Exploring the Landscape of Sustainable Banking in Sub-Saharan Africa – Practices, Drivers and Outcomes

by

Adwoa Boatemaa Appiah

A thesis

presented to the University of Waterloo

in fulfillment of the

thesis requirement for the degree of

Doctor of Philosophy

in

Sustainability Management

Waterloo, Ontario, Canada, 2025

© Adwoa Boatemaa Appiah 2025

Examining Committee Membership

The following served on the Examining Committee for this thesis. The decision of the Examining Committee is by majority vote.

External Examiner:	**Dr. Daina Mazutis**
	Associate Professor
	Telfer School of Management
	University of Ottawa
Supervisor:	**Dr. Michael Wood**
	Associate Professor
	School of Environment, Enterprise and Development
	University of Waterloo
Co-Supervisor:	**Dr. Marie-Claire Cordonier Segger**
	Adjunct Professor
	School of Environment, Enterprise and Development
	University of Waterloo
	Professor,
	Lucy Cavendish College
	University of Cambridge
Internal/External Member:	**Dr. Adam Vitalis**
	Associate Professor
	School of Accounting and Finance
	University of Waterloo

Internal Member:	**Dr. Amr ElAlfy**
	Assistant Professor
	School of Environment, Enterprise and Development
	University of Waterloo
Other Member:	**Dr. Olaf Weber**
	Adjunct Professor
	School of Environment, Enterprise and Development
	University of Waterloo
	Professor, CIBC Chair in Sustainable Finance
	Schulich School of Business
	York University

Author's Declaration

This thesis consists of material all of which I authored or co-authored: see Statement of Contributions included in the thesis. This is a true copy of the thesis, including any required final revisions, as accepted by my examiners.

I understand that my thesis may be made electronically available to the public.

Statement of Contributions

I, Adwoa Appiah, am the sole author of Chapter 1 and Chapter 5 of this dissertation, which were not written for publication. Chapters 2-4 are based on academic research and manuscripts co-authored with other scholars and contributors. The assessment of sustainable banking performance and its impact on financial performance, which forms the basis of Chapter 2, was co-authored with Olaf Weber, Amr ElAlfy, and Adam Vitalis, and I served as the lead author of this manuscript. Chapter 3 was co-authored with Olaf Weber and Michael Wood, and I served as the lead author for this manuscript. Chapter 4 was co-authored with Marie-Claire Cordonier Segger, Amr ElAlfy, Michael Wood and Olaf Weber, and I was the lead author. Two manuscripts have already been published, while the third one is currently under the second round of "revise and resubmit". The chapters in this thesis represent the final versions of the manuscripts that were submitted to the journals at the time of examination.

Bibliographic citations for the manuscripts and the co-authored chapters are as follows:

Chapter 2: An assessment of sustainable banking performance in Sub-Saharan Africa- Does doing good and doing well go hand in hand?

Appiah, A., Weber, O., ElAlfy, A., & Vitalis, A. (2025): An assessment of sustainable banking performance in Sub-Saharan Africa- Does doing good and doing well go hand in hand? *Corporate Social Responsibility and Environmental Management*, 32(5), 6283–6300. https://doi.org/10.1002/csr.70038

Chapter 3: What drives sustainable banking performance in selected Sub-Saharan African Countries? - Does institutional isomorphism matter?

Appiah, A., Weber, O., & Wood, M. (Revise and Resubmit 2). What drives sustainable banking performance in selected Sub-Saharan African Countries? - Does institutional isomorphism matter? *Business Strategy and the Environment*

Chapter 4: Corporate Involvement in the Sustainable Development Goals: The Case of Banks in Sub-Saharan Africa

Appiah, A., Cordonier Segger, M.C., ElAlfy, A., Wood, M., &Weber, O. (2025). Corporate Involvement in the Sustainable Development Goals: The Case of Banks in Sub-Saharan Africa. *Sustainable Development.* Early view. https://doi.org/10.1002/sd.70385

Abstract

The role of the banking sector in advancing sustainable development worldwide cannot be overstated. Despite growing academic interest, the banking sector's perspective in Sub-Saharan Africa (SSA) remains underexplored, even though it plays a key role in the region's economy and finance.

This dissertation addresses this gap by exploring the sustainable banking landscape, evaluating practices, drivers, and banks' involvement with the Sustainable Development Goals (SDGs), using a manuscript-based format comprising three studies presented as Papers 1, 2, and 3. Collectively, these papers provide a deeper understanding of the integration of sustainability within the banking sector in SSA.

Paper 1 employed a 44-indicator sustainable banking framework to assess the level of sustainable banking performance and its association with financial performance using a sample of ninety-nine (99) banks across six countries and was grounded in good management theory. Paper 2 extended the investigation by adopting a quasi-experimental design using country-level institutional environments as proxies to examine their relationship with sustainable banking performance across a sample of seventy-four (74) banks in six (6) countries underpinned by institutional theory. Paper 3 is anchored in legitimacy and corporate sustainability theories and applies a mixed-methods approach to examine the extent of SDG involvement by banks across sixty-one (61) banks in six (6) countries, providing a more comprehensive perspective on the motivations and challenges in aligning with a global sustainability agenda.

Findings from Paper 1 indicate that most banks are in the initial and growth stages of integrating sustainability. The positive relationship between sustainability and financial performance underscores sustainable banking as a value creation strategy that should be encouraged. Paper 2

demonstrated that coercive, normative, and mimetic pressures are significantly and positively associated with sustainable banking performance, with coercive pressure from central bank regulations showing the strongest association. The findings from Paper 3 reveal low depth of SDG involvement but relatively higher breadth of engagement among banks that prioritize SDGs, aligning with their core business (13,8,5) and societal needs (3 and 4).

This dissertation contributes to the application of good management, institutional legitimacy, and corporate sustainability theories in the sustainable banking literature, offers new insights into sustainable banking in a developing-economy context, and provides practical and policy recommendations to realize the full potential of the banking sector as a sustainability actor in the region.

Acknowledgements

First and foremost, I want to thank my Heavenly Abba Father for His grace, strength, provision, and wisdom, which have sustained me throughout this journey. Pursuing a PhD has long been a dream, and it is only through His guidance and unfailing love that I have been able to reach this significant milestone. Indeed, without Him, I can do nothing; with Him, I can do all things, and I did complete my doctoral studies.

Secondly, I would like to express my deepest gratitude to my loving and supportive husband, Stanley Appiah. From the moment I shared my surprising and audacious decision to resign from work and pursue this dream, you believed in me without hesitation. Thank you for joining me on this life-changing adventure to a new country, for being a constant sounding board for my research ideas, for reading through every draft, and for cheering me on in every pursuit along the way. Most importantly, thank you for covering this journey in prayer and for walking with me, hand in hand, every step of the way.

To my loving parents, Evans and Eileen Darko-Mensah, thank you for being the best parents in my entire world. Thank you, Daddy, for the many times I would set up Zoom calls with you at odd hours in Ghana to brainstorm my ideas with you, drawing on your professional expertise and age-old wisdom, and for having you read through every draft simultaneously as Stanley. Thank you, Mummy, for celebrating every milestone on this journey with me and for always praying with and for me. To my siblings, Kwasi, Kwaku, Abigail and Kwame, thank you all for cheering me on and being so proud of your younger and older sister for embarking on this challenging yet fulfilling academic journey. Thank you to the rest of my family, especially my in-laws, Mercy Asiedu and Mavis Asare, for consistently checking in and offering timely words of encouragement.

I am also grateful to my entire doctoral committee for the collective and individual ways that they have shaped my life throughout this doctoral journey. To Prof. Marie-Claire Cordonier Segger, thank you for saying “yes” to me five years ago when I emailed you about my PhD aspirations, a pivotal moment that set this entire journey in motion. I truly appreciate your constant guidance and support throughout my doctoral studies, the international platforms you provided that enabled me to share my research ideas from the very early stages, and the opportunities you created where my unique voice could be heard and valued. Above all, thank you for being an example of what it means to be a brilliant female academic and professional who leads with empathy and purpose. You are an inspiring role model, not only as a scholar, but as a supportive wife and an intentional mother to your sons.

To Prof. Michael Wood, thank you for stepping in as my supervisor at a critical juncture in my doctoral journey and for the continued support, advice and guidance as I navigated various phases of the PhD program.

To Prof. Olaf Weber: thank you for granting me access, for your genuine interest in my research, and for your unwavering support as a subject-matter expert. Your guidance and willingness to walk alongside me through this process are invaluable.

To Prof. Amr ElAlfy: thank you for the many helpful tips you provided, particularly in navigating the publication process; for your constant encouragement; and for inviting me to join your Alpha Research lab, which kept me focused and connected to an inspiring community of student researchers.

Finally, to Prof. Adam Vitalis, thank you for challenging me to think more deeply and critically about my research from the very beginning. Your constructive feedback, patient explanations and high standards consistently pushed me to deliver my best work. I am especially grateful for the

opportunity to work closely with you as a research assistant over the past year. Your empathetic leadership style and unwavering support, particularly as I balanced this role with the final phase of my PhD journey, have been immensely beneficial.

Thank you to the University of Waterloo, the Faculty of Environment and the School of Environment, Enterprise and Development (SEED) for the generous funding and for creating an enabling and inclusive academic environment for me to undertake my studies. Thank you to my amazing manager and friend at the Student Success Office (SSO), Ashley McKnight who granted me the opportunity to be part of the Grad Ready program that enriched my graduate school experience and was an additional source of income during my studies.

Finally, I am grateful to all my friends and loved ones, both old and new, who live far and near, who have supported me in diverse ways throughout my studies. Thank you, Naima, Ashley, Faiza, Ibrahim, Auntie Stella, Uncle Magnus, Patrick, Clement, Samuel, Sena, Eyram, Gracie, Yaba, Ekua, Andrea, Blessing, Ana, Marlin, Joyce, Eric, Naomi, Emmanuel and many more whose names I cannot mention.

I am deeply grateful to everyone who played a part in making my PhD journey a fulfilling and memorable one.

Dedication

This dissertation is dedicated to my amazing husband, Stanley Appiah, and to our future children, whose arrival we joyfully anticipate.

To God be all the glory, both now and forevermore!

Table of Contents

Examining Committee Membership ii
Author's Declaration iv
Statement of Contributions v
Abstract vii
Acknowledgements ix
Dedication xii
List of Figures xvii
List of Tables xviii
List of Abbreviations and Acronyms xx
Chapter 1 1
1.1 Research Background and Rationale 1
1.2 Research Gaps 6
1.3. Research Questions 8
1.4. Organization of the Dissertation and Sub-Research Questions 8
1.5. Interconnection among Studies on Sustainable Banking in SSA 11
1.6. Contribution to Knowledge 14
Chapter 2 17
2.1. Introduction 18
2.2. Literature Review 21
2.2.1 Measuring Sustainable Banking Performance 22
2.2.2. Differences in Sustainable Banking Performance by Region, Bank Type and Listing Status 24
2.2.3. Sustainable Banking and Financial Performance Nexus 25
2.3. Theoretical Framework 27
2.4. Materials and Methods 27
2.4.1. Target Population and Sample 28
2.4.2. Measuring Sustainable and Financial Performance 28

2.4.3. Control Variables 31
2.4.4. Correlation between Financial Indicators 31
2.4.5. Ranking of Sustainable Banking Performance 32
2.5. Results 33
2.5.1. Differences in Sustainable Banking Performance by Region, Bank Type and Listing Status 33
2.5.2. The Effect of Sustainable Banking Performance on Financial Performance 38
2.5.3. Robustness Checks 41
2.6. Discussion 42
2.6.1. Level of Sustainable Banking Performance 42
2.6.2. Differences in Sustainable Banking Performance by Region, Bank Type, and Listing Status 44
2.6.3. The Effect of Sustainable Banking Performance on Financial Performance for Banks in SSA 45
2.7. Conclusion 46
2.7.1. Practical Recommendations for Sustainability Strategies 48
2.7.2. Limitations of the Study 50
Chapter 3 51
3.1. Introduction 52
3.2. Theoretical Framework and Hypothesis Development 55
3.2.1 Coercive Isomorphism 56
3.2.2 Normative Isomorphism 57
3.2.3. Mimetic Isomorphism 59
3.3. Materials and Methods 61
3.3.1. Measurement of Sustainable Banking Performance 62
3.3.2. Measuring Institutional Pressures 64
3.3.3. Data analysis 65
3.4. Results 66
3.4.1. Descriptive Analysis 66
3.4.1. Regression Analyses 69

3.4.2. Robustness Checks 74
3.5. Discussion 75
3.6. Conclusion 80
Chapter 4 84
4.1. Introduction 85
4.2. Literature Review 87
4.3. Theoretical Framework 90
4.4. Materials and Methods 92
4.4.1. Quantitative Phase 93
4.4.2. Measuring Banks' Level of SDG Involvement 94
4.4.3. Data Analysis 96
4.4.4. Qualitative Phase 96
4.5. Results 97
4.5.1. Extent of SDG Involvement by Banks in SSA 98
4.5.2. Prioritization of the SDGs 103
4.5.3. Qualitative Results 104
4.5.4. Motivating Factors 104
4.5.5. SDG Selection 106
4.5.6. Challenges 107
4.6. Discussion 110
4.7. Conclusions 114
Chapter 5 119
5.1. Contribution to Academic Theories 123
5.2. Contribution to Knowledge 125
5.3. Contribution to Practice – Policy and Managerial Implications 127
5.3.1. Central Banks/Banking Regulators 127
5.3.2. Banking Associations 129
5.3.3. Banking Institutions 130
5.4. Limitations of the Study 132

5.5. Future Research Direction 133
5.6. Reflections on Theoretical Debate 134
5.7. Final Words 135
References 137
Appendices 167
Appendix A 167
Appendix B 169
Appendix C 170

List of Figures

Figure 1: Interconnection among Papers on Sustainable Banking in SSA 12

Figure 2: SBP Ranking for all Banks 35

Figure 3: SBP Ranking by Region 36

Figure 4 SBP Ranking by Bank Type 37

Figure 5: SBP Ranking by Listing Status 38

Figure 6: Institutional Theoretical Framework 61

Figure 7: Boxplot Showing the Sustainable Banking Performance of Banks by the Respective Institutional Pressures 68

Figure 8: Comparison of SDG Depth of Involvement and Awareness Levels by Banks in SSA 100

Figure 9: Challenges faced by Banks in addressing the SDGs 108

List of Tables

Table 1: Correlation between Financial Indicators 32

Table 2: Description of Ranking Methodology 32

Table 3: Descriptive Statistics of the Sustainable Banking Performance for all Banks 33

Table 4: Descriptive Statistics of the Financial Performance and Sustainable Banking Performance 34

Table 5: Results of the OLS Regression analysis using 2023 Financial Indicators as Dependent Variables and the 2022 SBP Score as the Independent Variable 39

Table 6: Results of the OLS Regression Analysis using 2023 Financial Indicators as Dependent Variables and the 2022 SBP Ranks as the Independent Variable 41

Table 7: Composition of the Banks by Country 62

Table 8: Descriptive Statistics of Variables 67

Table 9: Results of Heteroskedasticity Tests 70

Table 10: Results of the Multiple Regression Analysis using Sustainable Banking Performance as the Dependent Variable and Institutional Pressures as the Independent Variables 70

Table 11: Results of the Multiple Regression Analysis using Categories of Sustainable Banking Performance as the Dependent Variable and Institutional Pressures as the Independent Variables 71

Table 12: Results of the Multiple Regression Analysis (Robustness Test) using NPAT as the Financial Performance Control Variable 74

Table 13: Description of the Seventeen (17) SDGs 88

Table 14: Descriptive Statistics of SDG Performance and Financial Indicators 98

Table 15: Average Number of SDGs Addressed by Banks 101

Table 16: Results of the Regression Analysis using Depth of Involvement as the Dependent Variable and Level of Awareness as the Independent Variables 102

Table 17: Prioritization of SDGs by Bank Categories 103

List of Abbreviations and Acronyms

AU	African Union
BASA	Banking Association of South Africa
CBN	Central Bank of Nigeria
CSR	Corporate Social Responsibility
ENVM	Environmental Management
ESG	Environmental, Social and Governance
FfD4	Fourth International Conference on Financing for Development
GDP	Gross Domestic Product
GHG	Greenhouse Gas
GRI	Global Reporting Initiative
IFRS	International Financial Reporting Standards
ISEC	Internal Socio-ethical Conduct
KBA	Kenya Banker's Association
NPAT	Net Profit After Tax
NPL	Non-Performing Loan
NSBP	Nigerian Sustainable Banking Principles
OLS	Ordinary Least Squares
PABs	Pan-African Banks
ROA	Return on Assets
ROE	Return on Equity
SBP	Sustainable Banking Performance
SBPS	Sustainable Banking Products and Services

SCCREP	Sustainability Code of Conduct and Reporting
SD	Social Development
SDGs	Sustainable Development Goals
SGOV	Sustainability Governance
SSA	Sub-Saharan Africa
TA	Total Assets
TBL	Triple Bottom Line
TCFD	Task Force on Climate-Related Disclosures
UN	United Nations
UNEP FI	United Nations Environment Program Finance Initiative

Chapter 1

Introduction

1.1 Research Background and Rationale

The world is still grappling with numerous interconnected challenges to sustainable development, including severe natural disasters, climate change, inequality, food insecurity, biodiversity loss, geopolitical tensions, conflicts, environmental degradation, and poverty (United Nations, 2024, 2025). These challenges threaten the well-being of people, the planet and the economy and thus highlight the need for all stakeholders to work assiduously towards achieving sustainable development. In response to these challenges and the urgent need for coordinated global action, a trilogy of landmark global governance frameworks was established in 2015, consisting of the United Nations (UN) Sustainable Development Goals (SDGs), also known as the 2030 Agenda for Sustainable Development, the Paris Agreement on Climate Change and the Addis Ababa Action Agenda on Financing for Development. It is worth highlighting that these three frameworks collectively promote development and growth trajectories that are resilient, inclusive and low-carbon and recognize the critical role of financing in achieving the expected outcomes.

