CEO CHARACTERISTICS AND ESG DISCLOSURE

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Abstract

Background: Growing environmental, social, and governance concerns in Indonesia have increased pressure on publicly listed companies to enhance ESG transparency, yet research on how CEO level characteristics influence ESG disclosure remains limited, with prior studies predominantly focusing on firm level factors. Grounded in Upper Echelons Theory, which posits that strategic decisions reflect the personal attributes of top executives.
Objective: to examine the effect of CEO characteristics include age, gender, international background, and narcissism on ESG disclosure in publicly listed companies in Indonesia during the 2021–2023 period.
Research Methods: This study uses a quantitative approach with secondary data from annual reports, Refinitiv Eikon, and the Indonesia Stock Exchange, analyzed using multiple linear regression with SPSS to examine the effect of CEO characteristics on ESG disclosure
Research Results: The research results show that CEO gender, international background, and narcissism have a positive and significant effect on ESG disclosure, while CEO age has no significant effect, implying that CEO personal characteristics play an important role in shaping corporate sustainability disclosure and can be used by investors, regulators, and stakeholders to evaluate ESG transparency
Originality/Novelty of Research: This research examining four CEO characteristics include age, gender, international background, and narcissism as determinants of ESG disclosure in the Indonesian context, extending Upper Echelons Theory to an emerging market setting where such individual level executive factors remain underexplored
Keywords: *Upper Echelons Theory, CEO, Characteristics, ESG Disclosure*

Introduction

Environmental, Social, and Governance (ESG) disclosure has gained increasing attention from stakeholders, regulators, and investors as companies are expected to demonstrate accountability for their environmental and social impacts (Fajri Yudha, 2024; Jati et al., 2023) Currently, there are many environmental and social issues caused by corporate operations, such as environmental damage and the dilemmas faced by workers. (Adisya, 2020; Akbar, 2020; Krismantari et al., 2020; Nurhadi, 2022; Rosadi, 2024). These recurring cases illustrate how corporate operations that neglect environmental and labor standards can trigger public criticism, legal scrutiny, and reputational damage, thereby heightening pressure on companies to demonstrate accountability to stakeholders. In reponse to this pressure, companies increasingly rely on ESG disclosure as a mechanism to communicate their environmental and social commitments and to restore public trust. Because decisions regarding the scope, depth, and priority of such disclosure are ultimately made by top management, the personal characteristics of the CEO become a critical factor in determining how a company responds to these sustainability pressure. The growing demand for sustainability transparency has encouraged companies to provide more comprehensive ESG disclosures to maintain legitimacy and meet stakeholder expectations (Oktaviana et al., 2025). In Indonesia, the implementation of Financial Services Authority Regulation POJK No. 51/POJK.03/2017 has further strengthened the requirement for public companies to disclose sustainability information, increasing pressure on corporate leaders to enhance ESG reporting quality. Consequently, ESG disclosure has become an important strategic tool for companies to maintain corporate reputation and attract sustainable investment (Triyani, 2020; Triyani et al., 2021).

Upper Echelons Theory suggests that organizational outcomes are influenced by the personal characteristics of top executives, particularly CEOs who play a critical role in strategic decision-making (Hambrick & Mason, 1984). CEO characteristics such as age, gender, international background, and personality traits may shape how leaders interpret environmental and social responsibilities and determine the extent of ESG disclosure (Bear et al., 2010; Benefont, 2023; Boţa-avram & Tiron-tudor, 2025). Previous studies indicate that female CEOs tend to adopt more stakeholder-oriented leadership styles and are associated with higher sustainability disclosure (Fadhlihi & Fatriansyah, 2023; Glass et al., 2016). Additionally, CEOs with international backgrounds are more likely to adopt global sustainability standards due to broader perspectives and international exposure (Edepillis, 2024). Meanwhile, CEO narcissism has also been identified as an important behavioral trait influencing corporate disclosure practices, as narcissistic leaders tend to seek recognition and enhance corporate visibility through voluntary disclosures (Falah & Mita, 2020). Taken together, these findings suggest that gender, international exposure, and narcissism each shape a CEO's cognitive frame and risk tolerance in a distinct way, yet they converge on the same underlying mechanism proposed by Upper Echelons Theory: personal attributes filter how executives interpret sustainability issues and decide how much information to disclose. While each of these characteristics has previously been examined, they have mostly been studied in isolation, in single country or cross country samples outside Indonesia, and rarely alongside CEO age within a single model. This study's novelty therefore lies not in introducing an entirely new characteristic, but in jointly testing four CEO-level attributes age, gender, international background, and narcissism within the specific institutional setting of Indonesian public companies during the 2021–2023 period, thereby providing a more integrated test of Upper Echelons Theory in an emerging-market context where such combined evidence remains scarce.

