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## The Impact of Corporate Governance Characteristics on the Level of Forward-Looking Information Disclosure: Evidence from the Tehran Stock Exchange

### ABSTRACT

The purpose of the present study is to examine the impact of corporate governance characteristics on the level of forward-looking information disclosure. In terms of objective, this research is applied in nature and is classified as a descriptive–correlational study. The statistical population consists of all companies listed on the Tehran Stock Exchange during the period from 2018 to 2023. After applying systematic screening criteria, 116 firms were selected as the research sample. Data analysis was conducted using EViews econometric software, and a multivariate linear regression model was employed to test the research hypotheses. The findings indicate that corporate governance characteristics—namely board size, board independence, and audit committee independence—have a positive and statistically significant effect on the level of forward-looking information disclosure, whereas ownership concentration has a negative and statistically significant effect on the level of forward-looking information disclosure.

**Keywords:** Corporate Governance; Information Disclosure; Forward-Looking Information.

### Introduction

In modern capital markets characterized by increasing informational complexity, rapid technological change, and heightened investor expectations, corporate disclosure practices have evolved beyond traditional historical financial reporting toward more future-oriented communication mechanisms. Forward-looking information disclosure has emerged as one of the most critical components of contemporary corporate reporting because it provides stakeholders with insights regarding managerial expectations, strategic direction, anticipated risks, and future performance trajectories. Unlike backward-looking financial statements that primarily reflect past outcomes, forward-looking disclosures reduce information asymmetry by enabling investors, creditors, regulators, and analysts to evaluate firms' future prospects and strategic positioning. Early professional reporting frameworks emphasized that forward-looking information enhances transparency, strengthens accountability, and supports informed decision-making in financial markets [1]. As global financial systems increasingly emphasize transparency and sustainability, organizations are encouraged to provide predictive narratives that complement traditional accounting information and reflect managerial foresight and planning capabilities.

Theoretical developments in disclosure research suggest that voluntary disclosure practices, particularly forward-looking information, are closely linked to agency theory, signaling theory, and stakeholder theory. Managers disclose expectations about future performance to signal confidence, reduce uncertainty, and attract investment capital. Empirical evidence demonstrates that corporate governance mechanisms play a decisive role in shaping the credibility and extent of such disclosures. Studies have shown that governance quality influences managerial incentives to disclose strategic forecasts and performance expectations, thereby enhancing the value relevance of voluntary forward-looking statements [2]. Corporate attributes including board structure, ownership characteristics, and monitoring mechanisms significantly affect disclosure policies because they determine the balance between transparency incentives and proprietary cost concerns. Research on publicly traded corporations indicates that governance structures with stronger monitoring functions encourage more comprehensive forward-looking disclosures [3]. Similarly, investigations into integrated reporting frameworks emphasize that disclosure practices are embedded within broader organizational governance systems and institutional environments [4].

Forward-looking disclosure has also gained prominence within integrated reporting and sustainability reporting paradigms. Integrated reporting frameworks highlight the necessity of communicating not only financial results but also future strategies, risks, and value creation processes across multiple capitals. Empirical studies demonstrate that integrated reporting adoption is associated with improved transparency and enhanced disclosure quality because firms attempt to explain long-term value generation mechanisms [5]. Cultural and institutional factors further influence disclosure decisions, as organizations operate within social systems that shape transparency expectations and accountability norms [6]. Consequently, forward-looking disclosure should not be interpreted solely as an accounting practice but rather as an organizational communication process reflecting governance quality, strategic orientation, and institutional legitimacy. Evidence from risk disclosure research shows that firms with stronger governance arrangements provide richer narrative explanations about future risks and uncertainties, reinforcing stakeholder confidence [7]. These findings collectively suggest that disclosure decisions emerge from complex interactions among governance mechanisms, external pressures, and organizational strategic objectives.

