

Disclosure of Corporate Philanthropy Information in the Annual Reports of Malaysian Public Companies

Nurul Rafeah Mohamed Yusuf¹, Corina Joseph²

¹School of Foundation Studies, University of Technology Sarawak, Sibul, Sarawak, Malaysia

²Faculty of Accountancy, Universiti Teknologi MARA, Cawangan Sarawak, Kota Samarahan, Sarawak, Malaysia

DOI: <https://dx.doi.org/10.47772/IJRISS.2025.9020274>

Received: 11 February 2025; Accepted: 15 February 2025; Published: 18 March 2025

ABSTRACT

The objective of this study was to investigate the extent of disclosure on corporate philanthropy information that is included in the annual reports of Malaysian public companies. A content analysis was performed to analyse the content of 2020's annual reports of 80 publicly traded companies. The Modified Corporate Philanthropy Disclosure Index, which is made up of fifty different disclosure items, was developed to measure the extent of corporate philanthropy information disclosed by Malaysian public listed businesses in their annual reports is evaluated. In the annual reports of Malaysian public businesses, there was disclosure amounting to an average of 31% of the extent of corporate philanthropy information for the year 2020. There are two key parts to the Modified Corporate Philanthropy Disclosure Index (MoCoPDi) checklist: the type of corporate philanthropy and the Governance of corporate philanthropy. The results showed that the type of corporate philanthropy was the most common type of information disclosed by public listed companies, while governance of corporate philanthropy groups was the least information disclosed by the public listed companies. The results of this study have favourable implications for the government and policymakers of Malaysia, presenting them with the chance to alter the existing regulations surrounding corporate philanthropy disclosure by corporations in Malaysia. This study proposed that Malaysian companies have the potential to derive advantages by expanding the extent of corporate philanthropy information disclosure to different stakeholders. This study highlights the extent of corporate philanthropy disclosure by listed Malaysian companies in the year 2020. This study enhances the Modified Corporate Philanthropy Disclosure Index by formulating guidelines for corporate philanthropy reporting to promote accountability and reduce "greenwashing".

Keywords: Content Analysis, Corporate Philanthropy, Disclosure

Background Of The Study

Disclosure in the context of corporate philanthropy (CP) refers to the process of making known to the public a company's philanthropic giving, social responsibility efforts, and community involvement activities (Valor & Zasuwa, 2017). This information may be made public in various ways, including annual reports, sustainability reports, public announcements and dedicated sections on a company's website. To maintain its legitimacy, organisations have to disclose some information about their operations to interested parties (Fedorova, Demin & Silina, 2023). According to Xu, Chen and Lee (2022), for a business to achieve its objectives, it must acquire power not just from its internal forces but also from the society and the environment in which it operates. Companies participate in philanthropy disclosure for numerous reasons, the most important of which are openness, accountability, and reputation management. According to research by Idrees, Aftab, Qureshi, Mata, Martins, Mata and Martins (2021), a company's customer perceptions improve the more actively it contributes to the well-being of the community in which it works, which in turn draws in more consumers. Therefore, it is important for companies to show their dedication to having a beneficial influence on society and the environment by disclosing the charitable work they do to the public, especially in their annual reports.

Disclosure about companies' participation in charitable activities is gaining significance, resulting from

growing pressure from customers and investors for businesses to be more transparent and accountable. Additionally, it contributes to the development of trust, the enhancement of a company's brand, and the attraction of socially aware consumers and investors. Notably, the Companies Act of 1965 in Malaysia does not provide any reporting requirements for charitable contributions. As a result, attention must be paid to CP disclosure, making it possible for stakeholders like customers, investors, employees, and the general public to assess the overall social and environmental performance of the company as well as the contributions that the organisation has made. Previous research suggests that the presence of ethical corporate cultures has been associated with the potential for long-term firm success (Eger, Miller and Scarles, 2019). The concept described above refers to the understanding that ethical corporate cultures play a crucial role in improving the organisations' prospects over an extended period.

The size, sector, and location of the organisation, as well as regional laws and reporting requirements, have an impact on disclosure practices. These practices may differ from one organisation to another. Some businesses voluntarily disclose their charitable contributions, while others can be forced to do so by law, particularly in nations where reporting on corporate social responsibility is compulsory.

As a result, a significant portion of corporate donations is not publicly disclosed in terms of the specific monetary value, and the identity of the recipient is not revealed to investors, posing challenges in identifying charitable actions (Bartkus et al., 2002). In addition, the challenge of disclosing CP is considerable since there is a lack of a globally recognised framework for disclosure or communication within the CP domain (Valor & Zasuwa, 2017). Moreover, Morris and Bartkus (2015) have argued that there is a lack of compulsory disclosure requirements for corporate giving programmes.

