The impact of sustainability practice for Egyptian listed banks on its financial performance

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Abstract: The aim of this study is to determine which Egyptian listed banks are adopted to sustainability and measuring the impact of sustainability level score on its financial performance.

The researchers depended on the 10 Egyptian banks annual reports and sustainability reports (if available) for the period of 2012 till 2019, applying the content analysis tool to determine the presence of certain words, themes, or concepts within some given qualitative data as the researchers can quantify and analyze the presence, meanings and relationships of such certain words or concepts. Also applying descriptive analysis to summarize a given data set, which can be either a representation of the entire or a sample of a population, and used to present quantitative descriptions in a manageable form? Finally, multivariate regressions have been utilized to measure the degree at which more than one independent variable and more than one dependent variable are linearly related.

The results showed that there are only two banks have substantial adoption to and other two banks have satisfactory adoption to sustainable development while the rest are not adopted. And regarding to the financial performance, there are only four of the bank’s financial performance have been significantly affected by the sustainability adoption, in which Sustainable banking performance score has a significant effect on banks’ ROA, ROE, CFP 1 which is the ratio of (Net interest income divided total assets) and capacity ratio which equals to (Equity capital divided by Average total assets) of banks.

Keywords: Sustainable Development; Egyptian Banks; Financial Performance

1. Introduction

Banks are playing an important role in achieving SDGs. The adoption of sustainable activities can have an effect on the sustainability of other sectors through lending. UNEP FI explained that taking social, environmental, and economical aspects into consideration can have significant effects on bank's financial performance. Because of financial sectors’ great influence on the environment and society, they take on social and environmental challenges and capture many practices related to sustainability. For example; banks may provide green credit funds, selecting suppliers who are committed to social and environmental principles. These practices strengthen the performance of corporate social and environment, which can impact the bank's reputation and financial performance positively as well as the productive responses of customers. Financial sectors have been continuing efforts that not only minimize environmental risks and improve their environmental footprint but also to create and add value through new services. They explained through their experience that being a sustainable development adopter makes you aware of potential risks, reach new markets, respond and agree to socially responsible behaviour’ call, and increase the level of their reputation. According to SDGs that are meant to be achieved by 2030, we found that banks are playing a vital role to achieve the SDGs through their involvement in many sustainable practices for example; through lending which will affect the sustainability of other sectors or industries. So, we found that it's important to measure banks’ level of sustainability in Egypt and to see its impact on banks’ financial performance. The main
objectives of this study is to determine which Egyptian bank is adopted towards sustainability and its ranks and to measure the impact of listed Egyptian bank sustainability on its financial performance. First part of the research will include the literature review. Second part will include; Research Gap, research questions and hypothesis, research objectives, methodology followed by results and recommendations.

2. Literature Review

2.1 Sustainable Development & CSR

Sustainable development is the path to economic planning that attempts to boost economic growth for the present generations while maintaining the quality of the environment for upcoming generations. Regardless of its enormous popularity in the last twenty years of the 20th century, the concept of sustainable development demonstrates the difficulty to apply in many cases, primarily due to the long-term results of sustainability analyses depend on the particular resources concentrated upon.

There are three pillars of sustainability:

i. Economic, also known as financial profits, which refers to economic.
ii. Environmental, also known as the planet, refers to the environment.
iii. Social, also known as people, refers to social.

We do not inherit the earth from our ancestors; we borrow it from our children’ by those unpretentious words the ancient Indians outlined our world’s major supposed plan, which illustrates that the resources and elements of earth didn’t belong to the ancestors or even belong to any generation, they belong to everyone in all time the past, present and future. From this perspective, we figure out that we have to use what is available to us without taking more than our generations supposed to use and because of that, we detected the importance of sustainability. (Grant, 2020) Many banks and financial institutions are trying to make commitments to sustainability through initiatives such as waste reduction and provide support to organizations looking forward to a more sustainable future.

Sustainability has been increasingly utilized in a specific way because of the environmental and social difficulties that countries throughout the world are confronting.

(Youmatter, 2021) Nowadays, sustainability is commonly described as actions by which human avoids depletion of natural resources in order to maintain and keep the balance of an environment that does not allow modern societies’ quality of life to deteriorate.

A sustained society must be socially responsible, with an emphasis on environmental conservation. Employees, owners, and consumers who are investing in sustainability and its goals, share similar values might be attracted to a firm through sustainability. As a result, the impact of sustainability on a company's reputation and income can be favorable (Ltd).

The research of (Bocken, Short, Rana, & Evans, 2013) proposes a categorization of sustainable business model archetypes to bring together various contributions from the research and practice that deliver sustainability under a unifying concept. The archetypes are intended to categorize and explain business model innovations in order to ensure their long-term viability. Provide tools to aid the innovation process in terms of incorporating sustainability into company models; Provide exemplars for businesses to de-risk the SBM innovation process by defining a clearer research agenda for business models for sustainability.

CSR is a management concept in which firms integrate social and environmental issues into their operations and interactions with stakeholders. CSR is defined as the process through which a business achieves a balance of economic, environmental, and social imperatives. Banks play a significant role in the economy and are subject to rising stakeholder expectations. As a result, it’s critical to comprehend the financial impact of CSR on bank operations.
Examined into how CSR knowledge affects financial performance in the European banking business in their article. Their findings were broken down into two categories: First, internal CSR of banks has a positive impact on citizenship performance, which is compatible with the concept of knowledge absorptive ability. Second, citizenship performance is a positive predictor of a bank's financial performance, in accordance with the reputational effect of CSR.

(Chakroun, Matoussi, & Mbirki, 2016) investigated the scope and trends of voluntary corporate social responsibility (CSR) disclosure, as well as the determinants of listed banks' annual reports and websites in an emerging capital market, Tunisia. According to the findings of the analysis, Tunisian listed banks primarily release CSR information in narrative style. In the annual reports, human resources are the main focus, although community involvement is the most prevalent theme on the websites. In terms of determinants, bank age, financial performance, and state shareholding appear to be the most important elements influencing CSR disclosure in Tunisian listed banks' annual reports. In this regard, the data demonstrate that the two supports have different determinants of CSR disclosure. Furthermore, bank size, foreign shareholding, and auditor type have no bearing on the CSR disclosure made by listed banks in their annual reports or on their websites.

