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Company and CEO characteristics of climate change disclosure in Malaysia: A proposed empirical framework

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Abstract

Purpose: This study examines how company-specific characteristics (profitability, size, leverage) and CEO traits (duality, tenure, education, and meeting attendance) influence Climate Change Disclosure (CCD) practices among Malaysian listed companies. Grounded in legitimacy theory, the research seeks to identify internal determinants of voluntary climate reporting in emerging markets.

Methodology/approach: A quantitative content analysis is conducted on 114 Malaysian listed firms from four environmentally sensitive sectors during 2021–2022. Data are manually collected from annual and sustainability reports available on corporate websites and Bursa Malaysia. CCD is measured using a disclosure index based on TCFD recommendations. Descriptive statistics, Pearson correlation, and multiple regression analysis are employed to evaluate relationships between company and CEO characteristics and CCD.

Results/findings: Findings reveal that company-level variables such as profitability, firm size, and leverage, alongside CEO attributes including duality, tenure, education, and meeting attendance, significantly affect CCD practices. Larger and more profitable firms, as well as CEOs with stronger educational backgrounds and greater governance engagement, are more likely to adopt higher disclosure levels.

Conclusions: The study highlights the combined importance of structural and leadership factors in shaping CCD in Malaysia. It provides empirical insights to guide Malaysia's transition toward compulsory climate reporting under IFRS S1 and S2.

Limitations: The research focuses only on voluntary disclosures in four environmentally sensitive sectors, limiting generalization across industries.

Contribution: This study contributes by integrating company and CEO characteristics into a single framework, offering implications for regulators, policymakers, and corporate governance reform in emerging economies.

Keywords: *CEO Characteristics, Climate Change Disclosure, IFRS S2, Legitimacy Theory, Malaysian Market*

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1. Introduction

The global urge for climate-related financial disclosures has led to the development of international standards, including TCFD recommendations and IFRS S1 and S2 (Ngo et al., 2022 (Malinovskaya, 2022). These standards aim to promote transparency and accountability in sustainability reporting, particularly regarding climate-related risks and opportunities (Dey et al., 2024; Wahyuni, 2025). In Southeast Asia, and especially in Malaysia, the quality of corporate disclosure on climate and sustainability issues differs widely between nations and among individual firms (Pratama et al., 2022). Although Malaysian companies recognize climate change threats and risks, their climate reporting remains voluntary, fragmented, and lacks adherence to unified reporting standards (Ooi Say & Amran, 2018). In recent months, Malaysia's corporate governance landscape, particularly in industries that exert a direct influence on the environment, has come under intensified examination with respect to its climate-change reporting practices.

This study aims to examine, through empirical methods, how certain firm-specific characteristics, namely profitability, size, and leverage, interact with CEO attributes such as duality, tenure, educational background, and meeting attendance to shape corporate crowding-out disclosure practices among publicly listed firms in Malaysia. These variables were selected based on robust theoretical and empirical justifications. Previous studies have found that a firm's profitability and debt, together with its size, greatly impact the amount and quality of voluntary environmental information released because of both limited resources and higher stakeholder expectations. The role of CEOs is highlighted because they strongly influence a company's transparency and sustainability policies, which is crucial in emerging markets whose governance systems are not well developed. Features such as CEO duality, length of tenure, level of education, and board meeting participation play a role in a company's decision-making and continued strategies. Using legitimacy theory as a guiding lens, this study aims to enhance understanding of internal governance and business factors, thus driving climate disclosure behavior in emerging economies.

Notwithstanding global progress, research in Malaysia is scarce, especially pertaining to CEO characteristics and company-specific characteristics in influencing disclosure behavior. Although board governance has received attention, executive duties have been neglected or reported inconsistently. Accordingly, two research questions arise: (RQ1) To what extent do company characteristics influence climate change disclosure in Malaysian listed companies? and (RQ2) how do CEO characteristics affect the level of climate change disclosure?