According to Umar et al. (2022), earlier research demonstrated that corporate philanthropy has shifted towards strategic giving. This kind of giving involves directing business resources to give solutions to societal problems in such a manner that the firm may become valuable in its strategic position. In addition, Hao et al. (2020) stated that businesses are being urged to take more proactive steps to benefit both the community and the environment. More importantly, most earlier studies focused on the disclosure of corporate social responsibility. Even after some years, Malaysian corporate philanthropy practices and disclosure have not been the subject of a comprehensive inquiry. As a result, the focus of this study was on CP disclosure in the Malaysian setting.

The significance of this study lies in the fact that it reveals the factors that cause publicly traded firms in Malaysia to disclose CP in their annual reports. The reason for this is because there is a growing significance of corporate social responsibility (CSR) and the process of establishing a nation. Through the research, firms, particularly those that are traded on the stock market, would have a better understanding of the significance of making CP disclosures in a variety of different dimensions. The findings of the research provide precise and practical information on CP, which will assist companies in gaining a better understanding of the actual dangers and opportunities that are associated with CP occurrences in Malaysia.

Therefore, as a result of this study, a greater number of firms will become aware of how significant CP concerns are, which will result in a reduction in social injustice. Peterson et al. (2021) states that corporate philanthropy is a strategy that companies use to strengthen their image. This approach also assists in the establishment of more effective connections with stakeholders, which ultimately leads to an increase in the value of the firm.

The next section reviews the literature on corporate philanthropy disclosure, highlighting key theories and previous findings. The subsequent section details the research methodology, including the instruments used in this study. Following this, the research design is presented, along with an explanation of the results. Finally, the paper concludes with key findings and recommendations for future research directions in CP disclosure.

LITERATURE REVIEW

Major stakeholders are now putting institutional pressure on businesses to engage in corporate social responsibility (CSR). Therefore, it is vital for managers to strike the correct balance between maximising

profits and the objectives of CSR on all sides. Corporate philanthropy is one of the CSR categories seen as important by shareholders, consumers, suppliers, and workers. Despite growing demands for environmental, social, and governance openness from workers, investors, and communities, corporate philanthropy is still an often overlooked and largely invisible area of corporate action.

Corporate philanthropy encompasses a variety of actions undertaken by businesses for their philanthropic and social activities. This includes increasing people's quality of life and promoting health care, education, culture and the arts, the environment, humanitarian aid, and disaster relief (Modak et al., 2019). Corporate philanthropy, referred to as donations made as part of CSR, is a vital component in how businesses achieve their social obligations (Cha & Abebe, 2016). Donations also minimise hardships brought on by business operations or natural disasters, which the company must consider as part of its social obligations. High levels of concern for environmental and social issues reflect well on businesses and boost customer loyalty.

Researchers have been inspired to carry out studies that look at CP disclosure considering the increasing requirement for it within the corporate reporting framework. Fedorova et al. (2023), for instance, estimated how CP disclosure and expenditures impact the investment attractiveness of Russian companies. In Russia, the number of businesses that publicly disclose their involvement in corporate philanthropy is growing at a steady rate year after year. According to an estimate by Fedorova et al. (2023), between 2013 and 2019, there was a 22% rise in the number of businesses that included a special chapter on philanthropy in their annual reports. There was a growth in the number of corporations that gave back to their communities. Consequently, the Russian management views the disclosure of CP information as a means to improve relationships with significant stakeholders and as something that will be helpful for society as a whole, and for local communities.

In addition, Probahudono et al. (2020) investigated the level of CP disclosure in Indonesian state-owned enterprises' annual reports as well as the influence of foreign ownership, managerial ownership, the number of independent directors, and company size on CP disclosure. The finding made by Probahudono et al. (2020) is that the level of CP disclosure in Indonesian State-Owned Enterprises has been increasing at a relatively constant rate. This was made clear by the findings of the descriptive statistical analysis, which demonstrated that there was little to no change throughout the studied years (2010 to 2012). In Indonesia, corporations privately held, and companies controlled by the state should publish their annual reports and make them accessible to the public. However, many of these companies do not. Even though they publish their annual reports, the reports are partial, ambiguous (some portions are missing), and poorly scanned. Only 88 out of 141 Indonesia's state-owned enterprises (SOEs) submitted their annual reports between 2010 and 2012. There have also been previous studies conducted in a variety of geopolitical contexts, including US corporations (Cha & Abebe, 2016), China (Chen et al., 2018; Wang & Qian, 2011), Pakistan (Bashir, 2017), and Russia (Blagov & Petrova-Savchenko, 2012).