(Pratihari & Uzma, 2018) aimed to know banker’s perception toward an integrated approach to corporate social responsibility (CSR) projects as a strategic tool to achieve sustainable growth in the banking sector. In addition, the article discusses various CSR initiatives and their implementation processes in the context of India’s scheduled commercial banks (SCB). The survey finds that bankers perceive CSR as a moral commitment that extends beyond regular banking operations for the benefit of society. Furthermore, the survey recognizes that CSR programs are important in defining the bank’s image, brand, and reputation, as well as fostering a strong sense of trust between employees and management.

(Aras, Tezcan, Furtuna, & Kazak, 2017) measured Garanti Bank’s corporate sustainability performance along with the main indicators of economic, social, and environmental factors, taking governance indicators into account, and the results revealed that Garanti Bank’s sustainability performance tends to improve over time. The economic dimension, which has the highest weight in entropy and the greatest impact on total sustainability performance. The governance dimension, on the other hand, has the lowest impact on overall performance.

(Laidroo & Sokolova, 2015) evaluated the corporate social responsibility (CSR) disclosure level of 35 international banks throughout the world at the end of 2013, as well as analyze changes in their disclosure patterns since 2005. They discovered that international banks' CSR disclosure scores in 2013 were much higher than in 2005.

(Darus, Mad, & Nejati, 2015) assessed the quality of ethical and social responsibility reporting among financial institutions, content analyses of annual and sustainability reports were conducted. Samples of 20 Malaysian financial institutions were studied over a four-year period from 2008 to 2011. They aimed to investigate the influence of internal and external pressures in motivating financial institutions in Malaysia to report on corporate social responsibility (CSR). According to the study's findings, the quality of CSR data disclosed improved over a four-year period. This is a positive trend that suggests financial institutions are becoming more socially conscious. The study's findings also demonstrated that external pressure in the form of concentrated ownership and customer pressure can either prevent or inspire CSR reporting quality, however internal pressure is not a significant driver in promoting CSR reporting quality.

2.1.1 The MDGS Launching and reasons of failure

(organization, 2018) With the beginning of the new millennium, a universal partnership was committed to set out a series of eight time-bound targets with a time deadline of 2015 and those targets were known later by the MDGs. The first mistake of achieving the MDGs was that only governments were placed as the base agents in their planning, implementation and monitoring, as they measured prosperity with reference to national indicator levels, with less concentration paid to sub national inequalities.

When the MDGs were setting broad globally, it encouraged the countries accidently to measure progress through national averages. When the MDGs were setting broad globally, it encouraged the countries accidently to measure progress through national averages. The rushing to reach the achievement led to maximizing the gap between rich and poor wider than before. So, the figures and data that demonstrated the improvement against targets and goals...
were in fact obscured a worsening the situation more and more.

2.1.2 Creation of SDGs

(organization, 2018) In 2015 the UN launched new and more comprehensive development goals for the next fifteen years; The Sustainable Development Goals, 17 goals for a better world by the end of 2030. These goals have the strengths to end poverty, fight inequality and stop climate change. Those goals provide pure targets and guidelines for all nations and countries to adopt and according to the environmental challenges of the world and their own priorities. The SDGs tackle the root causes of poverty and unite us together to make a real change for both planet and people. All the UN member countries adopted the SDGs through an international agreement and are committed to realizing the goals, or to present credible action plans for doing so at the very least.

After setting those 17 goals, now the world has another chance to make things right, it is now up to all of us, businesses, governments, the general public and civil society to work together to build a safer future for everyone.

2.2 Sustainable Banking

(association, 2021) According to Canadian Bankers association, while banks taking decisions related to lending, they consider environmental protection. Moreover, banks are developing new products and services to meet consumer demand for environmentally friendly options, such as paperless statements and co-branded credit cards. (Dugelay, 2017) Sustainable banking incorporates environmental, social, and governance (ESG) standards into traditional banking and prioritizes ESG advantages.

According to (Finance) Refers to any form of financial service that integrates environmental, social, and governance (ESG) standards into investment decisions to achieve the lasting benefits of customers and society as a whole, and to ensure and improve today's economic efficiency, prosperity and economy Competitiveness. In the long-term, it will contribute to the protection of ecosystems, and promote cultural diversity and social well-being. (Mohd Shamshad, 2018) Using interpretive structural modelling to determine the important success criteria for the Indian banking sector's long-term growth and to construct a model for Indian banks (ISM). It proposes several key indicators of Indian banks' long-term viability. The major aspect that is driving the other components of sustainable banking is legal and environmental compliance. It will undoubtedly present a challenge for businesses in terms of taking numerous sustainable actions that will serve as a motivator for establishing commercial prospects and long-term partnership.

(Dugelay, 2017) In a world facing the challenges of climate change and increasing social inequality, sustainable finance has become increasingly important. Sustainable finance provides market participants with the option to act responsibly and support positive changes in daily business. Capital market decision-making used to be based on two-dimensional dimensions; risk and profitability analysis, in the new era of sustainable banking, they are now based on three dimensions: risk, return, and impact.

(Asiru, 2017) Sustainable banking delivers various corporate benefits. Research from the Global Banking Value Alliance (Sustainable Banking Network) demonstrates that sustainable banks have different values like greater and more stable returns than other banks as well as stronger growth. Sustainable banking does not yet have a clear definition. At this point, it is commonly accepted that sustainable banking entails conducting banking operations and corporate activities while taking into account their environmental and social implications.

(Dugelay, 2017) Sustainable banking is implemented in banking institutions' internal daily operations as well as their activities relating to exterior relationships with clients and the type of projects they fund.

(Bola, 2017) The banking sector's overall impact as it relates to sustainable development is directly correlated with the quality of their client relationships.

(Asiru, 2017) According to research conducted by IFC, banks have gained benefits from incorporating sustainability into their strategy and business processes, ranging from improved reputation to increased investor confidence. Because of the numerous benefits that banks have gained from their sustainable banking activities, now banks attempting to manage their social and environmental risks and seeking new ways and opportunities
associated with sustainability principles, also they using this in order to differentiate themselves in the market. This has contributed significantly to the advancement of sustainable development around the world, particularly in Nigeria.

(Asiru, 2017)By considering sustainability principles within the funding decisions and processes, banks can help in promoting environmentally and socially responsible businesses. The findings of a survey of Nigerian banks revealed reputational benefits. The third most common reason for banks to adopt sustainable banking was operational benefits.