Despite the growing interest in ESG disclosure, empirical findings regarding the influence of CEO characteristics remain inconsistent and limited, particularly in developing countries such as Indonesia. Most prior research focuses on firm-level determinants such as firm size, profitability, and ownership structure, while individual CEO characteristics have received relatively less attention (Triyani et al., 2021) (Suhardjanto & Miranti, 2009). This gap highlights the need for further investigation into how CEO characteristics influence ESG disclosure in Indonesian public companies. Furthermore, existing evidence on CEO-level determinants of ESG disclosure remains inconsistent: studies conducted in developed markets often find that older, foreign-experienced, or female CEOs consistently promote greater disclosure, whereas evidence from emerging markets, including Indonesia, is comparatively scarce and sometimes shows weaker or non-significant effects, which points to institutional differences rather than a universal pattern. Indonesia's context differs from that of developed markets in several respects that plausibly alter how CEO characteristics translate into ESG disclosure, including a comply or explain sustainability reporting regime under POJK No. 51/POJK.03/2017, a corporate ownership structure that remains heavily family and state controlled, and comparatively nascent capital-market pressure for ESG transparency. The 2021–2023 period is also distinctive because it captures the years immediately following the mandatory rollout of POJK No. 51/POJK.03/2017 reporting requirements and coincides with heightened post-pandemic scrutiny of corporate sustainability commitments, a period in which CEO discretion over disclosure content is likely to be more consequential than in earlier, less regulated years. Moreover, the increasing global trend toward sustainable investment and stricter regulatory frameworks has intensified the importance of understanding CEO-level determinants of ESG disclosure quality in this specific institutional and temporal setting.

Based on these considerations, this study aims to examine the influence of CEO age, gender, international background, and narcissism on ESG disclosure in publicly listed companies in Indonesia during the 2021–2023 period. This research is expected to contribute to the literature by providing empirical evidence on the role of CEO characteristics in shaping sustainability disclosure in emerging markets. Furthermore, the findings may provide practical implications for investors, regulators, and stakeholders in evaluating ESG disclosure quality and corporate sustainability strategies.

This paper is organized as follows. The first section presents the introduction, including background, research motivation, research problems, and research objectives. The second section discusses the literature review and hypothesis development. The third section describes the research methodology. The fourth section presents the empirical results and discussion. Finally, the fifth section concludes the study and provides recommendations for future research.

Literature Review

Upper Echelons Theory

Upper Echelons Theory, introduced by Hambrick and Mason (1984), explains that organizational outcomes and strategic decisions are largely influenced by the personal characteristics of top executives, such as age, education, experience, values, and personality traits. This theory emphasizes that organizations are reflections of their leaders, meaning that executives interpret strategic situations based on their backgrounds and experiences, which subsequently affect corporate policies and performance. In the context of ESG disclosure, Upper Echelons Theory suggests that CEO characteristics including gender, international background, and narcissistic traits shape how leaders perceive sustainability issues and determine the level of transparency in environmental, social, and governance reporting, indicating that ESG disclosure is not only driven by external pressures but also by the values and preferences of top management (Hambrick & Mason, 1984).

ESG Disclosure

ESG disclosure refers to the process of communicating non-financial information related to environmental, social, and governance aspects carried out by companies to demonstrate sustainability performance and transparency to stakeholders. ESG disclosure aims to enhance corporate accountability, reduce information asymmetry, and support sustainable business practices by providing stakeholders with relevant information regarding environmental impacts, social responsibility, and governance practices (Triyani & Setyahuni, 2020). In addition, ESG disclosure serves as a strategic communication tool that helps companies improve corporate reputation, strengthen stakeholder trust, reduce capital costs, and enhance firm performance, while also reflecting how companies manage risks and opportunities related to environmental, social, and governance issues(Hinton, 2021; Zahroh & Hersugondo, 2015).

