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The Effect of Sharia Supervisory Board Characteristics on Islamic Social Reporting Disclosures of Islamic Banking in Indonesia

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Abstract

This study examines the role of the characteristics of the Sharia Supervisory Board (SSB) in increasing the disclosure of social responsibility of sharia banking in Indonesia using the Islamic Social Reporting (ISR) index for the 2017-2022 period. SSB characteristics tested in this study were size, number of meetings, multiple positions, expertise, age, and the presence of women. This study uses a quantitative method, a descriptive approach, with the sample being the entire population of this research, namely all Indonesian sharia commercial banks registered with the OJK during the 2017-2022 period, totaling 16. This research was then tested using panel data regression. The estimation results of the Random Effect model in this study indicate that SSB expertise and age have a positive effect on ISR disclosure. However, SSB size was found to have a negative influence on ISR disclosure. This research contributes to the development of Islamic corporate governance literature on ISR disclosure and provides insights and guidelines for Islamic banking in Indonesia and DSN-MUI regarding the decision-making of appropriate SSB characteristics in its placement in Islamic banking in Indonesia.

Introduction Section

The global Islamic finance industry has continued to grow rapidly for five years with the growth of global Islamic finance industry assets reaching USD 3,958 billion in 2021 and is expected to reach USD 5,900 billion in 2026 (IFDI, 2022). The development of Islamic banking assets can also be seen in Islamic Commercial Banks in Indonesia, which in 2022 reached IDR 513.86 trillion. The larger the asset value of an Islamic company, the higher the level of social responsibility it should undertake. This is because it opens more extensive opportunities for the company to implement Sharia principles, promote social justice, enhance community welfare, and adhere to religious regulations mandated for Islamic Financial Institutions. (Meiyana & Aisyah, 2019; Najah & Dita Andraeny, 2023).

Table 1. The global Islamic finance CSR ranking according to IFDI.

RANK OF CSR	2017	2018	2019	2020	2021	2022
1	Saudi Arabia	Jordan	Jordan	Saudi Arabia	Saudi Arabia	Saudi Arabia
2	Jordan	Saudi Arabia	Saudi Arabia	Jordan	Jordan	Jordan
3	Oman	Uni Arab Emirates	Oman	Uni Arab Emirates	Nigeria	Nigeria
4	Brunei	Qatar	Kuwait	South Africa	Kuwait	Kuwait
5	Bahrain	Kuwait	Qatar	Nigeria	Bahrain	Bahrain

The social responsibility carried out by companies is manifested through Corporate Social Responsibility (CSR) disclosure. The core concept of CSR revolves around a company's obligation to fulfill social and environmental responsibilities for the operational activities it has undertaken. This corporate social responsibility became mandatory following the enactment of Government Regulation Number 47 of 2012. Indonesia ranked third as the best global Islamic finance (IFDI, 2022). However, upon closer examination, as seen in Table 1 above, Indonesia has never entered the top 5 for the past 6 years based on the CSR ranking in the IFDI report of 2022. This clearly indicates that Indonesia has the potential to reach the top spot as the best global Islamic finance by enhancing its disclosure of social responsibilities.

Haniffa (2002) mentioned that so far, the measurement of CSR in Islamic banking still refers to the Global Reporting Initiative Index (GRI), which does not consider spiritual aspects, making it less suitable for use in Islamic banks. In response to this problem, Haniffa (2002) developed Islamic Social Reporting (ISR) as a CSR disclosure following sharia principles. ISR fulfills the purpose of corporate accountability and transparency, which includes aspects regarding the relationship between humans and Allah (*hablumminallah*), humans and humans (*habluminannas*), and human relationships with nature *(hablumminalalam*). Therefore, in addition to being a form of horizontal obligation to investors, customers, employees, society, and the environment, this ISR disclosure also fulfills vertical accountability to God (Fakhruddin, Kusbandiyah, et al., 2022).

