

-RESEARCH ARTICLE-

CORPORATE GOVERNANCE AND FINANCIAL TRANSPARENCY IN SAUDI COMPANIES LISTED IN TADAWUL: A QUANTITATIVE PANEL STUDY

Basma Bchennaty

Faculty of Business Studies, Arab Open University (AOU), Saudi Arabia

ORCID: <https://orcid.org/0009-0003-1332-6931>

Email: b.bchennaty@arabou.edu.sa

—Abstract—

This study examines how internal governance structures shape the degree of financial openness among non-financial enterprises quoted on the Saudi Stock Exchange. Grounded in agency theory (AT), stakeholder theory (ST), and institutional theory (IT), the analysis utilises a rare multi-year panel covering 38 entities from 2011 to 2022, offering one of the limited longitudinal assessments of governance–disclosure dynamics within the Gulf setting. Using fixed-effects estimations, the inquiry finds that an expanded board, a higher proportion of independent directors, a more functional audit committee, dispersed shareholding, and greater diversity in board composition all contribute materially to stronger voluntary financial reporting. Collectively, these mechanisms account for a notable share of the variance in firms' transparency outcomes. Conversely, the combination of chief executive and chair roles does not exhibit a meaningful statistical effect, implying that concentrated leadership responsibilities may be offset by other institutional or cultural controls operating in Saudi Arabia. Overall, the evidence highlights that enhancing the monitoring capacity, heterogeneity, and audit-related capabilities of boards is pivotal for elevating disclosure standards. At the regulatory level, the results align with the ambitions of Vision 2030, reinforcing the case for industry-tailored governance frameworks, strengthened supervisory functions, and professional development programmes aimed at embedding transparency as a fundamental organisational practice.

Keywords: Corporate Governance, Financial Transparency, Saudi Stock Exchange

Citation (APA): Bchennaty, B. (2025). Corporate Governance and Financial Transparency in Saudi Companies Listed in Tadawul: A Quantitative Panel Study. *International Journal of Economics and Finance Studies*, 17(03), 269-294. doi: 10.34109/ijefs.202517314

(Tadawul), Board Structure, CEO Duality.

INTRODUCTION

In recent decades, the study of corporate governance has shifted well beyond a narrow emphasis on regulatory conformity, developing into a central component of sustainable economic progress and the preservation of market integrity (Hossain et al., 2024; Myers & Czarnezki, 2021; Naciti et al., 2022; Pucelj & Bohinc, 2024). As financial systems become more interdependent and exposed to heightened volatility, governance arrangements that encourage openness, accountability, and equitable managerial conduct have moved from peripheral considerations to indispensable institutional mechanisms. Such structures support shareholder protections, temper agency-related inefficiencies, and reinforce lawful and responsible corporate conduct (Aguilera & Cuervo-Cazurra, 2009; Claessens & Yurtoglu, 2013). Their effectiveness, however, is shaped by the manner in which governance practices are adopted and embedded across diverse socio-institutional settings. Comparative evidence demonstrates that governance reforms in emerging contexts must be aligned with national legal traditions, market characteristics, and cultural norms to achieve meaningful outcomes (Haroon & Zaka, 2023).

This challenge is particularly evident in developing economies such as Saudi Arabia. Under the Vision 2030 programme, the country has initiated broad institutional and economic restructuring intended to diversify its production base and enhance investor trust (Alanazi, 2024; Alqahtani, 2024; Alsweilem et al., 2024; Ben-Nun, 2023). Within this reform trajectory, corporate governance has transformed from a simple compliance obligation into a strategic instrument reflecting global investment opportunities, domestic stakeholder demands, and the need for systemic robustness. Researchers and regulatory actors increasingly emphasise that governance frameworks must be tailored to local ownership configurations, supervisory structures, and sociocultural dynamics (Fayemi, 2023; Haroon & Zaka, 2023; Omweri, 2024).

Meeting these demands requires a multidimensional approach combining regulatory refinement, institutional reinforcement, and cultural sensitivity. Bodies such as the Capital Market Authority (CMA) could contribute by introducing sector-specific governance rules supported by explicit performance indicators, robust enforcement systems, and independent periodic assessments. Internal governance quality would also benefit from strengthening the capabilities of boards and audit committees, particularly regarding financial oversight, principled leadership, and risk evaluation in context-specific scenarios. In addition, embedding governance instruction within executive and professional training frameworks, complemented by awareness initiatives demonstrating the commercial advantages of transparency, would help cultivate a business culture grounded in proactive compliance. Incremental reform that

allows organisations to adapt while respecting domestic norms—together with a gradual shift towards merit-based appointments and enhanced diversity—may help reconcile formal governance arrangements with practical operational realities.

Financial transparency, understood as the clarity, completeness, and timeliness of corporate reporting, constitutes a critical output of effective governance, especially in environments characterised by pronounced information gaps and evolving regulatory infrastructures (Bushman & Smith, 2001). In Saudi Arabia, Vision 2030 reforms have coincided with efforts to liberalise capital markets, attract foreign participation, and elevate the global profile of Tadawul (Aldahoum, 2021; Alqahtani, 2023; Ramady, 2021; Report, 2023). Despite these initiatives, empirical understanding of how such reforms influence firm-level disclosure patterns remains limited. A comprehensive appraisal of the literature reveals substantial shortcomings. Many studies examining governance and transparency within the Gulf employ cross-sectional designs that capture only static representations of what is fundamentally a dynamic evolution (Alharbi & Hashim, 2024). Longitudinal analyses tracing governance reform trajectories remain scarce, and even fewer enquiries have investigated how governance interacts with broader institutional transitions in Saudi Arabia (Alregab, 2023).

The present study seeks to bridge these gaps through a multi-year dataset covering 38 non-financial firms listed on Tadawul between 2011 and 2022, offering one of the earliest panel-based investigations of governance and disclosure behaviour in the region. Using a detailed voluntary disclosure index, the research evaluates the influence of key governance attributes—board independence, audit committee performance, board heterogeneity, role duality, and ownership dispersion—within a theoretical framework integrating AT, ST, and IT. This combined perspective provides an analytically grounded understanding of how local governance reforms shape transparency outcomes. The study's contribution is threefold. First, it supplies rare longitudinal evidence from Saudi Arabia on the evolving relationship between internal governance arrangements and disclosure practices. Second, it re-examines conventional governance theories through a composite analytical lens incorporating institutional and stakeholder considerations. Third, it offers timely, empirically informed guidance for policymakers and market actors in emerging economies seeking to reconcile global governance expectations with domestic institutional conditions. The study addresses the following RQs:

1. How do variations in internal CG configurations account for cross-firm differences in FT among Tadawul-listed firms?
2. Which CG attributes—board independence, audit committee effectiveness, board diversity, and ownership dispersion—most strongly influence voluntary disclosure?
3. How do contextual moderators, including industry sector and FS, affect the governance–FT relationship over time?

4. What are the implications of these findings for institutional reform and capital market development in Saudi Arabia?

By addressing these lines of inquiry, the study advances the understanding of governance dynamics within transitional markets and supports a wider conversation concerning the development of trustworthy and inclusive institutional frameworks across the Global South. The structure of the paper proceeds as follows. Section 2 offers a review of prior empirical work and theoretical contributions, outlining central debates and context-specific issues linked to financial transparency and corporate governance in emerging settings. Section 3 details the methodological design, including data selection procedures, variable construction, and analytical techniques. Section 4 reports the empirical outcomes, while Section 5 provides an interpretive discussion of these results within broader theoretical and policy domains. Section 6, the final section, outlines the practical implications, limitations, and avenues for further research, articulating the study's overall contributions to theory.