Now, a decade later, significant implementation gaps persist, and the goals of these frameworks remain largely unmet, particularly in developing countries and regions, due to several factors, of which finance remains a prominent one. With about five years remaining to achieve the UN SDGs, which can be viewed as an umbrella for other frameworks, the outcomes of the just-concluded Fourth International Conference on Financing for Development (FfD4) offer a ray of hope and serve as a timely clarion call to action. The adoption of the Sevilla Commitment (United Nations, 2025) by member states reaffirms the urgency of mobilizing both public and private finance to

bridge the global sustainable development financing gap, estimated at USD 4 trillion annually, and explicitly acknowledges the pivotal role of financial institutions.

The challenges of sustainable development, as highlighted earlier, are particularly acute in Sub-Saharan Africa (SSA) and pose a significant threat to socio-economic growth and human well-being. For example, although Africa accounts for less than 4% of cumulative greenhouse gas emissions, it is highly vulnerable to climate change and disproportionately bears the brunt of its impacts (The African Union et al., 2024). It is estimated that climate-related natural disasters accounted for 52% of all disasters in African countries between 2000 and 2023(African Development Bank, 2024).

Notwithstanding these challenges, SSA is emerging as a region of strategic importance in the global sustainability agenda, yet it is often overlooked in global discourses (Brookings Institution, 2025). It is home to some of the fastest-growing economies and populations globally, as well as to natural resources and critical minerals essential to the global energy transition. It has also leapfrogged in global digitization efforts (Brookings Institution, 2025). These dynamics underscore the need for SSA to pursue a sustainable growth trajectory. In recognition of the urgency of realizing this potential and effecting the much-needed transformation, African nations have aligned with international frameworks, including the Paris Agreement and the Sustainable Development Goals (SDGs).

The UN 2030 Agenda for Sustainable Development, which sets out the seventeen (17) SDGs, is highly relevant to the African continent because it closely aligns with the African Union (AU) Agenda 2063, which outlines the blueprint for the Africa the continent wants (African Union Commission, 2015). Despite modest progress toward both agendas, SSA continues to lag in several areas and is currently off track on most of the SDGs (The African Union et al., 2024). This situation

is further compounded by the limited capacity of many SSA countries to finance their own development needs fully, a challenge exacerbated by the recent sharp decline in aid flows and rising debt burdens (African Development Bank, 2025).

Given the significant SDG financing gap, currently estimated at $1.3 trillion (African Development Bank, 2025), and the stark reality that financing sustainable development pathways cannot be solely dependent on government funding, the financial sector, particularly the banking sector, is seen as a critical source for domestic resource mobilization to support Africa's sustainability trajectory (Amoah et al., 2022).

Banks are regarded as the lifeline of the economy and society in both developed and developing countries, owing to their intermediary role (Muriithi & Louw, 2017). The relevance of the banking sector in SSA is even more pronounced due to the underdeveloped capital markets in most countries. For example, banking assets currently account for more than 75% of the region's GDP (Galal, 2023), thereby playing a critical role in financing key economic sectors, including agriculture, trade, and energy. Financial intermediation by banks involves offering products and services such as payments, lending, liquidity provision, and risk management, and it plays a pivotal role in public policy and economic performance in business and industry (Yip & Bocken, 2018).

Within the business paradigm, sustainable development as advanced by Elkington (1998) as actions that address economic prosperity, social injustice and environmental quality, popularly referred to as the Triple Bottom Line (TBL) concept, across both current and future generations is embraced.

Sustainable banking advances sustainable development within the banking sector. Its origins date back to the 16th century, but it gained momentum in the 1990s, when banks initially focused on environmental issues before addressing social concerns (Jeucken, 2001; Weber & Feltmate,

2016). Momentum increased further after the 2008 global financial crisis (Carè & Weber, 2023; ElAlfy & Weber, 2019). Globally, the main drivers of sustainable banking include regulation and legal frameworks; risk management and reputation; attracting customers and strengthening brand image; exploring new market opportunities; diversifying portfolios; and strengthening corporate governance (Carè, 2018).

Sustainable banking as a concept has been aptly described as a "terminological jungle" by Nájera-Sánchez (2020, p. 2) due to the absence of a uniform definition, a description that is well-articulated by other scholars (Dossa & Kaeufer, 2014; Kunhibava et al., 2018; Weber, 2018) and has resulted in its diverse application by various stakeholders. These applications range from being one-dimensional, such as focusing on financial stability, green banking, social banking, and ethical banking, to more comprehensive ones, such as sustainable banking and sustainable finance (da Silva Inácio & Delai, 2022; Weber, 2018). Nevertheless, most of these definitions incorporate the triple bottom line concept, and the most recent ones include the SDGs. This study adopts the definition of sustainable banking as espoused by Inácio and Delai, which is "banking that offers products, services and practices that contribute to sustainable development, benefiting the environmental, social and economic dimensions in the short, medium and long term" (da Silva Inácio & Delai, 2022, p. 10). This definition is adopted for its holistic framing of sustainable banking and its inclusion of temporal scale, providing an important and valuable addition to existing definitions.

In SSA, the adoption of sustainable banking has been driven by regulatory developments, international financing opportunities, stakeholder pressure, globalization, competitive advantage, and reputational and operational benefits (de Cleene & Wood, 2004; Deloitte, 2017). Over the past decade, awareness of sustainable banking among banks in SSA has grown steadily, as evidenced

by rising membership in international initiatives such as the United Nations Environment Programme Finance Initiative (UNEP FI) and by the establishment of regulations and guidelines by central bank regulators and banking associations. Sustainable banking practices are also gaining traction across the region, particularly in the era of the SDGs, and include green financing, environmental and social risk management, community investment, women's economic empowerment initiatives, human and labour rights protections, and financial inclusion (Amoah et al., 2022; Deloitte, 2017; Michael & Oluseye, 2014).

While the banking sector in SSA faces a myriad of challenges, including high banking concentration, operational inefficiencies, underdeveloped infrastructure, and regulatory inconsistencies, it remains the primary vehicle for financial intermediation across the region (Abor & Adjasi, 2022; African Development Bank, 2025). Unlike in more developed economies, where capital markets play a central role, most SSA economies rely heavily on banks to channel resources toward productive and developmental activities. These structural realities position the banking sector as a critical player in advancing sustainability in the region. Furthermore, the industry has made notable strides in recent years, including the emergence and expansion of Pan-African Banks (PABs), which originate within Africa, operate subsidiaries across multiple countries on the continent, and have promoted stronger financial integration, increased competition, and advanced financial inclusion (African Development Bank, 2025; Léon & Zins, 2020; Mlachila et al., 2016). The sector has also accelerated the digitalization of financial services and expanded women's access to finance, thereby contributing to inclusion-oriented goals (European Investment Bank, 2022). Taken together, these dynamics make the SSA banking sector an analytically rich and policy-relevant site for this research on sustainable banking.

1.2 Research Gaps

The concept of sustainable banking has garnered increasing academic interest in recent years, with one common strand of research assessing its impact on financial performance. However, findings in this area remain inconclusive, with studies reporting positive (Gonenc & Scholtens, 2019), negative (Gutiérrez-Ponce & Wibowo, 2023), and neutral relationships (Buallay et al., 2020). Also, most of these studies focus on developed (Galletta et al., 2021; Gonenc & Scholtens, 2019; Scholtens & Van'T Klooster, 2019) and emerging economies (Buallay et al., 2020; Kosasih et al., 2021; Maqbool & Zameer, 2018; Weber & Chowdury, 2020), with relatively few studies conducted in SSA (Adu, 2022; Siueia et al., 2019). Notably, existing studies within the SSA context often employ sustainable banking frameworks that exclude sustainable banking products and services, which are integral to the concept of sustainable banking. In parallel, scholars have called for studies that benchmark bank's sustainability performance (Aracil et al., 2021), to which recent contributions in India (Gaba & Sharma, 2024; D. Sharma & Kumar, 2023) and Italy (La Torre et al., 2024) have responded to by building on previous works (Jeucken, 2001; Kumar & Prakash, 2019; Scholtens, 2009; Weber, 2005). However, such benchmarking studies are absent in SSA, where no known academic study has evaluated sustainable banking performance using a comprehensive framework that captures the full scope of sustainable banking practices. This gap is particularly critical given the banking sector's structural dominance in SSA economies and its potential to accelerate sustainable development in the region.

Another significant gap this dissertation addresses is the role of institutional pressures in shaping banks' sustainability performance. Although prior studies have examined firm-level determinants, including size, corporate governance mechanisms, and financial performance, as key drivers of sustainability performance among corporations, including banks (Adu et al., 2022, 2023;

Chih et al., 2010; Drempetic et al., 2020; Hussain et al., 2018), fewer studies have investigated the influence of the external institutional environment, especially within the banking sector of developing economies such as SSA (Dong et al., 2023; Mchavi & Ngwakwe, 2018; Moufty et al., 2024; Sethi et al., 2017; Tilt, 2018). This is an essential gap that needs to be addressed, given that banks do not operate in isolation but are embedded in broader institutional systems, which can influence them. Moreover, the growing trend of sustainable banking regulations and industry guidelines across countries in SSA highlights the importance of examining how these institutional pressures are associated with sustainable banking performance, as called for in prior studies (Oyegunle & Weber, 2015). Furthermore, scholars have called for more comparative and cross-country studies, as extant research on this topic typically focuses on single-country analyses, which limit the ability to capture cross-country variation in institutional pressures, particularly among countries within the same region (Moufty et al., 2024; Sethi et al., 2017).

Finally, even though the SDG framework has much relevance to developing economies like countries in SSA and the critical role of the private sector were encapsulated in the partnerships component of the framework as a standalone goal (Goal 17), extant literature on the business sector's contribution to the SDGs have highlighted the paucity of research focused on developing economies including Africa where most of the SDGs are needed (Low et al., 2023; Mio et al., 2020). Closely aligned with this gap is the need for mixed-methods studies that provide deeper insights into the motivations and approaches of businesses, particularly the banking sector's involvement with the SDGs (Ike et al., 2019; Low et al., 2023).

This dissertation aims to address these identified gaps through three manuscripts that explore the landscape of sustainable banking in SSA by assessing its practices and financial outcomes,

investigating the role of institutional pressures in driving sustainable banking performance, and exploring the involvement of banks in SSA in achieving the SDGs.

1.3. Research Questions

While each of the three manuscripts aims to answer a set of pre-defined questions, the entire dissertation seeks to contribute to the literature on sustainable banking and financial performance, the SDGs, good management theory, institutional theory, legitimacy theory and corporate sustainability theory by answering the following questions:

1) What is the level of sustainable banking performance among banks in SSA, and what is its impact on financial performance?
2) What is the relationship between institutional pressures and sustainable banking performance among banks in SSA?
3) To what extent are banks in SSA involved with the SDGs, and what are the key motivations and challenges influencing their involvement?

1.4. Organization of the Dissertation and Sub-Research Questions

This dissertation is organized in a manuscript-based format, comprising three papers. Chapters 1 and 5 serve as the introduction and conclusion, respectively, and present the dissertation's summary and key findings. Chapters 2,3, and 4 present the three manuscripts that address the dissertation's overarching research questions. An overview of the five chapters is provided below.

Chapter 1 introduces the dissertation by outlining the study's background and rationale. It identifies the research gaps addressed by the dissertation through its main and sub-research questions. Chapter 1 also highlights the interconnectedness of the three manuscripts and articulates the dissertation's overall contribution to knowledge. As a standalone overview, Chapter 1 provides a concise summary of the research presented in Chapters 2 to 4 of this dissertation.

Chapter 2 is aligned with the first research question and evaluates sustainable banking performance in SSA by providing answers to these sub-research questions: 1) What is the level of sustainable banking performance of banks in SSA; 2) Does sustainable banking performance differ by region, bank type, and listing status in SSA? and 3) What is the relationship between sustainable banking performance and financial performance in SSA?. To answer the first two sub-research questions, the study employs a 44-indicator sustainable banking framework to assess the sustainability performance of ninety-nine (99) banks across six (6) countries, categorized by region, bank type, and stock listing status. The study is based on 2022 sustainable banking data. A ranking methodology consisting of four stages, Stage 1 (beginning), Stage 2 (growth), Stage 3 (advancing), and Stage 4 (maturity), was employed to rank their sustainable banking performance (SBP). The study finds that banks are currently in the beginning and growth stages with Pan-African banks (PABs), listed banks and banks operating in Southern Africa having higher SBP rankings than their counterparts. To address the third research question, guided by good management theory, the study uses 2023 financial performance data and ordinary least squares regression to examine the relationship between SBP and financial performance. The regression results reveal that sustainable banking performance has a positive effect on their financial performance. This chapter offers preliminary insights into the current orientation of banks in SSA towards sustainability. It demonstrates that the adoption of sustainable banking can serve as a value creation strategy rather than a trade-off, thereby strengthening the case for deeper integration of sustainability within the banking sector.

Chapter 3 addresses the second research question for this dissertation by answering the following sub-research questions: 1) What is the relationship between coercive, normative, and mimetic pressures and the sustainable banking performance of banks in SSA? 2) Which of the

three institutional pressures has the strongest association with sustainable banking performance among banks in SSA? This study is grounded in the institutional isomorphic framework and employs a quasi-experimental research design, using country-level proxies to represent each isomorphic pressure and corresponding control groups. Sustainable banking performance is measured using the same 44-indicator framework employed in Chapter 2, applied to a sample of 74 banks across six countries. The findings show that banks operating in environments characterized by these institutional isomorphic pressures have higher levels of sustainable banking performance than those that do not. The study also reveals that coercive pressure, in the form of sustainable banking regulations, has the strongest positive association with sustainable banking performance. These findings demonstrate that regulatory measures can be an effective tool for central banks and governments to promote sustainable banking behaviour in SSA when combined with other institutional mechanisms.