CEO Characteristics

CEO characteristics refer to the personal attributes and traits of a chief executive officer that can influence their decision-making within a company (Pratomo et al., 2022). In the context of strategic decision-making, Upper Echelons Theory proposed by Hambrick and Mason (1984) suggests that the personal background of executives shapes how CEOs understand and respond to organizational challenges, including sustainability-related decisions. Among the key characteristics studied in the literature, CEO age reflects the level of experience and conservatism in decision-making (Serfling, 2014) , while CEO gender has been associated with differences in leadership style and sensitivity toward social and environmental issues (Fadhlihi & Fatriansyah, 2023). Furthermore, CEO international background, defined as having foreign nationality or overseas educational experience, tends to broaden a CEO's global perspective on sustainability standards (Santoso & Setiawan, 2024), and CEO narcissism, characterized by a strong desire for attention, recognition, and dominance, has been found to significantly influence strategic corporate behavior including ESG-related disclosures (Falah & Mita, 2020).

Hypothesis

Upper Echelons Theory suggests that organizational strategies and decisions are influenced by executives’ personal characteristics, including age, which reflects experience, values, and risk preferences (Hambrick & Mason, 1984). Older CEOs tend to possess greater managerial experience, long-term orientation, and higher awareness of reputational and regulatory risks, leading them to support sustainability initiatives and enhance ESG disclosure. Previous studies also support this argument, showing that older CEOs are associated with stronger sustainability engagement and higher ESG disclosure due to their cautious decision-making and long-term strategic orientation(Huang et al., 2012; Serfling, 2014; Yapianto & Dewi, 2023). Based on these theoretical perspectives, prior research, and logical reasoning, older CEOs are expected to encourage broader ESG disclosure to enhance corporate sustainability and legitimacy. Therefore, the hypothesis is formulated as follows:

H1 : CEO age has a positive impact on ESG disclosure

Upper Echelons Theory suggests that executive characteristics, including gender, influence strategic decision-making and organizational outcomes because leaders interpret situations based on their personal values, experiences, and cognitive perspectives (Hambrick & Mason, 1984). Female CEOs are generally considered to be more risk-averse, ethically oriented, and more concerned with social and environmental issues compared to male CEOs, which encourages stronger engagement in sustainability practices and ESG disclosure. Prior research also supports this argument, showing that companies led by female CEOs demonstrate higher sustainability performance and more extensive ESG disclosure due to greater sensitivity to social responsibility and ethical considerations (Boţa-avram & Tiron-tudor, 2025; Cid-Aranda & López-Iturriaga, 2023; Fadhlihi & Fatriansyah, 2023). Based on these theoretical perspectives, previous studies, and logical reasoning, firms led by female CEOs are expected to disclose ESG information more extensively. Therefore, the hypothesis is formulated as follows:

H2 : CEO gender has a positive impact on ESG disclosure

Upper Echelons Theory suggests that executives' background characteristics, including international experience, influence strategic decisions and corporate outcomes because leaders interpret business environments based on their knowledge, exposure, and personal experiences (Hambrick & Mason, 1984). CEOs with international backgrounds tend to possess broader perspectives, greater awareness of global sustainability standards, and stronger sensitivity to environmental and social issues due to exposure to diverse institutional environments and stakeholder expectations. Previous studies also indicate that executives with international exposure are associated with higher corporate social responsibility engagement and more comprehensive ESG disclosure because they are more familiar with sustainability frameworks and global governance practices (Aguirre-Pérez & García-Sánchez, 2025; Santoso & Setiawan, 2024). Based on these theoretical perspectives, prior research, and logical reasoning, CEOs with international backgrounds are expected to encourage broader ESG disclosure to strengthen corporate sustainability and global competitiveness. Therefore, the hypothesis is formulated as follows:
H3 : International background CEO has a positive impact on ESG disclosure

Upper Echelons Theory explains that executives' psychological traits, including narcissism, influence strategic decision-making and corporate outcomes because leaders shape organizational strategies based on their personal values and personalities (Hambrick & Mason, 1984). Narcissistic CEOs tend to seek admiration, recognition, and public attention, which encourages them to engage in visible corporate initiatives such as ESG disclosure to enhance personal reputation and corporate image. Prior research supports this argument, indicating that narcissistic CEOs are more likely to pursue high-profile corporate social responsibility activities and increase voluntary disclosure to enhance visibility and prestige (Cragun et al., 2019; Petrenko et al., 2015; Santoso & Setiawan, 2024). Based on these theoretical perspectives, previous studies, and logical reasoning, narcissistic CEOs are expected to promote broader ESG disclosure to gain recognition and strengthen corporate reputation. Therefore, the hypothesis is formulated as follows:
H4 : CEO narcissism has a positive impact on ESG disclosure