Similar to Indonesia, few studies about CP disclosure in Malaysia have been practically carried out in recent years. For instance, Hashim and Yusof (2016) investigated the significance of board of directors' education, including firm-specific characteristics, as potential drivers of the CP disclosure by Malaysian publicly listed businesses. Amran et al. (2007) were able to get a thorough grasp of the whole phenomenon of corporate philanthropy in Malaysia by researching the CP traits among major Malaysian corporations. Amran et al. (2007) looked at the characteristics of Malaysian companies that are renowned for making substantial donations to the community in Malaysia. Hence, this paper aims to examine the extent of disclosure of CP in the Malaysian listed companies' annual reports for the year 2020.

METHODOLOGY

This paper focuses on examining the annual reports of publicly listed Malaysian companies. For the analysis of the annual reports carried out in February 2023, the top 100 publicly traded Malaysian companies for the year 2020 were selected as a sample. But out of a total of 100 companies, 20 of those companies were excluded for a variety of reasons. Firstly, 17 of the 20 companies were excluded because the companies are associated with the financial industry, namely the financial services sector, in some way. This is a result of the specific requirements of the Financial Services Act 2013 that apply to companies connected to the financial industry

(Hamid, 2004). Secondly, none of the remaining three of the twenty businesses was included in the analysis since their annual reports for the year were either absent or incomplete. As a final sample, only 80 companies were analysed to achieve the objectives of this study. Annual reports for the year 2020 of public-listed companies on Bursa Malaysia were obtained from the Bursa Malaysia website (www.bursamalaysia.com).

The extent of the disclosure of corporate philanthropy was measured using the Modified Corporate Philanthropy Disclosure Index (MoCoPDi) developed earlier by Yusuf et al. (2022). The MoCoPDi has been developed through a rigorous process whereby the MoCoPDi was constructed by utilising the CP items included in IATiv2.03, the most recent version of the International Aid Transparency Initiative (IATI). Furthermore, the MoCoPDi checklist is also based on CP indicators from prior research (Valor & Zasuwa, 2017; Hashim & Yusof, 2016; Nga, 2015; Raja Ahmad, 2010). The National Annual Corporate Report Awards (NACRA) criteria and actual CP disclosures about CP matters disclosed by the companies who were the winners of NACRA awards in 2018 have also been used in the development of MoCoPDi. During the pilot test, a few redundant items that did not have any relevance to the objectives of the study were identified and removed. To guarantee that the MoCoPDi checklist is exhaustive and accurate, it was enhanced to include a few more items after the validation of items by experienced scholars and industrial practitioners to finalise the items inside the MoCoPDi checklist. After going through a few additions and elimination processes, the final total of CP disclosure included in the MoCoPDi checklist is 50 items divided into two categories, i.e., type of CP (39 items) and governance of CP (11 items).

The MoCoPDi served as a comprehensive checklist to examine the extent of the CP disclosure in the companies' annual reports for the year 2020. With the existence of CP information disclosed by companies in annual reports, any information related to CP items will be given a score of "1". The companies will earn a score of "0" if the company does not disclose any issues related to CP aspects. An unweighted disclosure index was used instead of a weighted disclosure index since both systems produced similar results (Hajian & Rostami, 2014), and the unweighted index could reduce subjectivity in determining the weight (Wallace & Naser, 1995). Besides, every disclosure item is treated equally essential when utilising UDI.

RESULTS AND DISCUSSION

The following section discusses the findings regarding the extent of corporate philanthropy disclosure in the annual reports of Malaysian public companies. The results are separated into the overall MoCoPDi and each MoCoPDi category.

Descriptive Results for the Extent of the Disclosure of Corporate Philanthropy

This section examines the descriptive analysis of total CP disclosures using the Modified Corporate Philanthropy Disclosure Index (MoCoPDi) in the annual reports of Malaysian public firms. Table 1 presents the descriptive statistics results for CP disclosures in 2020. Of the total disclosure items in the MoCoPDi, Malaysian-listed companies disclosed 30 items on average, implying a "fair level" of disclosure. Joseph et al. (2018) introduced five scales of disclosure index (DI), classified into poor (DI between 0.00-0.20), fair (DI between 0.21 – 0.40), satisfactory (DI between 0.41 – 0.60), good (0.61 – 0.80), and outstanding (DI between 0.81 – 1.00). The highest number of items disclosed in the annual reports of Malaysian listed companies was 49 items, according to Table 1, considering all the items except the fundraising event. In contrast, the minimal number of items disclosed was 19 items.