Chapter 4 examines the extent of banks' involvement in the SDGs in SSA by addressing three sub-research questions: 1) To what extent are banks in SSA involved in the SDGs? 2) Which SDGs are prioritized by banks in SSA? and 3) What factors motivate and what barriers impede banks' involvement in the SDGs in SSA? The study adopts an explanatory sequential mixed-methods design comprising content analysis and interviews and is grounded in legitimacy and corporate sustainability theories. Using a sample of sixty-one (61) banks across the same six (6) countries as in Chapter 2, the results reveal limited depth of SDG involvement but higher awareness and breadth of engagement. The findings also indicate that banks prioritize SDGs 13 (climate change), 8 (decent work and economic growth), and 5 (gender equality), which align with their core business, and 4 (quality education) and 3 (good health and well-being), which reflect their desire to make a positive impact in society. Nevertheless, banks face several challenges, including

resource constraints, limited awareness, and insufficient commitment from senior management, which hinder their ability to make substantial contributions to the SDGs. This chapter highlights the sector's existing contributions and potential to advance the SDGs. It offers managerial and policy recommendations to increase banks' adoption of the SDGs in SSA.

Chapter 5 synthesizes the main findings and discusses the dissertation's contribution to knowledge and theory, as well as the research's practical and policy implications. It also highlights the limitations and suggests areas for future research.

1.5. Interconnection among Studies on Sustainable Banking in SSA

While each of the three papers focuses on a set of predefined questions, the entire dissertation centers on a common objective: to provide a comprehensive understanding of the sustainable banking landscape in SSA. Paper 1 answers the "***what"*** question by evaluating sustainable banking performance across banks, thereby establishing the empirical baseline for the study. It also examines the relationship between sustainable banking performance and financial performance. It explores the differences in performance across regions, bank types, and stock listing status, without testing specific causal relationships. Paper 2 builds on the first inquiry by answering the ***"why"*** question, examining how varying institutional pressures are associated with sustainable banking performance in SSA and offering a theoretical explanation for the findings reported in Paper 1. Having established the level of sustainable banking performance across banks in SSA in Paper 1, Paper 3 extends the research agenda by exploring the ***"how"*** and ***"why"*** of banks' contributions to a global sustainable development framework, specifically the SDG framework, and the barriers impeding their involvement, using a mixed-methods approach. The theoretical and methodological interconnectedness among the three manuscripts is described below and visually illustrated in Figure 1.

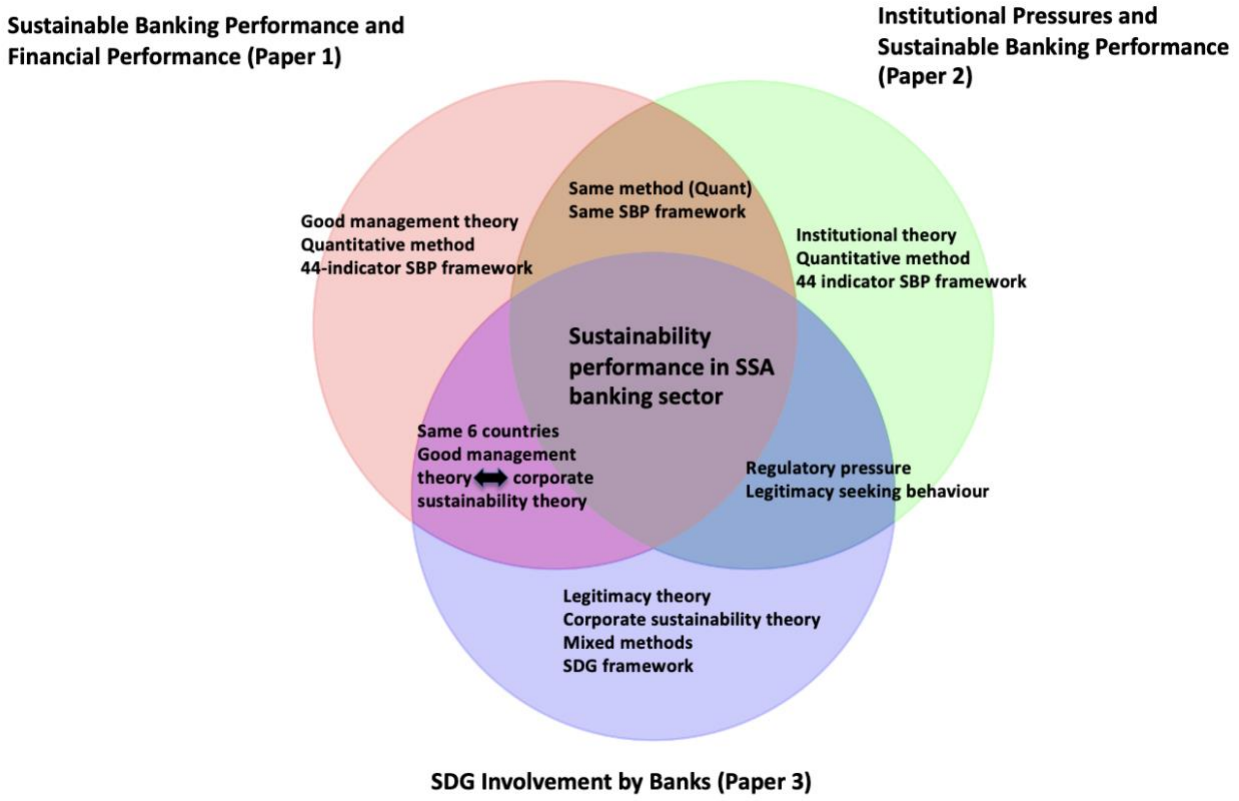


Figure 1: Interconnection among Papers on Sustainable Banking in SSA

A key theoretical intersection lies in the complementarity between good management theory (Paper 1) and corporate sustainability theory (Paper 3). In Paper 1, good management theory (Waddock & Graves, 1997b) was operationalized through the adoption of sustainable banking practices and higher sustainability performance, which is internally driven and correlated positively with financial performance, thereby confirming the value creation proposition that sustainability integration offers. Paper 3 further supports this by showing that banks prioritized certain SDGs, namely SDG 13, 8 and 5 that aligned with their core business, and also selected SDGs that were relevant to their business, which is consistent with the corporate sustainability theory (Ashrafi et al., 2020; Dyllick & Hockerts, 2002). This prioritization and selective approach can be viewed as an example of competent, strategic management, which reinforces the core

premise of good management theory. Together, these two papers suggest that the strategic integration of sustainable banking is indicative of good management and a driver of firm performance.

Another theoretical connection can be drawn between institutional theory (DiMaggio & Powell, 1983) in Paper 2 and legitimacy theory (Suchman, 1995) in Paper 3, as both lenses help explore the role of external pressures on sustainability performance among banks in SSA. The findings in Paper 2 confirm that coercive, normative, and mimetic isomorphic pressures drive sustainable banking adoption, with coercive pressure, measured by sustainable banking regulations, being the most significant. This complements findings in Paper 3, where legitimacy theory helped conceptualize the regulatory pressure cited by some banks as a motivation, the prioritization of certain SDGs (education and good health and well-being) related to societal needs, and the selection of specific SDGs based on national priorities. This suggests that banks may adopt sustainable banking practices not only to comply but also to maintain or enhance their legitimacy with key stakeholders.

The three studies are also methodologically interconnected through their shared objective of measuring sustainability performance, although they employ different analytical and research designs. Papers 1 and 2 are linked by their use of the same sustainable banking framework comprising 44 indicators, which enhances the comparability of sustainable banking performance scores across both studies, despite their focus on different research questions, banks and country samples. In contrast, Paper 3 employed the SDG framework as its performance measurement tool to evaluate the contribution of banks towards a global sustainability agenda, which is aligned with the concept of sustainable banking. Papers 1 and 3 are connected by using the same set of countries, which allows comparability of the findings from both studies, particularly for sustainability

performance across categories such as region, bank type and listing status. However, the selective nature of the research design in Paper 3 resulted in a smaller sample of banks comprising only those that explicitly reported on the SDGs.

Regarding methodology, Papers 1 and 2 adopted quantitative approaches, using statistical analysis to examine relationships between variables (e.g., sustainable banking performance and financial performance in Paper 1; institutional pressures and sustainable banking performance in Manuscript 2). In contrast, Paper 3 employed a mixed-methods approach, combining content analysis of non-financial reports with interview data to examine the SDG involvement levels of banks. This mixed-methods design complemented the quantitative insights from the earlier studies by providing qualitative depth and contextual understanding. Together, this methodological triangulation provides both breadth and depth in understanding the sustainable banking landscape in SSA.

1.6. Contribution to Knowledge

This dissertation contributes to knowledge and the literature in several important ways. First, it presents an extensive examination of corporate sustainability practices in SSA, a region that remains underexplored (Low et al., 2023; Siddique et al., 2023) despite being an increasingly critical voice in the global sustainable development discourse and one of the regions most impacted by complex sustainability challenges.

Second, the dissertation highlights the banking sector as a significant economic and developmental actor in SSA, whose sustainability efforts have yet to be examined holistically. Using a comprehensive sustainable banking framework comprising 44 indicators and the SDG framework, the study assesses the sustainability performance of banks in the region and the variation across regions, bank types, and stock listing status. The findings, which show that most

banks are in the initial and growth stages of sustainable banking adoption, with lower depth of SDG involvement but higher breadth of engagement and awareness, provide valuable evidence of the sector's potential to advance sustainable development in the region. Concurrently, the study contributes empirically to the ongoing academic debate on the relationship between sustainability and financial performance, thereby extending the evidence base in developing and emerging economies, where such inconclusiveness also exists.

Third, the dissertation's use of a multi-theoretical framework to address the research questions contributes to the growing calls for such theoretical approaches in corporate sustainability research (Adu, 2022; Fernando & Lawrence, 2014; Frynas & Yamahaki, 2016). Using a multi-theoretical framework comprising good management, institutional, legitimacy, and corporate sustainability theories provides more profound insights. It enhances our understanding of the sustainability behaviour of organizations, specifically banks, which may not be fully captured by a single theory when addressing the related but distinct research questions in this study.

Finally, the study offers significant methodological contributions in three main ways. The comprehensive sustainable banking framework, comprising 44 indicators, includes sustainable banking products and services, an omitted component in prior studies in the region, but essential in capturing how banks integrate sustainability into their core activities. Additionally, using a five-point scale rather than the standard binary scoring system enables a deeper, more nuanced assessment of sustainability performance across both the sustainable banking and SDGs frameworks. Furthermore, the multifaceted approach in assessing SDG involvement by banks, comprising awareness levels, depth and breadth of engagement, provides a holistic evaluation framework. Thirdly, applying a mixed-methods research design to investigate banks' involvement

with the SDGs enhances understanding of the "why" and "how" of corporate sustainability practices, a focus increasingly advocated in corporate sustainability research.

Chapter 2

An Assessment of Sustainable Banking Performance in Sub-Saharan Africa-Does Doing Good and Doing Well Go Hand in Hand?

The adoption of sustainable banking practices in developing countries continues to grow steadily, driven by increasing sustainability challenges that disproportionately affect these countries and regions, including Sub-Saharan Africa (SSA). Despite the growth in academic literature on this topical issue, extant research indicates limited studies on benchmarking sustainable banking performance, few that have explored the concept within the SSA region, and an inconclusive relationship between sustainable banking and financial performance, thereby providing fertile ground for this study. To this end, this chapter evaluates sustainable banking performance across 99 banks in 6 countries and examines whether performance varies by bank type, stock listing status, and region. Using good management theory as the theoretical lens, the study examines the relationship between sustainable banking and financial performance. Benchmarking of sustainable banking performance is conducted using a 44-indicator framework and a 4-stage ranking system. Regression analysis is used to examine the relationship between sustainability and financial performance. Results indicate that most banks in SSA are in the early and growth stages of adopting sustainable banking practices, with banks operating in Southern Africa, Pan-African Banks (PABs), and listed banks ranking highest relative to their counterparts. The study also finds a positive relationship between sustainable banking performance and financial performance, confirming that sustainable banking adoption is a value creation strategy rather than a trade-off. This finding aligns with good management theory. This win-win situation offers a compelling case for banks to integrate sustainability into their core strategies, creating economic value while addressing social and environmental challenges. The study provides managerial and

policy recommendations to foster an enabling environment for the integration of sustainability in the SSA banking sector.

This chapter was adapted from: **Appiah, A., Weber, O., ElAlfy, A., & Vitalis, A. (2025)**: An assessment of sustainable banking performance in Sub-Saharan Africa- Does doing good and doing well go hand in hand? *Corporate Social Responsibility and Environmental Management*, 32(5), 6283–6300. https://doi.org/10.1002/csr.70038

MANUSCRIPT BEGINS

2.1. Introduction

The financial sector's critical role in promoting sustainable development cannot be overstated (ElAlfy & Weber, 2019; Scholtens, 2006). In Sub-Saharan Africa (SSA), the financial sector is predominantly bank-based due to the underdevelopment of its capital market (Abor & Adjasi, 2022; Mathieu et al., 2019). Banking assets currently account for more than 75% of the region's GDP (Galal, 2023), and the sector serves as an integral partner in financing key economic sectors, such as agriculture, trade, and energy, thereby playing a crucial role in achieving sustainable development.

Sustainable banking has been defined differently by various stakeholders, including scholars, practitioners, and policymakers (Dossa & Kaeufer, 2014; Weber, 2018). This study adopts the definition of da Silva Inácio and Delai (2022, p. 10), who state that it is "banking that offers products, services and practices that contribute to sustainable development, benefiting the environmental, social and economic dimensions in the short, medium and long term".

There has been a progressive increase in the awareness of sustainable banking among banks in the SSA, as indicated by the growing membership in international initiatives such as the United Nations Environment Programme Finance Initiative (UNEP-FI) and the establishment of regulations and guidelines by central bank regulators and banking associations. Sustainable banking practices include green financing, environmental and social credit risk management, community investments, women's economic initiatives, human and labour rights, and financial inclusion (Amoah et al., 2022; Deloitte, 2017). However, no comprehensive study exists that evaluates the sustainable banking performance of banks in SSA, nor does it compare performance across regions, bank types, and stock listing status.

Existing studies often focus on the impact of sustainability practices on financial performance (Adu, 2022; Botchwey et al., 2022; Siueia et al., 2019), conduct single-country studies (Kosgei & Cherono, 2024; Michael & Oluseye, 2014), or analyze the influence of bank ownership structures on sustainable banking disclosures (Adu et al., 2023). The framework for measuring sustainable banking in these studies often overlooks sustainable banking products and services, which are key components of sustainable banking.

This study aims to fill the research gap by employing a comprehensive framework to assess the level of sustainable banking performance among banks in SSA and examine the differences in performance by region, bank type, and stock listing status. It also investigates the relationship between sustainable banking and financial performance.

We analyzed 99 banks operating in six countries and representing three sub-regions in SSA using financial data for 2023 and sustainable banking data for 2022 based on their annual and sustainability reports. The study adopted frameworks from previous studies that evaluated sustainable banking performance in other developing economies, namely India (Kumar & Prakash,

2019), China (Weber, 2017), and Bangladesh (Weber & Chowdury, 2020). Consequently, we employed a 44-indicator system that encompassed sustainable banking products and services, environmental and social management, and sustainability governance to calculate a Sustainable Banking Performance (SBP) score for each bank. A ranking methodology consisting of four stages — Stage 1 (beginning), Stage 2 (growth), Stage 3 (advancement), and Stage 4 (maturity) — was employed to rank their performance.

The study employed good management theory to examine the association between sustainable banking and financial performance. The SBP score was used as the independent variable to predict the financial performance measured by total assets, net profit after tax (NPAT), return on assets (ROA), return on equity (ROE), and the non-performing loan (NPL) ratio.

The study's findings demonstrate that most banks in SSA are at stages 1 and 2 in their adoption of sustainable banking practices, with a greater emphasis on social aspects than environmental aspects. The regression results demonstrate that the sustainable banking performance of banks in SSA has a positive effect on their financial performance, depicting a win-win situation.

