This study contributes to the work on board composition and firm corporate social responsibility by extending it to the environmental domain. It evaluates the relationship between boards of directors' composition and environmental corporate social responsibility (ECSR) by integrating literatures on board composition, firm corporate social responsibility, and individual differences in attitudes toward and information about environmental issues. Using disclosed company data and the natural environment ratings data from Kinder Lydenberg Domini (KLD) Inc. for 78 Fortune 1000 companies, the study finds that a higher proportion of outside board directors is associated with more favorable ECSR and higher KLD strengths scores. Firms with boards composed of three or more female directors received higher KLD strengths scores. And, boards whose directors average closer to 56 years in age and those with a higher proportion of Western European directors are more likely to implement environmental governance structures or processes. Our results also reinforce growing concerns around unidimensional KLD measures.

Read Full Article