Corporate governance characteristics represent one of the most influential determinants of forward-looking disclosure behavior. Board size, independence, and monitoring intensity shape managerial accountability and influence disclosure incentives. Empirical research across different capital markets confirms that independent directors play a vital role in promoting transparency by reducing managerial opportunism and encouraging voluntary disclosure practices [8]. Governance effectiveness also depends on internal control systems and oversight mechanisms that enhance reporting reliability and prevent information withholding [9]. Earlier studies investigating internet reporting practices similarly revealed that firms with stronger governance structures disclose information more promptly and comprehensively, highlighting governance as a driver of disclosure quality [10]. In emerging economies, governance reforms have been particularly important in improving disclosure transparency because institutional monitoring mechanisms are still evolving. Evidence from Middle Eastern and developing markets indicates that governance characteristics significantly explain variation in forward-looking disclosure levels among listed firms [11]. Furthermore, empirical analyses of Lebanese commercial banks confirmed that governance and firm-specific attributes jointly influence managerial willingness to disclose forward-looking narratives [12].

Corporate attributes beyond governance structures also contribute to disclosure decisions. Firm profitability, capital structure, and investment risk considerations influence managers' motivations to communicate expectations about future performance. Research demonstrates that forward-looking information can reduce investment risk by improving investors' understanding of firm prospects and operational uncertainty [13]. Market dynamics studies further indicate that financial indicators and dividend-related metrics shape market reactions and disclosure incentives because investors increasingly rely on predictive information when evaluating stock price movements [14]. Recent investigations into forward-looking disclosure attributes emphasize the importance of firm characteristics such as organizational complexity, strategic orientation, and information environment in determining disclosure depth and quality [15]. Similarly, governance-oriented analyses confirm that corporate governance practices remain central to explaining variations in forward-looking disclosure levels across firms [16]. These findings collectively reinforce the notion that disclosure behavior reflects both internal governance mechanisms and external market expectations.

Ownership structure represents another critical dimension influencing disclosure transparency. Firms characterized by concentrated ownership may exhibit reduced voluntary disclosure because dominant shareholders often access private information directly, diminishing incentives for public transparency. Empirical evidence indicates that ownership concentration can weaken voluntary disclosure practices due to reduced pressure from dispersed investors [17]. Conversely, broader stakeholder engagement and institutional ownership have been linked to enhanced disclosure practices, particularly when stakeholders demand accountability and long-term sustainability information [18]. Recent research also highlights the growing importance of human capital disclosures and institutional monitoring in shaping transparency strategies, suggesting that evolving governance expectations increasingly extend beyond financial performance toward broader organizational accountability [19]. Furthermore, organizational culture and audit quality have been shown to mediate disclosure outcomes, demonstrating that governance effectiveness operates through both structural and behavioral channels [20].

Advances in disclosure research increasingly emphasize the strategic role of corporate reporting as a mechanism for communicating innovation, technological development, and future growth opportunities. Studies examining technology commercialization indicate that corporate disclosures serve as signals of innovation capability and future performance potential [21]. In parallel, research on disclosure decision-making frameworks shows that individuals and organizations carefully balance transparency benefits against reputational and strategic risks when determining disclosure levels [22]. Environmental and sustainability disclosure studies further confirm that firm size, profitability, and media exposure influence voluntary reporting practices, highlighting the multidimensional drivers of corporate transparency [23]. Recent Iranian and international evidence suggests that managerial motivations, market pressures, and governance reforms collectively shape forward-looking disclosure behavior through dynamic decision-making processes [24]. Integrated modeling approaches demonstrate that forward-looking disclosure not only reflects governance characteristics but also produces significant consequences for capital market efficiency, investment decisions, and organizational legitimacy [25]. Collectively, contemporary literature portrays forward-looking disclosure as a strategic governance instrument rather than merely a reporting obligation.