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Many things can affect ISR disclosure, one of which is good corporate governance (GCG) (Sari & Helmayunita, 2019). However, there is a fundamental difference between the implementation of GCG in conventional banks and sharia banks, namely the implementation of sharia compliance principles as the main value that maintains the existence of Islamic banking (Nurhikmah & Kusumaningtyas, 2018). The implementation of sharia compliance is realized by the existence of an independent sharia supervisory institution, namely the Sharia Supervisory Board (SSB). Previous research shows that sharia governance can be represented by SSB and can increase social disclosure in accordance with sharia principles (Wijayanti & Setiawan, 2022). Apart from the supervisory function, SSB also functions to direct the operational activities of Islamic banks to comply with Islamic law (Ilyas, 2021). Because of its important role, this study only focuses on the characteristics of SSB in its influence on ISR disclosure.

Previous research has identified many SSB characteristics that can affect ISR disclosure such as size, number of meetings, cross membershipss, education level, expertise, qualifications, reputation, and age. However, in this study, the authors only focus on several SSB characteristics that can affect ISR disclosure, namely SSB size, number of SSB meetings, cross memberships of SSB, SSB expertise, SSB age, and female SSB.

Several previous studies found that the size, number of meetings, and cross memberships of SSB can affect ISR disclosure with a positive relationship (Azizah, 2021; Fakhruddin, Surya, et al., 2022; Mai et al., 2023; Meutia et al., 2019a; Milenia, Syafei, 2021; Najah & Dita Andraeny, 2023; Nugraheni & Khasanah, 2019; Ratna Sari et al., 2023; Wijayanti & Setiawan, 2022). Meanwhile, according to other studies (Fakhruddin, Surya, et al., 2022; Fakhruddin, Kusbandiyah, et al., 2022; Harun et al., 2020; Mai et al., 2023; Meutia et al., 2019a; Nugraheni & Yuliani, 2017; Ratna Sari et al., 2023; Setiawan, 2020) found that there was no influence between the size, number of meetings, and cross memberships of SSB on ISR disclosure. On the other hand, other studies on SSB size (Khasanah, 2023; Najah & Dita Andraeny, 2023; Siska et al., 2021) found a negative influence on ISR disclosure.

Meanwhile, in other SSB characteristics, it is mentioned that SSB expertise is rarely studied for its influence on ISR disclosure (Najah & Dita Andraeny, 2023). According to Amanda (2023), SSB expertise can affect ISR disclosure. Meanwhile, according to other studies (Najah & Dita Andraeny, 2023; Setiawan, 2020) SSB expertise cannot affect ISR disclosure.

Recently, it is also known that there are other SSB characteristics that have not been widely studied for their influence on ISR disclosure, namely age and the presence of women in SSB. Research on SSB age was conducted by Najah & Dita Andraeny (2023) with the finding that SSB age has a positive effect on ISR disclosure and Mai, et al (2023) found that SSB age has no effect on ISR disclosure. Meanwhile, research on the presence of women in SSB has only been researched by Mai et al. (2023) with the finding that the proportion of women in SSB has a positive effect on ISR disclosure. So, the variables of age characteristics and the presence of women in SSB need to be re-examined to determine the role of SSB on ISR disclosure more thoroughly and can add to the wealth of research on the effect of SSB age on ISR disclosure. There are differences between this research and previous research. This study adds a variable of SSB characteristics that has just been found to have a positive effect on CSR disclosure based on AAOIFI by Mai et al (2023). However, in this study, the CSR index used is the ISR index first developed by Haniffa (2002). To show results that are more in line with actual conditions, this study also uses the sustainability report of each Islamic bank to measure the ISR disclosure.

Theoretical framework and hypotheses development

Theoretical Framework

Resource Dependence Theory (RDT) argues that entities providing goods and services depend on certain resources to carry out their activities (Archibald, 2017). Based on this theory, the board is a corporate resource whose task is to monitor and advise in deciding and reducing uncertainty between the company and external resources so that it can play an important role in maintaining the sustainability of the company's business through corporate social responsibility disclosure (Hillman & Dalziel, 2003; Kiel & Nicholson, 2003). Rahman & Bukair (2013) stated that the Resource Dependence Theory and the existence of the Sharia Supervisory Board (SSB) in Islamic banking are interrelated. SSB is a representative resource invited by the company to exchange skills in the form of understanding the understanding of Islamic principles in Islamic financial institutions with parties who do not have the competence to understand these principles so that this can minimize uncertainty and manage dependence.

