

## Sustainable Development Goals: The Effect of a Board Structure on the Sustainability Performance

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**Abstract :** This study empirically analyzes whether the composition of the board of directors (BoD) enhances sustainability performance, in order to understand how the BoD contribute to the integration of Sustainable Development Goals (SDGs) in their businesses. Hypotheses are developed based on the agency theory and stakeholder theory. Using a system generalized method of the moment (SGMM) two-step estimator, with data from Sustainalytics and Compustat databases for 362 firms in six regions, we find that firms with more diversity on the board and a separation of chair and CEO roles have higher sustainability performance. Moreover, our findings provide that a higher number of independent directors is negatively associated with sustainability performance. This study contributes to the literature on corporate governance and the firm's performance by demonstrating that the composition of the board of directors contributes to a better sustainability performance: by the implementation of a particular corporate governance mechanism, it is possible to integrate SDGs in the corporate strategy.

**Keywords :** sustainable development goals, corporate governance, board of directors, sustainability performance

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