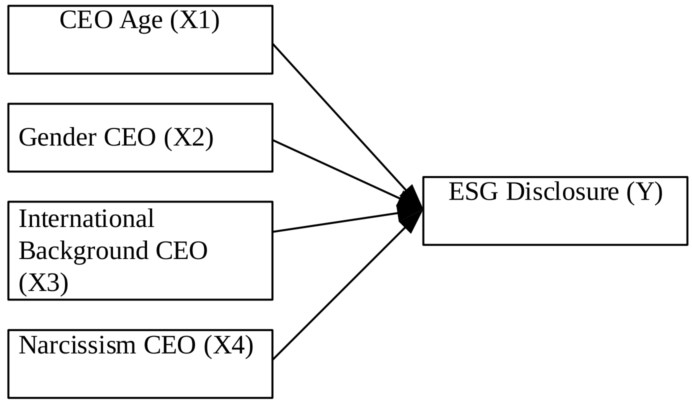

Figure 1. Research Model

Research Methods

Data and Sample

This study uses secondary data obtained from annual reports, Refinitiv Eikon, and the official website of the Indonesia Stock Exchange. The population consists of all publicly listed companies on the Indonesia Stock Exchange, while the sample was selected using purposive sampling based on specific criteria, including companies listed and active during 2021–2023, having available ESG scores in Refinitiv Eikon, publishing annual reports, and providing complete data for all research variables. Based on these criteria, the final sample consisted of 251 companies used for analysis in this study. The 251 observations represent firm-year observations rather than unique companies: because this study uses unbalanced panel (pooled cross-sectional) data, a company may contribute more than one observation across the 2021–2023 period, depending on how many years it satisfies the sampling criteria (i.e., having a complete annual report and an available ESG score in Refinitiv Eikon for that year). As the panel is unbalanced, the 251 firm-year observations are not evenly distributed across the three years, since some companies meet the criteria in all three years while others meet them in only one or two years, which is consistent with the residual degrees of freedom (246) and total degrees of freedom (250) reported in the model feasibility test.

Measurement Variables

This research uses a quantitative approach with an associative nature based on the philosophy of positivism. The population in this study includes all companies listed on the Indonesian Stock Exchange during the 2021-2023 period. The sample selection approach in this study was purposive sampling, with the criteria being companies listed on the Indonesian Stock Exchange, submitting annual reports for the

2021-2023 period, and having an ESG score in the Refinitiv Eikon database for the 2021-2023 period.

The dependent variable in this study is ESG disclosure, measured using the ESG score, which reflects environmental, social, and governance management issued in Refinitiv Eikon. The independent variables are CEO age, measured at the end of each fiscal year, and CEO gender, measured using a dummy variable of 0 = male and 1 = female. The next independent variable is the CEO's international background, measured using a dummy variable of 0 = no international background and 1 = has an international background. CEO narcissism is also measured using a dummy variable of 1 = no CEO photo, 2 = CEO photo with other executives, 3 = CEO photo alone takes up less than half the page, 4 = CEO photo alone takes up more than half the page, and 5 = CEO photo alone takes up the entire page.

Research Analysis

This study uses quantitative methods analyzed through quantitative statistics to examine the relationship between CEO characteristics and corporate ESG disclosure. The initial stage begins with descriptive statistical analysis, which aims to provide an overview of the characteristics of the research variables. Next, classical assumption tests are conducted to ensure the data meets the requirements for using multiple linear regression. These tests include: normality test, multicollinearity test, and heteroscedasticity test. Afterward, multiple linear regression analysis is conducted to determine the simultaneous and partial effects of each independent variable on ESG disclosure. Finally, hypothesis testing is conducted using the F test (model feasibility), the T test (partial significance), and the coefficient of determination (R^2) test to determine the contribution of the independent variables in explaining the dependent variable. The analysis is performed using SPSS software. The regression model used in this study is as follows:

$$ESGD = \alpha + \beta 1\ CEO\_Age + \beta 2\ CEO\_gender + \beta 1\ CEO\_IB + \beta 2\ CEO\_Nar + e \quad \ldots\ldots\ldots (1)$$