Table 1: Descriptive Results for the Extent of the CP Disclosure for the year 2020

	Minimum	Maximum	Mean	Standard deviation
Disclosure of Corporate Philanthropy	19	49	30.64	6.21

Source: Yusuf and Joseph (2025)

In comparison with prior studies on the disclosure of corporate philanthropy in the Malaysian listed

companies' annual reports, the disclosure index results of this study were slightly higher. For example, Hashim and Yusof (2016) found that the mean for the CP disclosure was 24.2 per cent in 2013. As a comparison, the earlier CSR-related studies in Malaysia have documented disclosure means of 64 per cent (Dhorausingham et al., 2022) and 64 per cent (Yi et al., 2022), respectively. The result shows that the level of CP disclosure in Malaysia is relatively lower compared to the broader CSR perspective.

The findings of the disclosure index for each of Malaysia's publicly listed companies are presented in Table 2. According to the results, just three out of eighty companies reported the minimal required level of disclosure, only disclosing 19 to 20 items out of 50 items in the MoCoPDi. There are forty-four companies that disclosed 21 to 30 items in the MoCoPDi. In addition, 28 out of 80 companies reported disclosure indexes higher than the average of 30% (see the results in Table 1), and only five companies provided disclosures for 41 items or more, up to the maximum disclosures of 49 items in 2020.

Table 2: Disclosure Index for Malaysian Companies

Total Disclosure Index (Items)	Number of companies
19 – 20	3
21 – 30	44
31 – 40	28
41 – 50	5

Source: Yusuf and Joseph (2025)

Categories in the MoCoPDi Checklist

The MoFLiDi checklist consists of two main categories: the type of CP and the Governance of CP. The following section will discuss in detail the categories of the MoCoPDi checklist:

Type of Corporate Philanthropy Category

The Modified Corporate Philanthropy Disclosure Index introduces the instrument that may be used in practice. It is helpful to evaluate the overall level of corporate philanthropy disclosure as well as the degree of disclosure given to different kinds of charitable giving. Table 3 presents the proportional breakdown of each disclosure item within the respective categories of the MoCoPDi checklist. There are twelve types of CP: cash, sponsorship, foundation giving, scholarship, fundraising event, employee giving, shareholders donation, in-kind, volunteering (time), partnership, and awareness campaign. The checklist encompasses thirty-nine disclosure items spread across these twelve CP categories. In addition, all the categories are connected in some ways to philanthropic activities performed in various contexts. Philanthropy in different spheres, such as sports and healthcare, support for certain groups of people, social infrastructure, children protection and youth policy, and culture, education, and science, are all included in this sphere of philanthropy.

According to Table 3, the overall frequency of the category that covers the overview was 53%. Awareness campaigns (MoCoPDi 39) and staff donation programmes (MoCoPDi 25) were the two items that exhibited a total frequency of 100% within this category. On the other hand, foundation giving accounted for the category with most of the items that were not disclosed in 2020. Notably, the items with the lowest frequency of disclosure were foundation giving for cultural purposes (MoCoPDi 18) at 9% and foundation giving for sports (MoCoPDi 17) at 14%. The low level of disclosure of item MoCoPDi 18 was probably due to most of the foundation being directed toward areas such as education, health, and disability rather than primarily toward cultural causes. In addition, it is essential to point out that the instances of cultural goals that fall under corporate philanthropy might vary based on the values of the business, the industry in which it operates, and the geographical location of the organisation. The following are examples of the disclosure made by

companies for the information classified under the corporate philanthropy category:

Digi's Annual Report 2020, page 66:

- Child Rights 2020 Webinar with 130 participants engaged.

Partnered with Child Rights Innovation & Betterment (CRIB Foundation) to host a webinar session to raise awareness on industry best practices on issues relating to child rights.

- Scams Campaign with 600,000 Digi customers reached.

Educating customers on common and pervasive cyber-scams and digital fraud such as Wangiri and SMS Scams

PPB Group Berhad's Annual Report 2020, page 59:

Bridging cultures through film

Our cinemas division plays a role in stimulating greater awareness of the arts, and bridging cultures. Since 1999, GSC International Screens has regularly offered local audiences alternative content comprising foreign language and award-winning films, anime, concerts, as well as other non-mainstream fare. Film festivals hosted in partnership with foreign embassies were included in 2001 to bring the diverse cultures of international cinema to Malaysians. Some of these film festivals have since grown into annual events much anticipated by an increasing number of followers. Eight film festivals were originally planned to be showcased in 2020. However, due to the pandemic restrictions, only the China Film Week was held in January while the other seven festivals were either cancelled, moved online, or deferred to 2021.

