual Ratio	 0.7 (.915) .0948 (.1246)	1 (139) 5 0.60	0 (161) 0 .00
3. Company size	Natural log of total assets	19.9328 / (1.5525)	25.32	17.02
4. Profitability	Net income/total assets	.0396 / (.1073)	.832	-.408
5. Leverage	Total liability/total assets	.3811 / (.2044)	.98	.0029
6. Board Independence	% of independent directors	.483 / (.134)	1.00	.25
7. Board size	Number of directors on boards	7 / (1.839)	17	4

Table 2 reports the descriptive statistics for companies with at least one woman director on boards. The minimum and maximum values of CSR disclosure for these companies are .00 and .86 with a mean of .26. These values indicate a similar pattern of disclosing CSR information as reported in Table 1. The average age and tenure of women directors are 52 years and 8 years, respectively. The minimum value for women directors' tenure indicates that there are newly appointed women directors on boards for the year 2013. The average level of education among women directors is 2, indicating that a majority of women directors has a diploma with professional membership, a degree or has a professional membership. For control variables, the tabulations are roughly the same as reported in Table 1.

Table-2. Descriptive statistics for H_2 to H_4

Construct	Operation measure	Mean / (SD)	Max.	Min.
1. CSR Disclosure	Three-point Likert scale	.26 / (.1791)	.86	.00
2. Women directors' age	Total age/number of women directors	52 (8.754)	70	28
3. Women directors' education level	Total education level/number of women directors	2 (.666)	4	1
3. Women directors' tenure	Total tenure/number of women directors	8.19 (6.649)	34	Less than one year
4. Company size	Natural log of total assets	20.15 (1.612)	25.32	17.13
5. Profitability	Net income/total assets	.0557 (.107)	.83	-.16
6. Leverage	Total liability/total assets	.383 (.185)	.89	.01
7. Board Independence	% of independent directors	.463 (.126)	1	.29
8. Board size	Number of directors on boards	8 (1.97)	17	4

The correlation analysis for H_1 as reported in Table 3 shows that two measurements of women directors that are dummy and actual, company size, profitability, leverage and board size positively associated with CSR disclosure. As an initial analysis, the positive association between the dummy and actual number of women directors provides some support that women directors positively influence companies' CSR disclosure. The correlation coefficients for the majority of independent and control variables show a low association given that the coefficient value is less than .4, except for the correlation coefficient among measurements of women directors with high coefficient values. This paper thus separated the analysis for each measurement of women directors.

Table-3. Correlation analysis for H_1

Construct	1	2	3	4	5	6	7	8
1. CSR Disclosure								
2. Women directors (dummy)	.098*							
3. Women directors (actual)	.095*	.828***						
4. Women directors (ratio)	.022	.820***	.952***					
5. Company size	.559***	.132**	.131**	.046				
6. Profitability	.131**	.140**	.122**	.128**	.203***			
7. Leverage	.127**	.011	-.004	-.053	.261***	-.262***		
8. Board size	.232***	.208***	.218***	.028	.340***	.094	.132**	
9. Board independence	-.050	-.133**	-.133**	-.078	-.052	-.152***	-.016	-.368***

****p* < .01, ***p* < .05, **p* < .10 (two-tailed)
Notes: N= 300. Descriptive statistics and correlation coefficients for industry are available from the authors upon request.

The correlation analysis for variables used in testing H_2 to H_4 is reported in Table 4. Women directors' education level, company size, profitability, leverage and board size are positively associated with CSR disclosure while women directors' tenure is negatively associated with CSR disclosure. These positive and negative associations provide some evidence that women directors' demographic characteristics influence companies' CSR disclosure. The coefficient values for other independent and control variables show a low strength of association given that the coefficient value is less than 4. This situation indicates that the variables used in testing H_2 to H_4 are free from multicollinearity issue.

Table-4. Correlation analysis for H_2 to H_4

Construct	**1**	**2**	**3**	**4**	**5**	**6**	**7**	**8**
1. CSR Disclosure								
2. Women directors' age	.059							
3. Women directors' education level	.264***	-.068						
4. Women directors' tenure	-.223***	.211**	-.142*					
5. Company size	.608***	.200**	.287***	-.111				
6. Profitability	.145*	.060	-.114	-.017	.095			
7. Leverage	.191**	-.065	.309***	-.165*	.372***	-.257***		
8. Board size	.251***	.061	.040	-.113	.389***	.048	.232***	
9. Board independence	.025	-.022	-.021	-.070	-.039	-.125	-.088	-.320***

****p* < .01, ***p* < .05, **p* < .10 (two-tailed)
Notes: N= 139. Descriptive statistics and correlation coefficients for industry are available from the authors upon request.

Next, this paper reports the results of multiple regression analysis for H_1 in Table 5. The table shows that the coefficients of women directors using all the three measurements are insignificant. Thus, H_1 is not supported. The insignificant effect of women directors on CSR disclosure is similar to those found by Bowrin (2013), Giannarakis (2014), Kahreh *et al.* (2014) and Glass *et al.* (2015). The insignificant effect could be due to a number of reasons. First, the low representation of women directors on corporate boards may affect their leadership style, thus affecting their influence on CSR disclosure's decision. The low representation of women directors may require these women directors to align their leadership style with that of men. In Malaysia, the focus to include (more) women directors is still new. Newly appointed women directors may have less experience related to CSR activities and disclosure, thus affecting their leadership style and influence on the decision-making process.