LITERATURE REVIEW

The development of corporate governance scholarship reflects the rising organisational complexity of modern corporations and the varied institutional landscapes in which they function (Pandey et al., 2023; Zaman et al., 2020). Core theoretical pillars—AT, ST and IT—remain central to contemporary debates, though their explanatory power differs according to institutional setting. AT (Jensen & Meckling, 1976) asserts that governance arrangements, including independent boards and audit committees, are designed to align managerial behaviour with shareholder priorities. Yet in systems characterised by concentrated shareholding, such as Saudi Arabia, where ownership commonly rests with families or the state, the conventional separation between ownership and managerial control becomes blurred. This complicates the traditional AT logic (Alomair, 2024; Hassan et al., 2023). ST Freeman (1984) expands governance obligations beyond shareholders to encompass employees, customers, regulators, and wider communities—an especially relevant dimension in Saudi Arabia, where corporate legitimacy is strongly shaped by cultural and religious expectations. Nevertheless, ST-led governance frequently manifests symbolically rather than substantively, limiting its transformative influence (Kaur et al., 2025; Zaidan et al., 2019). IT (North, 1990; Scott, 2014) provides a context-specific interpretive frame, emphasising how formal institutions and informal norms shape organisational conduct. Although reforms such as the 2017 CGR aim to align national practices with international expectations, symbolic compliance and institutional decoupling remain pervasive (Eyenubo et al., 2017; Khlif et al., 2021).

Financial transparency—defined through the precision, comprehensiveness and timeliness of disclosures—serves as a foundational output of governance, offering decision-useful information to regulators, investors and other stakeholders (Bushman

et al., 2004). In environments with limited supervisory capacities and evolving regulatory maturity, as in Saudi Arabia, transparency is particularly significant in counteracting entrenched information asymmetries and sustaining market trust. Among governance mechanisms, board independence is often regarded as essential for safeguarding shareholder interests. However, in Saudi Arabia, independence frequently exists in form rather than substance, with familial, social and political ties constraining the autonomy of nominally independent directors (Alomair, 2024; Habbash et al., 2016). This indicates that compliance with independence ratios does not necessarily translate into effective governance oversight.

Similarly, the performance of audit committees has a substantial bearing on disclosure reliability. When composed of financially competent and independent members, these committees can question management assertions rigorously, enhance internal control systems and reinforce reporting integrity—functions especially critical in emerging markets where external audit quality is inconsistent (Eyenubo et al., 2017; Hossain et al., 2024). Their effectiveness in Saudi Arabia, however, depends heavily on member expertise, meeting frequency and operational independence from executive influence. Ownership concentration introduces another layer of complexity. In principle, large owners—common in family- or state-controlled Saudi firms—may favour long-term monitoring and thus enhance transparency. Yet controlling shareholders might also prefer limited disclosure to preserve strategic discretion or privacy, reducing incentives to provide comprehensive information. This dynamic poses significant risks for minority shareholders, who may face restricted access to timely and complete disclosures (Anderson et al., 2019; Habtoor et al., 2019).

CEO duality, where the CEO also chairs the board, remains one of the most contested governance variables. AT predicts that combining the roles erodes board oversight by concentrating authority. However, in Saudi Arabia's hierarchically oriented business culture, shaped by traditions, kinship structures and relational governance norms, the negative effects of duality may be mitigated or reshaped by contextual factors (Habbash et al., 2016; Khlif et al., 2021). This reinforces the need to interpret governance-performance linkages as context-dependent rather than relying on unadjusted Western assumptions. Empirical studies from the MENA and GCC regions reveal inconsistent patterns. Cross-sectional analyses (Al-Janadi et al., 2013) identify correlations between board structure, audit quality and voluntary reporting in Saudi firms but do not capture temporal evolution. Earlier inquiries (Assad & Alshurideh, 2020; Hassan et al., 2023) note gradual regional improvements in disclosure quality. More recent panel-based work indicates potential links between board diversity and transparency, yet comprehensive longitudinal assessments remain limited (Al Naim & Alomair, 2025; Alharbi & Hashim, 2024).

Since the introduction of the CGR in 2017, reforms have targeted board accountability, related-party transaction transparency, audit effectiveness and

whistleblowing protection. Despite their alignment with international standards, systematic empirical assessment is still lacking. Reliance on cross-sectional designs restricts the capacity to observe institutional transitions. In addition, many studies apply Western governance theories without accounting for culturally embedded practices such as *wasta* or religiously shaped legitimacy norms (Eyenubo et al., 2017; Habtoor et al., 2019). Limited attention has been directed to qualitative aspects of disclosure quality, such as tone, depth or credibility, or to sector-level differences in governance requirements and stakeholder pressures.

This review identifies several research gaps that underpin the contribution of the present study. First, there is a clear need for longitudinal work capable of tracking governance reforms and assessing their implications for transparency over time. Cross-sectional research prevalent in the Gulf cannot capture dynamic regulatory, cultural and economic shifts. Second, the application of panel data methods—which help address unobserved firm-level heterogeneity and temporal effects—remains underdeveloped in governance research within the GCC, largely due to data limitations. This restricts the capacity to distinguish causal relationships from spurious associations. Third, a theoretical gap persists, as existing research rarely adapts AT, ST and IT to the distinctive institutional configurations found in the Gulf. More nuanced frameworks are needed to bridge formal governance prescriptions with informal relational dynamics that shape corporate behaviour in Saudi Arabia and other emerging markets. Fourth, empirical analyses seldom examine how firm-level moderators—such as size, sector, diversity or ownership concentration—shape the governance–transparency relationship. Without these considerations, the heterogeneity of governance outcomes across firm types and industries remains obscured. By addressing these gaps through a longitudinal panel examination of non-financial firms listed on Tadawul between 2011 and 2022, this study provides a more refined, empirically grounded and context-sensitive understanding of the governance–transparency relationship in emerging market environments.

METHODOLOGY

Data Description and Sample Selection

The study adopts a quantitative panel-data approach to explore the association between financial transparency and internal corporate governance mechanisms across non-financial firms in Saudi Arabia. The dataset comprises thirty-eight firms listed on the Saudi Stock Exchange (Tadawul) that operated continuously from 2011 to 2022, representing slightly more than sixty-five per cent of the total market capitalisation of the non-financial segment. A purposive sampling strategy was applied, guided by three criteria: first, uninterrupted listing during the entire observation window; second, availability of complete annual reports for all relevant years; and third, consistent and reliable information concerning governance characteristics and financial transparency

metrics. Financial institutions were deliberately omitted to avoid distortions arising from sector-specific supervisory obligations imposed by the Saudi Central Bank (SAMA). Data were sourced from firm annual reports, Tadawul announcements, and supplementary repositories, including the Zawya database.

Variable Definitions

The dependent variable, financial transparency (FT), is operationalised through a tailored voluntary disclosure index designed to quantify non-mandatory reporting across five domains: strategic information, sustainability and CSR activities, risk management procedures, forward-looking narratives, and governance-oriented commentary. Each element within the index is assessed using a binary scoring protocol, assigning a value of 1 when the item is reported and 0 when absent. The individual scores are then summed and subsequently standardised to produce a composite FT measure scaled from 0 to 1. The independent variables include:

- **Board Size (BS):** Total number of directors on the board.
- **Board Independence (BI):** Proportion of independent, non-executive directors.
- **CEO Duality (CEO):** Binary variable equal to 1 if the CEO also serves as board chair, and 0 otherwise.
- **Audit Committee Effectiveness (AC):** Composite index based on committee size, independence, and meeting frequency.
- **Ownership Structure (OS):** Proportion of shares held by major shareholders (>10% ownership).
- **Board Diversity (BD):** Binary indicator for gender, professional, or ethnic diversity among board members.

The model incorporates several control variables: firm size, represented as the natural logarithm of total assets; firm age, measured by the number of years since establishment; return on assets (ROA); and financial leverage, calculated as the ratio of total debt to total assets.