In addition to Resource Dependence Theory, the literature that explains social responsibility disclosure is Agency Theory. Mansour & Bhatti (2018) revealed that banks act as agents to provide sharia-compliant services. The layered governance system in Islamic banks can create agency conflicts between stakeholders (Mollah & Zaman, 2015; Farag et al., 2018). The role of SSB in Islamic banks is as a party that can conduct supervision to reduce agency conflicts (Almutairi & Quttainah, 2017; Shibani & De Fuentes, 2017). According to this theory, agency conflicts can also be minimized through the disclosure of relevant information that can assist investors in monitoring the actions of managers, one form of disclosure of relevant information in Islamic bank activities is the disclosure of Islamic Social Reporting (ISR) (Healy & Palepu, 2001; Mai et al., 2023).

In agency theory, it is known that characteristics regarding board independence and effectiveness, such as board size, diversity, and activity are related to the board's supervisory and control role on managers (Mai et al., 2023). According to agency theory, board diversity can increase the firmness and effectiveness of the board in making decisions (Carter et al., 2003). Agency Theory and RDT have similarities in terms of board diversity because governance structures with board diversity include resources that can increase firm value and can be realized through corporate social responsibility disclosure (Pfeffer & Salancik, 1978).

Hypotheses Development

Sharia Supervisory Board Size and Islamic Social Reporting

RDT theory reveals that a larger SSB size is expected to further improve bank performance including CSR (Mai et al., 2023), as the collective knowledge and experience of SSB will increase (El-Halaby & Hussainey, 2016). This statement can then be proven by previous researchers (Najah & Dita Andraeny, 2023; Nugraheni & Khasanah, 2019; Wijayanti & Setiawan, 2022). Meanwhile, agency theory holds that the presence of SSB can improve supervision, increase transparency, reduce information asymmetry, and reduce agency conflicts between shareholders and agents in banks (Mukhibad et al., 2023). However, in this case, a smaller board is better for the bank because it can avoid communication and coordination problems that can make the quality of board decision-making decrease (Mai et al., 2023), so that it can cause the quality of the bank's ISR disclosure to also decrease. This is then supported by previous research which found that SSB size has a negative effect on ISR disclosure (Khasanah, 2023; Najah & Dita Andraeny, 2023; Siska et al., 2021). Therefore, in this study, the authors predict a negative relationship between SSB size and ISR disclosure.

H_1: The size of the Sharia Supervisory Board has a negative effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Number of Sharia Supervisory Board Meetings and Islamic Social Reporting

The more the number of meetings conducted by SSB, the better the coordination and supervision, so that SSB can routinely contribute to providing information to management regarding the guidelines for channeling funds in accordance with sharia principles so that ISR disclosure becomes better and wider (Gestari, 2014). This is then supported by the RDT theory which views that the measure of activity, sincerity, and effectiveness of the board can be seen from the number of meetings conducted by the board as one of the board's commitments in controlling management so that it can affect the CSR performance of a company (Min & Chizema, 2018). Meanwhile, agency theory views that an increase in the number of board meetings can increase company costs and it can reduce company performance which will affect social responsibility disclosure later (Mai et al., 2023; Vafeas, 1999). However, most previous studies such as (Mai et al., 2023; Najah & Dita Andraeny, 2023; Ratna Sari et al., 2023) prove that the number of SSB meetings has a positive effect on ISR disclosure. Therefore, this study predicts a positive influence between the number of SSB meetings on ISR disclosure.