In this equation, ESGD serves as the dependent variable and examines the disclosure of ESG aspects in sustainability reports as measured by the ESG score in the Refinitiv eikon platform. The main explanatory variables include CEO_Age, which refers to the CEO's age; CEO_Gender, a binary variable coded as 1 if the CEO is female and 0 otherwise; and CEO_IB, also a binary variable, equal to 1 if the CEO has an international background and 0 otherwise. The CEO_Nar variable represents the CEO's narcissism score, reflecting the level of narcissistic tendencies as measured in this study. The error term, ε, accounts for other unobserved factors that may influence the optimistic tone of the report.

Results and Discussion

Descriptive Analysis

Table 1. Descriptive Test Results

No	Variable	N	Min	Max	Mean	Std. Deviation
1	Usia CEO	251	32	74	55,27	8,161
2	*Gender* CEO	251	0	1	0,09	0,283
3	International Background CEO	251	0	1	0,58	0,494
4	CEO Narcissism	251	1	5	4,02	1,159
5	ESG Disclosure	251	13,74	88,89	50,9896	18,25204

Source : Data processed by author

Based on the results of descriptive statistical tests, this study analyzed five main variables with the following findings. ESG disclosure, as the dependent variable, showed an average score of 50.9 with a standard deviation of 18.25, indicating that the company's level of transparency in environmental, social, and governance practices is in the medium category. The score ranged from 13.74 (PT Panin Financial Tbk) to 88.89 (PT Vale Indonesia Tbk).

For CEO characteristics, the average age is 55 years with a standard deviation of 8.161, with an age range of 32 years (Bank Aladin Syariah Tbk, 2021) to 74 years (PT Indofood Sukses Makmur Tbk, 2023). The gender composition of CEOs is dominated by men with a total of 229 people (91.2%), while 22 are women (8.8%), measured using a dummy variable of 0 for men and 1 for women. The international background of CEOs shows an average of 0.58, meaning that 147 of the 251 CEOs (58.6%) have experience or education abroad. Meanwhile, the average level of CEO narcissism reached 4.02 with a standard deviation of 1.159, with 113 companies (45%) obtaining a maximum score of 5, indicating a relatively high level of narcissism among CEOs of the research sample companies for the 2021-2023 period

Model Suitability Test (F Statistical Test)

Based on the table 2, the significance value is 0.000 with a confidence level of 0.05, so 0.000 < 0.05. This indicates that the independent variables, namely CEO characteristics (age, gender, international background, and narcissism), simultaneously influence ESG disclosure.

Table 2. Model Feasibility Test Results (F statistical Test)

ANOVA a						
Model		Sum of Squares	Df	Mean Square	F	Sig
1	Regression	12,821,727	4	3,205,432	11,191	0,000b
	Residual	70,462,559	246	286,433		
	Total	83,284,285	250			
a.Dependent Variab	: ESG Disclosure					
b.Predictors:(Const)	Nars,gender,age,	IB CEO.				

Source : Data processed by author

Coefficient of Determination Test

Table 3. Coefficient of Determination Test

Model Summary			
Model	R Square	Adj R Square	Std. Error of the estimate
1	0,154	0,14	16,92434
a.Predictors:(Const)	Nars,gender,age,	IB CEO	

Source Data processed by author

Based on Table 3, the R-square value was recorded at 0.140. This means that the independent variables CEO age, CEO gender, CEO international background, and impression management contribute 14% to the dependent variable, ESG disclosure. The remaining 86% is influenced by other factors not included in this study.

Hypothesis testing

Based on the table the partial significance test results reveal that among the four CEO characteristics examined, three variables demonstrate significant influence on ESG disclosure. CEO gender shows a positive and significant effect (t = 3.169, sig. = 0.002), indicating that female CEOs tend to promote higher levels of ESG disclosure compared to their male counterparts. CEO international background also exhibits a positive and significant effect (t = 2.479, sig. = 0.014), suggesting that CEOs with foreign nationality or overseas educational experience are more likely to enhance ESG transparency. CEO narcissism demonstrates the strongest positive and significant effect among all variables (t = 5.601, sig. = 0.000), implying that narcissistic CEOs tend to actively disclose more ESG information as a means of strengthening their personal image and corporate reputation. In contrast, CEO age shows no significant effect on ESG disclosure (t = 1.580, sig. = 0.115), indicating that the age of a CEO does not meaningfully determine the extent to which a company discloses its environmental, social, and governance information. These findings collectively support the regression equation: ESG Disclosure = 13.807 + 0.215 Age + 12.006 Gender + 5.587 International Background + 5.224 Narcissism + e