This study is relevant for scholars, banking practitioners, policymakers, and regulators as it offers preliminary insights into the current orientation of banks in SSA towards sustainable banking. The sustainable banking framework adopted in this study could serve as a starting point for future studies evaluating sustainable banking performance in other African regions and extending to other developing countries. The study contributes to the application of good management theory in the sustainable banking literature, as it demonstrates that banks that adopt sustainability as part of their good management practices have improved financial performance. As scholars (Griffin & Mahon, 1997; Simpson & Kohers, 2002) have argued, focusing on a single industry increases internal validity and provides insights for practitioners in those industries.

The study is also relevant for banking practitioners, as providing an initial comparison across banks in SSA could spur the adoption of sustainable banking practices into the core business strategy, driving sustainable development in SSA while simultaneously increasing financial performance. The evaluation of banks' sustainability performance across various categories provides policymakers and regulators with additional insights, encouraging them to adopt tailored regulations and policies that facilitate sustainable banking, thereby fostering sustainable development in SSA.

The remainder of the paper reviews the existing literature and describes the theoretical frameworks, followed by a discussion of the methodology. Finally, we present the findings and conclude the study with a discussion that includes both academic and practical conclusions.

2.2. Literature Review

Africa's financial sector is predominantly bank-based, indicating that the banking sector plays a significant role in the economy (Abor & Adjasi, 2022; Mathieu et al., 2019). The current banking sector in SSA comprises a mix of government-owned banks, privately owned domestic banks, and foreign banks (Doku et al., 2012). A unique characteristic of foreign banks in Africa is the presence of regional foreign banks, also known as Pan-African Banks (PABs), as well as global foreign banks (Léon & Zins, 2020; Zins & Weill, 2018). PABs are banks originating from Africa with subsidiaries operating in other African countries, whereas global foreign banks, as defined for this study, are banks originating outside of Africa.

The banking industry has undergone a few financial sector reforms, including liberalization. These liberalization efforts include privatizing non-performing state-owned banks, opening banking markets to foreign banks, improving the governance and regulations of banks, and liberalizing interest rates and credit markets in the region (Fosu, 2013). Although the banking

sector's development can be considered fledgling in comparison to peer economies and regions, due to indicators such as high banking concentration and inefficiencies caused by high bank overhead costs and high-interest margins (Abor & Adjasi, 2022), it has made significant strides worth highlighting. These include the establishment and growth of PABs, which have filled the gap left by the retrenchment of European and US banks, who previously dominated the financial landscape before the global financial crisis. This has promoted stronger economic integration, financial inclusion, and competition (Mlachila et al., 2016).

Furthermore, the banking sector has accelerated the digitalization of its financial services and increased efforts to provide women with better access to finance, thereby contributing to financial inclusion (European Investment Bank, 2022). The progress and prospects of the banking sector in SSA make it a proper case study for undertaking this research.

2.2.1 Measuring Sustainable Banking Performance

The evaluation of sustainable banking performance has been conducted using various metrics. However, there is no universal approach (Riegler, 2023). Weber (2017) argues that the primary approach to assessing sustainable banking performance is to examine whether and how banks' products, services, and processes address sustainability issues.

Some studies have employed global sustainability ratings and frameworks as measurement tools (Gaba & Sharma, 2024; Tawfik et al., 2021). Tawfik et al. (2021) utilized the Global Reporting Initiative (GRI) to assess the performance of banks in Arab countries, finding that banks in the United Arab Emirates (UAE) exhibited higher sustainable banking performance compared to those in Jordan and Oman.

Existing sustainable banking regulatory frameworks have also been used to assess sustainable banking performance (La Torre et al., 2024; Weber & Chowdury, 2020). La Torre et al. (2024)

employed a regulatory framework in Italy to assess sustainable banking performance. They found that, except for Banca Etica, an ethical bank, most banks in Italy fell short of the expected performance. The study by Weber and Chowdhury (2020) assessed the performance of banks in Bangladesh, utilizing the country's sustainable banking regulations and other relevant indicators that address sustainability in the banking sector. Their results showed that banks in Bangladesh prioritized environmental issues over social issues. The above assessment methods, although effective, may not be suitable for comparative studies in SSA due to the absence of a homogeneous regulatory framework for sustainable banking in the region. Additionally, compared to other emerging and developed markets, only a few banks in SSA are rated by global sustainability rating agencies or utilize global reporting frameworks, such as the Global Reporting Initiative (GRI).

The third strand of studies used self-developed frameworks taken from previous studies and other relevant literature (Kumar & Prakash, 2019; Weber, 2017). Kumar and Prakash (2019) developed a comprehensive sustainable banking framework that covered products and services, codes of conduct and reporting, strategies, and policies and used it to evaluate Indian banks. Their results showed that 70% of banks in India were in the first and second stages of adoption, with larger banks performing better than smaller banks.

A recent extensive study on sustainable banking in the SSA region utilized 135 sustainable banking indicators across 220 banks operating in 16 countries (Adu et al., 2023). Although the framework was comprehensive, it did not explicitly include sustainable banking products and services in its indicators. This study aims to address this gap by incorporating sustainable banking products and services into its measurement framework, following earlier studies (Kumar & Prakash, 2019; Scholtens, 2009; Weber, 2017).

2.2.2. Differences in Sustainable Banking Performance by Region, Bank Type and Listing Status

Studies examining the impact of regional attributes on the sustainability performance of firms and countries have found both statistically significant and insignificant differences (Bătae et al., 2020; Epule et al., 2021; Le & Nguyen-Phung, 2024; Wong et al., 2018). For example, Bătae et al. (2020) compared the sustainability performance of 108 banks in developed and emerging Europe and found no statistical differences between the two regions. However, a study in China found that firms operating in Eastern China exhibited higher corporate environmental performance, likely due to better economic development and industry structure, compared to other regions (Wong et al., 2018). Within the African context, Le and Nguyen-Phung (2024) found significant differences in the level of GHG intensity and financial performance between firms operating in Southern Africa and those in other regions of Africa. More importantly, scholars in the African region have advocated for such studies considering the nuanced regional dynamics that exist based on economic development conditions, industrialization levels (Epule et al., 2021; Mignamissi & Nguekeng, 2022) and institutional frameworks.

Other studies have yielded mixed results when comparing the sustainability performance of banks based on ownership types (Adu & Roni, 2024; Hinson et al., 2010; Korzeb & Samaniego-Medina, 2019; Lui & Zainuldin, 2022; Nguyen et al., 2023). Korzeb and Samaniego-Medina (2019) used a sample of 14 Polish banks. They found that local banks had higher sustainability performance than foreign banks, a finding similar to that of Lui and Zainuldin (2022) in the Malaysian banking sector. Within SSA, Adu and Roni (2024) found that banks with foreign ownership had better sustainable banking disclosures than government-owned banks, while Hinson et al. (2010) found that local banks performed better than foreign banks in Ghana.

However, these studies did not account for the unique foreign banking typology in Africa, thereby combining both PABs and international banks and obscuring the distinct characteristics that exist between them. This distinction, however, has been utilized in studies focusing on conventional banking performance metrics in SSA. These studies found that regional foreign banks performed better than international and local banks (Zins & Weill, 2018), while another study did not find significant differences between regional foreign banks and the others (Pelletier, 2018).

A review of previous studies reveals a focus on examining the connection between sustainable banking and financial performance among listed banks. Thus, fewer studies, including those in SSA, have compared the sustainability performance of listed and non-listed firms, yielding conflicting results (Alberici & Querci, 2016; Branco & Rodrigues, 2006; Kılıç & Kuzey, 2019; Ramdhony, 2015). Ramdhony (2015) studied the level of corporate sustainability disclosure among all banks in Mauritius and found that listed banks were better sustainability performers than non-listed banks. Similar findings were obtained by Branco and Rodrigues' (2006) study in Portugal, which used 15 listed and non-listed banks, as well as Kılıç and Kuzey's (2019) study on the level of climate change disclosure among banks in Turkey. A global study across 40 countries on the determinants of corporate sustainability adoption by financial institutions achieved contradictory results (Alberici & Querci, 2016).

2.2.3. Sustainable Banking and Financial Performance Nexus

Several studies and meta-studies have examined the impact of sustainability practices on the financial performance within different sectors, including the banking sector, achieving mixed results, thereby leading to inconclusiveness on this topic (Ali et al., 2020; Busch & Friede, 2018; Gutiérrez-Ponce & Wibowo, 2024; Ho et al., 2019; Lu et al., 2018; Rahman et al., 2024; Siueia et al., 2019).

Siueia et al. (2019) conducted a comparative study of banks operating in Southern Africa, employing longitudinal data. They found that corporate sustainability had a positive association with financial performance, as measured by return on assets (ROA) and return on equity (ROE). Similarly, Ho et al. (2019) conducted a study on Mongolian banks using various financial indicators, including NPL. They found that sustainable banking practices improved financial performance and increased bank stability. Busch and Friede (2018) concluded in their meta-analysis that there is a strong positive association between sustainability and financial performance.

In contrast, Gutiérrez-Ponce and Wibowo (2024) found that sustainable banking practices were negatively associated with return on assets (ROA) and return on equity (ROE) across five Southeast Asian countries. Likewise, Menicucci and Paolucci's (2022) study on Italian banks yielded mixed results, as the composite ESG score revealed a negative association with financial performance, while the social pillar correlated positively with financial performance. Between these two extremes lies a paradoxical dynamic uncovered by Lu et al. (2018) in their empirical study of the construction industry. They found that the relationship between sustainability and financial performance can be negative in the short term but evolves into a positive one in the long term.

The above literature review reveals differences in the sustainability performance of banks across various categories and mixed results regarding the relationship between sustainable banking and financial performance. Consequently, we developed the following research questions:

1. What is the level of sustainable banking performance of banks in SSA?
2. Does sustainable banking performance differ by region, bank type, and listing status in SSA?

2.3. Theoretical Framework

This study applies good management theory to investigate the relationship between sustainable banking practices and financial performance. Proponents of this theory argue that firms adopting effective management practices can enhance their financial performance through positive stakeholder engagement (Surroca et al., 2010; Waddock & Graves, 1997b). This theory aligns closely with the instrumental stakeholder theory of the firm (Donaldson & Preston, 1995), which posits that firms' engagement in stakeholder management practices influences the achievement of various corporate performance goals, including financial performance. Other scholars (Surroca et al., 2010; Weber, 2017) state that good management theory is also closely linked to the resource-based view of the firm, as effective management practices can be viewed as an intangible resource that provides a competitive advantage to the firm. Ultimately, good management theory is closely tied to Porter's concept of competitive advantage (Porter & Kramer, 2006). The commitment of a firm's management to corporate sustainability practices, including sustainable banking, can be considered an example of good management practices, which, according to this theory, could lead to improved financial performance (Waddock & Graves, 1997a, 1997b; Weber, 2017).

Based on the above theoretical framework, we hypothesize that the sustainable banking performance of banks in SSA has a positive effect on their financial performance.

2.4. Materials and Methods

The following sections describe the sample, the assessment methods, and the control variables used in the study.

2.4.1. Target Population and Sample

The target population was all 158 commercial banks operating in six SSA countries. These countries represent each of the three main regional blocs in SSA: East Africa (comprising Kenya and Tanzania), Southern Africa (encompassing Mauritius and South Africa), and West Africa (including Ghana and Nigeria). They also account for 60% of SSA's GDP (International Monetary Fund, 2022) and are representative of the SSA economy.

We collected data from publicly available reports, including annual reports and sustainability reports, on the banks' websites. We excluded banks without published annual reports and subsidiary banks that did not have stand-alone reports. The final sample for the study comprised 99 banks from East Africa (39), Southern Africa (24) and West Africa (36). The sample consists of three types of banks: international banks (10), local banks (39), and PABs (50). For this study, local banks refer to banks operating solely within their country of origin and are either publicly or privately owned. The sample also comprised listed banks (45) and non-listed banks (54).

2.4.2. Measuring Sustainable and Financial Performance

The sustainable banking framework used in this study is based on indicators and frameworks used in previous studies in other countries (Kumar & Prakash, 2019; Scholtens, 2009; Weber, 2017; Weber & Chowdury, 2020), with modifications to reflect the SSA context and provide a comprehensive view of sustainable banking (Fan et al., 2024). The indicators were adopted because they align with this study's definition of sustainable banking and have been applied within the context of a developing economy, thereby ensuring relevance and appropriateness. As illustrated in Table A1 in Appendix A, the framework comprised 44 indicators divided into six groups, namely: (1) sustainable banking products and services (SBPS); (2) environmental management (EMD); (3) social development SD); (4) internal socio-ethical conduct (ISEC); (5)

sustainability code of conduct and reporting (SCCREP); and (6) sustainability governance (SGOV).

We employed content analysis to assess the level of sustainable banking performance, building on prior studies (Akbar & Deegan, 2021; Boachie, 2020; Wong et al., 2018). A multigrade scoring system, similar to those employed in other studies (Peng et al., 2023; Thistlethwaite & Wood, 2018) was used to facilitate a comprehensive assessment and comparison of banks' performance. Indicators relating to policies, statements, and management practices were ranked on a scale of 0 to 1, while those relating to products, services, and processes were scored on a scale of 0 to 4. Each indicator was scored as 0 (absence of indicator), 1 (mention of indicator), 2 (qualitative description of indicator), 3 (quantitative description of indicator), or 4 (mention of target or benchmark for that indicator). The final step involved summing up the individual scores and dividing them by the total score to calculate the Sustainable Banking Performance (SBP) score and rank for each bank, ranging from 0 to 1.

Cronbach's alpha was used to measure the internal consistency of the indicators in line with similar studies (Ameer & Othman, 2012). All six categories achieved a Cronbach's alpha value of higher than 0.6, with SBPS = 0.89, EMD = 0.77, SD = 0.73, ISEC = 0.62, SCCREP = 0.85, and SGOV = 0.74, respectively, confirming the reliability of the indicators. To ensure the reproducibility of the results, we used a comprehensive spreadsheet that contained the respective scores, page numbers, and information cited in the report, facilitating ease and simplicity for other researchers to replicate the scoring method (Adu, 2022).

Sustainable banking data was collected for the year 2022, while financial data was collected for the year 2023 from the banks' annual reports. In line with previous studies, we utilized key financial accounting indicators because these indicators are highly correlated with sustainability

performance (Huang, 2021; Salim et al., 2023; Vitezić et al., 2012). Moreover, market indicators such as Tobin's Q and Price-to-Earnings (PE) may not be helpful, given that many banks in SSA are not listed. The five indicators used in this study are total assets (TA) (Weber & Chowdury, 2020), net profit after tax (NPAT) (Joy et al., 2022), return on assets (ROA) (Kosgei & Cherono, 2024), return on equity (ROE) (Gutiérrez-Ponce & Wibowo, 2024) and non-performing loan (NPL) ratio (Ho et al., 2019). TA was used to measure the size of the banks, as has been done in similar studies (Galletta et al., 2021). We used the natural logarithm of the financial indicators to normalize the distribution.

To analyze the relationship between sustainable banking performance and financial performance, we used one-year lagged variables and linear regression as conducted by Waddock and Graves (1997b).The financial indicators for 2023 were used as the dependent variables, and the sustainable banking performance score for 2022 was used as the independent variable, along with control variables. The model is described below:

$$FP = \beta_0 + \beta_1 SBP_{1i} + \beta_2 PAB_{2i} + \beta_3 INT_{3i} + \beta_4 EREG_{4i} + \beta_5 SREG_{5i} + \beta_6 LIST_{6i} + error_i$$

Where:

SBP = Sustainable banking performance score

FP= Financial performance with five different specifications, namely TA, NPAT, ROE, ROA, and NPL.

PAB= Pan African banks

INT-International banks

EREG- East Africa region

SREG- Southern Africa region

List = Listed banks

2.4.3. Control Variables

To effectively observe the relationship between sustainable banking performance and financial performance without confounding effects, three control variables — region, bank type, and listing status — were converted into dummy variables.