Despite extensive international research, important gaps remain regarding how corporate governance mechanisms influence forward-looking disclosure within emerging capital markets characterized by institutional transition and evolving regulatory frameworks. Differences in governance maturity, investor protection, ownership concentration, and disclosure

enforcement may alter the relationship between governance characteristics and transparency outcomes. Emerging markets provide a particularly valuable research context because firms operate under simultaneous pressures of globalization, regulatory modernization, and investor demand for higher-quality information. Understanding how governance structures affect forward-looking disclosure in such environments contributes to both academic theory development and practical policy design aimed at improving market transparency and efficiency. Therefore, the aim of this study is to examine the impact of corporate governance characteristics on the level of forward-looking information disclosure among companies listed on the Tehran Stock Exchange.

**Methodology**

This study is classified as a descriptive research design in terms of objective, as its purpose is to provide an objective and realistic description of the research phenomenon. Based on its aim, the present study is applied research, and in terms of examining relationships among variables, it is categorized as correlational research. Regarding data collection classification, the study is archival in nature because the data required to test the research hypotheses were obtained from existing sources, including companies’ financial statements, reports published by the Tehran Stock Exchange (audited financial statements released through the Securities and Exchange Organization), and Rahavard Novin software. The present study is quantitative since annual firm-level data were collected and analyzed using statistical techniques. The research data were analyzed using panel data analysis and panel multivariate regression methods. Initially, raw data were collected, and then the final values of the variables were prepared using Microsoft Excel for transfer to EViews software for statistical analysis.

The statistical population of this study consists of companies listed on the Tehran Stock Exchange up to the end of 2023. The research sample includes 116 companies during the period from 2018 to 2023. Table 1 presents the statistical population and sampling procedure.

**Table 1**

*Statistical Population and Research Sample*

Criteria	Number of Companies
Total companies listed on the stock exchange by the end of 2023	521
Companies with fiscal years not ending on March 20	(122)
Investment companies, banks, and insurance firms	(92)
Companies with trading suspension exceeding three months	(97)
Companies with unavailable required information	(94)
Final selected sample	116

To test the research hypotheses, Model (1) was employed:

**Model (1)**

$$FLID\ Level_{it} = \beta_0 + \beta_1 B\ SIZE_{it} + \beta_2 B\ IND_{it} + \beta_3 AC\ IND_{it} + \beta_4 O\ CON_{it} + \beta_5 MB_{it} + \epsilon_{it}$$

**Operational Definition of Research Variables**

**Dependent Variable**

**Forward-Looking Information Disclosure Level (FLID Level):** In this study, the level of forward-looking information disclosure was measured using content analysis of the board of directors’ reports submitted to shareholders’ general meetings. The disclosure index was calculated in three stages. In the first stage, a list of forward-looking disclosure keywords was compiled, including 35 terms such as rapid, speculation, expectation, future fiscal years, upcoming months, confidence,

persuasion, current fiscal year, exposure, estimation, final, anticipation, projection, future-oriented, hope, goal, probability (or improbability), foresight, subsequent, new, optimistic, outlook, planned, forecast, future perspective, continuity, recovery, domain, urgency, brief, obligation, soon, future, well-positioned, and future years. In the second stage, sentences containing board opinions and forecasts in board reports that included forward-looking keywords were extracted through content analysis. In the third stage, the number of sentences representing forward-looking disclosure was calculated.

**Independent Variables**

**Board Size (B SIZE):** Measured as the total number of board members of firm *i* in year *t*.

**Board Independence (B IND):** Measured as the ratio of non-executive directors to the total number of board members of firm *i* in year *t*.

**Audit Committee Independence (AC IND):** Measured as the ratio of non-executive members of the audit committee to the total audit committee members of firm *i* in year *t*.

**Ownership Concentration (O CON):** Measured as the aggregate shareholding percentage of the three largest shareholders.

**Control Variable**

**Market-to-Book Ratio (MB):** Measured as the ratio of the market value of equity to the book value of equity of firm *i* in year *t*.

**Findings and Results**

The descriptive statistics of the variables indicate that the selected sample possesses sufficient variability; therefore, the results can be generalized to the population. Descriptive statistics of the research variables are presented in Table 2.