(Kumar & Prakash, 2018)aimed in their research to assess to what extent financial institutions in India use the same level of sustainable banking instruments, taking into account that banking institutions are graded and classified based on their sustainable banking performance. The implementation of the international sustainability code of conduct is still in its early stages, according to this study. And according to the findings, the most important sustainability issues which are of the highest priority for the banks are directly related to their business operations, such as financial inclusion, financial literacy, and energy efficiency, and banks are putting more emphasis on the social dimension of banking sustainability than on important aspects of sustainable banking like environmental management, the development of green services and products, and sustainability reporting.

(Tan, Chew, & Hami, 2017)aimed to present a more holistic view of the factors that drove Maybank to adopt a more sustainable banking operating system Macro, meso, and micro-level drivers drive their conclusions about the rationality of moving Maybank toward a sustainable banking operating system. The pressures on the bank's external environment are from the macro-level drivers. A PESTLE analysis is employed to discuss the drivers of change in the macro environment. Financial institutions are being urged by various national government authorities and non-governmental organizations to adopt more socially and ecologically friendly lending strategies Stakeholders are seen as major driving forces for Maybank to integrate sustainability into banking operations at the meso-level. Employees, the board of directors, and shareholders are likely to be internal driving forces. Customers, governments, competitors, NGOs, and society at large all exert external pushing factors. Maybank's mission and vision statements, which are defined in their sustainable banking agenda, are mostly motivating micro-level factors. The sustainable business model archetype of the starting point for broadening and unifying the sustainable business model research agenda.

(Yip & Bocken, 2017)aimed to explore sustainable business models in the service industry, particularly banking. It investigates how customers react to banks' efforts to adopt sustainable business models.

Islamic finance can be seen of as an ethical type of investment or lending, with the exception that no loans are possible unless they are interest-free. The prohibitions of alcohol and gambling, as well as the consumption of pork, are among the ethical constraints. Islamic funds will never invest in enterprises that engage in gambling, the sale of alcoholic beverages, or the production of porcine food. Green banking is an important aspect of Islamic banking that helps to safeguard the environment. According to certain studies, Islamic banks have made a substantial contribution to green banking, which benefits the environment through cost and energy savings, natural resource preservation, and the obligation to respect all living things.

(Lui, Zainuldin, Wahiduddin, & Foo, 2020)explores the levels of corporate social responsibility disclosure (CSRD) in Malaysian conventional and Islamic banks, as well as the effect of ownership concentration on CSRD in both types of banks. After adjusting for a number of major drivers of CSRD, the study revealed that Islamic banks report a greater amount of overall CSRD than their conventional counterparts. These findings hold true across four CSRD dimensions: employees, communities, the environment, and products and services. In terms of the impact of ownership concentration on the level of CSRD, the findings demonstrate that a high level of ownership concentration lowers the amount of CSRD by Malaysian banks. However, the results of an additional interaction test show that Islamic banks and ownership concentration have a complementary connection in impacting the amount of CSRD.

In addition, in the period 2012–2018, (Shahwan & Habib, 2021) conducted a study to analyze the influence of corporate social responsibility (CSR) practices on the relative efficiency of conventional and Islamic Egyptian banks. However, they discovered that there is no statistically significant difference in simply technical efficiency between conventional and Islamic banks. Except in 2018, Egyptian banks have received a medium score in their
CSR activities, with no major variations between conventional and Islamic banks. Furthermore, CSR policies in general have a positive impact on Egyptian banks' technical efficiency. Apart from the community sub-dimension, the practices of the CSR sub-dimensions have an impact on the banks' technical efficiency.

With the development of sustainable development concept and green institutions, to facilitate Green Banking adoption, (Bukhari, Hashim, Amran, & Hyder, 2019) recommend using Islamic concepts to build an emotional tie among green banking practices and the Muslim consumer markets. They discovered that the dimensions of Green Banking align with Islamic principles, making it simple for banks, particularly Islamic banks, to embrace and promote to Muslim customers. Green Banking's alignment with Islamic values has the potential to accelerate the expansion of this critical ideology among Green Muslim consumers. Islamic banks can market green products and services to the Muslim consumer market based on religious compatibility, increasing acceptability and loyalty.

By observing the Palestinian Islamic banks, (Migdad, 2017) aims to examine Palestinian Islamic banks’ CSR policies and their contribution to socio-economic development. The main research findings imply that Palestinian Islamic banks place a high value on CSR, but that it is limited and has only a minor impact on the community's socioeconomic development. Another key finding of the paper is that Islamic banks have a great potential to grow, considering that demand for Islamic financial activities is double what Islamic banks currently provide.

(Probohudono, Nugraheni, & Nurrahmawati, 2021) Another study looks at the impact of corporate social responsibility (CSR) disclosure on the financial performance of Islamic banks across nine countries as major markets that contribute to international Islamic bank assets (Indonesia, Malaysia, Saudi Arabia, UAE, Kuwait, Qatar, Turkey, Bahrain and Pakistan or further will be called QISMUT p 3 countries). Furthermore, the researchers discovered that CSR disclosure, as measured by the ISRDI, had a positive impact on financial performance. Almost all ISRDI sub-major categories have a positive impact on financial performance except the environment subcategory. The “corporate governance” category (82%) has the highest ISRDI score, while the “environment” category (13 %) which is the lowest. The ISRDI is positively affected by financial performance in the UAE, Kuwait, and Turkey, but not in the other countries included in this study.

2.3 Financial performance

(Bhasin, 2020). Understanding financial performance is critical for every organization because the majority of critical decisions are based on financials.

Financial performance is defined as the extent to which financial goals have been met. Measuring financial performance has emerged as a critical issue in both academia and the business world, as businesses are under pressure to produce effective results. Financial performance is a measure of a company's ability to use assets and to generate revenues.

(Kenton, Apr 30, 2021) Sustainability practice term is used as a measure of a company's overall financial health over a given time. Analysts to compare similar firms within the same industry use financial performance. There are numerous ways to measure financial performance, but all measures should be taken as a whole. Line items, like revenue and cash flow from operations, operating income, and total unit sales.

(Dufera, 2010) Financial performance is critical for banks since it allows management to assess the level of performance, strengths and weaknesses, investment opportunities, achieve the goals of all bank' individuals and improve the bank’s competitive position among other banks. In addition to gaining a competitive advantage, minimize pressure on stakeholder equity, and emphasize the relevance of the bank’s financial performance in assessing its ability to cope with external changes.

(Relan’o, 2019) to demonstrate that a bank has alternative options than simply following the dominant logic of increasing financial profits. Social banks have demonstrated in their everyday operations that a bank can still be a competitive institution while fully embracing the concept of sustainable development.

