Al - Mashrof: Islamic Banking and Finance
Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

Independent Commissioners and Sharia Supervisory Board on Sustainable Finance on Indonesian Islamic Commercial Banks

Weny Rosilawati[1], Sofwan Sidik[2]
wenyrosilawati@radenintan.ac.id[1], gsofwan61@gmail.com[2]
State Islamic University of Raden Intan Lampung[1]
State Islamic University of Sunan Kalijaga Yogyakarta[2]

ABSTRACT
The aims of the study to analyze the effect of independent commissioners, and the sharia supervisory board on the implementation of Sustainable Finance at Islamic commercial banks in Indonesia. This study uses secondary data that is taken from annual reports and sustainability reports of Islamic commercial banks in Indonesia during a certain period. Multiple linear regression with classical assumption test is used to analyze data. It is to ensure the validity of the model. The results showed that of the two variables tested, only the independent commissioner had a significant influence on the implementation of Sustainable Finance. The sharia supervisory board variable did not show a significant influence on Sustainable Finance. This finding suggests that the presence of independent commissioners in the board structure of Islamic banks plays an important role in encouraging the implementation of Sustainable Finance. The implications of this study provide input for regulators and Islamic banks to increase the role of independent commissioners as a strategic step in strengthening their commitment to Sustainable Finance.
Keywords:* *Independent Commissioner, Sharia Supervisory Board, Sustainable Finance, Islamic Commercial Banks, Sustainable Finance.

Al - Mashrof: Islamic Banking and Finance
Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

A. INTRODUCTION

In the world of banking and other financial institutions, a new agenda has emerged, namely *financial sustainability*, whose *roadmap* was launched by the Financial Services Authority (OJK) together with the Ministry of Environment and Forestry (KLH) of the Republic of Indonesia on December 5th, 2014. The *Financial Sustainability* Roadmap was launched with the hope of becoming a leveraging instrument in solving environmental problems and also increasing the competitiveness of financial services companies in Indonesia.(Lailiyah et al., 2021). *Financial sustainability* is a comprehensive support from the financial services industry for sustainable growth resulting from the harmony between economic, social and environmental interests. (OJK, 2023)

Financial sustainability is a global trend which is a new paradigm in the world of banking and other financial institutions that support the implementation of sustainable development. The most companies in Indonesia is not only pay attention to profit adjustments, but also environmental improvements with the *Triple Bottom Line* (3P) principle which is used as a benchmark in building sustainable businesses and also implementing sustainable development (Rifai, 2009).

Al - Mashrof: Islamic Banking and Finance
Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

Table 1. Performance of Indonesian Islamic Commercial Banks in 2022

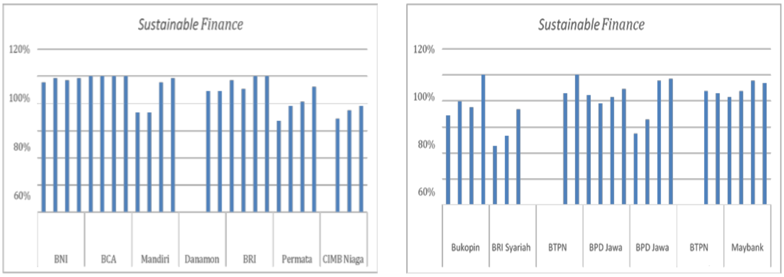
Indikator		BUS-UUS	BUS	UUS	BPRS
Permodalan	CAR		26.28%		24.42%
Kualitas Aset	NPF Gross	2.31%	2.35%	2.23%	5.91%
	NPF Net	0.75%	0.64%	0.97%	4.92%
Rentabilitas	ROA	1.90%	2.00%	1.69%	1.92%
Efisiensi	BOPO	77.48%	77.28%	88.97%	86.02%
Likuiditas	FDR	81.10%	75.19%	95.40%	107.45%
	AL/NCD		133.23%		
	AL/DPK		27.56%		