Despite the fair disclosure results on CP in the year 2020, the disclosure of the information in Malaysian companies' annual reports showed that the information was important because it portrayed the companies' level of transparency. Furthermore, CP differs from other types of CSR activities because charity donations and contributions to the community are done on a purely voluntary and discretionary basis. According to Midin et al. (2016), one of the activities that organisations should do to increase their accountability is to engage with the communities in which they operate. Table 3 demonstrates that sixteen out of the 39 items exhibited a frequency of less than fifty per cent, which is deemed a poor level of disclosure (Yusuf, Joseph & Beruin, 2022).

Table 3: Frequency for Type of Corporate Philanthropy

Category		MoCoPDi Items		Disclosure (%)
TYPE OF CP	Cash	1	Grant	70
		2	Disaster relief	68
		3	The underprivileged	71
		4	Disability	40
		5	Sports	34
		6	Cultural	35
		7	Health and medical	59

	8	Education	65
	9	Social and environment	56
	10	Research and development	61
Sponsorship	11	Sports	33
	12	Cultural	20
	13	Health and medical	63
	14	Education	68
	15	Social and environment	54
	16	Research and development	50
Foundation Giving	17	Sports	14
	18	Cultural	9
	19	Health and medical	30
	20	Education	36
	21	Social and environment	36
	22	Research and development	24
Scholarship	23	Scholarship	86
Fundraising Event	24	Fundraising event	16
Employee Giving	25	Employee giving programme	100
Shareholders Donation	26	Shareholders donation	28
Faith-Based Giving	27	Zakat on business	26
In-Kind	28	Asset or real estate gifts	71
	29	Free services or consultations	49
	30	Merchandises/products	26
	31	Infrastructure Support	75
Volunteering (Time)	32	Local community training (Education & non - educational)	85
	33	Internship or graduate placement programmes	79

		34	Types of activities completed	59
		35	Total number of hours completed	9
		36	Youth development	73
	Partnership	37	Name of partners	98
		38	Criteria for choosing them	76
	Awareness Campaign	39	Awareness campaign	100
Total frequency for overview				53

Source: Yusuf and Joseph (2025)

Governance of CP Category

The disclosure items within the CP governance category consist of eleven items. These disclosures explicitly illustrate how the companies' activities were controlled by the highest governance authority. As shown in Table 4, a 100% disclosure was observed among the examined companies for disclosing specific goals (MoCoPDi 40), specific targets (MoCoPDi 41) and how the strategy is crafted (MoCoPDi 43) in the year 2020. Similarly, disclosures achieved 100% in 2020 for third-party audit/review reports (MoCoPDi 46) and description of causes (rationale) (MoCoPDi 47). The following example is an actual disclosure of governance of the CP category on CP activities disclosed by a Malaysian company:

PPB Group Berhad's annual report 2020, page 59:

Empowering single mothers

The Supermum Project is a collaboration between PPB, the Rotary Club of Petaling Jaya (RCPJ) and Beutifood, a member of the Fantastic Food Factory, to empower single mothers to bake and sell their products for a living. PPB contributed the baking equipment, renovation cost of the baking studio at the Majlis Bandaraya Petaling Jaya premises in Taman Megah, Petaling Jaya, and transport allowances to successful trainees. The 10-week 10-module programme facilitated by a chef lecturer hired by Beutifood, also equips the trainees with entrepreneurial knowledge. The first batch of 10 single mothers completed the programme in September 2020. Single mothers who have completed the training are encouraged to bake and sell, with RCPJ and PPB assisting in marketing their products

The "Who is in Charge" item (MoCoPDi 42), on the other hand, had the lowest percentage of disclosures (44%) of all the items covered by the governance of the CP category. In Table 4, the frequency of governance of corporate philanthropy disclosures was listed. This demonstrates how most companies emphasise the details of their CP activities while keeping the name of the person in charge of managing such efforts a secret. Therefore, by using the MoCoPDi Checklist, companies would get insight into the information that should be disclosed in their annual reports. To increase the value of their company, the corporations will thus disclose information such as the CP disclosure.

Table 4: Frequency for Governance of Corporate Philanthropy

Category			MoCoPDi Items	Disclosure (%)
	Goals and Targets	40	Specific goals	100

GOVERNANCE OF CP		41	Specific targets	100
		42	Who is in charge	44
		43	How the strategy is crafted	100
	CSR management or reporting	44	Policy statements or stated commitments	96
		45	Adoption of a specific reporting guideline	95
		46	Third party audit/ review report	100
	The conditions attached to CP activity.	47	Description of causes (rationale)	100
		48	Description of projects	96
		49	Total volume donated	81
		50	Overall outcome and effectiveness of programmes	96
			Total frequency for overview	92

Source: Yusuf and Joseph (2025)

As seen in Table 4, most publicly listed Malaysian companies include all of the items that fall under the governance of the CP category in their annual reports. This finding suggests that Malaysian companies are effective in providing governance information related to CP activities, and it is one of the efforts to ensure that the public can obtain as much information as they desire from the annual reports of companies.