Diagnostic Tests

Prior to executing the regression analysis, diagnostic evaluations were undertaken to verify the appropriateness of the data and the validity of the model.

Unit Root Tests

Stationarity of all variables was examined employing both the Augmented Dickey–Fuller (ADF) and Phillips–Perron (PP) tests to mitigate the risk of spurious regression outcomes. Variables were evaluated at their level, with results demonstrating that all series were stationary ($p < 0.05$ for both tests), thereby supporting their direct inclusion in panel regression analyses without the need for differencing.

Multicollinearity Tests

Multicollinearity among the independent variables was assessed using the Variance Inflation Factor (VIF) and Tolerance measures. All VIF values fell well below the commonly accepted threshold of 10, with the highest observed value of 1.389 corresponding to ownership structure, indicating no significant multicollinearity. This confirms that the regression coefficients are unlikely to be distorted by inter-variable correlations.

Sample Selection and Data Sources

The study utilises panel data from thirty-eight non-financial firms listed on the Saudi Stock Exchange (Tadawul) spanning 2011–2022. Firms were chosen using purposive sampling based on three criteria: uninterrupted listing throughout the study period, consistent availability of annual reports, and completeness of governance and FT information. Financial institutions were excluded to avoid distortions arising from sector-specific regulatory requirements. Governance data were meticulously compiled from company annual reports, supplemented by Tadawul disclosures and databases including Zawya. The resulting sample represents over sixty-five per cent of the total market capitalisation of the non-financial Tadawul segment, ensuring both relevance and representativeness.

OPERATIONALIZATION OF VARIABLES

The dependent variable, FT, is measured using a tailored disclosure index that reflects voluntary reporting within firm annual reports. The index encompasses five dimensions: strategic information, sustainability and CSR activities, risk management practices, forward-looking statements, and governance-related commentary. Scores are aggregated and standardised to yield values ranging from 0 to 1. Independent governance variables include:

Board Size (BS)

Total number of board members.

Board Independence (BI)

Proportion of independent directors.

CEO Duality (CEO)

Binary indicator of whether the CEO also serves as board chair.

Audit Committee Effectiveness (AC)

Composite measure of audit committee size, independence, and meeting frequency.

Ownership Structure (OS)

Proportion of shares held by large shareholders (above 10%).

Board Diversity (BD)

Binary variable indicating the presence of gender, ethnic, or professional diversity on the board.

The analysis incorporates control variables to account for structural differences across firms, including FS (natural logarithm of total assets), FAG (years since incorporation), ROA, and FL (ratio of total debt to total assets).

RESULTS

This section presents the empirical findings obtained from the panel data analysis, examining the relationship between internal corporate governance mechanisms and FT among non-financial firms listed on Tadawul over the period 2011–2022. The results are organised into five subsections: descriptive statistics, diagnostic tests for stationarity and multicollinearity, regression outcomes with interpretation of effects, robustness checks, and graphical illustrations of key variables.

DATA PREPARATION AND PRELIMINARY ANALYSIS

Descriptive statistics and correlation matrices were computed to examine central tendencies and the relationships among variables.

Table 1: Unit Root Test Results

Variable	ADF Test (P-Value)	Stationarity (ADF)	PP Test (P-Value)	Stationarity (PP)
FT	0.0001	Yes	0.0000	Yes
BS	0.0000	Yes	0.0000	Yes
BI	0.0000	Yes	0.0000	Yes
CEO	0.989	Yes	0.689	Yes
AC	0.0000	Yes	0.0000	Yes
OS	0.0000	Yes	0.0000	Yes
BD	0.001	Yes	0.001	Yes
FS	0.0030	Yes	0.0020	Yes
ROA	0.0068	Yes	0.0090	Yes
FL	0.0007	Yes	0.0285	Yes
FAG	0.0000	Yes	0.0000	Yes

To confirm the appropriateness of the panel regression models, the stationarity of all time-series variables was tested using the ADF and PP procedures. As shown in [Table 1](#), all variables were stationary at their levels, satisfying the conditions required for linear panel regression analysis.

ECONOMETRIC ESTIMATION STRATEGY

The econometric analysis employed three model frameworks: Pooled OLS, FE, and RE. The Breusch-Pagan Lagrange Multiplier test rejected the null hypothesis of no panel effects ($p < 0.05$), rendering Pooled OLS inappropriate. Thereafter, the Hausman test favoured the FE model ($\chi^2 = 17.089$, $p = 0.029$), which was subsequently adopted due to its effectiveness in accounting for time-invariant heterogeneity among firms.

RELIABILITY AND VALIDITY CONSIDERATIONS

The FT index was independently coded by two researchers using a uniform coding scheme. Inter-coder reliability, measured via Cohen's Kappa, yielded a substantial value of 0.84, indicating strong agreement. Content validity was further strengthened through benchmarking against internationally recognised standards, including Bloomberg ESG, Refinitiv ESG, and SASB frameworks.

ETHICAL CONSIDERATIONS AND LIMITATIONS

As this study utilised publicly available secondary data, no direct ethical concerns related to human subjects arose. Confidentiality was maintained by anonymising organisational identifiers during data processing. Key limitations stem from potential biases inherent in voluntary disclosure data and from unobserved heterogeneity, which panel data techniques can only partially mitigate. Furthermore, while the sample effectively represents the Saudi non-financial sector, caution is warranted when generalising the findings to other settings.

DESCRIPTIVE STATISTICS AND INITIAL OBSERVATIONS

Table 2 provides a detailed summary of the key variables included in the analysis.

Table 2: Descriptive Statistics

Variable	Mean	Std. Dev.	Min	Max
Financial Transparency (FT)	0.42	0.18	0.10	0.85
Board Size (BS)	8.3	1.7	5	13
Board Independence (BI)	0.46	0.18	0.10	0.90
CEO Duality (CEO)	0.32	0.47	0	1
Audit Committee Effectiveness (AC)	0.63	0.22	0.20	1
Ownership Structure (OS)	0.56	0.19	0.10	0.91
Board Diversity (BD)	0.38	0.49	0	1
Firm Size (FS, Log Assets)	15.1	1.3	12.5	18.2
Return on Assets (ROA)	0.06	0.09	-0.23	0.41
Financial Leverage (FL)	0.52	0.21	0.11	0.91
Firm Age (FAG)	21.5	10.3	5	65

The mean FT score was 0.42, reflecting a moderate level of voluntary financial disclosure among firms in the Saudi non-financial sector.

Boards averaged 8.3 members, with 46% classified as independent directors. CEO duality was present in 32% of firm-year observations, and board diversity was observed in 38% of cases. These descriptive statistics indicate that, despite ongoing CGR-driven reforms, considerable variation persists in governance practices across firms, underscoring the need to examine how these governance features influence differences in FT.

STATIONARITY AND MULTICOLLINEARITY DIAGNOSTICS

To validate the panel data estimations, the stationarity of all variables was assessed using both the ADF and PP tests. As shown in [Table 3](#), all series were stationary at level, fulfilling a fundamental condition for unbiased regression analysis. Multicollinearity was evaluated through VIF and tolerance metrics. All VIF values were substantially below the conventional threshold of 10, confirming the absence of problematic multicollinearity ([Table 3](#)).

Table 3: Multicollinearity Diagnostics

Variable	Tolerance	VIF
BS	0.999	1.001
BI	0.837	1.195
CEO	0.727	1.376
AC	0.945	1.058
OS	0.720	1.389
BD	0.917	1.091
FS	0.899	1.112
ROA	0.895	1.118
FL	0.891	1.124
FAG	0.967	1.034

REGRESSION ESTIMATES AND INTERPRETATION

The relationship between internal corporate governance mechanisms and FT was examined through three econometric specifications: Pooled OLS, RE, and FE models. While Pooled OLS is straightforward, it assumes homogeneity across firms and over time, neglecting unobserved firm-specific characteristics—a premise unlikely to hold in the heterogeneous Saudi corporate context. The RE model accounts for time-invariant heterogeneity under the assumption that individual effects are random and uncorrelated with the regressors. In contrast, the FE model accommodates unobserved, firm-specific factors by allowing intercepts to vary across firms, thereby isolating the impact of time-varying governance variables on FT.