Source: Bank Indonesia

The performance of Islamic banking in several indicators shows better performance than conventional banking. The growth of Islamic banking assets in 2022 of 15.63% was higher than that of conventional banking of 9.50% during 2022. The COVID-19 pandemic that hit during 2020 - 2022 is a challenging period for the development of the Islamic banking business. However, Islamic banking can overcome it with a good strategy, so that it slowly returns to normal business conditions. (Kirana & Wahyudi, 2016). The data on *Sustainable Finance of* Islamic Commercial Banks are as follows:

Al - Mashrof: Islamic Banking and Finance
Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

Table 2 *Sustainable Finance* Data for Islamic Commercial Banks



Source: Bank Indonesia.

Sustainability data has shown an increase since the issuance of POJK No.51/pojk.03/2017 concerning the Implementation of Sustainable Finance for Financial Services Institutions, Issuers, and Public Companies. This is because POJK No.51/pojk.03/2017 states that banks based on BUKU, namely BUKU 3 and BUKU 4, have started publishing *Sustainability Reports* in 2018, but in reality only 15 banks out of the total number of banks have published *Sustainability Reports*. Based on the statement, Banks need to start publishing *Sustainability Reports* and disclosing *Sustainable Finance* in accordance with applicable regulations. It can be useful to protect the environment from the current climate change. In addition, it can be an added value in the eyes of investors who see that banks have paid more attention to environmental aspects in making *Sustainability Reports*.(OJK, 2023).

Sustainability Financing is the application of credit management to the provision of financing and investment in all factors of the financial services industry by incorporating economic, social and environmental risk factors in a sustainable manner. This policy has become part of the investment portfolio of the related financial services industry. (Azis, 2017). Companies are positioned as a public trust because they control a large amount of resources, and the use of these resources will have a fundamental impact on society.

Independent Commissioners are defined as commissioners who are not employed by the company or its related parties in the last five years; are not and have not been affiliated with companies that are advisors or consultants to the company or its related parties and are not affiliated with significant customers or suppliers of the company or its related parties. (Indarti et al., 2021). Independent commissioners provide additional confidence to investors that the Board of Commissioners' deliberations will be free from obvious bias. Independent Commissioners have an effect on Sustainable Finance. This is indicated by the existence of independent commissioners who can provide supervision as well as control over the running of a company, so as to increase Sustainable Finance. (Kirana & Wahyudi, 2016).

Independent commissioners can improve company management to be effective and improve company performance. The greater number of Independent Commissioners can give the Board of Commissioners the power to pressure management so that it can increase the quality of the company. If the company's image improves, it shows good supervision from independent commissioners and effective work management so that it can improve the quality of sustainable finance. (Farida, 2018). The Sharia Supervisory Board is also not separated from its responsibility to supervise

Islamic banking activities and the board that must exist in Islamic banking.(Bayu & Novita, 2023).

The Sharia Supervisory Board (DPS) is a board that has an important task, namely providing advice or suggestions to the board of directors, not only that, the DPS is also tasked with supervising every bank activity so as not to deviate from existing sharia principles. (Indarti et al., 2021). DPS has a function to supervise and ensure that every process and activity of Islamic banks is in accordance with and does not deviate from the applicable Islamic sharia provisions. This supervision is not without purpose, it because the contracts or transactions of Islamic banks that apply are not the same as the existing system in conventional banks. To ensure that the Islamic bank supervised by DPS is in accordance with the rules or not, DPS must make reports in the form of statements periodically. This DPS statement is submitted in the *annual report* book of the bank in question. (Damayanti & Hardiningsih, 2021).

B. LITERATURE REVIEW

Stakeholder Theory

Stakeholder theory says that companies are not entities. It is only operate for their own interests but it must provide benefits to their stakeholders. The stakeholder concept was first developed by (Jensen & Meckling, 1976)to explain *corporate behavior* and social performance. Stakeholders of a company consist of shareholders. Creditors, consumers, suppliers, employees and other communities such as society which are part of the social environment. Stakeholders basically control or have the ability to influence the use of economic resources used by the company.