**Table 2**

*Descriptive Statistics of Research Variables*

Variable Name	Symbol	Mean	Median	Minimum	Maximum	Standard Deviation
Forward-Looking Information Disclosure Level	FLID Level	24.54	24.11	17	35	0.007
Board Size	B SIZE	5.63	5.27	5	9	0.124
Board Independence	B IND	0.658	0.651	0.20	0.80	0.065
Audit Committee Independence	AC IND	0.692	0.657	0.20	0.60	1.036
Ownership Concentration	O CON	0.452	0.438	0.127	0.857	0.169
Market-to-Book Ratio	MB	1.652	1.854	0.034	2.854	1.357

Before hypothesis testing and model estimation, the stationarity of the research variables was examined. Stationarity implies that the mean and variance of variables remain constant across different years, preventing the occurrence of spurious regression results. For this purpose, the Hashem–Pesaran unit root test was employed. The results are presented in Table 3. The significance level for all variables is below 5%, indicating that all research variables are stationary.

**Table 3**

*Hashem–Pesaran Unit Root Test Results for Stationarity*

Variable Name	Symbol	t-Statistic	P-value	Test Result
Forward-Looking Information Disclosure Level	FLID Level	-14.524	0.000	Stationary
Board Size	B SIZE	-8.475	0.000	Stationary
Board Independence	B IND	-9.524	0.000	Stationary
Audit Committee Independence	AC IND	-13.539	0.000	Stationary
Ownership Concentration	O CON	-7.857	0.000	Stationary
Market-to-Book Ratio	MB	-17.395	0.000	Stationary

One of the assumptions of regression analysis is the absence of multicollinearity among independent and control variables. To confirm the absence of multicollinearity among the research variables, the Variance Inflation Factor (VIF) test was employed in this study. As presented in Table 4, the tolerance values for all independent variables are greater than 0.20, and the variance inflation factors are very close to 1 (and considerably lower than 5). Therefore, the assumption of no multicollinearity among the independent variables is confirmed.

**Table 4**  
*Multicollinearity Test among Independent and Control Variables*

Variable	Symbol	W-Statistic	p-value
Forward-Looking Information Disclosure	FLID	0.587	2.054
Board Size	B SIZE	0.639	2.524
Board Independence	B IND	0.574	1.687
Audit Committee Independence	AC IND	0.628	2.527
Ownership Concentration	O CON	0.748	2.076
Market-to-Book Ratio	MB	0.368	1.547

To test the research hypotheses, the main research model was estimated. Considering that panel data analysis provides more reliable results in the presence of heterogeneity or individual differences among observations, the F-Limer (Chow) test was employed to determine homogeneity or heterogeneity across observations and consequently to select between pooled data and panel data models. The Chow and Hausman test results used to identify the appropriate estimation model are presented in Table 5.

**Table 5**  
*Results of Chow and Hausman Tests*

Model	Chow Test			Hausman Test			Result
	Test Type	Statistic	Probability	Test Type	Statistic	Probability	
Research Model	F-Limer	47.9	0.000	Cross-Section Random	28.5	0.001	Fixed Effects Model

Since the probability value obtained from the F-Limer test is less than 5%, the panel data model is appropriate for estimating the research model. Furthermore, because the probability value from the Hausman test is also less than 5%, the fixed-effects model is selected as the appropriate estimation approach.

After performing regression diagnostic tests and completing the model selection procedure, the research model was estimated to analyze the research hypotheses. The estimation results are presented in Table 6.

**Table 6**  
*Estimation Results of the Research Model*

$$FLID\ Level_{it} = \beta_0 + \beta_1 B\ SIZE_{it} + \beta_2 B\ IND_{it} + \beta_3 AC\ IND_{it} + \beta_4 O\ CON_{it} + \beta_5 MB_{it} + \epsilon_{it}$$