There have been numerous previous studies in which researchers examined the financial performance of commercial banks using various financial ratios such as (ROA), (ROE), and other operational and efficiency measures, but (Abbas, 2012) use another one for measurement of financial performance which is (ROA).
The analyst or investor may wish to dig further into the financial records in order to find any lowering debt or margin growth rates. Good financial performance will offer resources to support corporate operations like research & development and production. Poor financial performance, on the other hand, will prevent corporate expansion.

Financial performance can be interpreted in a variety of ways depending on the viewpoint of the user. Managers, for example, are concerned with employee well-being and earnings so that their efforts are recognized, but owners aim to maximize their assets by growing the company's market value. Additionally, Investors are frequently interested in after-tax earnings and capital growth.

The study explained financial performance by two dimensions: profitability and growth, in order to address the interests of important stakeholders. While profitability refers to a company's ability to generate profits, growth refers to its ability to increase in size.

2.4 Sustainability and financial performance

Value creation and value destruction are two opposing hypotheses that attempt to explain the influence of sustainability on business financial performance. According to the value-creation method, adopting environmental and social responsibility reduces corporate risk. The value-destruction theory, on the other hand, predicts that corporations that prioritize environmental and social responsibility lose sight of profits and instead focus on pleasing stakeholders at the expense of shareholders.

According to (Thi Thu Hien Phan 1, 2020), the majority of previous studies have shown a positive association between SDPs and corporate financial performance. Different dimensions of SDPs affecting financial performance positively. Environmental activities, such as using technologies and processes, which are environmentally friendly in business practices (e.g., new product development and supply chain management), can create unique value for products and services that leads to sales growth. Furthermore, green activities help firms to reduce operational costs by saving energy and other resources, product-return costs, and liability fees, which, altogether, improve the firms' financial performance. Social activities in the company's workplaces environment, which concentrate on supporting and promoting staff long-term commitment to the employees, decreasing costs linked with employee recruitment and training, which leads to better financial performance.

To assess Garanti Bank's corporate sustainability performance in conjunction with key economic, social, and environmental metrics, as well as governance indicators. The findings show that Garanti Bank's sustainability performance has been improving over time. The economic dimension, which has the biggest weight in entropy, has the most impact on overall sustainability performance of all the components. The governance factor, on the other hand, has the smallest impact on overall success.

Social activities in the society, such as financial or labor contribution to local community projects and development of partnerships, will reduce the firm's risks, create financial value and enhance financial performance. (Zvedov, 2012) Drew a link between performance and sustainability. The study targeted to provide an overall basis for decision-making and monitoring the performance in view of opportunities for corporate sustainability, the threats they face, and methods of dealing with an accounting of sustainability. The sample of the study consisted of more than 12 companies operating in the UK and Germany.

Information was gathered through personal meetings with more than 40 directors of these organizations, who represent the providers and users of sustainability data.

The Extracted data was analyzed and tested on the standards of

a. If the issue received recognition,
b. was recognized and not addressed,
c. was recognized and addressed,
d. Solutions are developed and successfully applied.
The study figured out that the accounting of sustainability is crucial in addressing major issues the companies confront. The study specified upcoming challenges for late adopters and laid the base and groundwork for the managers to consider the adoption of well accounting activities in sustainability.

(Weber, 2019) By analysing the connection between Chinese banks' sustainability performance and their financial metrics to work out if sustainability requirements are implemented without harming the banking sector's financial performance. Between 2009 and 2013, Chinese banks' environmental and social performance improved dramatically. Furthermore, a bi-directional causation between financial performance and Chinese bank sustainability has been discovered. Consistent with institutional theory, the Chinese Green Credit Policy may have a bearing on this interaction.

According to (Hessels, 2011) Whether or not sustainability is an issue that humanity should be wary of and what the exact consequences of not being sustainable are, is to some extent an irrelevant factor in the decision-making process of individual firms to undertake particular strategic actions. The fact of the matter is that sustainability is valued by society, which gives rise to a situation in which being more sustainable can, under certain conditions, actually become a preferred strategic action for firms (irrespective of what the actual consequences are in terms of sustaining the resources on the planet).

Society is increasingly willing to pay a premium for more sustainable products, hence creating business opportunities.

(Buallay, Fadel, Alajmi, & Saudagaran, 2020) Examined the relationship between sustainability reporting and bank performance after the financial crisis in developed and developing countries. They found that ESG improves banks’ accounting and market-based performance in developed countries, supporting value creation theory. Applying pooling regression and instrumental variable – The generic method of moments, this study resulted that ESG weakens banks’ performance in developed and developing countries. Sustainability reporting has been exceedingly adopted by organizations and companies globally given stakeholders’ need for more translucent on environmental, social, and governance (ESG) issues.

(Simon Pervan, 2020) A Company with a respectable reputation is likely to enjoy direct cash advantages and benefits, high sales growth, and raised Return on assets. In addition, Employees are satisfied as a result of (the gratification or pleasurable emotional state resulting from the valuation of their jobs.

(Thi Thu Hien Phan, 2020) Banks are gaining improved brand value because of their participation in sustainable banking efforts. Likely, decrease costs are a mutual improvement from sustainability; this is majorly in line with the banks’ initiatives in energy, climate change, and green facilities. Growth in new products/services, and to a lesser range, acquisition of new customer segments, are as well key business areas where growth was attributed to sustainable banking efforts.

(Kohers, 2002) The goal of this study was to look into the relationship between corporate social responsibility and financial performance. As a result, the study's main purpose is to improve on prior research into the link between corporate social responsibility and financial performance. The empirical investigation of a sample of banking organizations and the application of Community Reinvestment Act ratings as a social performance indicator are the study's unique contributions. This study's findings are significant because they confirm a strong positive relationship between corporate social performance and financial performance in a different operating situation than previously explored. These findings from the banking industry add to the expanding body of evidence gathered by major S&P 500 and Fortune 500 corporations.

Regarding the banking Corporate social responsibility, (Wu & Shen, 2013) investigated the association between corporate social responsibility (CSR) and financial performance (FP), as well as the motivations for banks to participate in CSR. Strategic choices, altruism, and green washing are the three motives. In terms of return on assets, return on equity, net interest income, and non-interest income, the findings suggest that CSR has a positive relationship with FP. CSR, on the other hand, has a negative correlation with non-performing loans. As a result, the fundamental motivation for banks to engage in CSR is strategic decision.
The most important tool for conveying sustainability performance and implications is sustainability reporting. In its most basic form, a sustainability report is a report on an organization's environmental and social performance. Organizations can use sustainability reporting to think about their influence on a variety of topics. This enables them to be more open regarding the risks and opportunities they face.