H_2: The number of Sharia Supervisory Board Meetings has a positive effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Cross memberships of Sharia Supervisory Board and Islamic Social Reporting

Cross memberships are known to improve the quality of discussions, perspectives, and experience in the application of Shariah principles (Farook et al., 2011) and can enable comparison of best practices between Islamic banks to make better ISR disclosures. This is then supported by RDT and agency theory because the position is a form of board diversity (Boulouta, 2013; Hafsi & Turgut, 2013) which can influence board decisions (Mai et al., 2023). In this case, multiple positions in the SSB can make each SSB member exchange skills and increase discussions about the practice of sharia principles in banking to increase knowledge about the application and supervision of sharia principles in Islamic banking (Rahman & Bukair, 2013). The discussion is then supported by previous studies (Fakhruddin, Surya, et al., 2022; Najah & Dita Andraeny, 2023; Wijayanti & Setiawan, 2022) which found a positive effect of cross memberships. which found a positive influence of SSB cross memberships on ISR disclosure. Therefore, in this study, it is estimated that the cross memberships of SSB has a positive influence on ISR disclosure.

H_3: The cross memberships of the Sharia Supervisory Board have a positive effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Expertise of Sharia Supervisory Board and Islamic Social Reporting

SSB members with accounting/economic/financial expertise are known to supervise bank management more effectively (Veltrop et al., 2017) to increase customer trust in Islamic banks (Baklouti, 2022). This is in accordance with RDT and agency theory because SSB expertise is a form of board diversity (Van Knippenberg et al., 2004) which can influence the board's decision-making so that it can affect CSR performance (Mai et al., 2023). In this case, SSB members who have knowledge in these areas will do their job more efficiently than those who do not have such knowledge, because they are better able to disclose the company's activities in a more ethical and transparent way in solving current social and environmental problems. (Rahman & Bukair, 2013). Amanda (2023) prove that expertise of SSB have a positive effect on ISR disclosure. Therefore, in this study it is estimated that SSB expertise has a positive effect on ISR disclosure.

H_4: The expertise of the Sharia Supervisory Board has a positive effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Age of Sharia Supervisory Board and Islamic Social Reporting

In disclosing social responsibility, age can affect the board's mindset in considering decision-making related to existing problems (Najah & Dita Andraeny, 2023). Increasing age can be useful because of the increasing experience of the board (Abu Qa'dan & Suwaidan, 2019) and makes them more sensitive to social issues (Kets De Vries & Miller, 1984). So, it is expected that increasing age can increase social responsibility disclosure. This is then supported by research conducted by (Najah & Dita Andraeny, 2023) which states that the age of SSB has a positive effect on ISR. However, in another point of view, the young age of SSB can provide new views and innovative ideas into social responsibility disclosure because they have a deep understanding of current issues in business, technology, and best practices in accordance with sharia principles (Najah & Dita Andraeny, 2023).

In line with this discussion, Harrison & Klein (2007) revealed that age diversity creates more balanced decision making, so that it can improve company performance including social responsibility disclosure (Beji et al., 2021). This is supported by RDT and the agency theory that board diversity affects better use of resources which leads to better decision making as a corporate strategy (Hillman et al., 2002; Mai et al., 2023) and supports social responsibility disclosure (Bear et al., 2010). Based on the discussion of the relationship between SSB age and ISR disclosure, this study predicts that SSB age has a positive effect on ISR disclosure.

H_5: The age of the Sharia Supervisory Board has a positive effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Sharia Supervisory Board Woman and Islamic Social Reporting

Recently, the presence of women on boards had a strong influence on better social responsibility disclosure. This may occur because decision-making by women is more socially oriented compared to men (Issa & Fang, 2019) which is supported by better communal abilities, such as compassion, helpfulness, kindness, sympathy, interpersonal sensitivity, nurturing and concern for others (Eagly et al., 2003). Bear et al (2010) revealed that the presence of women on the board can increase diversity. Thus, the relationship between female SSB and ISR disclosure is in accordance with RDT and agency theory because the presence of gender diversity on the board can increase the independence and effectiveness of decision making to improve CSR performance (Mai et al., 2023).

In the Amorelli & García-Sánchez (2021) study, it was found that more than 75% of the total 89 journals examined stated that there was a positive influence between female boards on Corporate Social Responsibility. In this case, not many have examined the effect of women in SSB on ISR. In Mai et al (2023) stated that there is a positive relationship between female SSB and CSR according to the AAOIFI index. Therefore, in this study it is estimated that female SSB has a positive effect on ISR disclosure.