Variable	Coefficient	t-Statistic	Significance
Intercept	0.476	2.857	0.039
Board Size	0.457	2.639	0.002
Board Independence	0.574	2.584	0.001
Audit Committee Independence	0.968	3.796	0.000
Ownership Concentration	-0.574	-2.652	0.002
Market-to-Book Ratio	0.547	3.365	0.001
R-squared	0.436		
Adjusted R-squared	0.421		
Durbin-Watson Statistic	1.857		
F-statistic	14.215		
Prob(F-statistic)	0.000		

After verifying the regression assumptions, the estimation results of the research regression model are reported in Table 6. The F-statistic value (14.215) with a significance level of 0.000 indicates the overall statistical significance of the regression model. The coefficient of determination and adjusted coefficient of determination are 43.6% and 42.1%, respectively. Therefore, approximately 42% of the variations in the dependent variable are explained by the independent and control variables included in the model. Positive (negative) coefficients indicate a direct (inverse) effect of each variable on the level of forward-looking information disclosure.

According to Table 6, the significance level of the board size variable (0.002) is lower than the 5% significance level adopted in this study. Moreover, the absolute value of its t-statistic (2.639) exceeds the critical t-value at the same degree of freedom. Accordingly, the null hypothesis is rejected at the 95% confidence level, and given the positive coefficient, the research hypothesis is supported, confirming a positive and statistically significant effect of board size on the level of forward-looking information disclosure.

The significance level of the board independence variable (0.001) is also below the 5% threshold, and the absolute value of its t-statistic (2.584) exceeds the critical value. Thus, the null hypothesis is rejected at the 95% confidence level, and the research hypothesis is confirmed, indicating a positive and statistically significant effect of board independence on forward-looking information disclosure.

The significance level of audit committee independence (0.000) is less than 5%, and the absolute t-statistic (3.796) exceeds the critical value. Therefore, the null hypothesis is rejected at the 95% confidence level, confirming a positive and statistically significant effect of audit committee independence on the level of forward-looking information disclosure.

The significance level of ownership concentration (0.002) is lower than 5%, and the absolute t-statistic (-2.652) exceeds the critical value. Consequently, the null hypothesis is rejected at the 95% confidence level, and given the negative coefficient, the research hypothesis is confirmed, indicating a negative and statistically significant effect of ownership concentration on the level of forward-looking information disclosure.

## Discussion and Conclusion

The findings of this study provide empirical evidence regarding the role of corporate governance mechanisms in shaping the level of forward-looking information disclosure among firms listed on the Tehran Stock Exchange. The regression results demonstrate that board size, board independence, and audit committee independence exert positive and statistically significant effects on forward-looking disclosure, whereas ownership concentration shows a negative and significant relationship with disclosure levels. Additionally, the market-to-book ratio as a control variable positively influences disclosure behavior. These results collectively confirm that governance structures function as a critical institutional mechanism for enhancing transparency and improving the informational environment of capital markets.

The positive association between board size and forward-looking disclosure indicates that larger boards contribute to more comprehensive strategic communication with stakeholders. Larger boards typically incorporate diverse expertise, broader professional backgrounds, and stronger monitoring capacity, which enhance managerial accountability and reduce information asymmetry. This finding aligns with governance theory suggesting that expanded boards increase oversight effectiveness and promote voluntary disclosure practices aimed at strengthening investor confidence. Prior empirical studies similarly demonstrate that firms with stronger governance structures tend to disclose more forward-looking information due

to enhanced monitoring and advisory capabilities [3]. Evidence from international disclosure research also confirms that governance-driven transparency mechanisms encourage management to provide predictive statements about future performance and risks [2]. Moreover, integrated reporting studies emphasize that governance diversity facilitates strategic disclosure processes because multiple perspectives within the board stimulate broader discussion of future opportunities and uncertainties [5]. Therefore, the present finding reinforces the argument that board size contributes positively to disclosure quality through improved supervision and strategic engagement.