(Buallay, Fadel, Alajmi, & Saudagaran, 2019) set out to research the relationship between ESG and bank operational (return on assets [ROA]), financial (return on equity [ROE]), and market performance (Tobin's Q) in a collection of growing Middle Eastern and North African (MENA) countries. The findings show that environmental, social, and governance (ESG) factors have a strong positive impact on performance and financial benefits to shareholders. However, the relationship between ESG disclosures differs by company; unlike the majority of published studies, the authors discovered that social performance had a negative impact on the profitability and value of a bank. Given the need for more transparency on environmental, social, and governance (ESG) issues, sustainability reporting has been widely adopted by businesses around the world.

The goal of the article of (Buallay, 2018) is to look into the relationship between ESG and the European banking sector's operational (Return on Assets), financial (Return on Equity), and market performance (Tobin’s Q). Furthermore, the findings show that ESG has a considerable positive impact on performance. However, when ESG disclosures are examined individually, the link between them varies; the environmental disclosures found positive impact on ROA and TQ. The corporate social responsibility disclosure, on the other hand, has a negative impact on the three models. However, the corporate governance disclosure found negative effect on ROA and ROE while having a positive effect on Tobin's Q.

Summary of literature review

After reviewing 60 research, we found that 48 research are more related to our topic. And the majority of the previous studies have shown that the adoption of sustainable practices which mean taking social, environmental, and economical aspects into consideration, can have significant effects on bank's financial performance and banks can gain a competitive advantage by developing sustainable business model. Many financial institutions are trying to make commitments to sustainability through initiatives such as waste reduction and provide support to organizations looking forward to a more sustainable future. According to Canadian Bankers association, banks are developing new products and services to meet consumer demand for environmentally friendly options. Also, it is found that some bankers perceive CSR as a moral obligation beyond regular banking operations for the benefit of society. Some studies found that bank's CSR has a positive impact on citizenship performance which reflects a positive indicator of a bank's financial performance. While studying sustainable banking, the authors take in their consideration the "Islamic banking" as it was found that some studies discovered that the dimensions of Green Banking align with Islamic principles, which make it easier to embrace and promote to Muslim customers.

Research Gap

Most of previous researches were concentrating on level of sustainability of banks or creating sustainable index by utilizing either content analysis or questionnaire in different countries, but as best as we know we are the first in applying such method (content analysis) on Egyptian banking sector for a period of time from 2012 to 2019 and measuring its effect on banks financial performance.

3. Research Methodology

3.1 Research questions

1) Which listed Egyptian bank is adopted to sustainability and its rank among the others?
2) To what extent Egyptian bank's sustainable practices affect its financial performance?
   2.1 To what extent the bank sustainability level affect ROA?
   2.2 To what extent the bank sustainability level affect ROE?
   2.3 To what extent the bank sustainability level affect CFP indicator 1?
   2.4 To what extent the bank sustainability level affect CFP indicator 2?
   2.5 To what extent the bank sustainability level affect SFP indicator 3?
   2.6 To what extent the bank sustainability level affect Capacity ratio?
3.2 Hypothesis

It is hard to determine the effect of using the sustainability in Egypt, it may have a positive or a negative effect. The positive impact of using them is saving the environmental resources of the country and to prepare the Egyptian society to grow healthier and sustainably; or have negative affect through taking too much time until the results would appear.

H1: There are some listed Egyptian banks are adopting to sustainability.

H2: There is a significant impact of listed banks' level of sustainability on their financial performance.

- H2.1: There is a significant impact of listed banks' level of sustainability on ROA
- H2.2: There is a significant impact of listed banks' level of sustainability on ROE
- H2.3: There is a significant impact of listed banks' level of sustainability on CFP indicator 1
- H2.4: There is a significant impact of listed banks' level of sustainability on CFP indicator 2
- H2.5: There is a significant impact of listed banks' level of sustainability on CFP indicator 3
- H2.6: There is a significant impact of listed banks' level of sustainability on Capacity ratio

3.3 Research Objectives

1. Ranking listed bank sustainability in Egypt.
2. Determine which Egyptian bank is adopted towards sustainability and its ranks.

3.4 Research approach

We used the explanatory research to investigate in a timely manner a phenomenon that has not been studied before in depth and to provide insights which allows the researcher to have a broad understanding of the topic and can refine subsequent research questions to augment the conclusions of the study. The method used for explanatory research may be secondary data, expert surveys, case studies, and content analysis as in this research.

3.5 Data collection

The study consists of (10) banks which were available in the form of annual reports in English to the researchers in Egypt and excluding the other three banks due to the lack of some financial figures. The annual reports and sustainable development reports if available on bank’s website for the period of from 2012 to 2019 were surveyed using the content analysis technique. The data were gathered from the bank’s financial statements, specifically, income statement and balance sheet. This analysis was conducted to assess the sustainable banking index and measure its impact on bank’s financial performance.

To assess bank’s financial performance, we used six indicators presented in the form of ratio analysis, the following table summarizes these indicators and the sources of data.

<table>
<thead>
<tr>
<th>Financial performance</th>
<th>Indicators</th>
<th>Measurements</th>
<th>Reference</th>
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<tbody>
<tr>
<td>Y₁</td>
<td>ROA</td>
<td>Net income divided by total assets.</td>
<td>(Buallay, Fadel, &amp; Saudagaran, 2020)</td>
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<tr>
<td>Y₂</td>
<td>ROE</td>
<td>Net income divided by shareholder’s equity.</td>
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</tbody>
</table>
On the other hand, in order to evaluate the sustainable banking performance of the bank to create banking sustainability index and determines its scores, we followed (Kumar and Prakash, 2018) 40 indicators which were categorized into five broad groups with specific indicators representing specific adoption tools in conjunction with the broad outlines of the groups:

- **Group 1 Sustainable products and services**: represents the financing and lending activities of banks incorporating social and environmental concerns and its weight is 40%.
- **Group 2 Environment management dimension indicators**: reflects the commitment of banks towards environmentally responsible behavior through the initiatives taken by the banks to adopt environmental management system and its weight is 20%.
- **Group 3 Social development dimension indicators**: reflects the socially responsible behavior of banks and how banks’ actually creating a social development in the society and its weight is 20%.
- **Group 4 Internal socio-ethical conducts**: reflects banks commitment towards maintaining high socio-ethical standards in the banks through policies towards anti-corruption, human rights and business ethics, etc. and its weight is 10%.
- **Group 5 sustainability code of conduct, reporting, ESG indexing**: reflects the bank to what extent the bank is committed to global sustainability code of conduct and engaging with all its stakeholders in disclosing the non-financial performance of the bank and its weight is 10%.