The relevance of this study is supported by recent systematic findings. According to a survey of past empirical investigations, firm size is the most consistently significant factor of CCD, with 14 out of 17 studies indicated a positive connection in countries such as Brazil, Indonesia, and other Asia Pacific countries (Eleftheriadis & Anagnostopoulou, 2015; Kouloukoui et al., 2019; Nasih, Harymawan, Paramitasari, & Handayani, 2019). Profitability has also shown a large favorable influence in most circumstances, but leverage has mixed effects. In terms of CEO and governance traits, board independence and the inclusion of environmental committees are favorably connected to CCD. Findings on CEO duality, tenure, and education are variable, indicating a need for further investigation. These findings underline the significance of analyzing corporate governance principles, particularly in emerging economies like Malaysia, where climate disclosure remains voluntary and symbolic in nature.

2. Literature review

2.1. Climate Change Disclosure (CCD) and Internal Drivers

Systematic reviews indicate that business size and profitability are reliable predictors of CCD, whereas CEO-related characteristics, including duality and tenure, produce inconsistent outcomes (Gabr & ElBannan, 2025; Kouloukoui et al., 2019; Nasih et al., 2019). These inconsistencies highlight the need for additional inquiry and investigation, especially within Malaysia's voluntary disclosure framework. In Malaysia, where reporting guidelines are largely voluntary, understanding what drives organizations to reveal weather-associated information is vital for enhancing accountability and alignment with global frameworks such as the TCFD and IFRS S2. A company's inherent traits, such as its length, profitability, and leverage, are normally flagged as key determinants of the volume and satisfaction of its disclosure (Shui, Zhang, & Smart, 2023). Empirical evidence from a few studies indicates that larger businesses generally tend to submit more complete environmental and weather facts; their extra public visibility, excessive stakeholder stress, and deeper resource pools appear to push them in this route (Hsueh, 2022).

2.1.1 Firm Size

Numerous studies show that large companies typically possess a far better sustainability reporting framework, which permits them to better observe TCFD hints (Troshani & Rowbottom, 2024; Yadav & Yadava, 2023). This ability is especially evident in businesses facing mounting pressure from foreign traders, as seen in markets, including Malaysia, in which regulatory frameworks emphasize duty at the corporate level (Husmann, 2024). The extent to which a business enterprise embraces TCFD requirements appears to hinge on numerous factors, including the scale of its board, the intensity of its ESG risk integration, and the company's usual scale (Principale & Pizzi, 2023). However, vital demanding situations remain, chief among them being the needful climate situation analyses that many organizations still conflict to include meaningfully in their reviews (O'Dwyer & Unerman, 2020). A few pupils have raised doubts, suggesting that the guide for the TCFD can amount to little more than "cheap communicate," with companies selectively disclosing only the climate risks that seem non-material (Bingler, Kraus, Leippold, & Webersinke, 2022). Nevertheless, stock exchanges continue to exert influence by encouraging adherence to TCFD frameworks (Husmann, 2024), while the trend toward integrating sustainability metrics directly with financial statements grows stronger (Cho et al., 2020; Melloni, 2020).

2.1.2 Profitability

Profitability, as a theme, has drawn significant scholarly attention and generally shows a favourable, if sometimes inconsistent, association with corporate climate disclosure. Recent investigations into the interplay between environmental, social, and governance (ESG) disclosures and a firm's bottom line reveal a trend of positive, albeit moderated, correlations. For example, multiple studies report that superior ESG performance and more transparent reporting tend to correlate with higher profitability and enhanced enterprise value (Das, 2022; Gholami, Sands, & Rahman, 2022; Yu, Guo, & Luu, 2018). However, other analyses caution against reading the relationship at face value, suggesting that while overall returns can suffer during the initial investment phases, certain profitability metrics, such as operating margin or return on equity, perform exceptionally well once those investments mature (Sambuaga, 2024). Some authors propose that the association follows a nonlinear U-shape, implying that only after a threshold of controller diligence does additional ESG effort translate into financial rewards (Gabr & ElBannan, 2025). Furthermore, industry specificity plays a role: the linkage appears especially pronounced in the financial services sphere, where stakeholders demand higher transparency than in other industries (Gholami et al., 2022). Ultimately, emerging market firms often weigh disclosure decisions beyond profitability alone, suggesting that monetary incentives do not single-handedly drive openness.