The significant positive effect of board independence further highlights the importance of independent directors as guardians of transparency. Independent board members reduce managerial opportunism and increase pressure on executives to disclose forward-looking information objectively. Independent oversight mitigates agency conflicts by ensuring that management decisions reflect shareholder interests rather than managerial self-interest. Previous research confirms that voluntary disclosure is strongly associated with independent board representation, particularly in environments characterized by concentrated ownership or weaker investor protection [8]. Studies examining governance and disclosure practices across different markets also conclude that independent directors strengthen credibility and encourage forward-looking reporting because they demand higher reporting standards and improved accountability mechanisms [11]. Similarly, integrated governance frameworks emphasize that independence enhances organizational legitimacy and improves stakeholder trust through transparent communication strategies [6]. The results of this study therefore corroborate earlier evidence that independent boards act as catalysts for transparent forward-looking disclosure.

Audit committee independence also demonstrates a strong positive and significant relationship with forward-looking disclosure, suggesting that effective audit oversight improves both the quantity and credibility of prospective information. Independent audit committees enhance financial reporting quality by supervising internal controls, reviewing disclosure content, and ensuring compliance with reporting standards. These governance mechanisms reduce information manipulation risks and encourage managers to provide reliable forecasts and future-oriented narratives. Empirical evidence from risk disclosure studies shows that audit-related monitoring mechanisms improve narrative disclosure quality by enhancing internal governance discipline [7]. Research on internal control disclosure further indicates that independent monitoring bodies strengthen reporting transparency and improve corporate information environments [9]. In addition, forward-looking disclosure studies within integrated reporting frameworks confirm that audit oversight plays a critical role in ensuring consistency between strategic intentions and publicly communicated expectations [17]. Accordingly, the current findings support the theoretical view that audit committee independence represents one of the most effective governance tools for promoting high-quality disclosure.

In contrast, ownership concentration exhibits a negative and statistically significant effect on forward-looking disclosure. This result suggests that when ownership is concentrated among dominant shareholders, the incentive to publicly disclose strategic information declines because controlling owners may access private information directly. Under such circumstances, voluntary disclosure becomes less necessary as informational advantages are internally distributed rather than publicly communicated. This finding is consistent with agency theory predictions and empirical studies demonstrating that dominant shareholders may reduce transparency to preserve private benefits of control [12]. Research on corporate attributes and disclosure determinants also indicates that concentrated ownership structures weaken external monitoring pressure and diminish incentives for voluntary disclosure practices [15]. Earlier disclosure literature similarly reports that firms

characterized by controlling shareholders often limit forward-looking reporting due to concerns about proprietary costs and competitive exposure [26]. Consequently, the negative relationship observed in this study confirms that ownership structure remains a decisive factor influencing corporate transparency.

The positive relationship between the market-to-book ratio and forward-looking disclosure reflects the role of growth opportunities and market expectations in shaping disclosure incentives. Firms with higher market valuations relative to book value typically face greater investor scrutiny and are motivated to justify their valuation through enhanced transparency regarding future prospects. Forward-looking disclosures therefore serve as signals communicating growth potential and strategic direction. Evidence from investment risk research demonstrates that forward-looking information reduces uncertainty and improves market evaluation of corporate performance [13]. Studies examining financial indicators and market behavior further indicate that investors rely heavily on predictive information when interpreting stock price dynamics and assessing firm value [14]. Recent sustainability disclosure research also shows that firms with stronger market visibility and performance expectations adopt broader disclosure strategies to maintain legitimacy and investor confidence [23]. Hence, the positive influence of the market-to-book ratio reinforces the argument that disclosure behavior responds to market-based incentives.

The overall explanatory power of the model indicates that corporate governance characteristics account for a substantial proportion of variation in forward-looking disclosure levels. This finding supports integrated perspectives suggesting that disclosure practices emerge from interactions among governance mechanisms, organizational culture, and stakeholder expectations. Stakeholder-oriented disclosure frameworks emphasize that transparency evolves as organizations respond to pressures from investors, regulators, and society [18]. Moreover, human capital disclosure research highlights how institutional ownership and monitoring mechanisms increasingly demand richer informational environments to support long-term investment decisions [19]. Organizational culture studies also demonstrate that governance effectiveness indirectly shapes disclosure outcomes by influencing managerial attitudes toward transparency and accountability [20]. These insights collectively indicate that forward-looking disclosure represents a multidimensional governance outcome shaped by structural, behavioral, and institutional factors.