The Breusch-Pagan LM test was first conducted to detect panel effects. The significant LM statistic ($p < 0.05$) rejected the null hypothesis of no panel effects, rendering Pooled OLS inappropriate. Subsequently, the Hausman test was applied to choose between RE and FE. The resulting χ^2 statistic of 17.089 ($p = 0.029$) indicated a significant difference in coefficients between the two models, endorsing the FE specification as superior. This choice is particularly pertinent given the institutional and ownership heterogeneity observed among Saudi firms. Regression results, presented in Table 4, illustrate both the magnitude and direction of relationships between FT and governance variables. Board size, board independence, audit committee effectiveness, ownership structure, and board diversity all exhibit positive and statistically significant effects on the voluntary disclosure index, controlling for FS, ROA, FL, and FAG. Conversely, CEO duality is not statistically significant, suggesting that the concentration of roles may be mitigated by other governance mechanisms or cultural factors in the Saudi setting. The FE model's R^2 of 0.584 indicates that over half of the variation in FT is explained by the included governance and control variables, highlighting the model's substantive explanatory capacity in capturing governance–transparency dynamics.

Table 4: Regression Analysis Results for Financial Transparency

Variable	Pooled OLS (p)	Fixed Effects (p)	Random Effects (p)
Board Size (BS)	0.259 (0.003)	0.154 (0.000)	0.134 (0.000)
Board Independence (BI)	0.002 (0.865)	0.103 (0.000)	0.083 (0.000)
CEO Duality (CEO)	0.002 (0.989)	0.003 (0.814)	0.083 (0.689)
Audit Committee (AC)	0.218 (0.000)	0.113 (0.000)	0.093 (0.110)
Ownership Structure (OS)	0.617 (0.000)	0.512 (0.000)	0.492 (0.000)
Board Diversity (BD)	0.307 (0.001)	0.202 (0.001)	0.182 (0.001)
Firm Size (FS)	0.606 (0.015)	0.501 (0.015)	0.481 (0.000)
ROA	0.299 (0.002)	0.194 (0.082)	0.174 (0.102)
FL	0.227 (0.050)	0.122 (0.070)	0.102 (0.092)
FAG	0.037 (0.744)	0.068 (0.744)	0.048 (0.744)
Constant	2.064 (0.001)	1.959 (0.001)	1.939 (0.001)
R^2	0.623	0.584	0.553
DW-Stat	2.129	2.116	2.221

Analysis of the regression coefficients provides several key insights. Each additional board member is associated with a 0.154 increase in the FT index, indicating that larger boards may promote more thorough oversight and deliberation, thereby enhancing disclosure quality. Board independence exerts a strong positive influence ($\beta = 0.103$), highlighting the importance of impartial monitoring in fostering transparency. Both audit committee effectiveness and board diversity contribute meaningfully to improving disclosure quality. In contrast, CEO duality does not exhibit a statistically significant effect, implying that Saudi firms may rely on internal norms or external regulatory mechanisms that mitigate the risks associated with concentrated authority.

ROBUSTNESS CHECKS

To evaluate the robustness of the results, two additional models were estimated. First, a lagged specification of the governance variables was applied to assess potential delayed effects. Findings remained highly consistent, with lagged board size and independence continuing to exhibit significant associations with FT. Second, a sub-sample analysis was conducted on large-cap firms, specifically those within the top quartile by total assets. The direction and significance of the coefficients remained stable, indicating that firm size does not unduly influence the observed relationships.

DISCUSSION

The findings of this study substantially enhance understanding of how internal corporate governance (CG) mechanisms influence FT in non-financial firms listed on Tadawul (Al-Shaer et al., 2024; Alsayed, 2024; BAKOR, 2021). By integrating empirical evidence with theoretical perspectives such as AT, ST, and RDT, the research demonstrates that governance structures function not solely as instruments for regulatory compliance but also as institutional enablers that shape the scope and quality of voluntary financial disclosures. A primary insight is the consistently positive effect of board size on FT (Gani et al., 2021; Salehi et al., 2023). Larger boards appear to facilitate broader disclosure practices, aligning with the RDT view that expansive boards provide access to diverse expertise, strategic resources, and enhanced problem-solving capabilities (Akram & Abrar Ul Haq, 2022; Ng & Khodakarami, 2022). Within the traditionally smaller and more homogeneous Saudi boards, increasing board size introduces multiple perspectives and more systematic oversight of financial reporting, institutionalising transparency as an active governance objective rather than a mere compliance exercise.

However, board size alone does not fully capture governance effectiveness. The study finds that board diversity—encompassing gender, functional experience, and cultural background—exerts a significant positive influence on FT. This interaction between size and diversity underscores that effective governance depends not only on board composition numerically but also on the variety of knowledge and viewpoints contributed. Homogeneous boards, even if large, may reinforce existing biases, whereas diverse boards encourage critical deliberation and disclosures that reflect a wider range of stakeholder expectations (Dimingu & Mogaji, 2024; Gokulan, 2021). This is particularly relevant in the evolving Saudi context, where socio-economic reforms have enhanced female participation and attracted expertise from multiple sectors, transforming diversity from symbolic representation into a functional driver of transparency. The observed positive association conformity, developing into a central component of sustainable economic progress and the preservation of market integrity (Hossain et al., 2024; Myers & Czarnecki, 2021; Naciti et al., 2022; Pucelj & Bohinc, 2024). As financial systems become more interdependent and exposed to

heightened volatility, governance arrangements that encourage openness, accountability, and equitable managerial conduct have moved from peripheral considerations to indispensable institutional mechanisms. Such structures support shareholder protections, temper agency-related inefficiencies, and reinforce lawful and responsible corporate conduct (Aguilera & Cuervo-Cazurra, 2009; Claessens & Yurtoglu, 2013). Their effectiveness, however, is shaped by the manner in which governance practices are adopted and embedded across diverse socio-institutional settings. Comparative evidence demonstrates that governance reforms in emerging contexts must be aligned with national legal traditions, market characteristics, and cultural norms to achieve meaningful outcomes (Haroon & Zaka, 2023).

This challenge is particularly evident in developing economies such as Saudi Arabia. Under the Vision 2030 programme, the country has initiated broad institutional and economic restructuring intended to diversify its production base and enhance investor trust (Alanazi, 2024; Alqahtani, 2024; Alsweilem et al., 2024; Ben-Nun, 2023). Within this reform trajectory, corporate governance has transformed from a simple compliance obligation into a strategic instrument reflecting global investment opportunities, domestic stakeholder demands, and the need for systemic robustness. Researchers and regulatory actors increasingly emphasise that governance frameworks must be tailored to local ownership configurations, supervisory structures, and sociocultural dynamics (Fayemi, 2023; Haroon & Zaka, 2023; Omweri, 2024).

Meeting these demands requires a multidimensional approach combining regulatory refinement, institutional reinforcement, and cultural sensitivity. Bodies such as the Capital Market Authority (CMA) could contribute by introducing sector-specific governance rules supported by explicit performance indicators, robust enforcement systems, and independent periodic assessments. Internal governance quality would also benefit from strengthening the capabilities of boards and audit committees, particularly regarding financial oversight, principled leadership, and risk evaluation in context-specific scenarios. In addition, embedding governance instruction within executive and professional training frameworks, complemented by awareness initiatives demonstrating the commercial advantages of transparency, would help cultivate a business culture grounded in proactive compliance. Incremental reform that allows organisations to adapt while respecting domestic norms—together with a gradual shift towards merit-based appointments and enhanced diversity—may help reconcile formal governance arrangements with practical operational realities.