H_6: The Female Sharia Supervisory Board has a positive effect on the disclosure of *Islamic Social Reporting* at Islamic Commercial Banks in Indonesia.

Research Method

This study uses a sample of 16 Islamic commercial banks (ICBs) in Indonesia registered with the Financial Services Authority (OJK) during 2017-2022, thus forming unbalanced panel data with a total of 158 bank-year observations. The data is obtained from the ICB annual report downloaded from the website of each ICB.

Dependent Variable

The dependent variable in this study is Islamic Social Reporting (ISR), which is uses the content analysis method. A score of "1" is given for each indicator contained in the annual report of an ICB, and a score of "0" is given if it is not included in the annual report of an ICB. The total disclosure score is then divided by the number of ISR disclosure items to produce the ISR index. The ISR index in this study consists of 43 indicator items developed by Othman et al. (2009), consisting of six themes namely, investment and finance, products and services, employees, community, environment, and governance.

Independent Variable

The independent variable in this study is the characteristics of the Sharia Supervisory Board (SSB) which consists of the size of the Sharia Supervisory Board, the number of meetings of the Sharia Supervisory Board, the cross memberships of the Sharia Supervisory Board, the expertise of the Sharia Supervisory Board, the age of the Sharia Supervisory Board, and the female Sharia Supervisory Board.

Control Variable

This study considers firm size, asset growth, leverage, Operating Cost of Operating Income (BOPO) and Non-Performing Finance (NPF) as control variables. Table 2 presents the variables, icons, and how to measure each variable.

Model Analysis

This study uses panel data regression analysis which is a combination of time series and cross section data to estimate the effect of Sharia Supervisory Board (SSB) characteristics on Islamic Social Reporting (ISR) disclosure in ICBs in Indonesia. By considering models related to cross-section and time series variables, the use of panel data can significantly overcome the problem of variables being omitted in the model, as well as relevant variables not being included (Ajija 2011). The panel data regression equation model can be written as follows:

$$ISR_{it} = \alpha_{it} + \beta_1\, SSB\_SIZE_{it} + \beta_2\, SSB\_MEET + \beta_{it3}\, SSB\_CM + \beta_{it4}\, SSB\_EXP + \beta_{it5}\, SSB\_AGE + \beta_{it6}\, SSB\_WM_{it} + \gamma Control + \varepsilon_{it}$$

In which "i" refers to the ICBs selected as the sample, and "t" refers to the year.

Table 2. Variable, icon, and variable value measurement

Variable	Icon	Variable value measurement
Islamic Social Reporting	ISR	*Percentage of items disclosed to total number of items*
Sharia Supervisory Board Size	SSB_SIZE	*The total members of the Sharia Supervisory Board*
Sharia Supervisory Board Meeting	SSB_MEET	*The frequency of SSB meetings in one year.*
Cross memberships of Sharia Supervisory Board	SSB_CM	*The number of SSB members who sit on the SSB of other Islamic banks at the same time.*
Expertise of Sharia Supervisory Board	SSB_EXP	*SSB members with expertise in accounting/finances/economics*
Age of Sharia Supervisory Board	SSB_AGE	*The logarithm of the age of SSB chairman in years. in years.*
Sharia Supervisory Board Woman	SSB_WM	*The proportion of women SSBs to the total members of SSBs.*
Bank Size	SIZE	*The logarithm of the total assets of banks*
Asset Growth	GROWTH	*The ratio of change in total assets to total assets in the previous year*
Leverage	LEV	*The ratio of total liabilities to total assets.*
BOPO	BOPO	*The ratio of operating cost to operating income.*
Non-Performing Finance	NPF	*The percentage of non-performing financing to total financing.*

Result

This section presents the results of descriptive statistics, multicollinearity test, and estimation results of the selected model, namely REM.