For control variables used in testing H_1, only company size and companies grouped under properties significantly influence CSR disclosure. The positive and significant effects of company size on CSR disclosure indicate that large companies provided more quality CSR disclosure. This may be possible because large companies may have large amount of resources to implement and disclose CSR activities and disclosure. As for companies grouped under properties, the results show a significant negative effect. The results from the regression analysis for H_1 were checked for robustness and they fulfil the statistical assumptions such as normality, multicollinearity and heteroscedasticity.

Table-5. Regression analysis for H_1

	Presence of women directors (dummy)			**Actual number of women directors (actual)**			**Proportion of women directors (ratio)**		
	β	**t-stat**	***P* Value**	**β**	**t-stat**	***P* Value**	**β**	**t-stat**	***P* Value**
Constant	-1.018	-8.413	.000***	-1.016	-8.393	.000***	-1.019	-8.413	.000***
Women directors	.010	.620	.536	.005	.567	.571	.011	.169	.866
Natural log of total assets	.063	9.978	.000***	.063	9.987	.000***	.063	10.021	.000***
Profitability (ROA)	.013	.156	.877	.014	.177	.860	.016	.201	.841
Leverage	-.019	-.415	.678	-.018	-.401	.689	-.019	-.409	.683
Board size	.001	.250	.893	.001	.252	.801	.002	.352	.725
Proportion of independent directors	-.004	-.064	.949	-.004	-.068	.946	-.005	-.082	.935
Construction	.035	.725	.469	.032	.683	.495	.031	.646	.519
Consumers	.036	.933	.351	.034	.885	.377	.033	.868	.386
Industrial products	.011	.293	.770	.009	.255	.799	.009	.238	.812
Plantation	.003	.051	.959	.001	.016	.987	-.001	-.019	.984
Properties	-.067	-1.627	.105	-.069	-1.679	.094*	-.068	-1.675	.095*
Trade and services	-.007	-.186	.853	-.009	-.231	.818	-.010	-.257	.797
Adjusted R^2	.317			.317			.316		
F Statistics (for model summary)	12.569***			12.561***			12.524***		
N	299			299			299		

**p < .10, **p <.05, ***p<.01*

The results from the regression analyses for H_2 to H_4 are reported in Table 6. The table shows that only one predictive variable which is women directors' tenure is significant in affecting companies' CSR disclosure. With a negative and significant coefficient value, H_4 is thus supported, and may be explained that the longer a women serves on the board, the lesser the quality of CSR disclosure is. The negative and significant effects of tenure are similar to those found by Marquis and Lee (2013) and Agnihotri (2014). The negative effects of tenure may happen because longer tenured directors may get used to CSR activities and disclosure, thus, affecting their view and decision to disclose CSR information. Furthermore, longer tenured directors try to adapt to the strategies of peer companies in the some industry (Marquis and Lee, 2013), thus may affect their decision to disclose CSR information.

We were unable to support H_2 and H_3 given that the effects of the other two variables that are women directors' age and women directors' education level are insignificant. The insignificant effects of age are similar to that found by Bertolino *et al.* (2013) and Giannarakis (2014). The insignificant result of women directors' age and education may be assumed that women directors' influence on CSR disclosure may come from other factors such as knowledge about the industry and business environment. The significant effects of control variables on CSR disclosure for the second regression are similar to that found in the regression analysis for H_1 in Table 5. Large companies with large amount of resources able to provide greater information of CSR activities performed by the companies. On the other hand, with a negative coefficient value, companies grouped under properties provide lesser quality of CSR disclosure.

Table-6. Regression analysis for H_2 to H_4

	Coefficients	t-stat	*P* value
Constant	-1.232	-6.625	.000***
Women directors' age	.000	-.260	.795
Women directors' education level	.026	1.330	.186
Women directors' tenure	-.004	-2.128	.035**
Natural log of total assets	.073	7.106	.000***
Profitability (ROA)	.134	1.119	.265
Leverage	-.056	-.718	.474
Board size	.000	.049	.961
Proportion of independent directors	.091	.888	.376
Construction	-.098	-1.294	.198
Consumers	.016	.307	.759
Industrial products	.011	.239	.811
Plantation	-.054	-.728	.468
Properties	-.096	-1.792	.076*
Trade and services	-.022	-.444	.658
Adjusted R^2	.399		
F Statistics (for model summary)	7.533***		
N	138		

*$p < .10$, **$p < .05$, ***$p < .01$*

5. Conclusion

This paper examines the effects of women directors and their demographic characteristics on CSR disclosure. From a sample of 300 non-financial companies listed in Bursa Malaysia for the year 2013, 139 companies have women on corporate boards. This paper found that women directors' tenure negatively influence CSR disclosure. Other predictive variables, however, were found to be insignificant when regression analyses are performed. While the findings of this paper provide some views on the effects of having women on corporate boards and their demographic characteristics on CSR disclosure, this paper is subject to some limitations. Firstly, this study did not classify CSR disclosure according to themes. The themes are human resource, community, environment, and product and services. Du *et al.* (2013) argued that leadership style has more influence on institutional CSR that is community and environment. It may be assumed that women directors will put more focus on these two themes. Thus, the effect will be different as compared to when examining CSR disclosure as a whole. Secondly, companies' annual reports are the only source for data collection in this study. Thirdly, this paper used only three proxies for women directors' demographic characteristics, thus, may not be able to explain the effects of women directors' demographic characteristics on CSR disclosure. Future studies may classify CSR disclosure according to themes and examine the effects of women directors on specific CSR themes. Besides that, future studies may conduct interviews with women directors and the results of the interviews may complement the findings from the annual reports. Lastly, in examining the impact of women directors' demographic characteristics on CSR disclosure, future studies may use other proxies for women directors' demographic characteristics such as their directorship in other companies (multiple directorships), their designations (independent or executive directors), and boards' committee membership.

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