**Global Conference on Advances in Business and Social Sciences (GCABSS – 2020 Online)**

**Comments and Questions**

**GCABSS 2020**

**Paper No. 201222**

**Comment 1:** This is a very solid research paper and very concrete analysis followed by clear results. However, unfortunately, I have to admit that I am confused. I went through the entire 11 minutes and a few seconds of the presentation and could not reply to one key question in my mind. And that question is "is this paper about Earth's environment" or about "corporate governance environment of a corporation"? I am sorry if this sounds too much, but I would expect authors to make it very clear from the beginning what they mean by environmental disclosure? My apologies in advance if my comments sound a bit scandalous, but I am sure the authors will understand my pain and will offer some explanation. I am pained because the same model can be applied in both cases, i.e., Earth's environment or corporate environment they are mentioning in their study.

*Reply:* Thanks for the nice words, and it is my pleasure to answer your queries. Environmental disclosure in this study refers to the disclosure relating to the interaction between a company and its natural environment. Natural environment means nature on earth and it usually includes two aspects, ecological units and natural resources.

**Comment 2:** A nice well-structured research model and good analysis.

*Reply:* Thank you, we really appreciate the feedback.

**Question No. 1:** What do you mean by CED?

*Reply:* CED is the abbreviation for Corporate Environmental disclosure, and it is simply defined as “those disclosures pertaining to the impact that an organizational process or operation may have on the natural environment”

**Question No. 2:** How would you define the concept of corporate governance in North Africa in general?

*Reply:* There is no single or specific definition of corporate governance in north Africa. However, interested researchers and organisations usually use the definition given by The Organisation for Economic Co-operation and Development (OCDE) to refer to corporate governance practices. Hence, corporate governance can be defined as “a set of relationships between a company’s management, its board, its shareholders and other stakeholders”
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Question No. 3: What environmental factors have you included in your model?

Reply: If we got your question well, in our study model we have not involved any environmental factor. We used environmental disclosure as the dependent variable, and for the independents variables we used corporate governance attributes and firm characteristics. The independents variables represent the factors that the study expects to have influence on the level of environmental disclosure.

Question No. 4: What industries are these firms coming from? I guess there will be an industry effect since some industries highly involved in environment would face more pressures to disclose the environmental issues (e.g., mining, energy, resources, etc.). The model may control for industry fixed effect as well as year fixed effect. In addition, your results show that profitability is negatively associated with environmental disclosure, why?

Reply: The study sample was randomly selected, and it comes from many different industries regardless of the industrial sensitivity. The study reveals a significant negative relationship between firm profitability and the level of environmental disclosure. This result provides evidence that company with lower profitability are more likely to disclose environmental information. One possible explanation is that when companies record unfavourable profit performance, they may tend to disclose more information on how their activities contribute to the protection and conservation of the natural environment. This may help stakeholders to view these companies more positively and alleviate their concerns about the low financial performance.