2.1.3 Corporate Leverage

Research on corporate leverage and environmental disclosure has revealed a multifaceted relationship. Studies have consistently shown that firms with higher leverage tend to provide weaker environmental disclosures and deliver poorer sustainability performance. J. Lee, Sim, Kim, and Lee (2024) argue that heavily indebted companies may choose to limit transparency in order to prevent creditors, shareholders, and the public from drawing attention to the financial risks associated with environmental liabilities. On the other hand, some authors point out that selective disclosure or greenwashing can favorably influence borrowing terms. Attig et al. (2021) document cases in which lenders reward firms for positive, but sometimes overstated, ESG narratives by reducing loan spreads, even as they preserve the option of imposing stricter non-price covenants when credit quality is in doubt. Recent work by C.-C. Lee, Wang, Thinh, Purnama, and Sharma (2024) further complicates the picture by showing that stricter national or regional environmental policies tend to drive down overall leverage levels and slow adjustment speeds, forcing firms to hold less debt in anticipation of future compliance costs. Therefore, the ultimate interaction between a company's environmental reporting practices and its capital structure is shaped by several moderating factors, including organization size, analyst scrutiny intensity, and regulatory and community pressure levels in the locales where the firm operates.

2.2. CEO Characteristics

Several recent studies have begun to explore how the personal characteristics of chief executives shape their firms' disclosure practices. In particular, educational background appears to matter; ownership of a business-related graduate degree, and especially an MBA, correlates strongly with improved openness in environmental and broader ESG reporting (Fuadi, Rubihani, Puspitasari, Sinatria, & Pasangka, 2024; Triyani, Setyahuni, & Kiryanto, 2020; Wan, Hong, Liu, & Cui, 2023). Age presents a more complex picture: older CEOs tend to provide more detailed carbon emissions data, yet their reports are often less forward-looking overall (Alqatamin, Aribi, & Arun, 2017; Fuadi et al., 2024). Research on the length of a CEO's tenure presents two narratives. Some studies indicate that when a chief executive remains in place for several years, the quality and depth of environmental, social, and governance information tends to slip (Triyani et al., 2020). Other evidence shows that long-serving leaders produce more expansive overall reporting, covering both compulsory documents and optional programs (Saeedi, Daghani, & Hajian, 2020). Pay packages that tie bonuses to specific outcomes, combined with a proven background in finance, have been shown to drive greater adherence to IFRS 7 risk disclosures (Mnif & Znazen, 2024). Together, these insights highlight how much a single person's experiences and incentives can steer a company's reporting appetite, especially as the pressure for climate-related transparency intensifies.

2.2.1 CEO Duality

CEO duality occurs when the same person acts as both the head of daily operations (the chief executive officer) and the leader of the board of directors (the board chair). This setup has sparked many discussions among investors, executives, and researchers regarding its impact on the operation of a company. Critics argue that allowing one person to hold both titles makes the board less independent. They worry that board members might hesitate to challenge the CEO if the same person is also setting the agenda as the chair. Because of this perceived lack of independence, critics believe that shareholders have a weaker line of communication and oversight (Ahmad et al., 2017). Supporters of duality, however, point out that combining the roles often brings the benefits of clear leadership and faster decision-making processes. They argue that such a structure does not noticeably change how companies report on social responsibility (Ahmad et al., 2017) or affect key financial numbers, such as profits and stock returns (G. Wang, DeGhetto, Ellen, & Lamont, 2019). Research from Malaysia and other fast-growing markets reaches a similar conclusion: whether duality helps depends on its unique context. In some companies, a strong CEO may be able to balance both roles effectively, whereas in others, the same setup might invite risk. A company's success often hinges on how its leaders are organized, which means looking closely at whether the CEO also holds the chair title. Industry conditions, company culture, and how power is shared among top managers all play a role in deciding whether combining these posts works well (Lewellyn & Fainshmidt, 2017). Boardroom factors matter too; an independent set of directors and the mix of skills they bring can push a firm either toward or away from that dual arrangement (G. Wang et al., 2019). Consequently, researchers have turned their attention to another significant question: What impact does the length of a CEO's reign have? To date, studies examining the relationship between the length of time a CEO stays in post and a company's green habits and reporting have produced mixed results.