Table 4. Partial Significance Test Results (T-Test)

Model		Unstandardized Coefficients		Standardized Coefficients	T	Sig.
		B	Std. Error	Beta		
1	(Constant)	13,807	9,157		1,508	0,133
	Usia CEO	0,215	0,136	0,096	1,580	0,115
	Gender CEO	12,006	3,788	0,186	3,169	0,002
	International Background CEO	5,587	2,254	0,152	2,479	0,014
	Narsisme CEO	5,224	0,933	0,332	5,601	0,000
a.Dependent Variable	: ESG Disclosure					

Source : Data processed by author

Discussion

The Impact of CEO Age on ESG Disclosure

The results of the partial significance test (T-test) indicate that CEO age does not have a significant influence on ESG disclosure, with a t-value of 1.580 and a significance level of 0.115, which exceeds the threshold of 0.05. Consequently, the first hypothesis (H1), which proposed a positive relationship between CEO age and ESG disclosure, is rejected. This finding suggests that the age of a CEO does not automatically determine the extent to which a company discloses its environmental, social, and governance information. Although age is commonly associated with greater experience and a more conservative approach to decision-making (Serfling, 2014), it does not necessarily reflect a CEO's level of concern toward ESG issues. This is consistent with the argument put forward by (Jain & Jamali, 2016), who contend that ESG strategy tends to be a collective organizational effort, heavily dependent on corporate culture and company policy rather than being solely driven by individual executive characteristics such as age. This finding is consistent with prior studies by (Peni, 2014) and (Cid-Aranda & López-Iturriaga, 2023), which similarly found no significant relationship between CEO age and firm performance or strategic decision-making, reinforcing the notion that age is not a reliable predictor of ESG disclosure quality in emerging market settings such as Indonesia.

The impact of Gender CEO on ESG Disclosure

The results of the partial significance test (T-test) reveal that CEO gender has a positive and significant influence on ESG disclosure, with a t-value of 3.169 and a significance level of 0.002, which is well below the threshold of 0.05. Accordingly, the second hypothesis (H2), which proposed a positive relationship between CEO gender and ESG disclosure, is accepted. This finding indicates that the presence of a female CEO meaningfully contributes to higher levels of ESG disclosure in corporate sustainability reports. Out of the total 251 samples examined during the period 2021–2023, only 22 CEOs were female compared to 229 male CEOs, reflecting the continued underrepresentation of women in top executive positions within Indonesian publicly listed companies. Nevertheless, this relatively small proportion of female CEOs has demonstrated a notable positive impact on ESG transparency, suggesting that gender diversity at the executive level plays a meaningful role in shaping corporate sustainability practices

This finding is consistent with previous studies conducted by (Santoso & Setiawan, 2024), who found that female CEOs tend to be more attentive to social and environmental issues compared to their male counterparts, owing to their inherent sensitivity and values that place greater emphasis on non-financial information disclosure. Similarly, (Fadhlihi & Fatriansyah, 2023) argued that male leaders in corporate settings tend to prioritize financial performance and shareholder interests, whereas female leaders are more inclined to consider the social and environmental dimensions of business operations, adopting a more participative and democratic leadership style. These differences in leadership orientation are further supported by Upper Echelons Theory (Hambrick & Mason, 1984), which acknowledges that CEO characteristics such as gender significantly influence strategic choices and corporate decision-making. Female CEOs generally exhibit a more collaborative, participative, and relationship-oriented leadership style, which inherently supports greater transparency and open communication, including the disclosure of ESG information to various stakeholders. As such, the presence of female CEOs can be regarded as a key driver of improved ESG reporting quality in Indonesian publicly listed companies.