Descriptive Statistics

Table 3 shows that the average disclosure of ISR on ICB in Indonesia is quite large, reaching 71.08% with a minimum value of 44.18% and a maximum of 86.04%. These results increase from research conducted by Mai et al. (2023) and Nugraheni & Khasanah, (2019) where the average disclosure of social responsibility is 30.88% and 57.92% in Islamic commercial banks in Indonesia. This happens because the ISR disclosure is obtained not only from the annual report but also the company's sustainability report. The average number of SSB members is 2 to 3 people and the average number of meetings held by SSB is 17 to 18 times a year. This is in accordance with the Financial Services Authority Regulation Number 16 /POJK.03/2022 which states that the number of SSB members is at least two people and the number of SSB meetings is held at least once a month. The average SSB cross memberships is 81.19% with a minimum value of 0 and a maximum of 1. This shows that 81.19% of SSB members in ICBs have positions at other Islamic financial institutions when they take office. The average SSB expertise is 52.29% with a minimum value of 0 and a maximum of 1. This can indicate that half of all SSB members on ICB have expertise in accounting/economics/finance. SSB members at ICB have an average age of 56 years with a minimum age of 40 years and a maximum of 76 years. In addition, the average female SSB member is 5% with a minimum value of 0 (indicating that the ICB does not have a female SSB member) and the maximum value is 50%. Descriptive statistics of other variables can be seen in table 3 because space limitations cannot be explained further.

Table 3. Descriptive Statistics

Variable	Mean	Std. dev.	Min	Max
ISR	.7108408	.0960896	.4418605	.8604651
SSB_CM	.8119872	.3474814	0	1
SSB_AGE	56.26519	7.7583777	40	76
SSB_EXP	.5299145	.3141028	0	1
SSB_MEET	17.88462	11.20295	6	60
SSB_SIZE	2.25641	.56834	2	5
SSB_WMN	.0538462	.1462598	0	.5
Growth	.1359559	.1981399	-.2766419	1.178117
SIZE	7.149053	.5226458	6.105731	8.485334
LEV	.1655446	.0771277	.0407936	.409655
NPF	1.574231	1.580518	0	4.97
BOPO	.9633013	.5270056	.5616	4.284

Correlational Test

The research model estimate chosen in this study is REM, therefore the only classic assumption test that needs to be done is the multicollinearity test to see the correlation between independent variables. The results of this test are presented in table 4. From the table, it is known that the correlation between independent variables in this study is below +/- 0.8 so that it is free from multicollinearity symptoms.

Table 4. Correlational Test

Variabel	SSB_CM	SSB_AGE	SSB_EXP	SB_WMN	SSB_MEET	SB_SIZE	Growth	SIZE	LEV	NPF	BOPO
SSB_CM	1.0000										
SSB_AGE	-0.0224	1.0000									
SSB_EXP	0.2042	0.0144	1.0000								
SB_WMN	0.0173	0.0491	-0.2742	1.0000							
SSB_MEET	-0.4326	0.1729	-0.1110	-0.0744	1.0000						
SB_SIZE	0.1378	-0.0524	0.2717	0.0817	0.1740	1.0000					
Growth	0.0760	-0.0444	0.0988	-0.2000	-0.0358	-0.0557	1.0000				
SIZE	0.0617	-0.0190	0.3783	-0.0374	0.1699	0.6087	-0.0024	1.0000			
LEV	0.1237	-0.0003	0.2371	-0.0956	-0.0803	0.0638	0.1972	0.3086	1.0000		
NPF	0.2592	0.2996	0.0716	0.2931	-0.2101	-0.1175	-0.2413	-0.0482	0.1874	1.0000	
BOPO	0.1264	-0.1439	-0.0569	-0.0099	-0.1232	-0.0961	0.3639	-0.2241	-0.1040	0.0263	1.0000

Regression Results

Table 5 shows the regression results of this study with an R2 value of 55.16%. So that the independent variables in this study can explain 55.16% of the influence on the dependent variable. The rest is caused by other factors not involved in this research model. The Probability result is 0.000 less than the significance level of 0.05. So that all independent variables in this study can jointly influence the dependent variable. This study examines the effect of SSB characteristics with proxies for size, number of meetings, cross memberships, expertise, age, and the presence of women on ISR disclosure at Islamic Commercial Banks in Indonesia for the period 2017- 2022. The selected estimation model is REM presented in table 5. This study then uses control variables, namely company size, asset growth, leverage, NPF, and BOPO. The following is a discussion of the regression results for each variable:

Table 5. Regression Results

ISR	Coefficient	Std. err.	z	P >|z|	[95% conf. interval]	
SSB_CM	.0361771	.0271964	1.33	0.183	-.0171269	.0894811
SSB_AGE	.3355274	.1427745	2.35	0.019	.0556946	.6153602
SSB_EXP	.0696832	.0300604	2.32	0.020	.0107659	.1286005
SB_WMN	.0706519	.0621709	1.14	0.256	-.0512009	.1925047
SSB_MEET	.0009153	.0008547	1.07	0.284	-.00076	.0025906
SB_SIZE	-.0497045	.0189139	-2.63	0.009	-.0867751	-.0126338
Growth	-.0910412	.0482814	-1.89	0.059	-.185671	.0035886
SIZE	.1250857	.0214559	5.83	0.000	.0830328	.1671386
LEV	.1783275	.1190596	1.50	0.134	-.055025	.41168
NPF	-.0168219	.0064773	-2.60	0.009	-.0295173	-.0041266
BOPO	.0207135	.0174507	1.19	0.235	-.0134891	.0549162
_cons	-.7542256	.2849619	-2.65	0.008	-1.312741	-.1957106
R-squared	0,5516					
Probability	0,0000					

First, SSB size has a p-value of 0.009 < 0.05 with a coefficient of -0.0497045. This shows that SSB size has a negative effect on ISR disclosure. So that when the number of SSB members is getting smaller, it can increase the disclosure of ISR on ICB in Indonesia. This is then supported by previous research conducted by Khasanah, (2023), Najah & Dita Andraeny, (2023), Siska et al (2021). This finding is also supported by agency theory where a smaller number of SSB members can reduce the possibility of communication and coordination problems that can make the quality of board decision making decrease (Beiner et al., 2004; Mai et al., 2023). In this case, SSB has the duty and responsibility to provide advice and suggestions so that bank activities are in accordance with sharia principles to increase transparency, reduce information asymmetry, and reduce agency conflicts (Mukhibad et al., 2023). One form of corporate transparency in this case is ISR disclosure. However, this study proves that a smaller board is better for banks in ISR disclosure. Therefore, the 1st hypothesis in this study is rejected.

Second, this study shows that the number of SSB meetings cannot affect ISR disclosure with a p-value of 0.284 > 0.05 and a coefficient value of 0.0009153. The meeting organized by SSB coordinates and discusses all matters concerning Islamic banking so that sharia principles are implemented properly and maximally (Ratna Sari et al., 2023). However, in this case the SSB meeting at ICB in Indonesia is more focused on supervising and managing all bank operational activities (products and business activities) to comply with sharia principles (Mai et al., 2023). As a result, the frequency of SSB meetings cannot fully influence the disclosure of ISR in Islamic banks in Indonesia. Whereas SSB members who attend regular meetings can encourage banks to pay more attention to social issues from an Islamic perspective because they can convey their fatwas and views on social issues. This finding is supported by Fakhruddin, Kusbandiyah et al. (2022) and Nugraheni & Yuliani (2017) who state that the number of SSB meetings cannot affect ISR disclosure. Therefore, the 2nd hypothesis in this study is rejected.

Third, this study shows that cross memberships of SSB cannot affect ISR disclosure on ICB. This can be proven by the p-value of 0.183 > 0.05 with a coefficient of 0.0361771. This can happen because SSB members at ICB in Indonesia who have positions at other Islamic financial institutions can reduce their level of supervision and focus in carrying out their duties because of their many jobs (Ratna Sari et al., 2023). As a result, the performance of SSB members becomes ineffective so that it can affect the bank's ISR disclosure. The results of descriptive statistics in this study indicate that the average SSB member who has cross memberships is 81.19%. This means that 81.19% of the total SSB members at ICB Indonesia have positions at other Islamic financial institutions. This large percentage can then reduce the performance of SSB in overseeing all activities of Islamic banks, thereby reducing the company's ISR performance. Therefore, the 3rd hypothesis in this study is rejected.