<table>
<thead>
<tr>
<th></th>
<th>CFP Indicator</th>
<th>Description</th>
<th>Source</th>
</tr>
</thead>
<tbody>
<tr>
<td>$Y_3$</td>
<td>CFP Indicator 1</td>
<td>Net Interest Income divided by Total Assets.</td>
<td>(Gangi, Mustilli, &amp; Varrone, 2018)</td>
</tr>
<tr>
<td>$Y_4$</td>
<td>CFP Indicator 2</td>
<td>Intermediation Margin (Net Interest Income + Non-Interest Income) divided by Total Assets.</td>
<td>(Gangi, Mustilli, &amp; Varrone, 2018)</td>
</tr>
<tr>
<td>$Y_5$</td>
<td>CFP Indicator 3</td>
<td>Non-performing Loans divided by the Total Loans.</td>
<td>(Gangi, Mustilli, &amp; Varrone, 2018)</td>
</tr>
<tr>
<td>$Y_6$</td>
<td>Capital ratio</td>
<td>Equity capital/Average total assets.</td>
<td>(Simpson &amp; Kohers, 2002)</td>
</tr>
</tbody>
</table>

Source: Researchers
<table>
<thead>
<tr>
<th>Group 1: Sustainable Products and Services</th>
<th>Group 2: Environmental Management Dimenion Indicators</th>
<th>Group 3: Social Development Dimension Indicators</th>
<th>Group 4: Internal Socio-Ethical Conduct</th>
<th>Group 5: Sustainability Code of Conduct, Reporting, &amp; ESG Indexing</th>
</tr>
</thead>
<tbody>
<tr>
<td>Sustainable financing</td>
<td>Certified environmental management system (ISO 14001)</td>
<td>Community involvement program</td>
<td>Policy and procedure concerning anti-corruption</td>
<td>Business responsibility report disclosure</td>
</tr>
<tr>
<td>Climate fund</td>
<td>Sector specific exclusion Environmental risk management in lending policy</td>
<td>Charity and sponsoring Financial literacy and financial counseling</td>
<td>Policy on business ethics/values</td>
<td>Environment policy</td>
</tr>
<tr>
<td>Environmental loan</td>
<td>Quantitative target about environment care initiatives</td>
<td>Training and skills development</td>
<td>Policy on labor practices</td>
<td>GRI membership</td>
</tr>
<tr>
<td>Micro-finance Sustainable advocacy</td>
<td>Adoption of environmentally friendly technologies</td>
<td>Community consultations</td>
<td>Gender equity and diversity</td>
<td>Signatory to Equator Principles</td>
</tr>
<tr>
<td>Services</td>
<td></td>
<td>Targets for community investment</td>
<td></td>
<td>Adherence to UN Global Compact principles</td>
</tr>
<tr>
<td></td>
<td></td>
<td>ISO26000 certification</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Healthcare and sanitation program</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Access points for financial services in low populated or remote areas</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>GRI membership</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>Signatory to UNEP FI Adherence to NVGs disclosure (country specific guidelines)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td>BSE GREENEX Indexing</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Table 2 GROUPS OF SUSTAINABLE ADOPTIONS</th>
</tr>
</thead>
</table>

<table>
<thead>
<tr>
<th>First Stage</th>
<th>Second Stage</th>
<th>Third Stage</th>
<th>Fourth Stage</th>
</tr>
</thead>
<tbody>
<tr>
<td>0-5</td>
<td>6-10</td>
<td>11-15</td>
<td>16-20</td>
</tr>
<tr>
<td>Insignificant adoption</td>
<td>Begin to adopt</td>
<td>Satisfactory adoption</td>
<td>Substantial adoption</td>
</tr>
</tbody>
</table>

In order to measure the impact of sustainability practice of banks on its financial performance, a mixed-research method was applied. This mixed research method first used quantitative data from the bank’s financial statements within 8 years in order to assess bank’s financial performance through those 6 different indicators demonstrated above. Second, used qualitative data from the annual reports and sustainability reports (if available) from all of the sampled banks. These reports were then analyzed, and the content was quantified into numerical scores based on their relationship to sustainable development and the various pillars of sustainability. Extracting key phrases in the text and based on the number of times these phrases were mention in the annual or sustainability reports, the banks received a score measuring their overall sustainability adoption. Then based on the results of the study, tests
of correlation and comparisons of means were conducted in order to determine the significance of the sustainability adoption among the various banks.

3.6 Statistical methods

The level of sustainability score has been measured by utilizing content analysis tool (Voyant) Also, descriptive statistics utilized to measure the normality of dependent variables which is the financial performance indicator. Finally, applying multivariate regression to measure the effect of sustainability scores on financial performance indicators. According to the analyses used, the research come up with the following model:

\[ Y_1 + Y_2 + Y_3 + Y_4 + Y_5 + Y_6 = \beta_0 + \beta_1 x_1 + \xi \]

4. Results and Discussion

4.1 Descriptive statistics

Table 4 DESCRIPTIVE STATISTICS

<table>
<thead>
<tr>
<th></th>
<th>N</th>
<th>Minimum</th>
<th>Maximum</th>
<th>Mean</th>
<th>Std. Deviation</th>
</tr>
</thead>
<tbody>
<tr>
<td>DV1</td>
<td>32</td>
<td>.00</td>
<td>.04</td>
<td>.0154</td>
<td>.00879</td>
</tr>
<tr>
<td>DV2</td>
<td>32</td>
<td>.02</td>
<td>.40</td>
<td>.2243</td>
<td>.10242</td>
</tr>
<tr>
<td>DV3</td>
<td>32</td>
<td>.02</td>
<td>.06</td>
<td>.0327</td>
<td>.00927</td>
</tr>
<tr>
<td>DV4</td>
<td>32</td>
<td>.03</td>
<td>6.38</td>
<td>.5406</td>
<td>1.61147</td>
</tr>
<tr>
<td>DV5</td>
<td>32</td>
<td>.01</td>
<td>4.00</td>
<td>.2225</td>
<td>.69943</td>
</tr>
<tr>
<td>DV6</td>
<td>32</td>
<td>.00</td>
<td>.14</td>
<td>.0717</td>
<td>.02792</td>
</tr>
<tr>
<td>IV1</td>
<td>32</td>
<td>51.50</td>
<td>17.8125</td>
<td>13.18097</td>
<td></td>
</tr>
</tbody>
</table>

Source: SPSS ver. 21

Normal if Std. Deviation < 1, which indicates the validity of the model.