2.2.2 CEO Tenure

Experts continue to debate whether a CEO's length of service affects how seriously a company considers corporate social responsibility (CSR). On one hand, researchers Chen and Liao noted in (2017) that incoming CEOs often roll out tougher CSR disclosures early in their terms, Wang and his team in (2019) saying that leaders who have been on the job for only a short time quickly respond to demands for more detailed environmental reports. In both studies, this quick action seems driven by a wish to prove to investors and stakeholders that the new boss is competent and forward-looking, and CSR offers a clear, checkable metric to showcase. However, more recent studies tell a different story. Muttakin and Khan published findings in (2025) showing a negative link between how long a CEO has been in place and the overall quality of integrated corporate reports. Hussain et al. also discovered that veteran executives become less willing to follow the elaborate guidelines of the Global Reporting Initiative. This pattern hints at what some call an entitlement effect, where long-serving leaders stop revisiting their strategies and fall out of step with rapidly changing environmental requirements. Muttakin and Khan (2025) called the behaviour a protective instinct, while Hussain, Nie, Tian, and Ashraf (2024) pointed out that long stretches in the same job can moderate the entrepreneurial fire needed to push bold sustainability plans forward.

2.2.3 CEO Education

Research has shown repeatedly that a chief executive officer's school background has a significant impact on how strongly they back open corporate reporting, especially in the areas of environment, social issues, and governance, or ESG. For example, executives with an MBA are more likely to publish climate numbers than those who never earned that degree (Lewis, Walls, & Dowell, 2014). That pattern holds true for leaders trained in science, technology, engineering, and math Cahyono, Ardianto, and Nasih (2024) and for graduates of top-tier universities, both groups pushing for clearer ESG updates (Ulinnuha, Harymawan, & Aini, 2024). The trend does not stop there: studies show that those with master's and doctoral diplomas go even further in sharing detailed climate data (Wan et al., 2023). More focused fields, especially accounting Oehoedoe, Minanurohman, and Fitriani (2023) and environmental studies Zhu, Li, and Ma (2023), back up this link by showing how specialized know-how can drive corporate strategy. Recent studies show that CEOs who have studied or worked abroad and even served in public roles usually publish longer and more thorough climate reports (Khalid, Ye, Voinea, & Naveed, 2022). All of this points to a simple truth: leaders with a global passport tend to notice emerging environmental risks early and also see that being open about them can give their firm a leg up over competitors. This worldview then nudges companies, whether they are start-ups or industry giants, toward stronger, clearer climate plans (C. Wang, Gou, & Li, 2022).

2.2.4 CEO Meeting

Another area that researchers have mostly overlooked is the informal gatherings of top executives: the executive branch, private dinners, and summer retreats. These gatherings reveal how deeply a CEO is woven into the company's governance and the ongoing line of internal responsibility. When a CEO regularly attends board sessions, it signals a strong organizational commitment to environmental, social, and governance (ESG) oversight and tends to translate into better-quality sustainability disclosures (Ali et al., 2023). At the same time, certain personal aspects of the CEO such as how many hours they devote to the job and how long they have held the position can have the opposite effect by limiting the time they can spend on detailed CSR discussions; conversely, a high frequency of board meetings tends to improve disclosure practices (Ratri, Harymawan, & Kamarudin, 2021). Board attendance, used as a proxy for supervisory quality, positively affects firm performance (Lin et al., 2014). Limited research exists on this variable, especially in emerging economies, making it a meaningful contribution to the existing literature.

Despite progress in sustainability reporting in Malaysia, the quality of disclosures remains inconsistent across industries. Many companies continue to use climate reporting symbolically rather than strategically, often influenced by legitimacy concerns and external pressure rather than accountability and transparency. Most earlier research has focused only on developed countries. The Malaysian context is under-researched, especially with regard to CEO characteristics and TCFD alignment is not adequately examined. Thus, these findings highlight the relevance of this study's proposed framework, which integrates company and CEO characteristics within a legitimacy theory lens to explain CCD in the Malaysian context. Moreover, few studies have combined company and CEO characteristics in a coherent model. This study attempts to address this gap by proposing a framework suited to the Malaysian disclosure landscape.

