

ABSTRACT

Interest in corporate governance and corporate sustainability has increased in recent years due to adeptness of governments, regulators, activists and media of holding firms responsible and accountable for the social consequences of their business activities. Out of the dual aims of this study, the first is to gain insights of the impact of corporate governance performance on corporate sustainability. After reflecting on this, the second aim of this study is to explore how corporate governance impacts corporate sustainability in firms. This research was designed as a mixed method study taking a sequential exploratory approach. Drawing from the Stakeholder Theory (Freeman, 1984), this study emphasises the importance of understanding the stakeholder view which describes a firm's duty as to serve the needs of every stakeholders without limiting it only to shareholders, challenging the Agency Theory. After verifying a significant impact of corporate governance performance on economic, social and environmental performances, this study showed the importance of further studying the influence of factors such as organisational culture and structure on the relationship between corporate governance performance and corporate sustainability. Further, the findings of this study can be used to understand how conventional corporate governance models need to be revised, to influence corporate sustainability performance of the firm which will enhance the long term viability of business in terms of economic, social and environmental aspects. Boards and the management of companies need to enhance the corporate governance performance which will in turn impact the corporate sustainability performance of the company.

Keywords: Corporate governance, Corporate sustainability, Stakeholder Theory, Triple bottom line