First, regions were used as control variables because of the varying levels of economic development in SSA. This process aligns with other studies conducted in Africa (Epule et al., 2021; Le & Nguyen-Phung, 2024) and other countries (Wong et al., 2018), which have demonstrated that regional differences have an impact on sustainability performance.

Second, the use of bank types as control variables follows studies that have employed the same approach in investigating the linkage between sustainable banking and financial performance, given the impact of the bank type on sustainability performance (Islam et al., 2021; Korzeb & Samaniego-Medina, 2019; Weber, 2017).

Finally, the listing status was used, as previous studies had found that it has an impact on the sustainability performance of firms, both within SSA (Botshabelo et al., 2017) and other regions (Vitezić et al., 2012).

2.4.4. Correlation between Financial Indicators

Table 1 presents the correlation between the financial indicators. The results show that total assets and net profits are highly correlated. It also demonstrates that ROE and ROA are highly correlated. Due to the expected high correlation, the study did not use multiple financial indicators as independent variables in a single model but rather as separate models, in line with previous studies (Weber, 2017).

Table 1: Correlation between Financial Indicators

		Total Assets	Net Profit	ROE	ROA	NPL Ratio
Total Assets	Pearson Correlation	1	.880**	.368**	0.19	-.237*
Net Profit	Pearson Correlation	.880**	1	.733**	.632**	-.258*
ROE	Pearson Correlation	.368**	.733**	1	.914**	-0.203
ROA	Pearson Correlation	0.19	.632**	.914**	1	-0.133
NPL Ratio	Pearson Correlation	-.237*	-.258*	-0.203	-0.133	1

1. *Note*: ** Correlation is significant at the 0.01 level (2-tailed). *Correlation is significant at the 0.05 level (2-tailed).

2.4.5. Ranking of Sustainable Banking Performance

The ranking method was adopted from previous studies (Jeucken, 2001; Kumar & Prakash, 2019) and provides insights into the level of sustainable banking adoption (see Table 2).

Table 2: Description of Ranking Methodology

Rank	Score	Description
Stage 1	0.0-0.25	Banks are at the early stage of sustainable banking, with a greater emphasis on social and ethical practices.
Stage 2	0.26-0.5	Banks are at the growing stage of sustainable banking, actively adopting social and environmental management practices in addition to rolling out sustainable banking products and services.
Stage 3	0.51-0.75	Banks are at the advancing stage of sustainable banking. They undertake significant environmental and social sustainability activities, including offering numerous sustainable products and services, as well as participating in global sustainability frameworks.
Stage 4	0.76-1.0	Banks are at the mature stage and have significantly incorporated all the various dimensions of sustainable banking and can be seen as role models.

2.5. Results

We examined the first research question, which seeks to evaluate the level of sustainable banking performance in SSA using descriptive statistics. The results, as illustrated in Table 3, show that the average overall sustainable banking performance score of the sampled banks is 0.29, corresponding to Stage 2, or the growing stage, in the ranking category. The standard deviation of 0.21 suggests that the general performance does not deviate significantly from the mean. Banks in SSA prioritize internal socio-ethical conduct practices, with a mean of 0.81. At the same time, the least prioritized category is the roll-out of sustainable banking products and services, with a significantly lower mean of 0.19.

Table 3: Descriptive Statistics of the Sustainable Banking Performance for all Banks

Category	Minimum	Maximum	Mean	Std. Deviation
Sustainable Banking Products and Services	0.00	0.67	0.19	0.18
Environmental Management	0.00	1.00	0.36	0.30
Social Development	0.00	0.93	0.43	0.27
Internal Socio-ethical Conduct	0.00	1.00	0.81	0.24
Sustainability Code of Conduct and Reporting	0.08	1.00	0.31	0.26
Sustainability Governance	0.00	1.00	0.47	0.40
Overall Sustainable Banking Performance	0.02	0.79	0.29	0.21

2.5.1. Differences in Sustainable Banking Performance by Region, Bank Type and Listing Status

To answer Research Question 2, about whether sustainable banking performance differs by region, bank type, and listing status, we use both descriptive statistics and the results from the ranking analysis. Table 4 illustrates the descriptive statistics, which reveal performance differences across the categories. The results by region show a significant difference between banks in East Africa and banks in Southern and West Africa. Banks in East Africa have the lowest average SBP

score of 0.228, representing a Stage 1 ranking. In contrast, there is a negligible difference in the average performance of banks in West Africa (0.333) and Southern Africa (0.332).

Table 4: Descriptive Statistics of the Financial Performance and Sustainable Banking Performance

Category	Statistic	Total Assets	NPAT	ROE	ROA	NPL ratio	SBP Score
Region							
East Africa	Mean	13.090	8.985	2.271	0.279	2.350	0.228
	Std. Dev.	1.577	2.358	1.487	1.371	0.807	0.203
Southern Africa	Mean	15.066	10.976	2.768	0.433	1.526	0.332
	Std. Dev.	1.870	1.919	0.551	0.549	1.087	0.238
West Africa	Mean	14.470	11.087	3.256	1.033	2.068	0.333
	Std. Dev.	1.244	1.273	0.564	0.678	1.560	0.178
Bank type							
International	Mean	13.717	10.106	3.101	0.955	0.723	0.207
	Std. Dev.	0.687	0.919	0.399	0.537	2.589	0.107
Local	Mean	13.394	9.447	2.632	0.495	2.454	0.228
	Std. Dev.	1.440	1.925	0.968	0.769	0.942	0.159
PABs	Mean	14.627	10.685	2.741	0.556	2.009	0.356
	Std. Dev.	1.906	2.329	1.251	1.223	0.802	0.236
Listing status							
Listed	Mean	15.253	11.571	3.013	0.770	2.060	0.449
	Std. Dev.	1.550	1.520	0.526	0.640	0.833	0.176
Non-Listed	Mean	13.077	9.014	2.494	0.405	2.046	0.159
	Std. Dev.	1.203	1.930	1.403	1.279	1.464	0.124

At the bank type level, PABs perform significantly better (0.356) than local (0.228) and international banks (0.207), whose average scores match the Stage 1 ranking. The most striking difference is between listed and non-listed banks, where the average SBP score for listed banks is 0.449, compared to 0.159 for non-listed banks. It is interesting to observe that the financial

indicators appear to follow a similar pattern, especially regarding total assets and net profits. Banks in Southern Africa, West Africa, PABs, and listed banks have higher values than their counterparts in other regions.

As shown in Figure 2, out of the 99 banks in the sample, the majority (46) of the banks are at Stage 1, while only two banks are at Stage 4 (mature stage). Fifty-one banks, representing 52% of the sample, are at Stages 2 (growing stage) and 3 (advancing stage).

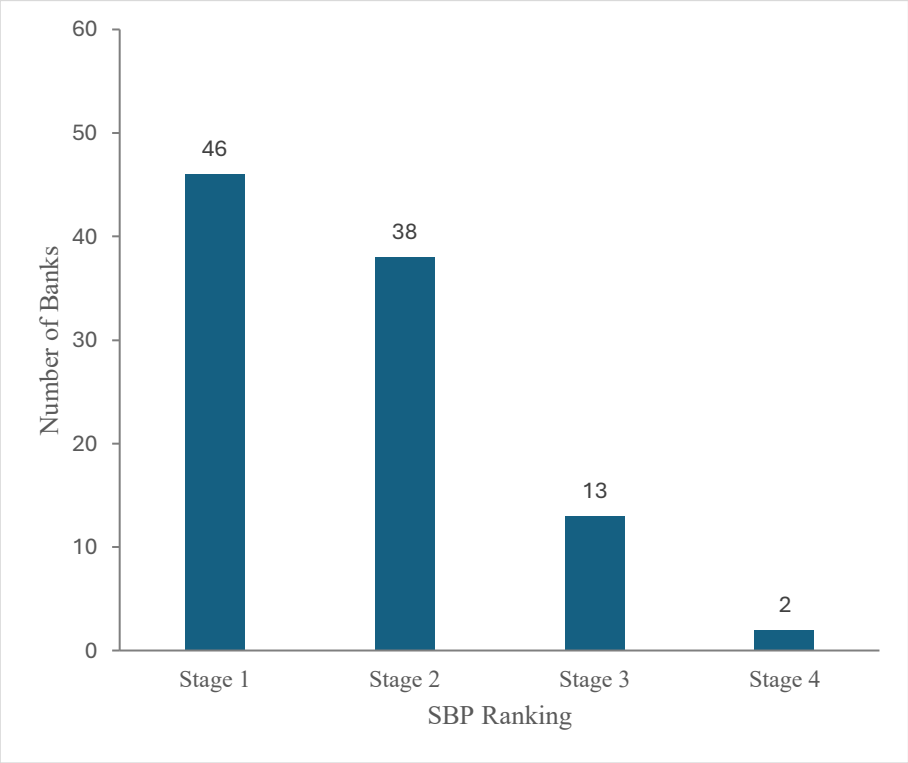


Figure 2: SBP Ranking for all Banks

Source: Authors

At the regional level**,** the results in Figure 3 indicate that East Africa has the highest number of banks in Stage 1, while Southern Africa has the highest number of banks in Stages 3 and 4. West Africa has the highest number of banks in Stage 3.

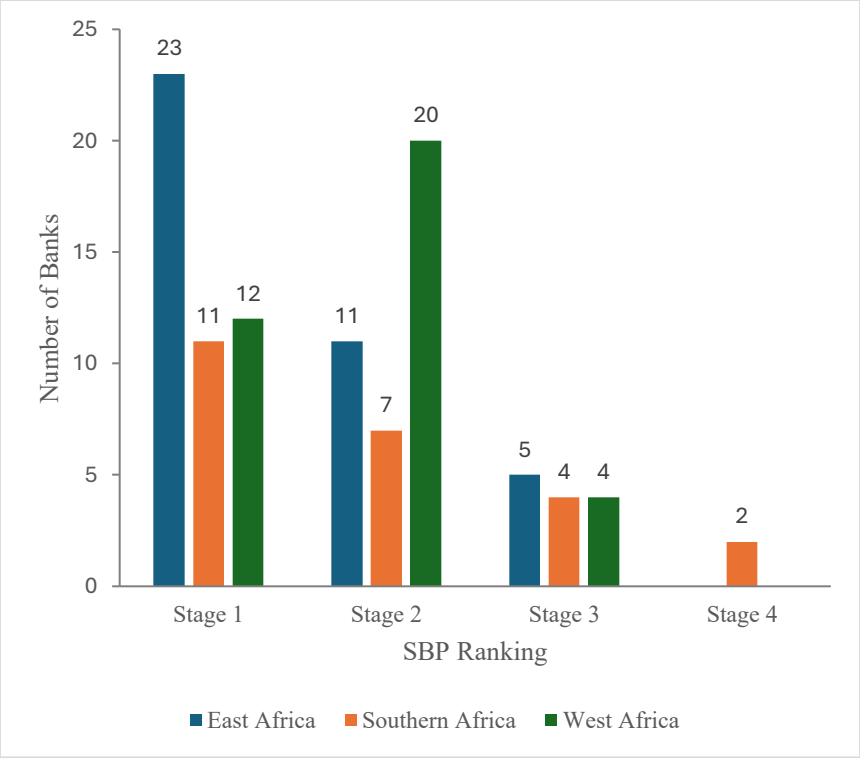


Figure 3: SBP Ranking by Region

Source: Authors

Figure 4 shows that most banks in Stages 1 and 2 are local banks, whereas there are no local and international banks in Stages 3 and 4. Banks operating on Stage 3 and 4 levels of sustainable banking are all PABs. International banks typically operate at Stages 1 and 2.

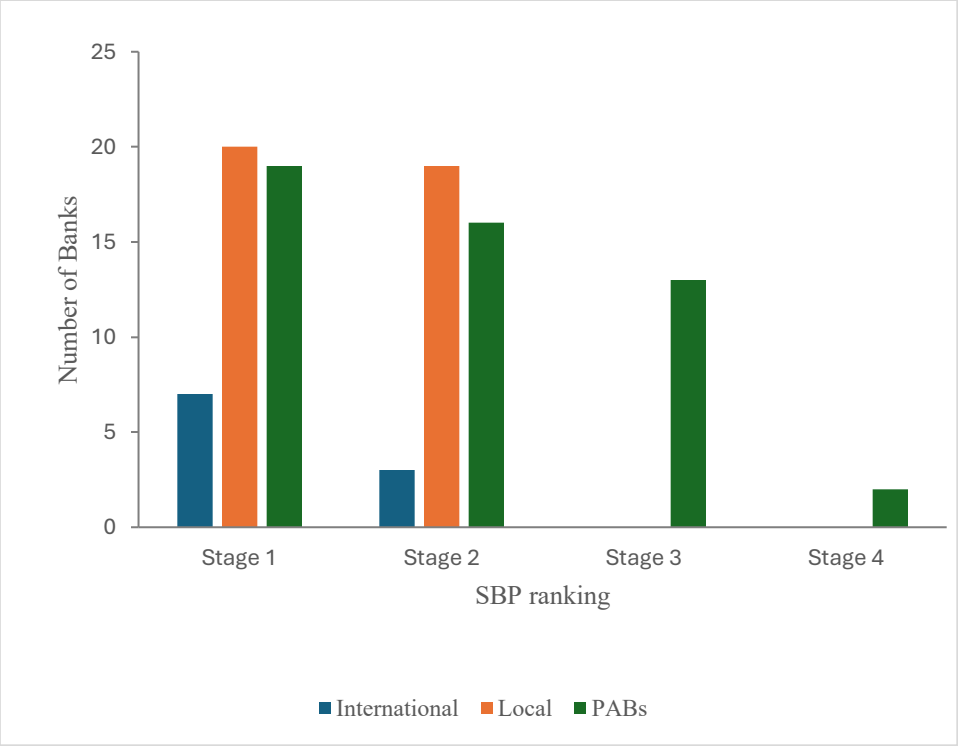


Figure 4 SBP Ranking by Bank Type

Source: Authors

The analysis by stock listing status reveals that non-listed banks in SSA predominantly operate at the Stage 1 level of sustainable banking. In contrast, listed banks dominate stages 2, 3, and 4, as shown in Figure 5.

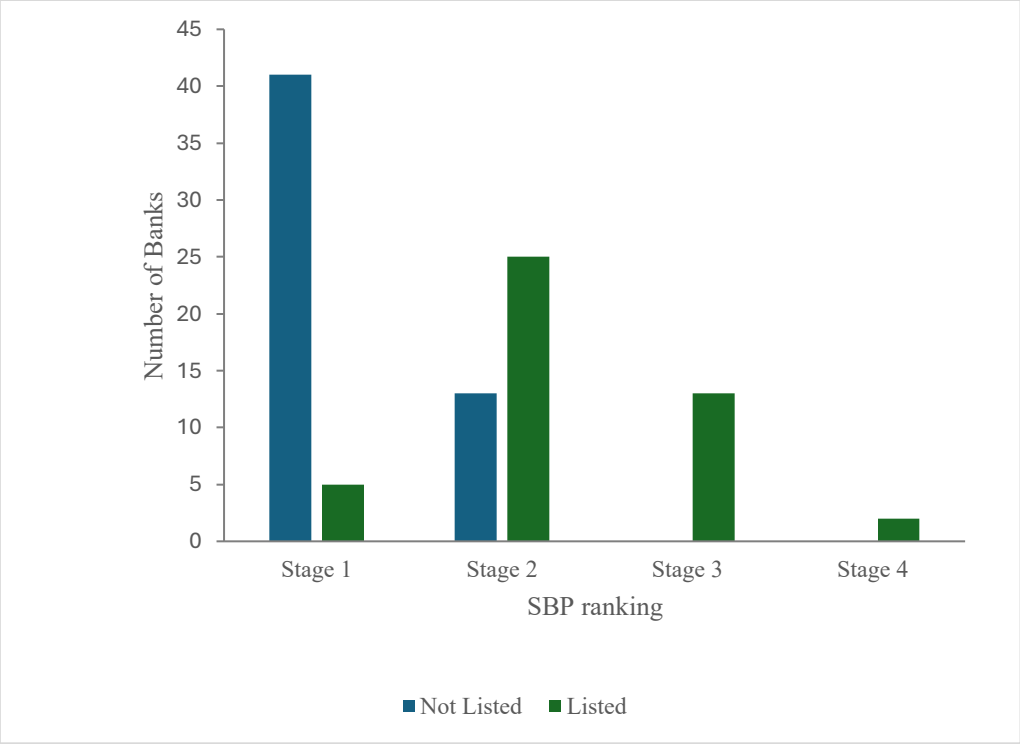


Figure 5: SBP Ranking by Listing Status

Source: Authors

2.5.2. The Effect of Sustainable Banking Performance on Financial Performance

Finally, to test our hypothesis that the sustainable banking performance of banks in SSA has a positive effect on their financial performance, we conducted ordinary least squares (OLS) regressions. The regression used the 2022 SBP score as the independent variable and the 2023 natural logarithm of TA, NPAT, ROE, ROA, and NPL ratio, respectively, as dependent variables, with bank type, region, and stock exchange listing status as control variables. The results are presented in Table 5.