According to Jones in (Indarti et al., 2021) explains that stakeholders are divided into two categories, namely:

a. *Inside Stakeholders*: consists of people who have interests and demands on company resources and are within the company's organization. the parties included in the category of inside stakeholders are shareholders (stockholders), managers, and employees.

b. *Outside stakeholders*: consist of people and parties who are not company owners, not company leaders, and not company employees, but have an interest in the company and are influenced by the decisions and actions taken by the company. The parties included in the outside stakeholders category are customers, suppliers, government, local communities, and society in general.

Ramizes in his book *Cultivating Peace*, identifies various opinions on stakeholders. Friedman defines stakeholders as: "*any group or individual who can affect or is affected by the achievement of the organization's objectives*." The free translation is as a group or individual who can affect and/or is affected by the achievement of certain objectives. Biset briefly defines stakeholders as people with an interest or concern in a particular issue.(Bayu & Novita, 2023)Meanwhile, Grimble and Wellard see *stakeholders* in terms of their important position and influence. From this definition, *stakeholders* are attachments based on certain interests. Thus, talking about stakeholder theory means discussing matters related to the interests of various parties. The first thing about stakeholder theory is that *stakeholders* are a system that is explicitly based on a view of an organization and its environment, regarding the complex and dynamic nature of the mutual influence between the two.(Kusumo, 2012).

Stakeholders and organizations influence each other, it can be seen from the social relationship between the two in the form of responsibility and accountability. Therefore, the organization has accountability to its stakeholders. The basic premise of *stakeholder* theory is that the stronger the corporate relationship, the better the corporate business. Conversely, the worse the corporate relationship, the more difficult it will be.(Indarti et al., 2021). A strong relationship with stakeholders is based on trust, respect, and cooperation. Stakeholder theory is a strategic management concept, its purpose is to help corporations strengthen relationships with external groups and develop competitive advantage.

Independent Commissioner

Independent Commissioners are an internal *corporate governance* mechanism that ensures the discipline of company managers. *Corporate Governance* aims to create added value for stakeholders. Independent Commissioners are members of the Board of Commissioners who come from outside the Issuer or Public Company, do not have shares either directly or indirectly in the Issuer or Public Company, have no affiliation with the Issuer or Public Company, Commissioners, Directors, or Major Shareholders of the Issuer or Public Company, and have no direct or indirect business relationship related to the business activities of the Issuer or Public Company.(Azis, 2017).

The independent board of commissioners is also a supervisory agent like the commissioners but does not have a close relationship with the company's shareholders who have the authority to oversee and protect minority shareholders and play an important role in the decision-making process. The number of independent commissioners is at least fifty percent of the total number of commissioners who are independent commissioners. Independent commissioners must not have a financial or shareholding relationship with the bank so as to support their ability to be independent. The task of the independent commissioner is used to assist the board of commissioners in carrying out its duties to be more effective (Rifai, 2009).(Rifai, 2009).

Sharia Supervisory Board

The Sharia Supervisory Board is a body in charge of overseeing the implementation of DSN decisions in Islamic financial institutions. The DPS is appointed and dismissed in Islamic financial institutions through the GMS after receiving a recommendation from the DSN.3 The Sharia Supervisory Board or better known as the DPS is a body that exists in Islamic financial institutions and is tasked with overseeing the implementation of the decisions of the *National Sharia Council* in Islamic financial institutions.(OJK, 2023).

This Sharia Supervisory Board is under the General Meeting of Sharia Supervisors or parallel to the Board of Commissioners in the structure of an Islamic Bank or Islamic financial institution. The main task of the Sharia Supervisory Board is used to supervise the business activities of sharia financial institutions so that they are in accordance with the provisions and principles of shari`ah that have been authorized by the *National Sharia Council*. (Lailiyah et al., 2021)

The main function of the Sharia Supervisory Board is used to advise the board of directors, the head of the sharia business unit and the head of the sharia branch office on matters related to sharia aspects and as a mediator between sharia financial institutions and the *National Sharia Council* in communicating proposals and suggestions for the development of products and services from sharia financial institutions that require review and fatwa from the *National Sharia Council*.