- ROA variable indicates normal distribution.
- ROE variable indicates normal distribution.
- CFP 1 effect on the ratio of (Net Interest Income divided by Total Assets) which indicates normal distribution.
- CFP 2 effect on the ratio of [(Net Interest Income + Non-Interest Income) divided by Total Assets] which indicates non-normal distribution.
- CFP 3 effect on the ratio of (Non-performing Loans divided by the Total Loans) which indicates normal distribution.
- Capacity ratio effect on the ratio of (Equity capital divided by Average total assets) which indicates normal distribution.

4.2 Multivariate regression

Table 5 MULTIVARIATE REGRESSION

<table>
<thead>
<tr>
<th>Source</th>
<th>Dependent Variable</th>
<th>Type III Sum of Squares</th>
<th>df</th>
<th>Mean Square</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corrected Model</td>
<td>dimension1</td>
<td>.002(^a)</td>
<td>28</td>
<td>7.102E-5</td>
</tr>
<tr>
<td>DV1</td>
<td></td>
<td>.304(^b)</td>
<td>28</td>
<td>.01</td>
</tr>
<tr>
<td>DV2</td>
<td></td>
<td>.003(^c)</td>
<td>28</td>
<td>9.424E-5</td>
</tr>
<tr>
<td>DV3</td>
<td></td>
<td>80.501(^d)</td>
<td>28</td>
<td>.539</td>
</tr>
<tr>
<td>DV5</td>
<td>15.099(^e)</td>
<td></td>
<td>28</td>
<td>.001</td>
</tr>
<tr>
<td>DV6</td>
<td></td>
<td>.022(^f)</td>
<td>28</td>
<td></td>
</tr>
</tbody>
</table>

Copyright © 2021 IJMSSSR All rights reserved
| Intercept | dimension1 | DV1 | .007 | 1 | .007 |
| DV2 | 1.454 | 1 | 1.454 |
| DV3 | .033 | 1 | .033 |
| DV4 | 10.591 | 1 | 10.591 |
| DV5 | 1.520 | 1 | 1.520 |
| DV6 | .154 | 1 | .154 |
| IV1 | dimension1 | DV1 | .002 | 28 | 7.102E-5 |
| DV2 | .304 | 28 | .011 |
| DV3 | .003 | 28 | 9.424E-5 |
| DV4 | 80.501 | 28 | 2.875 |
| DV5 | 15.099 | 28 | .539 |
| DV6 | .022 | 28 | .001 |
| Error | dimension1 | DV1 | .000 | 3 | .000 |
| DV2 | .021 | 3 | .007 |
| DV3 | 2.692E-5 | 3 | 8.972E-6 |
| DV4 | .000 | 3 | .000 |
| DV5 | .066 | 3 | .022 |
| DV6 | .002 | 3 | .001 |
| Total | dimension1 | DV1 | .010 | 32 | |
| DV2 | 1.935 | 32 | |
| DV3 | .037 | 32 | |
| DV4 | 89.853 | 32 | |
| DV5 | 16.750 | 32 | |
| DV6 | .189 | 32 | |
| Corrected Total | dimension1 | DV1 | .002 | 31 | |
| DV2 | .325 | 31 | |
| DV3 | .003 | 31 | |
| DV4 | 80.502 | 31 | |
| DV5 | 15.165 | 31 | |
| DV6 | .024 | 31 | |

a. R Squared = .830 (Adjusted R Squared = -.754)
b. R Squared = .936 (Adjusted R Squared = .337)
c. R Squared = .990 (Adjusted R Squared = .896)
d. R Squared = 1.000 (Adjusted R Squared = 1.000)
e. R Squared = .996 (Adjusted R Squared = .955)
f. R Squared = .925 (Adjusted R Squared = .221)

Source: SPSS ver. 21

By using SPSS on 10 the Egyptian banks, the following results showed that:
- Sustainable banking performance score has a significant effect on ROA of banks.
- Sustainable banking performance score has a significant effect on ROE of banks.
- Sustainable banking performance score has a significant effect on CFP 1 which effect on the ratio of (Net interest income divided total assets) of banks.
- Sustainable banking performance score has insignificant effect on CFP 2 which effect on the ratio of [(Net Interest Income + Non-Interest Income) divided by Total Assets] of banks.
- Sustainable banking performance score has insignificant effect on CFP 3 effect on the ratio of (Non-performing Loans divided by the Total Loans) of banks.
- Sustainable banking performance score has a significant effect on Capacity ratio which equals to (Equity capital divided by Average total assets) of banks.

R square represents the “Goodness-of-Fit “which means how well independent variable explain the dependent variable. So, based on the results on table 6 the following bullet explains $R^2$ of the model in which:

- The regression explains only 83% of the total variation in ROA.
- The regression explains only 93.6% of the total variation in ROE.
- The regression explains only 99% of the total variation in CFP 1 which is the ratio of (Net interest income divided total asset).
- The regression explains only 92.5% of the total variation in the capacity ratio of banks.

The results of the application of SPSS on 10 Egyptian banks in figure 1 and Table 6 showed sustainable banking performance score, where sustainability performance in El Baraka Bank Egypt (SAUD) is volatile. But in the latest period, the results revealed that sustainability performance significantly increased in El Baraka Bank Egypt.

![Figure 1 Sustainable Banking Performance Score in Egypt SAUD bank](image)

Figure 1 Sustainable Banking Performance Score in Egypt SAUD bank

Figure 2 and table 6 also showed that sustainability performance in SocieteArabeInternaitonale de Banque (SAIB) is more volatile as it began in a low level then started to increase gradually from the period of 2012 till 2015 then decreased dramatically till 2018, and after that at year 2019 started to increase again.

