

Board Diversity, CEO Power and Corporate Human Rights Disclosure in Kenya

Purpose –Using resource dependency, stakeholder, and agency theories, we examined how board diversity affect corporate human rights disclosure and the moderating role of CEO power on board diversity-corporate human rights disclosure relationship.

Design/methodology/approach –The sample included all of the Kenyan companies listed on the Nairobi Securities Exchange from 2009 to 2022, comprising 693 firm year observations.

Findings –We found that Board gender and age diversity has a positive and significant relationship indicating that the higher the diversity, the higher the disclosures of human rights. We also found that corporate human rights disclosure is negatively related to nationality and tenure diversity of directors, indicating that diversity along these variables reduces disclosure of human rights activities. Additionally, CEO Power positively moderates the relationship between board gender, nationality diversity and human rights disclosure such that at high levels of CEO power, gender diversity and nationality diversity increases human rights disclosures, however, the effect of board tenure diversity on human rights disclosures decreases when CEO is more powerful.

Research implications –This study has policy implications and practical implications with regard to the composition of board members, in particular, diverse boards influences corporate human rights disclosures. It

has also points to the critical role played by CEO's in ensuring that human rights issues are disclosed in their annual reports.

Originality/value –This study not only brings new perspectives but is critical at this early stages of discourse on corporate human rights disclosure in highlighting the importance of this topic especially from a developing country perspective and the role that the different dimensions of board diversity together with CEO power can enhance corporate disclosures in annual reports of listed companies in Kenya.

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Track Classification: Paper Presentations