3. Research methodology

3.1 Theoretical Foundation and Conceptual Framework

3.1.1 Theoretical Foundation: Legitimacy Theory

This study is based by Legitimacy Theory, which holds that organisations continually posits to guarantee that companies function within the constraints and standards of their particular societies (Park, Nishitani, Kokubu, Freedman, & Weng, 2023). In doing so, they strive to legitimize their actions and existence in the eyes of stakeholders, including investors, regulators, customers, and the public. This theory has been widely applied to explain voluntary environmental disclosures in corporate annual reviews (Tang, 2023). Research has determined a guide for the legitimacy principle in know-how environmental disclosure practices across more than one context, including Europe Lavin and Montecinos-Pearce (2021) and environmentally sensitive industries (Mousa & Hassan, 2015).

Legitimacy theory posits that firms choose to openly report their environmental performance, covering climate risks, governance structures, and strategic responses, primarily to reassure stakeholders that they are responsible players within the social contract of business. By doing so, they aim to secure or uphold their standing in the public eye long before regulations are based on that same data. Supporting this view, Shui et al. (2023) observed that organizations that preemptively publish such information tend to show higher compliance rates with subsequent legal requirements. In jurisdictions such as Malaysia, where formal climate reporting standards are still emerging, companies frequently turn to sustainability reports as a reputation shield, seeking positive feedback from investors, customers, and communities. The growing societal and regulatory scrutiny of environmental outcomes has amplified the need for disclosure. However, recent scholarship shows that the traditionally separate spheres of legitimacy and voluntary disclosure theories can, in practice, tell each other (Park et al., 2023). This intersection offers a robust lens through which to assess how each corporate metric and executive disposition forms climate-associated verbal exchanges.

3.2 Conceptual Framework

This study investigates how the attributes of individual firms and their chief executives jointly determine the depth of Climate Change Disclosure (CCD) by measuring outputs against the benchmarks established by the Task Force on Climate-related Financial Disclosures (TCFD). Figure 3.0 shows a visual outline of the study's conceptual framework, illustrating how the independent and dependent variables interact. This paradigm is based on legitimacy theory, which posits that companies reveal environmental information, including disclosures connected to climate change, to uphold their legitimacy among stakeholders.

The independent variables are classified into two primary categories: company characteristics, which encompass Profitability: Financial performance may affect the degree of disclosure. Size: Larger organizations are anticipated to report more due to higher public awareness. Leverage: Firms with high leverage may provide increased disclosure to alleviate agency conflicts. Meanwhile, other independent variables include the following: CEO Characteristics, which consist of CEO Duality: Whether the CEO also serves as the board chair. CEO Tenure: Length of the CEO's service. CEO Education: Educational background of the CEO and CEO Meeting Attendance: Reflecting CEO engagement in governance. These variables are predicted to influence the dependent variable, Climate Change Disclosure (CCD). The paradigm postulates that both organizational and leadership characteristics play key roles in shaping a firm's climate-related disclosure practices. This conceptual framework led to the creation of the study's hypotheses and offers a systematic basis for the empirical investigation that follows.

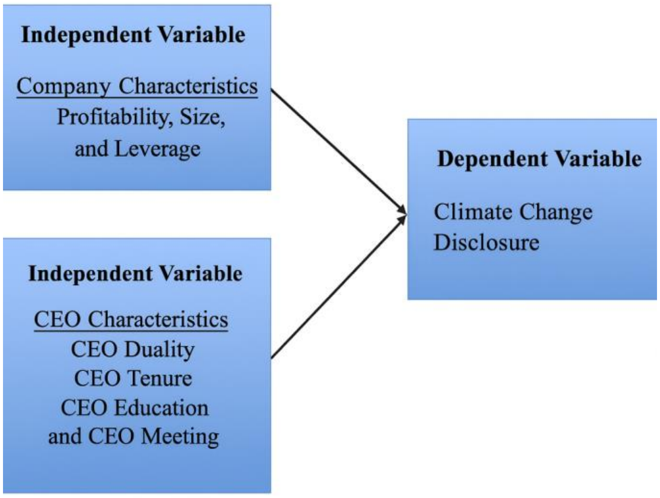

Figure 3.0 Conceptual Framework

3.3 Hypotheses Development

Based on Legitimacy Theory and the preceding literature, the following hypotheses are proposed:

H1: Profitability is positively associated with climate change disclosure.
H2: Firm size and climate change disclosure are positively associated.
H3: Leverage is positively associated with climate change disclosure.
H4: CEO dualism is negatively associated with climate change disclosure.
H5: Longer CEO tenure positively affects climate change disclosure.
H6: A Higher CEO education level is favorably associated with climate change disclosure.
H7: Increased CEO meeting attendance is favorably associated with climate change disclosure.

3.4 Research Methodology

3.4.1 Research Design

In conducting this proposed study, a quantitative content analysis approach will be applied to evaluate the association between company-specific characteristics and CEO characteristics and climate change disclosure (CCD) across Malaysian listed companies. Content analysis is intended to be used in this study as it provides a systematic evaluation of non-financial information of the business and sustainability reports. It is believed that by applying this approach, researchers can change qualitative disclosures into values that can be used and interpreted for statistical research. Content analysis makes it easy to look for relationships and similarities between variables, which aligns well with the study's testing of hypotheses. Additionally, content analysis matches theory-led research because coding schemes can be based on key points from Legitimacy Theory for better and more applicable data analysis (Vourvachis & Woodward, 2015). Thus, the method is strong for evaluating CCD and understanding the role of internal corporate factors in an emerging market environment. The quantitative nature of the method facilitates the statistical testing of correlations between variables, making it suitable for analyzing the hypothesized impacts (Bolden, 2019).

3.4.2 Sample Selection

The sample of this study comprises Malaysian listed companies from all sectors on Bursa Malaysia. The selection encompasses companies from all sectors, highlighting the uniqueness of CCD across sectors. These companies are predisposed to participate in climate disclosure policies because of their prominence and susceptibility to climate-related concerns.

3.4.3 Data Collection

This paper proposes an empirical framework, but at the time of writing, data have not yet been collected, and the research is conceptual in nature. Data for this research will be obtained from publicly available annual and sustainability reports retrieved from corporate websites and Bursa Malaysia's official webpage. These documents include complete and standardized disclosures suited for content analysis. Two basic categories of data were retrieved from the reports. First, climate change disclosure information was collected based on the Task Force on Climate-related Financial Disclosures (TCFD) guidelines. Second, information related to independent variables comprising company and CEO characteristics was manually retrieved from the same documents. Manual coding will be performed to ensure correctness and consistency in the classification of both the dependent and independent variables.

3.4.4 Measurement of Variables

The dependent variable, climate change disclosure (CCD), was quantified using a self-developed disclosure index based on the 11 guidelines in the TCFD framework, which was verified by an expert and a second coder. These proposals are based on four important regions: governance, approach, danger control, measurements, and objectives. Each item in the index was assessed using a binary scale, wherein a rating of one implies disclosure and 0 indicated non-disclosure. The total CCD score for every business enterprise was determined as the proportion of objects revealed out of the full opportunities, providing a standardized measure of disclosure.

Variable	Definition / Measurement	Previous Study
Dependent Variable (DV)		
Climate Change Disclosure (CCD)	Measured using a disclosure index primarily based on TCFD ideas: Governance, method, threat management, and Metrics & targets. each item in the index is assessed using a binary scale, wherein a rating of one implies disclosure and zero indicates non-disclosure. the general CCD rating for each employer is calculated as the ratio of disclosed items to overall potential gadgets, imparting a standardized evaluation of disclosure first-rate.	
Independent Variables (IVs)		
Company Characteristics		
Profitability	Measured by Return on Assets (ROA), showing the firm's financial performance.	(Hashim & Rahman, 2012; Mursalim, Mallisa, & Kusuma, 2017; Nuzula, 2019; Shahida, Ba M, & Fuad, 2019; Tan, Ho, Pidani, & Goveravaram, 2022)
Size	Natural log of total assets, representing the scale of operations.	(Alarussi & Alhaderi, 2018; Ayedh, Fatima, & Mohammad, 2019; Ghani, Jamal, Puspitasari, & Gunardi, 2018; Shahida et al., 2019)