The impact of International Background CEO on ESG Disclosure

The results of the partial significance test (T-test) demonstrate that CEO international background has a positive and significant influence on ESG disclosure, with a t-value of 2.479 and a significance level of 0.014, which falls below the threshold of 0.05. Therefore, the third hypothesis (H3), which proposed a positive relationship between CEO international background and ESG disclosure, is accepted. This finding confirms that CEOs who possess foreign nationality or have obtained educational experience abroad tend to contribute meaningfully to higher levels of ESG transparency in their companies' sustainability reports. Based on the descriptive statistical analysis, out of 251 total samples, 147 CEOs were identified as having an international background, reflecting a relatively high proportion of internationally experienced executives among publicly listed companies in Indonesia. This considerable presence of internationally backgrounded CEOs underscores the growing influence of global perspectives in shaping corporate sustainability practices within the Indonesian business landscape

This finding is in line with studies conducted by (Cid-Aranda & López-Iturriaga, 2023; Liu et al., 2024), which demonstrated that CEOs with international experience significantly enhance corporate ESG performance, particularly in the areas of environmental and social disclosure. Furthermore, (Santoso & Setiawan, 2024) similarly found that CEO international background positively influences environmental transparency, as CEOs with international exposure tend to possess a broader global perspective on sustainability issues and are more familiar with stringent ESG reporting standards practiced across various countries. Upper Echelons Theory (Hambrick & Mason, 1984) further supports these findings by explaining that the educational background and international experience of a CEO can expand their professional network and access to global information, enabling them to stay abreast of the latest ESG trends, evolving regulations, and best practices in sustainability reporting from around the world. Consequently, CEOs with international backgrounds are more likely to adopt higher ESG reporting standards and are better equipped to meet the expectations of global investors who increasingly emphasize ESG performance as a critical factor in their investment decisions, thereby driving greater levels of ESG disclosure within their respective companies.

The impact of CEO Narcissism on ESG Disclosure

The results of the partial significance test (T-test) show that CEO narcissism has a positive and significant influence on ESG disclosure, with a t-value of 5.601 and a significance level of 0.000, which is substantially below the threshold of 0.05. Accordingly, the fourth hypothesis (H4), which proposed a positive relationship between CEO narcissism and ESG disclosure, is accepted. This finding indicates that narcissistic traits in a CEO significantly and positively shape corporate ESG disclosure practices, making CEO narcissism the strongest predictor of ESG disclosure among all variables examined in this study. Based on the descriptive statistical analysis, the average narcissism score among the 251 sampled companies was 4.02 out of a maximum score of 5, with 113 companies recording the highest narcissism score, suggesting that a considerable proportion of CEOs in Indonesian publicly listed companies exhibit prominent narcissistic characteristics. This relatively high average narcissism score reflects the tendency of

CEOs to prominently display their personal image in annual reports, which in turn appears to be positively associated with more extensive ESG information disclosure as a strategic tool for reputation building

This finding is consistent with previous research conducted by (Falah & Mita, 2020), who similarly found that CEO narcissism positively influences ESG disclosure, arguing that CEOs with narcissistic tendencies are generally more active in disclosing ESG information because they perceive corporate reputation as a direct reflection of their personal image and standing. Furthermore, (Santoso & Setiawan, 2024) corroborated this view by asserting that CEOs who are inclined to project a strong personal identity tend to engage more openly in environmental and social disclosures, while those who obscure their identity tend to report poorly on sustainability matters. Upper Echelons Theory (Hambrick & Mason, 1984) also lends theoretical support to these findings, explaining that CEO behavioral characteristics such as narcissism can meaningfully influence strategic choices and corporate decision-making, including the extent of ESG reporting Narcissistic CEOs, driven by their inherent need for attention, recognition, and admiration, tend to leverage ESG disclosure as a strategic instrument to strengthen both their personal brand and corporate reputation in the eyes of the public and stakeholders. However, it is important to note that while narcissism drives higher levels of ESG disclosure, such disclosures are more likely motivated by image management and reputation enhancement rather than a genuine and deep-seated commitment to sustainability principles, a dynamic that regulators and investors should carefully consider when evaluating the quality and authenticity of ESG reports.