![Figure 2 Sustainable Banking Performance Score in Egypt SAIB bank](image)

Figure 2 Sustainable Banking Performance Score in Egypt SAIB bank
Figure 3 and table 6 showed that sustainability performance in Faisal Islamic Bank of Egypt (FAITA) is completely unstable as it was in a reasonable level in the two years of 2012 and 2013, then decreased dramatically to reach the zero level which is not sustainable anymore in the period of 2014 till 2016. Thereafter from 2017 till 2019, the levels of sustainability performance start to increase significantly to be somehow steady in the last two years.

![FAITA Sustainable Banking Performance Score](image)

**Figure 3 Sustainable Banking Performance Score in Egypt FAITA bank**

Finally, Figure 4 and Table 6 shows that sustainability performance in Commercial International Bank (CIB) is the most-steady bank as it is in a continually increase over the whole period.

![CIB Sustainable Banking Performance Score](image)

**Figure 4 Sustainable Banking Performance Score in Egypt CIB bank**
Table 6 BANKS LEVEL OF ADOPTION

<table>
<thead>
<tr>
<th>Bank Name</th>
<th>Score</th>
<th>Rank</th>
<th>Level of adoption</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial International Bank (CIB)</td>
<td>28</td>
<td>1</td>
<td>Substantial adoption</td>
</tr>
<tr>
<td>El Baraka Bank Egypt (SAUD)</td>
<td>17.6625</td>
<td>2</td>
<td>Substantial adoption</td>
</tr>
<tr>
<td>Societe Arabe Internatonale de Banque (SAIB)</td>
<td>14.6125</td>
<td>3</td>
<td>Satisfactory adoption</td>
</tr>
<tr>
<td>Faisal Islamic Bank of Egypt (FAITA)</td>
<td>10.975</td>
<td>4</td>
<td>Satisfactory adoption</td>
</tr>
<tr>
<td>Canal El-Suez Bank (CANA)</td>
<td>0</td>
<td>5</td>
<td>Insignificant adoption</td>
</tr>
<tr>
<td>Export Development Bank of Egypt (EXPA)</td>
<td>0</td>
<td>6</td>
<td>Insignificant adoption</td>
</tr>
<tr>
<td>Qatar National Bank (QNB)</td>
<td>0</td>
<td>7</td>
<td>Insignificant adoption</td>
</tr>
<tr>
<td>Egyptian Gulf Bank (EGBE)</td>
<td>0</td>
<td>8</td>
<td>Insignificant adoption</td>
</tr>
<tr>
<td>Union National Bank Egypt (UNBE)</td>
<td>0</td>
<td>9</td>
<td>Insignificant adoption</td>
</tr>
<tr>
<td>Credit Agricole - Egypt</td>
<td>0</td>
<td>10</td>
<td>Insignificant adoption</td>
</tr>
</tbody>
</table>

5. Implication and Research limitation

5.1 Implications

The study practically provides insights to banking sector to formulate their strategies and the process of aligning sustainability with banks’ financial performance will provide a roadmap in order to achieve higher competitive advantage and better performance. As R square is high, there must be a focus on sustainability as this explain that sustainability has a significant impact on banks' financial performance which increases its importance to different corporations.

5.2 Research Limitation

Content analysis as a tool still not accurate and the quantitative analysis or questionnaires must be replaced instead of the content analysis in order to measure the level of sustainability.

6. Conclusion

In this paper we tried to measure bank sustainability performance in Egypt and to rank them according to the assessing framework criteria and then measuring its impact on banks' financial performance. The researchers depended on the annual reports of 10 Egyptian banks and sustainability reports (if available) for the period of 2012 till 2019, and by applying SPSS on the10 Egyptian banks, the results showed that sustainability performance in El Baraka Bank Egypt (SAUD) is volatile, but in the latest period, the sustainability performance has significantly increased in El Baraka Bank Egypt. Also, for the Societe ArabeInternatonale de Banque (SAIB), sustainability performance is more volatile as it began in a low level then started to increase gradually from the period of 2012 till 2015 then decreased dramatically till 2018, and after that at year 2019 started to increase again. As for Faisal Islamic Bank of Egypt (FAITA), sustainability performance is completely unstable as it was in a reasonable level in the two years of 2012 and 2013, and then decreased dramatically to reach the zero level which is not sustainable anymore in the period of 2014 till 2016. Thereafter from 2017 till 2019, the level of sustainability performance starts to increase significantly to be somehow steady in the last two years. While the Commercial International Bank (CIB), the sustainability performance is the more-steady as it is in a continually increase over the whole period. By using the content analysis tool, the results showed that there are only two banks have substantial adaption to sustainable development and other two banks have satisfactory adaption to sustainable development. And regarding to the financial performance, there are only four indicators of the bank’s financial performance have been significantly affected by the sustainable development.
7. Recommendation

The research study offers the following recommendations according to the research and on how sustainability could be managed to ensure better banking performance:

- Another technique rather than content analysis must be developed in order to measure level of sustainability.
- Accounting standards for disclosure have to set up standard format in figures to represent sustainability practices.
- Taking sustainable banking principles into consideration and incorporate it into bank’s strategic vision in order to develop services that will serve the economy, social, environmental needs.
- Increase awareness for employees to be flexible and ready for the upcoming changes and modification of the sustainable development.

Action plan

Table 7 ACTION PLAN

<table>
<thead>
<tr>
<th>Recommendations</th>
<th>Responsible for the application</th>
<th>Period to apply</th>
</tr>
</thead>
<tbody>
<tr>
<td>To come up with quantitative indicators to measure the level of sustainability.</td>
<td>Researchers (we recommend that Heliopolis University as a lead of sustainable to development to plan and initiate in such researches)</td>
<td>Within two years to publish a research in order to be applied by banks before 2030.</td>
</tr>
<tr>
<td>Accounting standards and disclosures have to set up standard format in figures to present sustainability practices.</td>
<td>Egyptian Society of Accountants &amp; Auditors(we recommend them to start to discuss the effect of sustainability on the institutions’ financial performance and support such researches)</td>
<td>Preferred to be within two years.</td>
</tr>
<tr>
<td>Taking sustainable banking principles into consideration and incorporate it into bank’s strategic vision in order to develop services that will serve the economy, social, environmental needs.</td>
<td>Central Bank of Egypt</td>
<td>2021-2030</td>
</tr>
<tr>
<td>Increase awareness for employees to be flexible and ready for the upcoming changes and modification of the sustainable development.</td>
<td>Board of Directors of each bank</td>
<td>2021-2026</td>
</tr>
</tbody>
</table>

8. Reference


34. https://www.twi-global.com/technical-knowledge/faqs/faq-what-is-sustainability