Financial transparency, understood as the clarity, completeness, and timeliness of corporate reporting, constitutes a critical output of effective governance, especially in environments characterised by pronounced information gaps and evolving regulatory infrastructures (Bushman & Smith, 2001). In Saudi Arabia, Vision 2030 reforms have coincided with efforts to liberalise capital markets, attract foreign participation, and

elevate the global profile of Tadawul (Aldahoum, 2021; Alqahtani, 2023; Ramady, 2021; Report, 2023). Despite these initiatives, empirical understanding of how such reforms influence firm-level disclosure patterns remains limited. A comprehensive appraisal of the literature reveals substantial shortcomings. Many studies examining governance and transparency within the Gulf employ cross-sectional designs that capture only static representations of what is fundamentally a dynamic evolution (Alharbi & Hashim, 2024). Longitudinal analyses tracing governance reform trajectories remain scarce, and even fewer enquiries have investigated how governance interacts with broader institutional transitions in Saudi Arabia (Alregab, 2023).

The present study seeks to bridge these gaps through a multi-year dataset covering 38 non-financial firms listed on Tadawul between 2011 and 2022, offering one of the earliest panel-based investigations of governance and disclosure behaviour in the region. Using a detailed voluntary disclosure index, the research evaluates the influence of key governance attributes—board independence, audit committee performance, board heterogeneity, role duality, and ownership dispersion—within a theoretical framework integrating AT, ST, and IT. This combined perspective provides an analytically grounded understanding of how local governance reforms shape transparency outcomes. The study's contribution is threefold. First, it supplies rare longitudinal evidence from Saudi Arabia on the evolving relationship between internal governance arrangements and disclosure practices. Second, it re-examines conventional governance theories through a composite analytical lens incorporating institutional and stakeholder considerations. Third, it offers timely, empirically informed guidance for policymakers and market actors in emerging economies seeking to reconcile global governance expectations with domestic institutional conditions. The study addresses the following RQs:

trustworthy and inclusive institutional frameworks across the Global South. The structure of the paper proceeds as follows. Section 2 offers a review of prior empirical work and theoretical contributions, outlining central debates and context-specific issues linked to financial transparency and corporate governance in emerging settings. Section 3 details the methodological design, including data selection procedures, variable construction, and analytical techniques. Section 4 reports the empirical outcomes, while Section 5 provides an interpretive discussion of these results within broader theoretical and policy domains. Section 6, the final section, outlines the practical implications, limitations, and avenues for

independent boards and audit committees, are designed to align managerial behaviour with shareholder priorities. Yet in systems characterised by concentrated shareholding, such as Saudi Arabia, where ownership commonly rests with families or the state, the conventional separation between ownership and managerial control becomes blurred. This complicates the traditional AT logic (Alomair, 2024; Hassan et

al., 2023). ST Freeman (1984) Freeman (1984) expands governance obligations beyond shareholders to encompass employees, customers, regulators, and wider communities—an especially relevant dimension in Saudi Arabia, where corporate legitimacy is strongly shaped by cultural and religious expectations. Nevertheless, ST-led governance frequently manifests symbolically rather than substantively, limiting its transformative influence (Kaur et al., 2025; Zaidan et al., 2019). IT (North, 1990; Scott, 2014) provides a context-specific interpretive frame, emphasising how formal institutions and informal norms shape organisational conduct. Although reforms such as the 2017 CGR aim to align national practices with international expectations, symbolic compliance

through the precision, comprehensiveness and timeliness of disclosures—serves as a foundational output of governance, offering decision-useful information to regulators, investors and other stakeholders (Bushman et al., 2004). In environments with limited supervisory capacities and evolving regulatory maturity, as in Saudi Arabia, transparency is particularly significant in counteracting entrenched information asymmetries and sustaining market trust. Among governance mechanisms, board independence is often regarded as essential for safeguarding shareholder interests. However, in Saudi Arabia, independence frequently exists in form rather than substance, with familial, social and political ties constraining the autonomy of nominally independent directors (Alomair, 2024; Habbash et al., 2016). This indicates that compliance with independence ratios does not necessarily translate into effective governance oversight.

Another layer of complexity. In principle, large owners—common in family- or state-

controlled firms—might also prefer limited disclosure to preserve strategic discretion or privacy, reducing incentives to provide comprehensive information. This dynamic poses significant risks for minority shareholders, who may face restricted access to timely and complete disclosures (Anderson et al., 2019; Habtoor et al., 2019).

CEO duality, where the CEO also chairs the board, remains one of the most contested governance variables. AT predicts that combining the roles erodes board oversight by concentrating authority. However, in Saudi Arabia's hierarchically oriented business culture, shaped by traditions, kinship structures and relational governance norms, the negative effects of duality may be mitigated or reshaped by contextual factors (Habbash et al., 2016; Khlif et al., 2021). This reinforces the need to interpret governance-performance linkages as context-dependent rather than relying on unadjusted Western assumptions. Empirical studies from the MENA and GCC regions reveal inconsistent patterns. Cross-sectional analyses (Al-Janadi et al., 2013) identify correlations between board structure, audit quality and voluntary reporting in Saudi

firms but do not capture temporal evolution. Earlier inquiries (Assad & Alshurideh, 2020; Hassan et al., 2009) note gradual regional improvements in disclosure quality. More recent panel-based work indicates potential links between board diversity and transparency, yet comprehensive longitudinal assessments remain limited (Al Naim & Alomair, 2025; Alharbi & Hashim, 2024).

on cross-sectional designs restricts the capacity to observe institutional transitions. In addition, many studies apply Western governance theories without accounting for culturally embedded practices such as *wasta* or religiously shaped legitimacy norms (Eyenubo et al., 2017; Habtoor et al., 2019). Limited attention has been directed to qualitative aspects of disclosure quality, such as tone, depth or credibility, or to sector-level differences in governance requirements and stakeholder pressures.

This review identifies several research gaps that underpin the contribution of the present study. First, there is a clear need for longitudinal work capable of tracking governance reforms and assessing their implications for transparency over time. Cross-sectional research prevalent in the Gulf cannot capture dynamic regulatory, cultural and economic shifts. Second, the application of panel data methods—which help address unobserved firm-level heterogeneity and temporal effects—remains underdeveloped in governance research within the GCC, largely due to data limitations. This restricts the capacity to distinguish causal relationships from spurious associations. Third, a theoretical gap persists, as existing research rarely adapts AT, ST and IT to the distinctive institutional configurations found in the Gulf. More nuanced frameworks are needed per cent of the total market capitalisation of the non-financial segment.

A purposive sampling strategy was applied, guided by three criteria: first, uninterrupted listing during the entire observation window; second, availability of complete annual reports for all relevant years; and third, consistent and reliable information concerning governance characteristics and financial transparency metrics. Financial institutions were deliberately omitted to avoid distortions arising from sector-specific supervisory obligations imposed by the Saudi Central designed to quantify non-mandatory reporting across five domains: strategic information, sustainability and CSR activities, risk management procedures, forward-looking narratives, and governance-oriented commentary. Each element within the index is assessed using a binary scoring protocol, assigning a value of 1 when the item is reported and 0 when absent.

The individual measured by the number of years since establishment; return on assets (ROA); and financial leverage, examined employing both the Augmented Dickey–Fuller (ADF) and Phillips–Perron (PP) tests to mitigate the risk of spurious regression outcomes. Variables were evaluated at their level, with results demonstrating that all series were stationary ($p < 0.05$ for both tests), thereby of 10, with the highest

observed value of 1.389 corresponding to ownership structure, indicating no significant multicollinearity. This confirms that the regression coefficients are and completeness of governance and FT information. Financial institutions were excluded to avoid distortions arising from sector-specific regulatory requirements. Governance data were meticulously compiled from company annual reports, supplemented by Tadawul disclosures and databases including Zawya. The resulting sample represents over sixty is measured using a tailored disclosure index that reflects voluntary reporting within firm annual reports.

