

ABSTRACT

The primary objective of this study is to test a theoretical framework relating six corporate governance mechanisms and four firm-specific characteristics with the extent of voluntary disclosure provided by public listing companies in Mainland China. These six corporate governance mechanisms include (1) ownership concentration; (2) government ownership; (3) legal-entity ownership; (4) CEO-is-top dir; (5) independence of board and (6) existence of audit committee. These four firm-specific characteristics are (1) firm size; (2) leverage; (3) profitability; (4) industry type. Using a relative disclosure index for measuring voluntary disclosure level, the results indicate that ownership concentration, government ownership, firm size and profitability are significantly and positively related to the extent of voluntary disclosure. The study is expected to provide empirical evidences to the policy makers of a company, regulations in China to consummate the corporate governance mechanisms and the transparency of public listing companies.