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**FIRM CHARACTERISTICS AND ENVIRONMENTAL
DISCLOSURE PRACTICES:
AN EMPIRICAL INVESTIGATION OF MALAYSIAN
PUBLIC LISTED COMPANIES**

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ABSTRACT

Environment information needs to be disclosed if the information is relevant to the decision making process. The majority of the information was reported on voluntary basis, as there were no accounting standard to guide companies in reporting this information. This study investigates the firms characteristics and environmental disclosure practices of the public listed companies. Environmental information in the annual report is measured using content analysis based on quality and quantity and type of environmental information reported. This comprehensive measurement scheme is used in order to get a complete picture of the environmental information as reported in annual reports. The results of the study show that only 18.6% of the companies disclose environmental information in their annual reports and majority of the companies disclose general information. The extent of environmental disclosure is significantly and positively related to firm size, measured by market capitalization and listing status, industry and type of audit firm. However, there is no conclusive evidence to support financial profitability, leverage, ownership diffusion and proportion of assets-in-place.

The results of this study provides a benchmark of the latest incidences of environmental disclosures in annual reports of public listed companies.