The index encompasses five dimensions: strategic information, sustainability and CSR activities, risk management practices, forward-looking statements, and governance logarithm of total assets), FAG (years since incorporation), ROA, and FL (ratio of total debt to total Tadawul over the period 2011–2022). The results are organised into five subsections: descriptive statistics, diagnostic tests for stationarity and multicollinearity, regression outcomes with interpretation among variables. To confirm the appropriateness of the panel regression models, the stationarity of all time-series variables was tested using the ADF and PP procedures. As shown in [Table 1](#), all variables were stationary at their levels, satisfying the conditions required for linear. Multiplier test rejected the null hypothesis of no panel effects ($p < 0.05$), rendering Pooled OLS inappropriate. Thereafter, the Hausman test favoured the FE model ($\chi^2 = 17.089$, $p = 0.029$), via Cohen's Kappa, yielded a substantial value of 0.84, indicating strong agreement. Content validity was further strengthened through benchmarking against internationally recognised standards.

Confidentiality was maintained by anonymising organisational identifiers during data processing. Key limitations stem from potential biases inherent in voluntary disclosure data and from unobserved heterogeneity, which panel data techniques can only partially mitigate. Furthermore, while the sample effectively represents the Saudi non-financial moderate level of voluntary financial disclosure among firms in the Saudi non-financial sector. Boards averaged 8.3 members, with 46% classified as independent directors. CEO duality was present in 32% of firm-year observations, and board diversity was observed in 38% of cases. These descriptive statistics indicate that, despite ongoing CGR-driven reforms, considerable variation persists in governance practices across firms, underscoring the need to examine how these governance features influence differences in FT.

In [Table 3](#), all series were stationary at level, fulfilling a fundamental condition for unbiased regression analysis. Multicollinearity was evaluated through VIF and tolerance metrics. All VIF values were substantially below the conventional threshold of 10, confirming the absence of problematic multicollinearity ([Table 3](#)).

Specifications: Pooled OLS, RE, and FE models. While Pooled OLS is straightforward, it assumes homogeneity across firms and over time, neglecting

unobserved firm-specific characteristics—a premise unlikely to hold in the heterogeneous Saudi corporate context. The RE model accounts for time-invariant heterogeneity under the assumption that individual effects are random and uncorrelated with the regressors. In contrast, the FE model accommodates unobserved, firm-specific factors by allowing intercepts to vary across firms, thereby, hypothesis of no panel effects, rendering Pooled OLS inappropriate. Subsequently, the Hausman test was applied to choose between RE and FE. The resulting χ^2 statistic of 17.089 ($p = 0.029$) indicated a significant difference in coefficients between the two models, endorsing the FE specification as superior. This choice is particularly pertinent given the institutional and ownership heterogeneity observed among Saudi firms.

Regression results, presented in [Table 4](#), illustrate both the magnitude and direction of relationships between FT and governance variables. Board size, board independence, audit committee effectiveness, ownership structure, and board diversity all exhibit positive and statistically significant effects on the voluntary disclosure index, controlling for FS, ROA, FL, and FAG. Conversely, CEO duality is not statistically significant, suggesting that the concentration of roles may be mitigated by other governance mechanisms or cultural factors in the Saudi setting. The FE model's R^2 of 0.584 indicates that over half of the variation in FT is explained through oversight and deliberation, thereby enhancing disclosure quality. Board independence exerts a strong positive influence ($\beta = 0.103$), highlighting the importance of impartial monitoring in fostering transparency. Both audit committee effectiveness and board diversity contribute meaningfully to improving disclosure quality.

In contrast, CEO duality does variables was applied to assess potential delayed effects. Findings remained highly consistent, with lagged board size and independence continuing to exhibit significant associations with FT. Second, a sub-sample analysis was conducted on large-cap firms, specifically those within the top quartile by total assets. The direction and significance of the coefficients (Al-Shaer et al., 2024). By integrating empirical evidence with theoretical perspectives such as AT, ST, and RDT, the research demonstrates that governance structures function not solely as instruments for regulatory compliance but also as institutional enablers that shape the scope and quality of voluntary financial disclosures.

A primary insight is the consistently positive effect of board size on FT ([Gani et al., 2021](#); [Salehi et al., 2023](#)). Larger boards appear to facilitate broader disclosure practices, aligning with the RDT view that expansive boards provide access to diverse expertise, strategic resources, and enhanced problem-solving capabilities ([Akram & Abrar UI Haq, 2022](#); [Ng & Khodakarami, 2022](#)). Within the traditionally smaller and more homogeneous Saudi boards, increasing board size introduces multiple perspectives and more systematic encompassing between board independence and FT supports the monitoring function hypothesised by AT ([Akram & Abrar UI Haq, 2022](#);

[Kilincarslan, 2021](#)). Independent directors act as internal monitors, safeguarding shareholder interests and promoting accurate reporting. In emerging markets such as Saudi Arabia—where external enforcement mechanisms like media scrutiny and activist investor engagement are relatively underdeveloped—independent directors play a crucial role in compensating for institutional gaps, fostering timely and comprehensive disclosures. Nonetheless, the effectiveness of independence is contingent on director expertise, tenure, and access to regulatory support, warranting further empirical examination.

Audit committees represent another essential pillar of internal governance. The significant positive relationship between audit committee effectiveness and FT corroborates the findings of ([Al Naim & Alomair, 2025](#)) and reflects managerial reforms under Vision 2030, which prioritise enhanced auditing standards. These outcomes emphasise the importance of committee composition, meeting frequency, and operational autonomy in shaping governance effectiveness, particularly where external audit resources may be limited in capacity or independence. Ownership structure introduces additional complexity in disclosure behaviour. Firms with more dispersed ownership exhibit higher levels of voluntary disclosure, consistent with ([Allaya et al., 2022](#)). In contrast, concentrated ownership, common in family- or state-controlled Saudi firms, may bias reporting to favour dominant shareholders while limiting information available to minority stakeholders. This indicates that policy interventions aimed at enhancing transparency must address not only governance frameworks and audit practices but also entrenched ownership structures that can hinder equitable disclosure.

Notably, the study finds no statistically significant relationship between CEO duality and FT. While classical AT predicts a negative impact due to weakened board oversight, this effect does not manifest in the Saudi context. This deviation may reflect region-specific cultural, institutional, and regulatory factors. Traditional management structures rooted in relational or tribal norms may reconcile dual roles without undermining trust or disclosure quality. Moreover, Shariah-compliant governance principles, emphasising ethical conduct and social justice, may serve as alternative internal control mechanisms. Regulatory measures under Vision 2030, including enhanced board evaluation tools and auditing standards, likely mitigate the potential drawbacks of role duality ([Murayr, 2023](#)). These contextual influences caution against the uncritical application of Western-centric governance models in emerging economies without adaptation. Overall, the results demonstrate that CG mechanisms operate within an interconnected system, with effectiveness shaped by interactions among organisational characteristics, institutional reforms, and cultural norms. For instance, the combination of a diverse, independent board and an effective audit committee may generate synergistic effects on disclosure practices, even in the absence of strong external market pressures. Similarly, broader ownership dispersion can reinforce the monitoring role of internal governance actors.

This study extends conventional CG theories by illustrating that governance structures interact in context-specific, non-linear ways. While AT provides a foundational lens for evaluating monitoring functions, integrating ST and IT perspectives reveals that FT also emerges from legitimacy-building behaviours and relational accountability, rather than solely from top-down control. From a policy perspective, the findings underscore the importance of reinforcing internal governance levers through targeted measures promoting board diversity, independent oversight, and audit quality. For corporate managers, FT should be regarded not merely as a compliance obligation but as a strategic mechanism to signal institutional credibility and responsiveness to stakeholders. For researchers, the nuanced insights—particularly regarding CEO duality—offer fertile ground for further exploration of governance-performance dynamics across socially and institutionally diverse contexts.