Table 5: Results of the OLS Regression analysis using 2023 Financial Indicators as Dependent Variables and the 2022 SBP Score as the Independent Variable

Independent Variables	Coefficient	p value	Adjusted R^2	Sig	VIF
Total assets			0.798	<.001	
Sustainability Score	5.583 (0.607)	<.001***			2.533
Bank Type					
PABs	0.417 (0.185)	0.026**			1.34
International	-0.04 (0.289)	0.892			1.219
Region					
East Africa	-0.749 (0.192)	<.001***			1.396
Southern Africa	0.613 (0.211)	0.005***			1.31
Stock Exchange Listing					
Listed Banks	0.313 (0.237)	0.19			2.189
Constant	12.242 (0.205)	<.001***			
NPAT			0.638	<.001	
Sustainability Score	5.895 (1.079)	<.001***			2.711
Bank Type					
PABs	0.306 (0.335)	0.364			1.386
International	0.207 (0.511)	0.687			1.243
Region					
East Africa	-1.374 (0.343)	<.001***			1.42
Southern Africa	-0.035 (0.370)	0.924			1.318
Stock Exchange Listing					
Listed Banks	0.413 (0.434)	0.344			2.359
Constant	8.598 (0.378)	<.001***			
ROE			0.141	0.006	
Sustainability Score	1.278(0.857)	0.14			2.709
Bank Type					
PABs	-0.104 (0.266)	0.696			1.403
International	0.306 (0.402)	0.449			1.242
Region					
East Africa	-0.824 (0.271)	<.003***			1.404
Southern Africa	-0.492 (0.291)	0.094*			1.313
Stock Exchange Listing					
Listed Banks	-0.003 (0.342)	0.993			2.339
Constant	2.829 (0.297)	<.001***			
ROA			0.064	0.081	
Sustainability Score	0.354 (0.834)	0.672			2.711

Bank Type					
PABs	-0.005 (0.259)	0.986			1.386
International	0.377 (0.395)	0.344			1.243
Region					
East Africa	-0.640 (0.265)	0.018**			1.42
Southern Africa	-0.601 (0.286)	0.039**			1.318
Stock Exchange Listing					
Listed Banks	0.155 (0.336)	0.646			2.359
Constant	0.770 (0.292)	0.010***			
NPL Ratio			0.165	0.001	
Sustainability Score	-1.415 (0.860)	0.103			2.502
Bank Type					
PABs	-2.45 (0.264)	0.355			1.338
International	-1.591 (0.424)	<.001***			1.191
Region					
East Africa	0.100 (0.273)	0.714			1.391
Southern Africa	-0.423 (0.303)	0.166			1.299
Stock Exchange Listing					
Listed Banks	0.491 (0.335)	0.147			2.152
Constant	2.581 (0.292)	<.001***			

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Table 5 shows that four out of the five models (except for ROA) are significant ($p < 0.05$), with stronger explanatory power represented by the adjusted R^2 values for total assets and NPAT. After controlling for bank type, region, and stock exchange listing status, the regression analysis indicates that sustainable banking performance is positively and significantly associated with financial performance, as measured by total assets and net profit after tax (NPAT). Both ROE and ROA have positive but insignificant relationships with sustainable banking performance, while the NPL ratio has a negative and insignificant relationship with sustainable banking performance. The results show that banks with high sustainable banking performance have higher financial performance, as measured by total assets and net profits, thereby confirming our hypothesis.

The correlation between the SBP score and NPL was weak but negative. The result indicates that banks adopting sustainable banking practices tend to have lower non-performing loans.

2.5.3. Robustness Checks

Following our primary regression analysis, a robustness test was conducted using the 4-stage sustainable banking performance ranks as independent variables. Dummy variables were created for the respective ranks. The results are presented in Table 6. They demonstrate that the regression models are significant for total assets, NPAT, and ROE, with stronger adjusted R-squared values for total assets and NPAT, as observed in the primary regression analysis. The models for ROA and NPL, however, were insignificant, with smaller adjusted R-squared values. The results demonstrate that banks in Stages 2, 3, and 4 have larger assets, higher profits, higher return on equity (ROE), and lower non-performing loans (NPLs) than those in Stage 1, indicating the impact of sustainable banking on financial performance. These findings confirm our hypothesis and provide robustness to our primary results. They also demonstrate that the effect of sustainable banking performance is stronger for total assets and net profits than for the other financial indicators.

Table 6: Results of the OLS Regression Analysis using 2023 Financial Indicators as Dependent Variables and the 2022 SBP Ranks as the Independent Variable

Independent Variables	Coefficient	p value	Adjusted R^2	Sig	VIF
Total assets			0.633	<.001	
Sustainability Ranking					
Stage 2	1.944 (0.235)	<.001***			1.121
Stage 3	3.467 (0.332)	<.001***			1.111
Stage 4	5.478 (0.763)	<.001***			1.022
Constant	12.765 (0.156)	<.001***			
NPAT			0.488	<.001	
Sustainability Ranking					
Stage 2	2.389 (0.370)	<.001***			1.157
Stage 3	3.756 (0.499)	<.001***			1.145
Stage 4	4.977 (1.123)	<.001***			1.029

Constant	8.598 (0.254)	<.001***			
ROE			0.06	0.048	
Sustainability Ranking					
Stage 2	0.652 (0.258)	0.013**			1.164
Stage 3	0.751 (0.346)	0.033**			1.15
Stage 4	0.256 (0.777)	0.742			1.03
Constant	2.362 (0.178)	<.001***			
ROA			0.035	0.118	
Sustainability Ranking					
Stage 2	0.544 (0.244)	0.029**			1.157
Stage 3	0.444 (0.329)	0.185			1.145
Stage 4	-0.347 (0.741)	0.641			1.029
Constant	0.306 (0.168)	0.072*			
NPL			-0.03	0.961	
Sustainability Ranking					
Stage 2	-0.031 (0.278)	0.886			1.123
Stage 3	-0.179 (0.388)	0.895			1.113
Stage 4	-0.285 (0.890)	0.977			1.022
Constant	2.094 (0.184)	<.001***			

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

2.6. Discussion

The overarching findings from the descriptive statistics, ranking results, and regression analyses reveal that most banks in SSA are currently at the beginning (Stage 1) and growing (Stage 2) stages in their adoption of sustainable banking. The findings reveal differences in sustainable banking performance across the three main categories, with the most notable variations being those related to bank type and listing status. The study suggests a positive relationship between sustainable banking and financial performance, with a significant association to total assets and net profits. The following section provides a detailed discussion of the results.

2.6.1. Level of Sustainable Banking Performance

The findings demonstrate that banks in SSA are generally at the initial and growth stages in implementing sustainable banking practices. This implies that sustainable banking, as practiced in

the SSA, focuses primarily on the social and ethical aspects of sustainability. The relatively low performance is primarily driven by the overall low performance in the sustainable banking products and services category, indicating that the process of incorporating sustainability practices into core banking activities is still in its early stages. However, it is encouraging that many banks are at the growth stage, where the roll-out of sustainable banking products and services has begun, in addition to implementing social and environmental practices. These results align with similar studies in both developed and developing countries, where most banks are at the beginning and growing stages (Gaba & Sharma, 2024; Kumar & Prakash, 2019; La Torre et al., 2024; Mishra & Sant, 2023).

The results of the performance across the different SBP categories reveal that most banks emphasize internal socio-ethical conduct by instituting policies related to business ethics, labour practices, human rights, and diversity, influenced by the implementation of corporate governance mechanisms, as confirmed by previous studies in the region (Adu, 2022). Banks in SSA also prioritize the social aspects of sustainable banking, such as community engagement and women's empowerment activities, over the environmental dimension of sustainable banking. This result is in line with earlier studies conducted in Nigeria (Michael & Oluseye, 2014) and Southeast Asia (Gutiérrez-Ponce & Wibowo, 2024) but contrary to findings of studies from other emerging economies like Bangladesh (Weber & Chowdury, 2020) and Indonesia, (Gunawan et al., 2022), prioritizing the environmental dimensions. The emphasis on the social dimension can be explained by good management theory, as undertaking these social practices can be considered good management practice, which enhances the reputation of these banks and consequently leads to increased financial performance (Waddock & Graves, 1997b).

2.6.2. Differences in Sustainable Banking Performance by Region, Bank Type, and Listing Status

The ranking results, by region, revealed that Southern Africa has the highest number of banks with high rankings, while East Africa has the lowest-ranked banks. The performance of the Southern Africa region is unsurprising, considering it is the wealthiest and most industrialized in SSA (Mignamissi & Nguekeng, 2022) and has been leading in sustainability efforts, especially in addressing climate change (Epule et al., 2021; Le & Nguyen-Phung, 2024). Additionally, both South Africa and Mauritius have more developed banking systems than the other regions in SSA (Beck et al., 2023), which arguably provides them with access to more resources, including financial and management expertise, to pursue sustainable banking practices, resulting in a higher ranking. The positive correlation between economic development status and sustainable banking performance also supports the findings of other studies in China, where firms operating in the most economically developed regions performed higher than those in other regions (Wong et al., 2018). The marginal higher performance of banks in West Africa compared to Southern Africa is worth highlighting as it could be explained by the existence of sustainable banking regulations by the central banks in both Nigeria and Ghana driving sustainability activities among the banks.

Both ranking results and descriptive statistics indicate that PABs outperformed local and international banks. This result is not surprising, given that they are currently dominant players in the banking sector in SSA and are systemically important banks in both their home and host countries (Gondwe et al., 2024; Léon & Zins, 2020; Mathieu et al., 2019). Their commendable performance of being the only banks in Stages 3 and 4 can be attributable to Zins and Weill's (2018) argument that PABs have the best of both worlds of international banks through large-scale operations and better management expertise gained from their global experience, and that of local

banks through a better knowledge of local clients and the local environment. These advantages can also be viewed through the lens of good management theory, evidenced by intangible resources such as better management expertise and local knowledge, which provide them with a competitive advantage and enable them to undertake more sustainable banking practices compared to their local and international counterparts (Surroca et al., 2010). These results do not corroborate earlier studies by Hinson et al. and Korzeb and Samaniego-Medina (2019), who found that local banks had higher sustainability performance than foreign banks in Ghana and Poland, respectively. However, the results support other studies that have identified banks with foreign ownership to be better sustainability performers than local banks (Adu et al., 2023).

Finally, the evident difference in sustainable banking performance between listed and non-listed banks can be attributed to the fact that listed banks are usually larger, with higher visibility and greater scrutiny by stakeholders, such as investors, regulators, and the general public, compared to non-listed banks (Vitezić et al., 2012). Hence, they are more inclined to undertake sustainable banking practices. These findings support prior studies (Branco & Rodrigues, 2006; Korzeb & Samaniego-Medina, 2019; Ramdhony, 2015) but contradict other studies (Alberici & Querci, 2016; Hinson et al., 2010) that found non-listed banks to be better sustainability performers than their listed counterparts.

2.6.3. The Effect of Sustainable Banking Performance on Financial Performance for Banks in SSA

The results show that integrating sustainability practices into banking strategies, products, and services in SSA is not a trade-off but rather correlates positively and significantly with financial performance. The results support the good management theory (Waddock & Graves, 1997b) and play out in several ways. For instance, banks adopting sustainable banking practices as a form of

good management can attract incremental deposits, which can be used to create additional assets from both existing and new banking clients, thereby fostering customer loyalty and enhancing their reputation. These banks could also attract additional capital from institutional investors, resulting in increased bank size, measured by total assets, and enhanced profits from the creation of these assets, the roll-out of innovative products and services, as well as a reduction in credit losses through effective credit risk management that factors in sustainability risks. These findings align with similar studies conducted in the banking sector in SSA, where positive associations have been found (Adu, 2022; Siueia et al., 2019).

Finally, the insignificant but negative relationship between the sustainable performance of banks in SSA and the NPL ratio provides interesting insights. This finding suggests that integrating sustainability into the credit risk management process, rolling out products and services, and other internal processes could result in significantly lower NPL ratios, as other studies have shown (Ho et al., 2019). The finding could contribute to improving the stability of banks in SSA, considering that they are traditionally more burdened with higher non-performing loans (NPLs) than banks in other developing countries (Gondwe et al., 2024).

2.7. Conclusion

We conclude that banks in SSA have begun playing a key role in driving sustainable development through the adoption of sustainable banking practices, with the level of adoption varying according to bank type, region, and listing status on the stock exchange. Although this is a commendable start, there is significant room for improvement. We also conclude that doing good and doing well in banking in SSA go hand in hand, not as a trade-off, as evidenced by the positive relationship between sustainable banking and financial performance. Hence, the study contributes

to the extant literature on sustainable banking and business strategy in developing and emerging economies in several ways.

First, it investigates the under-researched context of sustainable banking within the SSA context, with a particular focus on evaluating the performance of banks in consideration of its growing uptake. Few studies that have undertaken such assessment studies have focused on emerging economies outside of Africa and Europe.

The study also contributes by utilizing a sustainable banking framework that incorporates sustainable banking products and services as a key indicator, which is often lacking in studies on sustainable banking in SSA (Adu, 2022; Kosgei & Cherono, 2024). The use of five different financial indicators, including NPL, to measure financial performance provides new insights, as previous studies in the region have often focused on ROE, ROA, and, in a few instances, NPAT (Botchwey et al., 2022; Julian & Ofori-dankwa, 2013).

Additionally, the study examines sustainable banking practices using a unique typology of foreign banks operating in Africa, specifically the concept of regional foreign banks or PABs. This categorization has not been previously used in studies on sustainable banking in SSA. However, the findings from this study elucidate the critical role they play in promoting sustainable development efforts through their sustainable banking performance. The study complements other banking studies in SSA that have used this categorization to measure the performance of banks using traditional banking indicators, such as banking efficiency (Pelletier, 2018; Zins & Weill, 2018) and development finance issues, like financial inclusion (Léon & Zins, 2020).

The findings can also serve as a lever for policymakers, supervisors, and regulators to introduce and implement targeted regulations and incentives to motivate sustainable behaviour. The results of the performance by different categories suggest that a “one size fits all” regulatory or policy

intervention may not be the most effective approach; instead, a bespoke approach that incorporates the bank type and financial strength could yield significant results. For instance, in recent times, some stock exchanges in the SSA have established sustainability guidelines that listed companies must adhere to.

2.7.1. Practical Recommendations for Sustainability Strategies

The results of the study show that banks in SSA are at an early stage concerning sustainable banking. However, the results also suggest that integrating sustainable finance might increase the financial performance of the banks. These two findings, combined, offer some opportunities for sustainable business strategies.