Another important implication of the findings concerns the strategic function of disclosure as a communication mechanism rather than merely a regulatory requirement. Contemporary research emphasizes that corporate disclosures communicate innovation capability, strategic orientation, and future competitiveness. Studies examining technology commercialization confirm that disclosure narratives allow stakeholders to evaluate firms' future value creation processes and innovation trajectories [21]. Disclosure decision-making frameworks further suggest that managers weigh reputational benefits against strategic risks when determining the extent of forward-looking information released [22]. Recent dynamic modeling approaches show that managerial motivations and external pressures jointly determine disclosure intensity, reflecting evolving governance expectations in modern capital markets [24]. Earlier integrated modeling research similarly demonstrates that forward-looking disclosure produces significant consequences for investment efficiency and corporate legitimacy [25]. Accordingly, the present findings reinforce the conceptualization of forward-looking disclosure as a strategic governance instrument enhancing transparency and market efficiency.

The results also extend prior empirical literature by providing evidence from an emerging market context where institutional frameworks continue to develop. Many earlier studies were conducted in developed markets, whereas emerging

economies present unique governance challenges such as ownership concentration, evolving regulatory systems, and asymmetric information environments. Governance-oriented disclosure research confirms that improving governance mechanisms remains essential for strengthening transparency in such markets [16]. Cross-country disclosure evidence further shows that governance reforms contribute significantly to improving voluntary reporting quality and reducing information asymmetry [27]. The findings of this study therefore contribute to the growing body of literature emphasizing governance reforms as a pathway toward enhancing disclosure quality and capital market development.

Despite providing meaningful empirical insights, this study is subject to several limitations. First, the analysis is limited to firms listed on a single stock exchange, which may restrict the generalizability of the findings to other institutional environments or international markets. Second, forward-looking disclosure was measured using content analysis of board reports, which, although widely accepted, may involve subjective interpretation of narrative information. Third, the study focuses primarily on selected governance characteristics and does not incorporate broader institutional variables such as regulatory enforcement intensity, political connections, or managerial behavioral traits. Finally, the time period examined may not fully capture long-term structural changes in disclosure practices influenced by technological transformation or evolving reporting standards.

Future studies may expand the research scope by conducting cross-country comparative analyses to examine how institutional differences influence governance–disclosure relationships. Researchers could also incorporate additional governance variables such as gender diversity, CEO duality, board expertise, or ownership identity to provide a more comprehensive governance framework. Longitudinal studies covering extended time horizons would help capture dynamic changes in disclosure behavior and regulatory evolution. Furthermore, integrating qualitative approaches, such as interviews with executives or auditors, may provide deeper insights into managerial motivations underlying disclosure decisions. Future research may also explore the interaction between digital reporting technologies, artificial intelligence–based disclosure systems, and forward-looking information transparency.

From a practical perspective, policymakers should strengthen corporate governance regulations emphasizing board independence and audit committee effectiveness to enhance transparency in capital markets. Corporate managers are encouraged to adopt proactive disclosure strategies that communicate future plans, risks, and opportunities clearly to investors. Investors and analysts may use governance indicators as signals of disclosure credibility when evaluating investment decisions. Regulatory authorities can promote standardized forward-looking disclosure guidelines to improve comparability across firms. Finally, organizations should foster transparency-oriented corporate cultures that encourage responsible communication of future-oriented information while maintaining strategic competitiveness.

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### **Authors' Contributions**

All authors equally contributed to this study.

## Declaration of Interest

The authors of this article declared no conflict of interest.

## Ethical Considerations

The study protocol adhered to the principles outlined in the Helsinki Declaration, which provides guidelines for ethical research involving human participants. Written consent was obtained from all participants in the study.

## Transparency of Data

In accordance with the principles of transparency and open research, we declare that all data and materials used in this study are available upon request.

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