CONCLUSION

This study systematically examined the relationship between internal CG mechanisms and FT among non-financial firms listed on Tadawul from 2011 to 2022. Grounded in AT, ST, and IT, the research employed panel data methodologies to evaluate how board attributes, ownership structures, and audit committee effectiveness influence voluntary financial disclosures. The findings provide robust empirical evidence that board independence, board size, audit committee effectiveness, board diversity, and dispersed ownership collectively function as effective internal levers for enhancing FT in emerging capital markets. The results further indicate that the effectiveness of governance extends beyond structural compliance, being heavily contingent on institutional embeddedness. This underscores the importance of enforcement mechanisms, regulatory maturity, and stakeholder participation. The non-significant effect of CEO duality challenges deterministic assumptions derived from AT and reinforces the explanatory power of IT, demonstrating how local norms, state-led reforms, and evolving cultural dynamics can mitigate traditional agency risks associated with concentrated authority. This study advances a hybrid conceptualisation of CG, situating classical theories within Saudi Arabia's evolving institutional context to demonstrate how governance mechanisms operate amid reforms, cultural norms, and international expectations. The findings underscore the need for adaptable governance frameworks in emerging economies. For policymakers and managers, the results highlight that CMA should prioritise both rule-making and robust enforcement, while firms should treat CG as a strategic, ethical commitment that strengthens accountability and resilience. Future research should adopt dynamic, comparative approaches, including cross-country longitudinal studies in the GCC and MENA region, to examine how governance and FT evolve under diverse reforms. Additionally, the integration of ESG dimensions with FT warrants investigation in non-Western contexts. Overall, this study contributes to CG reforms in Saudi Arabia, offering a context-sensitive framework that promotes credible, transparent, and

investor-confident corporate environments. The results emphasise that internal CG is both a regulatory necessity and a strategic tool for enhancing market transparency and sustainable economic resilience.

ACKNOWLEDGEMENTS

The Author extends his appreciation to the Arab Open University for funding this work through the research fund No. AOUKSA-524008.

REFERENCES

- Aguilera, R. V., & Cuervo-Cazurra, A. (2009). Codes of good governance. *Corporate governance: an international review*, 17(3), 376-387. <https://doi.org/10.1111/j.1467-8683.2009.00737.x>
- Akram, F., & Abrar Ul Haq, M. (2022). Integrating agency and resource dependence theories to examine the impact of corporate governance and innovation on firm performance. *Cogent Business & Management*, 9(1), 2152538. <https://doi.org/10.1080/23311975.2022.2152538>
- Al-Janadi, Y., Rahman, R. A., & Omar, N. H. (2013). Corporate governance mechanisms and voluntary disclosure in Saudi Arabia. *Research Journal of Finance and Accounting*. https://d1wqtxts1xzle7.cloudfront.net/75920715/Corporate_Governance_Mechanisms_and_Volu20211207-12316-11d89t.pdf
- Al-Shaer, B., Aldboush, H. H., & H. Alnajjar, A. H. (2024). Corporate governance and firm performance: in Qatari non-financial firms. *Journal of Islamic Accounting and Business Research*. <https://doi.org/10.1108/JIABR-04-2024-0143>
- Al Naim, A., & Alomair, A. (2025). The role of female representation in enhancing audit quality: Insights from Saudi Arabia's emerging market. *Humanities and Social Sciences Communications*, 12(1), 696. <https://doi.org/10.1057/s41599-025-05032-2>
- Alanazi, A. H. (2024). Achieving global recognition: higher education rankings and the commitment to quality in Saudi Arabia's 2030 Strategic Vision University of Glasgow]. <https://doi.org/10.5525/gla.thesis.84488>
- Aldahoum, A. (2021). The Effect of Royal Decrees and Economic Announcements on the Saudi Stock Market: A High-Frequency Data Analysis Victoria University]. <https://vuir.vu.edu.au/id/eprint/42260>
- Alharbi, M., & Hashim, F. (2024). Corporate Governance And Sustainability Disclosure In Saudi Arabia. *Global Business and Management Research*, 16(3), 196-214. <https://www.gbmjournal.com/pdf/v16n3/V16N3-11.pdf>
- Allaya, M., Derouiche, I., & Muessig, A. (2022). Voluntary disclosure, ownership structure, and corporate debt maturity: A study of French listed firms. *International Review of Financial Analysis*, 81, 101300. <https://doi.org/10.1016/j.irfa.2018.12.008>

- Alomair, A. (2024). Board characteristics and accounting value relevance: Insights from Saudi Arabia. *Asian Economic and Financial Review*, 14(10), 762. <https://doi.org/10.55493/5002.v14i10.5202>
- Alqahtani, N. (2024). The role of English in implementing the Saudi Vision 2030 programme: a critical discourse analysis [University of Birmingham]. <https://etheses.bham.ac.uk/id/eprint/14598/>
- Alqahtani, T. (2023). The persuasive use of public relations in Saudi Arabia 2030 Vision. *Duquesne University*. <https://www.proquest.com/openview/e1f5dc123012121551ce058d845f4972/1?pq-origsite=gscholar&cbl=18750&diss=y>
- Alregab, H. (2023). The role of corporate governance in attracting foreign investment: An empirical investigation of Saudi-listed firms in light of vision 2030. *International Journal of Finance & Economics*, 28(1), 284-294. <https://doi.org/10.1002/ijfe.2420>
- Alsayed, H. (2024). The Mechanism of Non-Financial Firms' Performance and Corporate Governance Leadership. *Business Ethics and Leadership*, 8(4), 201-214. [https://doi.org/10.61093/bel.8\(4\).201-214.2024](https://doi.org/10.61093/bel.8(4).201-214.2024)
- Alsweilem, K., Lepech, M., Monk, A., & Rietveld, M. (2024). Saudi Arabia: From the Big Push to the Long Push Building Resilience Beyond Vision 2030. <https://doi.org/10.2139/ssrn.4912451>
- Anderson, H., Chi, J., & Liao, J. (2019). Foreign strategic ownership and minority shareholder protection. *Emerging Markets Review*, 39, 34-49. <https://doi.org/10.1016/j.ememar.2019.03.005>
- Assad, N. F., & Alshurideh, M. T. (2020). Financial reporting quality, audit quality, and investment efficiency: evidence from GCC economies. *WAFEN-UND Kostumkd. J*, 11(3), 194-208. <https://www.researchgate.net/profile/Muhammad-Alshurideh/publication>
- BAKOR, O. M. (2021). The Effect Of Corporate Governance Characteristics On Corporate Governance Disclosure: Evidence From Saudi-Listed Companies. https://etd.uum.edu.my/9585/2/s94615_01.pdf
- Ben-Nun, G. (2023). Saudi Arabia's Public Investment Fund as a Tool for Economic Diversification and Sports Diplomacy. <https://doi.org/10.1126/science.232.4753.1022>
- Bushman, R. M., Piotroski, J. D., & Smith, A. J. (2004). What determines corporate transparency? *Journal of accounting research*, 42(2), 207-252. <https://doi.org/10.1111/j.1475-679X.2004.00136.x>
- Bushman, R. M., & Smith, A. J. (2001). Financial accounting information and corporate governance. *Journal of Accounting and Economics*, 32(1), 237-333. [https://doi.org/10.1016/S0165-4101\(01\)00027-1](https://doi.org/10.1016/S0165-4101(01)00027-1)
- Claessens, S., & Yurtoglu, B. B. (2013). Corporate governance in emerging markets: A survey. *Emerging Markets Review*, 15, 1-33. <https://doi.org/10.1016/j.ememar.2012.03.002>