Sustainable Finance

Sustainable Finance is the application of credit management to the provision of financing and investment in all factors of the financial services industry by incorporating economic, social and environmental risk factors in a sustainable manner. This policy has become part of the investment portfolio of the relevant financial services industry. Companies are positioned as a public trust because they control a large amount of resources, and the use of these resources will have a fundamental impact on society. Therefore, companies have a responsibility to use these resources in a good way, not only for the benefit of shareholders, but also for the public interest, so companies have diverse responsibilities today. (Indarti et al., 2021).

Companies must be able to manage their economic responsibilities to shareholders, fulfill their legal responsibilities by complying with applicable laws and regulations, and bear social responsibility to *stakeholders*. It can be said that the sense of social responsibility (CSR) of a company lies in its management vision, namely the performance of operations not only to achieve profits, but also to improve the welfare of society or the social environment. In 2017, OJK released a new regulation, POJK Number 51/POJK.03/2017. As a result of this regulation, financial services institutions are required to make a *Sustainability Report*.(OJK, 2023).

Research Hypothesis

Effect of Independent Commissioner on Sustainable Finance

Independent Commissioners have a significant effect on *Sustainable Finance* in banking companies during the observation period on the Indonesia Stock Exchange in 2017 and 2018. The presence of an Independent Commissioner will provide control or supervision over the company's operations, so that it will increase the *Sustainable Finance of* a company. Based on Nurkhin's research (2009), it is explained that the board of commissioners and Independent Commissioners have an effect on corporate responsibility disclosure, because the existence of a board of commissioners can provide control and monitoring for management in company operations, including in the implementation and disclosure of social responsibility activities, so that it will increase *Sustainable Finance* in banking. However, the results of this study contradict the results of research conducted by (Azis, 2017) and (Indarti et al., 2021), saying that the board of commissioners and independent commissioners are not proven to affect *Sustainable Finance* in banking companies.

The Influence of Sharia Supervisory Board on Sustainable Finance

The Sharia Supervisory Board has a dual function in the company, the first function is as an internal party, namely conducting sharia supervision, of the company's activities. The second function is as an external party, namely as a means or body that serves to increase public trust. The main reason for the establishment of DPS in sharia banking institutions is to ensure that all activities and principles carried out by Islamic banking do not deviate from existing rules. DPS is also a strong control for the company. No less important task of DPS is used to provide recommendations to the company so that all operational activities carried out by the company are in accordance with applicable sharia principles. (Nur Aeni et al., 2023). The Sharia Supervisory Board is an independent body in charge of supervising and monitoring the activities of financial institutions to ensure that these institutions comply with sharia principles.

The Effect of Independent Commissioners and Sharia Supervisory Board on Sustainable Finance

With the significant influence of the Independent Commissioner and the Sharia Supervisory Board on Sustainable Finance, it is hoped that it will make a positive contribution to the Financial Sustainability or Sustainable Finance of a Company.

C. RESEARCH METHOD

Scope of Research

Descriptive quantitative is a type of preparation that is used in this research. . Quantitative Research is a research method based on philosophy, it is used to research on certain populations or samples, sampling techniques are generally carried out randomly, research instruments use the data collection, data analysis is quantitative / statistical with the aim of testing predetermined hypotheses.

Population and Sample

This study took a population of all Islamic commercial banks in Indonesia in 2019-2023 with a total of 14 banks. For more

Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

details, the population list in the study is illustrated in table 2 below:

Table 3. List of Islamic Bank Samples

NO	BANK NAME	BANK CODE
1.	Bank Victoria Syariah	405
2.	BankMuamalat Indonesia	147
3.	Bank Bjb Syariah	425
4.	Btpn Syariah	547
5.	Bank Mega Syariah	506
6.	Panin Dubai Syariah Bank	517
7.	BCA Syariah	536
8.	Bank Bukopin Syariah	521

Variable Operationalization

Independent variable (X)

1) Independent Commissioner

Independent commissioners are members of the Board of Commissioners who come from outside the company and are not affiliated with major shareholders, members of the board of directors, or other members of the board of commissioners. Independent commissioners have an important role in protecting the interests of minority shareholders and other stakeholders.