Table 5: Disclosure percentage for two categories in MoCoPDi for each type of company sector

Company Sector	Frequency	Type of CP disclosure (%)	Governance of CP disclosure (%)
Utilities	6	9	7
Industrial Products & Services	9	12	11
Health Care	6	8	8
Telecommunications & Media	6	8	8
Consumer Products & Services	23	26	29
Plantation	7		8
Transportation & Logistics	5	5	6
Energy	3	3	4

Property	8	11	10
Technology	5	7	6
Construction	2	3	2
Total frequency	80	100	100

Source: Yusuf and Joseph (2025)

In Table 5, the results of the disclosure percentage for two categories in MoCoPD_i for each company sector are shown. These categories include type of CP disclosure and governance of CP disclosure. With 26% of types of CP disclosure and 29% governance of CP disclosure, the results established that the consumer products and services sector is the highest company sector that discloses both categories. This is also due to the fact that the higher number of listed companies that fall under this type of business nature made it the sector with the highest percentage of companies that disclose both categories. Companies in the construction sector had the lowest number of disclosures for both categories, with just 3% of the type of CP disclosure and 2% of the governance of CP disclosure. The reason for this is because the sort of company that falls under this category has the lowest number of publicly traded businesses. Lee and Yang (2022), social responsibility is a manifestation of an organization's commitment to taking into consideration not just economic drivers but also social and environmental factors. This dedication is an expression of the organization's commitment to social responsibility. Therefore, CP disclosure is one of the competitive advantages that gives a company an edge over its competitors when it comes to competing with them. With the support of Cabrera-Luján et al. (2023), the disclosure of corporate social responsibility has become more widespread, and it has transformed into one of the fundamental components of organizational sustainability.

CONCLUSION

Due to the rise of corporate philanthropy, the great majority of firms have started to adhere to a global trend with the focus put on value creation that is co-created by both society and business. This movement has been gaining momentum in recent years. According to the theoretical notion proposed by Peterson et al. (2021), corporate philanthropy is a firm strategy that is aimed at enhancing its reputation. This approach also assists in the establishment of more effective interactions with stakeholders, which ultimately leads to a rise in the value of the organization. Fedorova et al. (2023) discovered that the disclosure of non-financial data, including that connected to broad concerns of corporate philanthropy as well as to other fields, influences the market capitalization of the biggest firms. This finding lends credence to the assertion. Therefore, in recent years, the corporate sector has been subjected to considerable changes, which have compelled businesses to modify their business models and their approach toward important stakeholders, including workers, shareholders, investors, and rivals.

In this study, we investigated how much information on corporate philanthropy was included in the annual reports of Malaysian companies that are publicly listed. The Modified Corporate Philanthropy Disclosure Index (MoCoPD_i) was developed as a tool for determining the extent of CP information disclosure (Yusuf et al., 2022). The use of MoCoPD_i in this study revealed that the extent of CP disclosure in the annual reports of Malaysian publicly listed companies was found to be at a "low level," consistent with the outcomes of prior research undertaken in Malaysia.

The governance of the CP category had the highest frequency out of all the categories included in the MoCoPD_i, and it ended up being the category that disclosed the most information in the annual reports. Additionally, it was discovered that five items of the MoCoPD_i were disclosed in the annual reports of each listed Malaysian company included under this category. The least amount of information that has been made public pertains to CP activities that fall under foundation giving for cultural purposes; out of 80 firms, only nine have disclosed this information.

This research provides several contributions to the academic community with various consequences for the real world. First, the results contribute to the disclosure practices used in the annual reports of Malaysian-listed companies. These practices can potentially increase the accountability and transparency of Malaysian-listed firms. Second, this research makes a significant contribution to the existing body of literature on disclosure practices in the context of corporate philanthropy in Malaysia. Third, since regulatory standards for the information that should be disclosed in annual reports are not currently available, the disclosure index, also known as the MoCoPDi, might be used as an extra checklist to aid and improve the CP disclosure practices of Malaysian-listed companies. This would be due to the lack of availability of the regulatory recommendations. Fourth, an organisation's upper management might use the MoCoPDi to conduct an internal assessment of the company's CP disclosure to manage the company better. As a result, the businesses will, in the end, demonstrate a better degree of transparency and responsibility. In this regard, companies need to serve as examples to the public by becoming role models for their dedication to improving their accountability.