- Dimingu, H., & Mogaji, I. (2024). The Role of Board Dynamics in Organizational Transformation: A Corporate Governance Perspective. *Open Journal of Business and Management*, 12, 1209-1227. <https://doi.org/10.4236/ojbm.2024.122063>
- Eyenubo, S. A., Mohammed, M., & Ali, M. (2017). Audit committee effectiveness of financial reporting quality in listed companies in Nigeria stock exchange. *International Journal of Academic Research in Business and Social Sciences*, 7(6), 487-505. <https://doi.org/10.6007/IJARBS/v7-i6/3006>
- Fayemi, S. (2023). Socio-Political Context as a Driver of Corporate Governance Practices in a Society: A Case Study of the Nigerian Banks. <https://qmro.qmul.ac.uk/xmlui/handle/123456789/83999>
- Freeman, R. E. (1984). Strategic management: a stakeholder approach. <https://ixtheo.de/Record/1606827979>
- Gani, A. A. M. O., Al Rahbi, A. H. S. S., & Ahmed, E. R. (2021). Empirical analysis on corporate transparency, competitive advantage, and performance: an insight of muscat securities market. *Journal of Governance and Integrity*, 4(2), 96-102. <https://doi.org/10.15282/jgi.4.2.2021.6091>
- Gokulan, A. (2021). Increasing board diversity: A new perspective based in shareholder primacy and stakeholder approach models of corporate governance. *NYUL Rev.*, 96, 2136. https://openurl.ebsco.com/EPDB%3Agcd%3A4%3A33334820/detailv2?sid=ebsco%3Aplink%3Ascholar&id=ebsco%3Agcd%3A154408832&crl=c&link_origin=scholar.google.com
- Habbash, M., Hussainey, K., & Awad, A. E. (2016). The determinants of voluntary disclosure in Saudi Arabia: an empirical study. *International Journal of Accounting, Auditing and Performance Evaluation*, 12(3), 213-236. <https://doi.org/10.1504/IJAPE.2016.077890>
- Habtoor, O. S., Hassan, W. K., & Aljaaidi, K. S. (2019). The impact of corporate ownership structure on corporate risk disclosure: Evidence from the Kingdom of Saudi Arabia. *Business and Economic Horizons*, 15(2), 325-356. <https://www.cceol.com/search/article-detail?id=889131>
- Haroon, O., & Zaka, M. (2023). A review of corporate governance effectiveness: Developed vs emerging markets. *Corporate Law & Governance Review*, 5(1), 38-62. <https://doi.org/10.22495/clgrv5i1p4>
- Hassan, H. M., Ullah, M., Khalil, K., Khan, Y., & Usama, H. A. (2023). Role of capital structure between corporate governance and firm performance: empirical evidence from Pakistan. *Russian Law Journal*, 11(4), 18-26. <https://www.russianlawjournal.org/index.php/journal/article/view/2312>
- Hassan, O. A., Romilly, P., Giorgioni, G., & Power, D. (2009). The value relevance of disclosure: Evidence from the emerging capital market of Egypt. *The International Journal of Accounting*, 44(1), 79-102. <https://doi.org/10.1016/j.intacc.2008.12.005>

- Hossain, M. Z., Hasan, L., & Hasan, M. H. (2024). Corporate Governance as a Global Phenomenon: Evolution, Theoretical Foundations, and Practical Implications. *Journal of Financial Risk Management*, 13, 342-375. <https://doi.org/10.4236/jfrm.2024.132017>
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305-360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Kaur, S., Singh, M., & Singh, N. (2025). The Role of Digital Currencies in Global Trade and Financial Reporting Standards. In *Aligning Financial Reporting Standards With Global Trade Needs* (pp. 317-362). IGI Global Scientific Publishing. <https://doi.org/10.4018/979-8-3373-0887-6.ch011>
- Khelif, H., Samaha, K., & Amara, I. (2021). Internal control quality and voluntary disclosure: does CEO duality matter? *Journal of Applied Accounting Research*, 22(2), 286-306. <https://doi.org/10.1108/JAAR-06-2020-0114>
- Kilincarslan, E. (2021). The influence of board independence on dividend policy in controlling agency problems in family firms. *International Journal of Accounting & Information Management*, 29(4), 552-582. <https://doi.org/10.1108/IJAIM-03-2021-0056>
- Murayr, A. A. (2023). Impact of Corporate Board Structure and International Financial Reporting Standards on Voluntary Risk Disclosure and Firm Value: The Case of Saudi Arabian Listed Companies [Victoria University]. <https://vuir.vu.edu.au/47244/>
- Myers, C., & Czarnezki, J. J. (2021). Sustainable business law? The key role of corporate governance and finance. *Environmental Law*, 51(4), 991-1040. <https://www.jstor.org/stable/48647568>
- Naciti, V., Cesaroni, F., & Pulejo, L. (2022). Corporate governance and sustainability: a review of the existing literature. *Journal of Management and Governance*, 26(1), 55-74. <https://doi.org/10.1007/s10997-020-09554-6>
- Ng, D., & Khodakarami, N. (2022). Fitting in as an outsider: a resource dependence theory approach to outside boards. *Journal of Health Organization and Management*, 36(2), 178-196. <https://doi.org/10.1108/JHOM-04-2021-0137>
- North, D. C. (1990). *Institutions, Institutional Change and Economic Performance*. Cambridge University Press. <https://doi.org/10.1017/CBO9780511808678>
- Omweri, F. (2024). A systematic literature review of e-government implementation in developing countries: examining urban-rural disparities, institutional capacity, and socio-cultural factors in the context of local governance and progress towards SDG 16.6. *International Journal of Research and Innovation in Social Science*, 8(8), 1173-1199. <https://doi.org/10.47772/IJRISS.2024.808088>
- Pandey, N., Andres, C., & Kumar, S. (2023). Mapping the corporate governance scholarship: Current state and future directions. *Corporate governance: an international review*, 31(1), 127-160. <https://doi.org/10.1111/corg.12444>
- Pucelj, M., & Bohinc, R. (2024). Corporate governance and CSR strategies for

- sustainability. IGI Global.
<https://books.google.com.pk/books?id=T9wBEQAAQBAJ&printsec=frontcover#v=onepage&q&f=false>
- Ramady, M. A. (2021). Financial regulation and liberation: Saudi Arabia's path towards true global partnership. Springer Nature.
<https://books.google.com.pk/books?id=wzsiEAAAQBAJ&printsec=frontcover#v=onepage&q&f=false>
- Report, V. A. (2023). Kingdom of Saudi Arabia.
https://www.undp.org/sites/g/files/zskgke326/files/2024-04/sa_undp_-_en_single_pages.pdf
- Salehi, M., Ammar Ajel, R., & Zimon, G. (2023). The relationship between corporate governance and financial reporting transparency. *Journal of Financial Reporting and Accounting*, 21(5), 1049-1072. <https://doi.org/10.1108/JFRA-04-2021-0102>
- Scott, W. R. (2014). Institutions and Organizations. Ideas, Interests and Identities. *M@n@gement*, 17(2), 136.
<https://www.proquest.com/openview/bc94580328f7e5f6f08b86a82c09ffdb/1?pq-origsite=gscholar&cbl=286201>
- Zaidan, E., Al-Saidi, M., & Hammad, S. H. (2019). Sustainable development in the Arab world – is the Gulf Cooperation Council (GCC) region fit for the challenge? *Development in Practice*, 29(5), 670-681.
<https://doi.org/10.1080/09614524.2019.1628922>
- Zaman, R., Jain, T., Samara, G., & Jamali, D. (2020). Corporate Governance Meets Corporate Social Responsibility: Mapping the Interface. *Business & Society*, 61(3), 690-752. <https://doi.org/10.1177/0007650320973415>