2) Sharia Supervisory Board

The Sharia Supervisory Board (DPS) is an institution tasked with overseeing and ensuring that Islamic financial institutions (LKS) carry out their activities in accordance with sharia principles. The DPS is part of the corporate governance structure and is considered a representative of the National Sharia Council (DSN).

Dependent Variable (Y)

The dependent variable is the variable that experiences influence or change as a result of the existence of the independent variable in accordance with the problem being studied (Sugiyono, 2013). The dependent variable in this study is firm value. Assessing company value is an effort to determine whether the company's condition is in good condition or vice versa.

Analysis Method

Secondary data is a research data source obtained by researchers indirectly through intermediary media (obtained and recorded by other parties), for example evidence, records, or historical reports that have been arranged in published and unpublished archives (documentary data).

Documentary data is the type of data that is used in this research. Documentary data is a data that contains what and when an event or transaction occurs, as well as who is involved in an event. In this study, secondary data is used to obtain from

Al - Mashrof: Islamic Banking and Finance
Volume 5, No 2 (2024)
ISSN : 2746 – 3877 (ONLINE) ISSN : 2774 – 7166 (PRINT)
http://ejournal.radenintan.ac.id/index.php/almashrof
Page : 116 - 140

financial reports, sustainability reports and GCG reports of Islamic commercial banks for the 2019-2023 period which are published publicly and presented in the Indonesian Banking Directory and the official websites of each Islamic commercial bank.

D. RESULTS AND DISCUSSION

Research Results

a. Normality Test

Table 4. Normality Test Results

One-Sample Kolmogorov-Smirnov Test	
	Unstandardiz ed Residual
N	40
Normal Parameters[a,b] Std.Deviation	Mean ,0000000 Std.Deviation 1,38333516
Most Extreme Differences	Absolute ,110 Positive ,101 Negative -,110
Test Statistic	,110
Asymp. Sig. (2-tailed)	,200[c,d]
a. Test distribution is Normal b. Calculated from data c. Lilliefors Significance Correction d. This is a Lower bound of true significance	

Source: Eviews Output Results, 2024.

The aim of normality test is used to test whether the regression model, the dependent variable and the independent variable both have a normal distribution or not. It is important because all regression tests assume that the residual values follow a normal distribution. A good regression model is to have a normal or near normal distribution or not, it can be seen from the same statistical tests, including the histogram graph, *normal probability, plots* and *Kolmogrov-Smirnov test* (Septiana, 2009). If the significant probability value of K-S is greater than 0.05, then the data is normally distributed (Ghozali, 2011: 160-165). The results in this study, the data that is used are normally distributed.

b. Multicollinearity Test

The aims of multicollinearity is used to test between the dependent and independent variables directly. Beside, it is used to measure whether the regression model found a correlation between independent variables (independent). A regression model that should not have a correlation between the independent variables. According to Elfanika (2012), to detect the presence or absence of mulltikolonieritas in regression can be seen from:

a. Tolerance value and its opposite

b. *Variance inflation factor* (VIF) Tolarance measures the variability of selected independent variables that are not explained by other independent variables.

Table 5. Multicollinearity Test

Coefficients^a							
	Unstandardized Coefficients		Unstandardized Coefficients			Collinearity Statistics	
Model	B	Std. Eror	Beta	T	Sig	Tolerance	VIF
(Constant)	-1,210	2,063		-,587	,561		
Komisaris Independe	1,226	,516	,432	2,378	,023	,711	1,407
Dewan Pengawas Syariah	,066	,594	,017	,111	,913	,979	1,021
Dependen Variable: *Sustainable Finance*							

Source: Eviews Output Results, 2024.