This study has several limitations, even though it makes significant contributions with important implications. First, this study used an unweighted scoring index approach to evaluate the amount of information disclosed, disregarding any consideration of the quality aspect completely. The disclosure index employed in this study is an unweighted scoring system; thus, future studies may investigate the possibility of adopting a weighted scoring system to compare their results. The application of the disclosure index may be expanded to investigate the level of CP practices disclosed on websites or social media accounts of Malaysian businesses. Second, the CP disclosure was only investigated for a scope of a single year's worth of annual reports, which was representative of the CP disclosure during the period that was the focus of this study's annual reports. Consequently, the findings cannot be extrapolated in such a way as to reflect the CP disclosure practices for upcoming periods.

Other than annual reports as a medium of disclosure and discharging responsibility, future studies may take into consideration analysing other technology-based means of discharging CP activities, such as social media (Facebook, Instagram, and Tiktok), due to the extensive usage of these platforms by a variety of organisations. This is crucial as publicly listed companies in Malaysia should place a greater focus on information disclosure on their corporate philanthropy contributions to raise awareness of the functions of their companies and foster a feeling of belonging.

RECOMMENDATIONS

This study has yielded a few recommendations for further research. Initially, given that this study's sample only included the top leading publicly listed enterprises in Malaysia, it is recommended for future research to other entities, including SMEs and smaller publicly listed organizations. The extent of CP disclosures across Malaysian firms may be examined more thoroughly by analyzing both large and small organizations. Secondly, the results of this study are constrained by the content, so permitting just a certain circumstance. Consequently, by prolonging the chronology and examining the impact of the post- Covid-19 pandemic on corporate philanthropy disclosure may contribute to the corporate social responsibility research. This technique may provide enhanced insights into the trends of corporate philanthropy over many economic cycles. Thirdly, this analysis only examined annual reports, it is recommended that future research investigate the scope of CP disclosures disseminated via other means. Future research may examine the extent of corporate philanthropic disclosure from the perspective of business management responsible for corporate philanthropy via interview and survey methodologies. This kind of future research may provide insights into the variables affecting the absence or little disclosure of corporate giving.

REFERENCES

1. Amran, Azlan B., Lim, L. Ling, & Yahya Sofri. (2007) A study of corporate philanthropic traits among major Malaysian corporations. *Social Responsibility Journal* 3(4), 21-30.
2. Bartkus, B.R., Morris, S.A., & Seifert, B. (2002) Governance and corporate philanthropy. *Business and Society*, 41(3), 319-343.
3. Blagov, Y., & Petrova-Savchenko, A. (2012). Corporate philanthropy in Russia: Evidence from a national awards competition. *Corporate Governance. International Journal of Business in Society*,

12(4), 534–547.