Fourth, SSB expertise in this study has a p-value of 0.020 < 0.05 and a coefficient of 0.0361771. This shows that SSB members who have expertise in accounting / economics / finance have a positive effect on ISR disclosure on ICB in Indonesia. This means that the more SSB members who have expertise in this field, the higher the disclosure of ISR on ICB in Indonesia. This result is in accordance with RDT and agency theory which states that SSB members who have expertise in accounting / economics / finance can work more efficiently because they are more able to disclose company activities in a more ethical and transparent way in solving social and environmental problems that occur (Rahman & Bukair, 2013). The results of this study are also supported by research conducted by (Amanda, 2023). Therefore, the 4th hypothesis in this study is accepted.

Fifth, the SSB age variable has a p-value of 0.019 < 0.05 and a coefficient of 0.0696832. This shows that the age of SSB members has a positive effect on ISR disclosure on ICB in Indonesia. This means that the older age of SSB members can increase ISR disclosure on ICB in Indonesia. This is in accordance with RDT and agency theory that board diversity affects the use of better resources that lead to better decision-making as a corporate strategy (Mai et al., 2023) to increase the company's ISR disclosure. In this case, older age indicates more experience and higher sensitivity to social issues (Abu Qa'dan & Suwaidan, 2019; Kets De Vries & Miller, 1984). The results of this study are then supported by research conducted by (Najah & Dita Andraeny, 2023). Therefore, the 5th hypothesis in this study is accepted.

Sixth, this study failed to show that the presence of women in SSB can affect ISR disclosure. This is indicated by a p-value of 0.256 > 0.05 and a coefficient value of 0.0706519. So, it can be interpreted that female SSB members cannot affect ISR disclosure on ICB in Indonesia. These results contradict the findings of previous research (Mai et al., 2023) that female SSB members have a positive effect on ISR disclosure. In this study, the possible evidence supporting the results of this study is the small number of female SSB members in ICB in Indonesia. It can be seen in the descriptive statistical data that female SSB members of all total SSB members are only 5%. This has not been able to show the role of the female board in the disclosure of ISR. Many authors believe that the presence of women on the board will provide great added value if the number is equal to the presence of men (Li et al., 2017). According to research by Ben-Amar et al. (2015) and Post et al. (2011) the positive influence between board gender diversity on corporate social responsibility disclosure depends on the presence of many female directors. Therefore, the 6th hypothesis in this study is rejected.

Conclusion

This study shows the results of ISR disclosure in Indonesian Islamic banks are quite high, with an average of 71.08%. The result is higher compared to the research conducted by Najah & Dita Andraeny (2023), which recorded an average ISR disclosure of 56.26% on the objects of research, Sharia Commercial Banks in Indonesia, during the period from 2010 to 2020. This can occur because this study not only uses annual reports as a measurement of the ISR index but also sustainability reports. This study was conducted to determine the effect of size, number of meetings, cross memberships, expertise, age, and the presence of women on the Sharia Supervisory Board on the disclosure of Islamic Social Reporting at Indonesian Islamic Commercial Banks for the period 2017-2022. The following are the conclusions of this study:

1. The size of the Sharia Supervisory Board has a negative effect on the disclosure of Islamic Social Reporting.
2. The expertise and age of the Sharia Supervisory Board have a positive effect on the disclosure of Islamic Social Reporting.
3. The number of meetings, cross membership, and the presence of women on the Sharia Supervisory Board do not affect the disclosure of Islamic Social Reporting.

There are several limitations and suggestions in this study. First, this study has not been able to prove the effect of the presence of women on the Sharia Supervisory Board on ISR disclosure due to the small proportion of women's presence in the scope of this study. Future research is expected to involve the variable presence of women on the Sharia Supervisory Board on objects that have a greater presence of women. Second, this study only involves the object of Islamic Commercial Banks in Indonesia so that it can be said to be less representative of Islamic financial institutions in Indonesia. Future research is expected to examine the same topic but with different objects such as Islamic Business Units (UUS) and Islamic People's Financing Banks (BPRS).

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