So a low tolerance value equals a high VIF (because VIF = *1/tolerance*). Is the tolerance value more than 0.10 and VIF less than 10. Then, if like that the regression model does not have multicollinearity. The results in this study, the data did not use experience symptoms of multicollinearity or multicollinearity assumptions met.

c. F test

Table 6. F test

ANOVA[a]						
Model		Sum Of Squares	Of	Mean Square	F	Sig
1.	Regressio	13,792	3	4,597	2,218	,103[b]
	Residual	74,631	36	2,073		
	Total	88,423	39			

a. Dependen Variable: *Sustainable Finance*
b. Predictors: (Constant), *Dewan Pengawas Syariah*, Eksternal Auditor, Komisaris Independen

Source: Eviews Output Results, 2024.

F statistical test is used to determine whether all independent variables have a joint influence on the dependent variable. If the probability (significant) is greater than 0.05 then the independent variables together have no effect on the dependent variable. Then if, the probability is smaller than 0.05 then the independent variables together have an effect on the dependent variable.

d. T-test

Table 7. t test

Coefficients[a]							
	Unstandardized Coefficients		Unstandardized Coefficients			Collinearity Statistics	
Model	B	Std. Eror	Beta	T	Sig	Tolerance	VIF
1. (Constant)	-1,210	2,063		-,587	,561		
Komisaris Independe	1,226	,516	,432	2,378	,023	,711	1,407
Dewan Pengawas Syariah	,066	,594	,017	,111	,913	,979	1,021
a. Dependen Variable: *Sustainable Finance*							

Source: Eviews Output Results, 2024.

The t statistical test is used to determine how far the influence of the explanatory variables (independent) individually in explaining the dependent variation. Comparing if the significant value <0.05 (α = 5%), it can be determined whether Ho is rejected or accepted (Ho is accepted if significant> 0.05, Ho is rejected if significant <0.05) where the dependent variable in this study is *Sustainable Finance* (Y) while the independent variables in this study are External Auditor (XI), Independent Commissioner (X2), and Sharia Supervisory Board (X3).

Discussion

Effect of Independent Commissioner on Sustainable Finance

Independent Commissioners have a significant effect on *Sustainable Finance* in banking companies during the observation period on the Indonesia Stock Exchange in 2017 and 2018. The presence of an Independent commissioner will provide control or supervision over the company's operations, so that it will increase the *Sustainable Finance of* a company. Based on research (Lailiyah et al., 2021) explains that the board of commissioners and Independent Commissioners have an effect on corporate responsibility disclosure, because the existence of a board of commissioners can provide control and monitoring for management in company operations, including in the implementation and disclosure of social responsibility activities, so that it will increase *Sustainable Finance* in banking. However, the results of this study contradict the results of research conducted by (Damayanti & Hardiningsih, 2021) and (Bayu & Novita, 2023), saying that the board of commissioners and independent commissioners are not proven to affect *Sustainable Finance* in banking companies .

The Influence of Sharia Supervisory Board on Sustainable Finance

The Sharia Supervisory Board has a dual function in the company, the first function is as an internal party, namely conducting sharia supervision, of the company's activities The second function is as an external party, namely as a means or body that serves to increase public trust. The main reason for the establishment of DPS in sharia banking institutions is used to ensure that all activities and principles carried out by sharia banking do not deviate from existing rules. (Kusumo, 2012) The no less important task of DPS is used to provide recommendations to the company so that all operational activities carried out by the company are in accordance with applicable sharia principles. The Sharia Supervisory Board is an independent body in charge of supervising and monitoring the activities of financial institutions to ensure that these institutions comply with sharia principles (Damayanti & Hardiningsih, 2021).

The Effect of Independent Commissioners and Sharia Supervisory Board on Sustainable Finance

With the significant influence of the Independent Commissioner and the Sharia Supervisory Board on Sustainable Finance, it is expected that it will make a positive contribution to the Financial Sustainability or Sustainable Finance of a company.