4. Cabrera-Luján, S. L., Sánchez-Lima, D. J., Guevara-Flores, S. A., Millones-Liza, D. Y., García-Salirrosas, E. E., & Villar-Guevara, M. (2023). Impact of corporate social responsibility, business ethics and corporate reputation on the retention of users of third-sector institutions. *Sustainability*, 15(3), 1781.
5. Cha, W., & Abebe, M. A. (2016). Board of directors and industry determinants of corporate philanthropy. *Leadership & Organization Development Journal*, 37(5), 672–688.
6. Chen, J., Dong, W., Tong, J., & Zhang, F. (2018). Corporate philanthropy and tunneling: Evidence from China. *Journal of Business Ethics*, 150, 135–157. <https://doi.org/10.1007/s10551-016-3166-y>
7. Dhoraisingam Samuel, S., Mahenthiran, S., & Ramasamy, R. (2022). CSR disclosures, CSR awards and corporate governance as determinants of the cost of debt: Evidence from Malaysia. *International Journal of Financial Studies*, 10(4), 87. <https://doi.org/10.3390/ijfs10040087>
8. Eger, C., Miller, G., & Scarles, C. (2019). Corporate philanthropy through the lens of ethical subjectivity. *Journal of Business Ethics*, 156(1), 141–153. <https://doi.org/10.1007/s10551-017-3551-1>
9. Fedorova, E., Demin, I., & Silina, E. (2023). Impact of expenditures and corporate philanthropy disclosure on company value. *Corporate Communications: An International Journal*, 28(3), 425–450. <https://doi.org/10.1108/CCIJ-10-2022-0122>
10. Hajian, N., & Rostami, A. A. (2014). Transparency and disclosure indices in emerging markets. *The Macrotheme Review*, 3(3), 73–82.
11. Hamid, F. Z. A. (2004). Corporate social disclosure by banks and finance companies: Malaysian evidence. *Corporate Ownership and Control*, 1(4), 118–130.
12. Hao, Z., Liu, Y., Zhang, J., & Zhao, X. (2020). Political connection, corporate philanthropy and efficiency: Evidence from China's anti-corruption campaign. *Journal of Comparative Economics*, 48(3), 688–708. <https://doi.org/10.1016/j.jce.2020.03.002>
13. Hashim, M. F. A. M., & Yusof, M. 'Atef M. (2016). Corporate philanthropy disclosure: Does board's education matters? *Journal for Studies in Management and Planning*, 2(2), 325.
14. Idrees, U., Aftab, H., Qureshi, H. A., Mata, M. N., Martins, J. M., Mata, P. N., & Martins, J. N. (2021). The effect of corporate philanthropy on consumer behavior: open innovation in the operating mechanism. *Journal of Open Innovation: Technology, Market, and Complexity*, 7(1), 100. <https://doi.org/10.3390/joitmc7010100>
15. Joseph, C., Madi, N., Jangu, T., Rahmat, M., & Mohamed, N. (2018). Online integrity disclosure: benchmark for good governance? *Asia-Pacific Management Accounting Journal (APMAJ)*. 13(1), 207–230.
16. Lee, J. E., & Yang, Y. S. (2022). The impact of corporate social responsibility performance feedback on Corporate Social Responsibility Performance. *Frontiers in Psychology*, 13, 893193.
17. Midin, M., Joseph, C., & Mohamed, N. (2016). Promoting societal governance: Stakeholders' engagement disclosure on Malaysian local authorities' websites. *Journal of Cleaner Production*, 142. <http://dx.doi.org/10.1016/j.jclepro.2016.11.122>
18. Modak, N. M., Kazemi, N., & Cárdenas-Barrón, L. E. (2019). Investigating structure of a two-echelon closed-loop supply chain using social work donation as a Corporate Social Responsibility practice. *International Journal of Production Economics*, 207, 19–33. <https://doi.org/10.1016/j.ijpe.2018.10.009>
19. Morris, S. A., & Bartkus, B. R. (2015). Look who's talking: Corporate philanthropy and firm disclosure. *International Journal of Business and Social Research*, 5(1), 1–14.
20. Nga, J. L. (2015). Global financial crisis and philanthropy: Malaysian case. *Cosmopolitan Civil Societies: An Interdisciplinary Journal*, 7(2), 19–31.
21. Probohudono, A. N., Ahmad, R. A. R., Pambudi, I. K., & Chayati, N. (2020). Corporate Philanthropy Disclosure of State-Owned Enterprises in Indonesia. *Indonesian Journal of Sustainability Accounting and Management*, 4(2), 214–226. <https://doi.org/10.28992/ijssam.v4i2.185>
22. Raja Ahmad, R. A. (2010). Corporate philanthropic discourse [Doctor of Philosophy]. Curtin University of Technology. <http://espace.library.curtin.edu.au/R?func=dbin-jumpfull&local>.
23. Umar, U. H., Jibril, A. I., & Musa, S. (2022). Audit committee characteristics and corporate philanthropic donations before and during COVID-19. *Corporate Governance: The International Journal of Business in Society*, 23(2), 347 – 366. <https://doi.org/10.1108/CG-10-2021-0387>
24. Valor, C., & Zasuwa, G. (2017). Quality reporting of corporate philanthropy. *Corporate*

-
- Communications: An International Journal, 22(4), 486–506. <https://doi.org/10.1108/CCIJ-07-2016-0051>
25. Wallace, R. S. O., & Naser, K. (1995). Firm specific determinants of the comprehensiveness of mandatory disclosure in the corporate annual reports of firms listed on the Stock Exchange of Hong Kong. *Journal of Accounting and Public Policy*, 14, 311-368. [https://doi.org/10.1016/0278-4254\(95\)00042-9](https://doi.org/10.1016/0278-4254(95)00042-9)
26. Wang, H., & Qian, C. (2011). Corporate philanthropy and corporate financial performance: The roles of stakeholder response and political access. *Academy of Management Journal*, 54(6), 1159-1181. <https://doi.org/10.5465/amj.2009.0548>
27. Xu, L., Chen, Y., & Lee, S. H. (2022). Emission tax and strategic environmental corporate social responsibility in a Cournot–Bertrand comparison. *Energy Economics*, 107, 105846. <https://doi.org/10.1016/j.eneco.2022.105846>
28. Yi, Y. S., Choong, Y. V., & Muthaiyah, S. (2022). The impact of CSR on the financial performance in manufacturing and service listed firms in Malaysia. *Journal of Positive School Psychology*, 9076-9081.
29. Yusuf, N. R. M., Joseph, C., & Beruin, E. R. (2022). Development of the Modified Corporate Philanthropy Disclosure Index for Malaysian Public Listed Companies. *International Journal of Academic Research in Business and Social Sciences*. 12(6), 869 – 879.