Similar to other banks, banks in SSA should integrate sustainability into their core banking products. Sustainable finance products and services should not stay in the niche. Instead, sustainability should be incorporated into conventional products and services, such as loans and other financial services. While the banks in the sample emphasize internal ethics and social contributions, they lag significantly in green or inclusive financial products, such as sustainability-linked loans (Vulturius et al., 2024), green bonds, and other ESG financial products tailored to the SSA market. One significant advantage of this strategy is that it decreases financial risks and increases sustainability performance, as demonstrated in other studies (Weber et al., 2010).

Since the study found a positive impact of sustainability performance on financial performance, sustainability can be positioned as a strategic value creation lever rather than a CSR initiative with no connection to the core business's performance, as already proposed by Porter and Kramer (2006). This lever could be used to attract ESG-inclined investors, in addition to reducing default risk and addressing customer loyalty.

Often, banks in SSA and other developing countries focus on social aspects of sustainability, such as inclusive finance. This expertise, however, could be expanded to the environmental side of sustainability. Environmental elements, such as climate change mitigation and adaptation, as well as energy and agriculture finance, may help diversify the banks' sustainability portfolios and address significant environmental pressures (Ntarmah et al., 2022).

All the aforementioned aspects need to be integrated into formal sustainability governance structures. They need to be implemented at the board level to achieve strategic relevance(Al-Hyari, 2023). Hence, many advanced banks have established sustainability committees on their boards and connected executive KPIs and bonuses to sustainability targets.

Interestingly, listed banks scored significantly higher in terms of sustainability than non-listed banks. The listing might indicate a strong interest in sustainable banking by shareholders and stakeholders. Also, some stock exchanges are ESG-compliant. Hence, banks planning to go public could use their sustainable banking activities to attract investors.

Furthermore, as found in many other studies, internationally operating banks often have higher sustainability performance than their national competitors. Frequently, they use international frameworks, such as the Task Force on Climate-Related Financial Disclosures (TCFD) or GRI (Arun et al., 2022). Therefore, local banks could blend local sustainability expertise with international ESG frameworks to make their activities visible and comparable to those of other banks.

Finally, banks in SSA could learn from banks in both developing and industrialized countries about how to use sustainability as a strategic asset. For instance, banks in Bangladesh use sustainability criteria to assess credit risks (Weber et al., 2015), while other banks use science-based targets to develop strategic sustainability activities.

By viewing sustainability as a strategic asset rather than a compliance burden, banks in SSA can align financial growth with broader sustainable developmental goals and the SDGs.

2.7.2. Limitations of the Study

The study acknowledges several limitations that present opportunities for future research. First, the study examined the relationship between sustainable banking and financial performance, using only the composite score rather than the individual categories, which could potentially yield different results. Second, the use of one-year time lags limits the ability to establish strong causality relationships, and thus, the findings should be interpreted with caution. Lastly, while relevant control variables were incorporated, there may be other omitted variables that could provide further explanation of the observed relationships.

Future studies could expand on exploring the relationship between the disaggregate components and financial performance, such as examining the relationship between the roll-out of sustainable banking products and services and financial performance. Additionally, examining the proportion of sustainable products and services offered by high-performing sustainable banks compared to traditional banking offerings could help determine whether these financial institutions truly qualify as sustainable banks. Finally, future research could consider using longitudinal data to strengthen causal inferences, and alternative theoretical perspectives, such as institutional theory, could be employed to understand the factors influencing sustainability performance in banks in SSA.

MANUSCRIPT ENDS

Chapter 3

What Drives Sustainable Banking Performance in Selected Sub-Saharan African Countries? - Does Institutional Isomorphism Matter?

While numerous studies on sustainable banking have focused on the financial outcomes of sustainability practices and the firm-level determinants of sustainability performance, fewer studies have investigated the role of external determinants, including institutional pressures. This chapter extends the research inquiry by examining the relationship between institutional pressures and sustainable banking performance among banks in Sub-Saharan Africa (SSA).

This study is grounded in institutional theory, with a specific application of the institutional isomorphic framework. It employs a quasi-experimental research design, using country-level proxies to represent each isomorphic pressure, with corresponding control groups. Sustainable banking performance is measured using the same 44-indicator framework employed in Chapter 2, applied to a sample of 74 banks across 6 countries. The study uses regression analysis to examine the association between each of the three institutional pressures, namely coercive, mimetic and normative and sustainable banking performance at both the aggregate and disaggregate levels. The results show that all three pressures have a significant and positive relationship with sustainable banking. It also shows that coercive pressure from central bank regulations has the strongest association with sustainable performance. The comparative analysis also demonstrates that banks operating in countries with each of the three institutional isomorphic environments have higher sustainable banking performance than their control group countries. The study contributes to the body of knowledge by showing how all three institutional environments can influence the sustainability performance of banks within a developing economy context. The findings can serve

as a guide for regulators and banking practitioners in SSA, as they adopt of frameworks and industry-led guidelines to drive sustainable behaviour in the banking sector.

This chapter was adapted from: **Appiah, A., Weber, O., & Wood, M.** (Revise and Resubmit 2). What drives sustainable banking performance in selected Sub-Saharan African Countries? - Does institutional isomorphism matter? *Business Strategy and the Environment.*
This chapter reflects the version of the manuscript submitted with the thesis for doctoral examination.

MANUSCRIPT BEGINS

3.1. Introduction

The banking sector is a key player in financing and promoting sustainable development initiatives globally, owing to its intermediary role in most economies (Bimha & Nhamo, 2017; da Silva Inácio & Delai, 2022; Zimmermann, 2019). This is more relevant in Sub-Saharan Africa, where the banking assets currently account for more than 75% of the region's GDP (Galal, 2023). Although banks have been previously judged as laggards to the sustainability agenda (Jeucken, 2001; Peeters, 2005; Schmidheiny & Zorraquin, 1998), the past two decades, triggered by the 2008 financial crisis, have witnessed growing momentum from banks in the sustainability discourse among both developed countries and developing countries (Nájera-Sánchez, 2020; Yip & Bocken, 2018).

Sustainable banking, one of the ways by which sustainable development is operationalized in the banking sector, has different definitions. This study adopts the definition of da Silva Inácio and Delai, which is "banking that offers products, services and practices that contribute to sustainable

development, benefiting the environmental, social and economic dimensions in the short, medium and long term" (da Silva Inácio & Delai, 2022, p. 10).

The concept of sustainable banking has garnered and continues to garner interest in academia, resulting in numerous studies. One common strand of research examines the impact of sustainable banking on financial performance (Adu, 2022; Ali et al., 2020; Azmi et al., 2021; Bătae et al., 2020; Gonenc & Scholtens, 2019; Maqbool & Zameer, 2018). Another research focus is the relationship between firm-level determinants, including size, financial performance, and corporate governance, and sustainable banking performance (Adu et al., 2023; Chih et al., 2010; Drempetic et al., 2020; Hussain et al., 2018; Young & Thyil, 2014). Despite the plethora of studies, external determinants of sustainable banking performance, particularly the influence of institutional environments, remain under-explored, given that banks, as organizations, are part of a wider system and may be influenced by the external institutional environment in which they operate (Dong et al., 2023; Mchavi & Ngwakwe, 2018; Moufty et al., 2024; Oyegunle & Weber, 2015; Sethi et al., 2017; Tilt, 2018; Weber et al., 2014). Furthermore, scholars have called for such studies to be undertaken within a cross-country comparative context, as many studies have focused on single countries (Moufty et al., 2024; Sethi et al., 2017).

To address these gaps, this cross-sectional study examines how institutional pressures relate to sustainability performance in selected countries within the SSA banking sector, using the institutional isomorphic theoretical framework espoused by DiMaggio and Powell (1983). The study's specific research questions are (RQ1) What is the relationship between coercive pressures (regulatory, legal environment, social pressure), mimetic pressures (imitation of other peer organizations or perceived leaders in the face of uncertainty), and normative pressures (professionalization, industry codes and associations) and sustainable banking performance in

SSA, and (RQ2) Which of these mechanisms shows the strongest association with sustainable banking performance?

To address these two research questions, we analyzed 74 banks operating in 6 countries, namely Nigeria, representing coercive isomorphic pressure; Zambia as a coercive control group; South Africa, representing normative isomorphic pressure; Tanzania as a normative control group; Uganda, representing mimetic isomorphic pressure; and Ethiopia as a mimetic control group.

We assessed sustainable banking performance for 2022 using a framework adapted from previous studies (Kumar & Prakash, 2019; Weber & Chowdury, 2020). A 44-indicator system comprising sustainable banking products and services, environmental and social management, and sustainability governance with multigrade scoring was used to calculate the sustainable banking performance (SBP) score for the sampled banks. Using Ordinary Least Squares (OLS) regressions, the respective institutional pressures were employed as independent variables to predict banks' sustainable banking performance at both the composite and disaggregate levels, while controlling for bank size and bank type.

The study's findings reveal that sustainable banking performance in SSA is significantly and positively associated with coercive, normative, and mimetic isomorphic pressures, with coercive pressure showing the strongest association. This suggests that central bank regulations, industry-led sustainability guidelines, and the presence of foreign banks in host countries promote the adoption of sustainable banking practices and contribute to improved performance, with central bank regulations having the most significant influence among banks in SSA. These findings hold at both the aggregate and disaggregate levels of sustainable banking performance.

This study is relevant to scholars, banking practitioners, policymakers, and regulators, offering initial insights into how the institutional environment shapes sustainable banking in SSA.

Theoretically, it extends the concept of institutional isomorphism in the sustainable banking literature, particularly within the SSA context, a developing field, by demonstrating that coercive, mimetic, and normative pressures are positively and significantly related to sustainable banking performance. The study contributes to the application of institutional isomorphism in sustainable banking research by showing that all three pressures are relevant to encouraging sustainable banking adoption. It also adds to the limited number of studies focusing on a single industry, such as banking (Griffin & Mahon, 1997; Moufty et al., 2024; Simpson & Kohers, 2002), as such research improves internal validity and offers valuable insights for practitioners in those sectors. It contributes to calls for multi-country comparative studies (Jackson & Apostolakou, 2010; Moufty et al., 2024; Sethi et al., 2017) that enhance generalizability beyond a single national context by leveraging between-country differences in institutional environments across the selected SSA countries and sampled banks.

Additionally, for regulators and banking practitioners, the study is timely, particularly in light of the increasing number of regulations and guidelines issued by central banks and banking associations in SSA over the last three years. These results can serve as a proof of concept for institutions, demonstrating that such interventions are critical to promoting banks' integration of sustainability and advancing sustainable development in the region.

The remainder of the paper presents the theoretical framework and develops the study's hypotheses, followed by a discussion of the methodology. The results are presented and interpreted in the discussion section. The final section presents the study's main conclusions.

3.2. Theoretical Framework and Hypothesis Development

Institutional theory emphasizes the role of social and cultural pressures imposed by institutions that influence organizational practices and structures to ensure the survival of these organizations

(Meyer & Rowan, 1977). Considering that the concept of institution is central to institutional theory, it is essential to define it. According to Scott (2001, p. 56), "institutions comprise regulative, normative, and cultural-cognitive elements that, together with associated activities and resources, provide stability and meaning to social life". These institutions could include governments, regulators, professional associations, parent companies, and competitors that influence organizations to adopt certain practices. Isomorphism is a concept within institutional theory that explains the factors that lead organizations to resemble one another within the same industry (DiMaggio & Powell, 1983).

DiMaggio and Powell (1983) developed three institutional isomorphic mechanisms, namely coercive, mimetic and normative isomorphism, that strongly influence the way organizations within a common organizational field operate. Other scholars have built on this theoretical framework and further argued that firms behave in socially responsible ways due to institutional forces that can be categorized into these three isomorphic pressures (Campbell, 2007). The remainder of this section discusses the three isomorphic pressures in detail and develops the study's hypotheses.

3.2.1 Coercive Isomorphism

Coercive isomorphism concerns organizations' responses to both formal and informal pressures from the institutions they depend on, as well as the cultural expectations in the societies where they operate (Carungu et al., 2021; DiMaggio & Powell, 1983). Sources of coercive pressure include social pressure, government regulations, and the legal environment (DiMaggio & Powell, 1983). Bhuiyan et al. (2023) argue that the sources of coercive pressure on corporate sustainability practices differ between developed and developing countries, with the latter including home-country regulations and multilateral organizations such as the United Nations and the World Bank.

Several studies have examined the influence of coercive pressure on firms' sustainability practices, yielding mixed results (Amoako et al., 2021; Bose et al., 2021; Dong et al., 2023; Martínez-Ferrero & García-Sánchez, 2017; Sethi et al., 2017). Sethi et al. (2017) conducted a cross-sectional study of factors influencing the quality of sustainability reports among global banks, using country-level proxies for institutional factors, and found that banks operating in countries with sustainability regulations produced higher-quality reports. In contrast, Dong et al. (2023) concluded that the introduction of the Green Credit Policy in China did not improve reporting practices within the financial sector.

In SSA, some central banks, such as the Central Bank of Nigeria (CBN) and the Bank of Ghana, have established sustainable banking regulations that apply to all banks under their supervision. However, this study will focus on Nigeria. The CBN established the Nigerian Sustainable Banking Principles (NSBPs) in 2012 (Central Bank of Nigeria, 2012), which cover nine key areas, including environmental and social risk management, human rights, women's economic empowerment, financial inclusion, and reporting, among others. Drawing on the theoretical arguments by DiMaggio and Powell (1983) and Campbell (2007) that organizations respond to regulatory pressure, we advance the following hypothesis:

H1: Banks operating in a coercive isomorphic environment that fosters sustainable banking have a higher sustainable banking performance than banks that do not.

3.2.2 Normative Isomorphism

Normative isomorphism is associated with professionalization (DiMaggio & Powell, 1983) and highlights the role of self-regulation in guiding organizations to conform to the values, rules, norms, guidelines, and standards of their professional bodies and trade associations, which supports the adoption of sustainability practices (Asiri et al., 2020; Bhuiyan et al., 2023). The main

distinguishing feature between normative and coercive isomorphism is the absence of force or imposition in the former, among organizations influenced by such pressures. The global banking industry is largely influenced by normative pressures, as it is one of the industries with the highest number of voluntary codes of conduct, including the UNEP FI Principles for Responsible Banking, Equator Principles, and Global Alliance for Banking on Values (Weber et al., 2016).

Some studies have examined the influence of normative pressures on sustainability performance across industries and countries, finding it a key determinant in some instances and insignificant in others (Amran & Haniffa, 2011; Dong et al., 2023; Garcia-Sanchez et al., 2016; Huynh et al., 2024; Pereira et al., 2023; Shubham et al., 2018). A quantitative study on the impact of institutional pressure on the adoption of sustainable manufacturing practices in India found that normative pressure in the form of self-regulation was the greatest influence (Shubham et al., 2018). Conversely, a mixed-methods study on the factors influencing the development of sustainability reporting among listed firms in Malaysia concluded that normative pressure in the form of membership in industry associations did not significantly affect the adoption of sustainability reporting practices (Amran & Haniffa, 2011).

In SSA, a few national banking associations, such as the Kenya Banking Association (KBA) and the Banking Association of South Africa (BASA), have also developed sustainable banking guidelines applicable to their members. This study focuses on BASA's Principles for Managing Environmental and Social Risks, established in 2015 and endorsed by all its members (The Banking Association of South Africa, 2015). The principles aim to promote sustainable banking practices, with key commitments to incorporate sustainability into products and services, lending and investment practices, operations, and procurement practices. Given that all banks are members

of this association, this study assumes that these guidelines would drive sustainable banking behaviour and thus hypothesizes that:

H2: Banks operating in a normative isomorphic environment that fosters sustainable banking have a higher sustainable banking performance than banks that do not.