E. CONCLUSION

Independent Commissioners have a significant influence on *Sustainable Finance* on BUS Indonesia, Independent Commissioners have an effect on corporate responsibility disclosure, because the existence of a board of commissioners can provide control and monitoring for management in company operations, including in the implementation and disclosure of social responsibility activities, so that it will increase Sustainable Finance in banking.

The Sharia Supervisory Board does not have a significant influence on *Sustainable Finance* on Indonesian BUS.

Independent Commissioners, and the Sharia Supervisory Board together (simultaneously) do not have a significant influence on *Sustainable Finance* on Indonesian BUS.

F. REFERENCES

Azis, F. (2017). *Analysis of the Performance of the Sharia Supervisory Board in Supervising Islamic Banks (Study: Bank Sulselbar Syariah Ratulangi Makassar)*. 2-86.

Bayu, E. K., & Novita, N. (2023). Disclosure Analysis of Sustainable Finance and Green Financing of Banks in Indonesia. *Journal of Finance and Banking, 18*(2), 57. https://doi.org/10.35384/jkp.v18i2.332

Damayanti, A., & Hardiningsih, P. (2021). Determinants of Sustainable Report Disclosure. *Journal of Accounting and Tax, 22*(1), 175. https://doi.org/10.29040/jap.v22i1.2756

Farida, A. (2018). The Effect of Good Corporate Governance Implementation and Islamic Social Reporting Disclosure on the Financial Performance of Islamic Banking in Indonesia. *Journal of Islamic Economics, 10*(1), 31-42.

Indarti, Apriliyani, I. B., & Aljufri. (2021). The Effect of External Auditors, Independent Commissioners, and Risk Monitoring Committees, on Sustainable Finance in Banking in Indonesia (Empirical Study on Commercial Banks on the Indonesia Stock Exchange, 2017-2018 Period). *Journal of Competitive Accounting, 4*(1).

Jensen, M. C., & Meckling, W. H. (1976). Also published in Foundations of Organizational Strategy. *Journal of Financial Economics*, *4*, 305-360. http://ssrn.com/abstract=94043Electroniccopyavailableat:http://ssrn.com/abstract=94043http://hupress.harvard.edu/catalog/JENTHF.html

Kirana, M. N., & Wahyudi, S. (2016). Analysis of the Effect of Corporate Governance and Leverage on the Financial Performance of Control Companies (Case Study on Wholesale and Retail Trade Companies Listed on the IDX in 2010-2014). *Diponegoro Journal of Management*, *5*(4), 1-12. http://ejournal-s1.undip.ac.id/index.php/dbr

Kusumo, W. K. (2012). Analysis of Financial Ratios as Indicators in Predicting Potential Bankruptcy of Banks in Indonesia. In *Business Media* (Vol. 5, Issue 1, pp. 1-90).

Lailiyah, K., Maslichah, & Hariri. (2021). THE EFFECT OF THE SIZE OF THE SYARIAH SUPERVISORY BOARD AND ISLAMIC CORPORATE GOVERNANCE ON ISLAMIC SOCIAL REPORTING (Study on Islamic Commercial Banks for the 2015-2019 Period). *E-Jra*, *10*(05), 54-68.

Nur Aeni, I., Wiralaga, H. K., & Iranto, D. (2023). the Effect of Non-Cash Payment Transactions on the Velocity of Money in Indonesia. *Marginal Journal of Management Accounting General Finance and International Economic Issues*, *2*(2), 511-527. https://doi.org/10.55047/marginal.v2i2.630

FSA (2023). *Strengthening Economic Foundation Through Financial Inclusion.*

Rifai, B. (2009). The Role of Independent Commissioners in Realizing Good Corporate Governance in Public Companies. *Ius Quia Iustum Law Journal, 16*(3), 396-412. https://doi.org/10.20885/iustum.vol16.iss3.art5