Leverage	Ratio of total liabilities to total shareholder's equity	(Ghani et al., 2018; Mgbemena, Ebe, Azubike, & Obiekwe, 2024)
CEO Characteristics		
CEO Duality	Whether the CEO also acts as board chair (1 = dual function, 0 = separate roles).	(Karim, Manab, & Ismail, 2020; Khan, Al-Jabri, & Saif, 2021; Nosheen, Naveed-ul-Haq, & Khan, 2020; Rashid, Islam, & Nuryanah, 2014; Ting, Azizan, & Kweh, 2016; Yasser & Mamun, 2016)
CEO Tenure	Number of years the CEO has held the role, reflecting leadership experience.	(Ahmad, Prasetyo, Buchdadi, Widyastuti, & Kurniawati, 2022; Al-Hiyari, Latif, & Amran, 2016; Al-Sabri, Nordin, & Shahar, 2022; Altarawneh, Shafie, & Ishak, 2020; Nosheen et al., 2020; Omar & Amran, 2017; Razali, Roslanie, Brahmana, & Ali, 2016)
CEO Education	Highest academic qualification (e.g., bachelor's, master's, doctorate).	(Chua, Ab Razak, Nassir, & Yahya, 2022)
CEO Meeting Attendance	Number or percentage of board meetings attended by the CEO, reflecting governance engagement.	(Ratri et al., 2021)

The analysis began with descriptive statistics to summarize the distribution and critical styles of the variables. This was followed by Pearson's correlation analysis to assess the electricity and route of bivariate correlations between the independent variables and CCD. Finally, more than one regression analysis was performed to analyze the simultaneous results of all impartial factors on the extent of weather exchange disclosure. This approach allows the assessment of the relative relevance of each variable while correcting for multicollinearity and heteroskedasticity. Hence, the suggested technique enables a complete assessment of how internal organizational features influence climate-related disclosure practices in Malaysia.

4. Results and discussion

This study proposes an empirical framework for which actual results are not yet available. However, based on past studies and proposed hypotheses, the determinants of both company-specific characteristics and CEO characteristics are anticipated to significantly influence climate change disclosure. Thus, this section discusses the probable results and their implications of this study. The proposed framework offers several practical implications for many stakeholders, especially regulators and corporate stakeholders. For example, Bursa Malaysia and the Securities Commission could use these insights to enhance corporate governance guidelines and climate-related disclosure requirements by adhering to leadership accountability for sustainability reporting. More expectations of CEO oversight and board governance will improve consistency and transparency, especially in climate change disclosures. In addition, Malaysian listed companies may benefit from emphasizing their executive duties and board structures with larger environmental, social, and governance (ESG) goals. By understanding how both structural and leadership factors influence CCD, companies can strengthen their legitimacy and meet stakeholder demands.

5. Conclusion

This article discusses a proposed empirical study to investigate how internal corporate governance influences climate change disclosure across Malaysian listed companies. Drawing upon legitimacy theory, the model blends corporate profitability, size, and leverage with CEO attributes, including duality, tenure, education, and meetings. This proposed study is expected to feed policy discussions and help Malaysia's transition toward compulsory climate reporting related to IFRS S1 and S2. Adopting IFRS S1 and S2 helps ensure that important information is clear to investors, highlights Malaysia's commitment to sustainability, and meets the country's global ESG goals. By identifying the important internal determinants of climate disclosure, this study presents empirical data to guide governance reform and institutional preparation. Future studies may enhance this model by adding moderating variables, such as institutional ownership or stakeholder pressure, and applying it to broader regional comparisons. The empirical validation of this model can support a more educated and internationally coordinated approach to climate risk disclosure.

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