

Multi-stakeholder governance: Impact on environmental disclosure

ABSTRACT: Given the rising emphasis on environmental disclosures and the expressed importance of ‘good’ governance in determining the extent of information disclosure in general, we examine the relation between specific aspects of multistakeholder governance and the quality of voluntary environmental disclosure (VED). Based on a sample of 127 firms over a six-year period (2000 to 2005), we empirically test characteristics of multi-stakeholder governance in relation to VED. Our results suggest that VED quality is positively associated with board independence and board member expertise, and negatively associated with environmental legitimacy. Our conclusion discusses the implications of these findings.