Conclusion

This study aims to examine the influence of CEO characteristics on ESG disclosure. This study used a sample of 251 public companies in Indonesia from 2021 to 2023. This study was conducted to evaluate the influence of CEO characteristics, encompassing age, gender, international background, and narcissism, on the level of ESG disclosure among publicly listed companies on the Indonesia Stock Exchange during the period 2021 to 2023. Based on the data analysis and hypothesis testing carried out on 251 sample observations, several key findings were obtained. First, CEO age was found to have no significant influence on ESG disclosure, suggesting that age alone does not capture a CEO's capacity for leadership or their commitment toward sustainability practices, as ESG strategy tends to be collectively shaped by organizational culture and corporate policy rather than by individual demographic characteristics. Second, CEO gender demonstrated a positive and significant influence on ESG disclosure, confirming that the presence of female CEOs contributes meaningfully to higher levels of ESG transparency, as female leaders tend to exhibit greater sensitivity toward social and environmental issues and adopt a more participative and stakeholder-oriented leadership style compared to their male counterparts. Third, CEO international background was proven to positively and significantly influence ESG disclosure, indicating that CEOs with foreign nationality or overseas educational experience bring a broader global perspective on sustainability standards and are more inclined to adopt stringent ESG reporting practices in line with internationfal expectations. Fourth and finally, CEO narcissism was confirmed to have a positive and significant influence on ESG disclosure, with narcissistic CEOs tending to leverage ESG reporting as a strategic instrument to reinforce their personal image and corporate reputation, although such disclosures may be more driven by impression management considerations rather than a genuine commitment to sustainability values. Collectively, these findings provide empirical support for Upper Echelons Theory in the context of an emerging market, demonstrating that the personal characteristics and backgrounds of top executives play a meaningful role in shaping corporate sustainability disclosure practices in Indonesia.

This study makes a meaningful theoretical and practical contribution to the growing body of literature on behavioral accounting and sustainability reporting by providing empirical evidence on how CEO level characteristics shape ESG disclosure practices among publicly listed companies in Indonesia. From a theoretical standpoint, the findings extend the application of Upper Echelons Theory to an emerging market context, demonstrating that personal attributes of top executives, specifically gender, international background, and narcissism, serve as significant determinants of corporate sustainability transparency, thereby enriching existing theoretical frameworks that have predominantly been tested in developed market settings. From a practical standpoint, the findings carry important implications for multiple stakeholders. For companies, the results underscore the importance of considering executive-level characteristics in leadership selection processes, as CEO profiles have been shown to meaningfully correlate with ESG disclosure quality. For investors and other stakeholders, information on CEO characteristics can serve as an additional indicator in evaluating a company's genuine commitment to environmental, social, and governance responsibilities. For regulators, particularly the Financial Services Authority of Indonesia (OJK), these findings highlight the need to strengthen ESG reporting standards and governance frameworks that go beyond firm-level factors, taking into account the individual characteristics of corporate leaders in driving more transparent, credible, and comprehensive sustainability disclosures across Indonesian capital markets.

Despite its contributions, this study is subject to several limitations that should be acknowledged. First, the ESG scores utilized in this study were sourced exclusively from the Thomson Reuters Refinitiv Eikon database, which measures ESG performance based on the level of corporate information disclosure.

These scores may differ considerably from those provided by other ESG rating providers such as MSCI, Sustainalytics, or Bloomberg, given that each provider employs distinct assessment methodologies and data coverage criteria. Such differences have the potential to introduce bias or inconsistencies in the research findings, representing an inherent limitation that lies beyond the control of the researcher. Second, the measurement of CEO narcissism in this study relied on a visual assessment approach based on the presence and size of CEO photographs in corporate annual reports, which is inherently subjective in nature and may not fully capture the multidimensional complexity of narcissistic personality traits in a CEO. This photographic proxy, while widely adopted in prior literature, remains a simplified representation of a nuanced psychological construct that may warrant more comprehensive measurement approaches in future research

In light of these limitations, several recommendations are put forward for future studies. First, subsequent research is encouraged to broaden the scope of CEO characteristics examined, by incorporating additional variables such as CEO tenure and educational background, given that the findings of this study indicate that not all CEO characteristics investigated herein exert a significant influence on ESG disclosure. Expanding the range of executive-level variables studied would provide a more comprehensive understanding of how individual leadership attributes collectively shape corporate sustainability reporting practices. Second, from a methodological standpoint, future researchers are advised to extend the observation period beyond the three-year timeframe employed in this study, so as to capture more comprehensive trends and patterns in ESG disclosure over time, particularly in light of the continuously evolving regulatory landscape and the increasingly demanding expectations of stakeholders regarding corporate sustainability transparency in Indonesia and beyond.

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