3.2.3. Mimetic Isomorphism

Mimetic isomorphism refers to how organizations copy the behaviour and activities of peer organizations, especially in the face of uncertainty, to secure legitimacy (DiMaggio & Powell, 1983). These organizations include independent firms that are considered role models, leaders, or successful in the same or different industries, and may be unaware that they are being copied (Amor-Esteban et al., 2018; DiMaggio & Powell, 1983; Shubham et al., 2018; Welbeck, 2017). Multinationals operating in host countries without regulations or clear guidelines may view their parent companies as role models whose practices are imitated, making those parent companies sources of mimetic pressure (Amran & Haniffa, 2011; Welbeck, 2017). On the other hand, local banks may also emulate the behaviour of foreign banks in the absence of regulations governing sustainability. As discussed above, several studies have examined the role of mimetic pressures in driving firms' sustainability practices (Amoako et al., 2021; Bhuiyan et al., 2023; Forcadell & Aracil, 2017; Iliya Nyahas et al., 2017; Peng et al., 2023; Welbeck, 2017). Forcadell and Aracil (2017) found that mimetic pressure from parent companies was a key driver of CSR practices among multinational banks in Latin America.

Considering that the banking industry in Africa has a large presence of foreign banks which are categorized into two namely regional foreign banks or Pan-African Banks (PABs) and international banks (Léon & Zins, 2020; Zins & Weill, 2018), the study would apply this mimetic isomorphic framework to examine the impact of mimetic pressure on the sustainable banking

performance of banks in sub-Saharan Africa. Specifically, this study uses Uganda, one of the countries in SSA with a strong foreign bank presence (International Trade Administration, 2023), with no known central bank regulations or industry-led guidelines on sustainability as a proxy for mimetic pressure and hypothesizes that:

H3: Banks operating in a mimetic isomorphic environment that fosters sustainable banking have a higher sustainable banking performance than banks that do not.

The presence of these three isomorphic pressures in SSA countries makes this theoretical framework relevant for the study. This is because of the existence of sustainable banking regulations by central banks, sustainable banking guidelines by banking associations, and the large presence of foreign banks, defined as both Pan-African banks and banks originating outside Africa, within the banking industry. An extensive review of empirical studies, as evidenced above, reveals a dearth of studies that employ all three isomorphic pressures in the banking sector, which provides further justification for their inclusion in this study. Figure 6 illustrates the theoretical framework.

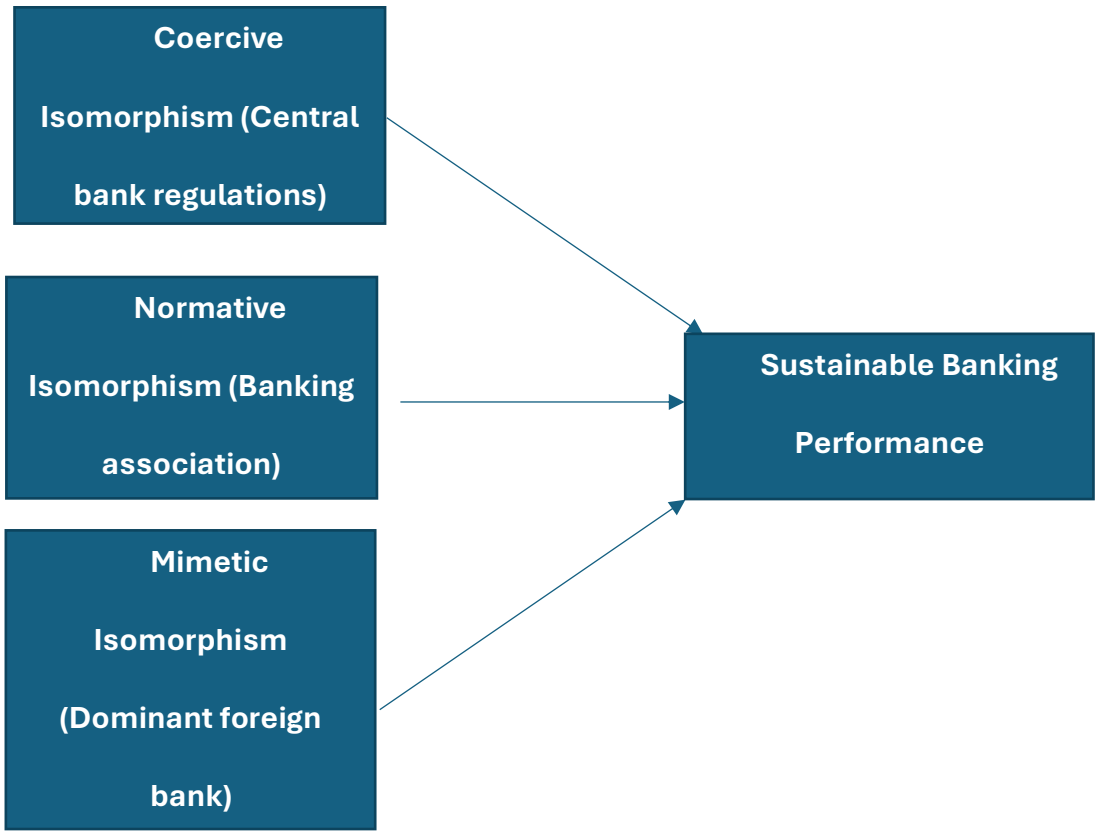


Figure 6: Institutional Theoretical Framework

Source: Authors

3.3. Materials and Methods

The target population for the study comprised all commercial banks operating in six SSA countries in 2022: Nigeria, Zambia, South Africa, Tanzania, Uganda and Ethiopia. These countries were selected to provide treatment-control groups for coercive, normative and mimetic isomorphic pressures and to reflect SSA's heterogeneity. Consistent with prior studies, only banks with publicly disclosed sustainability information, either in stand-alone sustainability reports, integrated reports or annual reports with embedded sustainability information, were included in the study (Carungu et al., 2021; Gungadeen et al., 2021). Banks without such disclosures and subsidiary banks without stand-alone reports were excluded. As shown in Table 7, the final sample

comprised 74 banks, representing 49% of the banking population. The sample period for sustainable banking performance was 2022, as it was the most recent year for which data were available for the sampled banks.

Table 7: Composition of the Banks by Country

Country	Population	Sample	Representation (%)
Nigeria	26	15	58
Zambia	17	8	47
South Africa	18	11	61
Tanzania	34	13	38
Uganda	25	12	48
Ethiopia	30	15	50
Total	150	74	49

Note: Population and sample refer to count, and representation refers to sample as a percentage of population

3.3.1. Measurement of Sustainable Banking Performance

Studies on the sustainability performance of organizations have used a range of measurements over time. These include the use of third-party rating agencies or global frameworks (Bătae et al., 2020; Botchwey et al., 2022; Galletta et al., 2023), country-level sustainable banking framework (Bose et al., 2021; Weber & Oni, 2015) and self-developed frameworks from previous studies and existing frameworks (Maqbool & Zameer, 2018; Moufty et al., 2024). This study followed the latter measurement approach described above and developed a sustainable banking framework based on indicators used in previous studies in other countries (Kumar & Prakash, 2019; Scholtens, 2009; Weber, 2017; Weber & Chowdury, 2020), with modifications to reflect the SSA context.

These indicators were adopted because they align with the study's definition of sustainable banking and have been applied in emerging economies, ensuring their relevance and appropriateness. As presented in Appendix Table A1, the sustainable banking framework

comprises six broad dimensions with forty-four (44) indicators: (i) sustainable banking products and services (15); (ii) environmental management (7); (iii) social development (5); (iv) internal socio-ethical conduct (4); (v) sustainability code of conduct and reporting (10); and (vi) sustainability governance (3).

Content analysis was used to evaluate sustainable banking performance, following prior studies (Boachie, 2020; Dong et al., 2021; Doni et al., 2020). Sustainable banking performance was based on sustainable banking information disclosed in these reports, consistent with previous scholars who posit that disclosures can serve as a proxy for measuring sustainability practices (Ameer & Othman, 2012; Hussain et al., 2018; Kühn et al., 2018; Peng et al., 2023). A multigrade scoring system was employed, as in other studies (Adu, 2022; Sethi et al., 2017; Thistlethwaite & Wood, 2018), to provide a comprehensive assessment and comparison of banks' performance. Indicators related to policies, statements, and management practices were scored between 0 and 1, while those related to products, services, and processes were scored between 0 and 4. Each indicator was scored as 0 (absence of the indicator), 1 (mention of the indicator), 2 (qualitative description of the indicator), 3 (quantitative description of the indicator), or 4 (mention of a target or benchmark for that indicator). The final step was to sum the individual scores and normalize by dividing by the total score to obtain the sustainable banking performance (SBP) score for each bank, which ranges between 0 and 1. In addition, each bank's score within the six categories was normalized by dividing the raw score by that category's maximum points. The normalized scores, also ranging from 0 to 1, were used in the analysis.

To assess the internal consistency of the sustainable banking indicators, consistent with similar studies (Ameer & Othman, 2012), Cronbach's alpha was used. All six categories achieved Cronbach's alpha values above 0.6 with $\alpha_{SBPS} = 0.89$, $\alpha_{EM} = 0.77$, $\alpha_{SD} = 0.73$, $\alpha_{ISEC} = 0.62$, α_{SCCREP}

= 0.85, and α_{SGOV} = 0.74, respectively. To ensure reproducibility, a comprehensive spreadsheet containing the respective scores, page numbers, and information cited in the report was used to facilitate replication of the scoring method (Adu, 2022).

3.3.2. Measuring Institutional Pressures

This study adopted a country-level approach, using the focal institutional lever present in each treatment country as a proxy for the corresponding isomorphic pressure, as in previous comparative country studies (Carnevale & Mazzuca, 2014; Garcia-Sanchez et al., 2016; Jackson & Apostolakou, 2010; Kolk & Perego, 2010; Martínez-Ferrero & García-Sánchez, 2017; Sethi et al., 2017). This approach allows cross-country comparisons of sustainable banking performance. Coercive pressure is proxied by the Central Bank of Nigeria's Sustainable Banking Principles (NSBPs), which were in force and applicable to all banks in Nigeria in 2022. Normative pressure is proxied by the BASA's Principles for Managing Environmental and Social Risks, applicable to all member banks in South Africa in 2022. Mimetic pressure is proxied by foreign bank dominance in the Uganda banking system in 2022. For each of these three institutional pressures, the treatment country is contrasted with a control group in which that focal institutional lever was absent in 2022. Accordingly, Zambia was selected as the control country for the coercive isomorphic mechanism (no central bank sustainable banking regulation in 2022). Tanzania was selected as the control country for the normative isomorphic mechanism (no banking association sustainability guidelines in 2022). Ethiopia was selected as the control country for the mimetic isomorphic mechanism (no licensed foreign commercial banks operating in 2022). Countries were assigned to one focal treatment solely based on the presence or absence of that institutional lever in 2022; we did not make claims about the other two pressures in the treatment countries. These contrasts enabled us

to compare performance and examine the association between institutional isomorphism and sustainable banking performance among banks in SSA.

Dummy variables were used to convert the categorical data into numerical form. We created three treatment-country dummy variables, coding banks as "1" in each treatment country where the institutional lever was present in 2022 and "0" otherwise. Banks in the control countries were coded as "0" on all three. Zeros on the other treatment indicators (the non-focal indicator) indicate "not assigned to that treatment country" and do not signify the absence of that pressure.

In line with previous studies, this study used two control variables, bank size measured by total assets and bank type, to mitigate potential confounding effects, as these factors have been shown to influence sustainability performance (Bose et al., 2021; Kiliç, 2016; Kühn et al., 2018; Nugrahani et al., 2025; Sethi et al., 2017). Bose (2017) found that bank size significantly affected the sustainability performance of banks in Bangladesh, in addition to coercive pressures, while Kühn et al. (2018) found that both size and ownership, in this case foreign ownership, had a stronger influence on the quality of sustainability reporting in SSA than institutional factors. Bank types, namely international, local, and Pan-African Banks (PABs), were converted into dummy variables and used in the analysis. For this study, PABs are banks originating from Africa with subsidiaries operating in other African countries; international banks are banks originating outside of Africa, and local banks are banks operating only in their country of origin.

3.3.3. Data analysis

The statistical analysis was conducted in two phases. First, descriptive statistics and a boxplot were used to describe the sample and visually compare performance between the treatment and control group countries. We also ran unadjusted Mann-Whitney tests for each treatment-control country pair (two-tailed, exact p) as a distributional check. Second, we conducted multivariate

analysis using an ordinary least squares (OLS) regression model to test our hypotheses. The OLS analysis was performed at both the composite and category levels, where we examined the associations of the three pressures with overall sustainable banking performance and with each of the six categories, and identified which pressure had the strongest association. We computed variance inflation factors (VIFs) for all regressors, with a threshold of 5. We also conducted heteroskedasticity diagnostics on the OLS residuals using the Breusch-Pagan test. The regression model used to test the hypotheses is presented below:

$$SBP = \beta_0 + \beta_1 COER_{1i} + \beta_2 NORM_{2i} + \beta_3 MIM_{3i} + \beta_4 PAB_{4i} + \beta_5 LOC_{5i} + \beta_6 SIZE_{6i} + error_i$$

Where:

SBP = Sustainable banking performance score

COER= Coercive pressure

NORM= Normative pressure

MIM=Mimetic pressure

PAB = Pan African banks

LOC-Local banks

SIZE- Bank size measured by total assets

In subsequent analysis, we replaced the overall SBP score with the respective scores of the categories SBPS, EM, SD, ISEC, SCCREP and SGOV as dependent variables.

3.4. Results

3.4.1. Descriptive Analysis

Table 8 presents the descriptive statistics of the variables. The final sample comprised 74 banks, of which 54% are local banks (mainly because all banks in Ethiopia are local), 38% are PABs, and the remaining 8% are international banks.

Table 8: Descriptive Statistics of Variables

Country	*N*	Statistic	SBP	SBPS	ENVM	SD	ISEC	SCCREP	SGOV	TASSETS
Nigeria	15	Mean	0.47	0.31	0.61	0.71	0.98	0.55	0.69	15.8
		Std. Dev.	0.12	0.11	0.18	0.23	0.06	0.23	0.29	0.91
Zambia	8	Mean	0.23	0.17	0.23	0.41	0.75	0.13	0.33	13.19
		Std. Dev.	0.13	0.11	0.21	0.21	0.19	0.07	0.4	1.09
Uganda	12	Mean	0.26	0.18	0.29	0.48	0.67	0.19	0.36	13.15
		Std. Dev.	0.14	0.1	0.22	0.24	0.19	0.17	0.26	0.97
Ethiopia	15	Mean	0.1	0.09	0	0.2	0.32	0.08	0	13.45
		Std. Dev.	0.03	0.05	0.02	0.08	0.15	0	0	1.27
South Africa	11	Mean	0.47	0.33	0.62	0.58	0.98	0.59	0.79	15.83
		Std. Dev.	0.25	0.26	0.32	0.25	0.08	0.31	0.22	2.34
Tanzania	13	Mean	0.22	0.15	0.24	0.38	0.75	0.17	0.15	12.62
		Std. Dev.	0.13	0.11	0.21	0.19	0.25	0.07	0.32	1.63
Local	40	Mean	0.24	0.17	0.25	0.42	0.64	0.21	0.3	13.63
		Std. Dev.	0.15	0.1	0.25	0.25	0.3	0.19	0.37	1.48
International	6	Mean	0.24	0.15	0.33	0.33	0.88	0.21	0.44	13.68
		Std. Dev.	0.12	0.11	0.21	0.26	0.14	0.08	0.34	0.68
PABs	28	Mean	0.37	0.26	0.44	0.55	0.82	0.42	0.48	14.75
		Std. Dev.	0.24	0.21	0.36	0.27	0.25	0.34	0.41	2.42
All banks	74	Mean	0.29	0.2	0.33	0.46	0.73	0.29	0.38	14.06
		Std. Dev.	0.2	0.16	0.3	0.26	0.29	0.27	0.39	1.92

The mean SBP score across all banks is 0.29. At the disaggregate level, the highest-performing category is ISEC (0.73), while the lowest is SBPS (0.20). On average, the SBP score is equal in coercive and normative country settings (0.47) and lower in the mimetic country setting (0.26). A comparison of institutional pressures shows that although banks operating under coercive pressure (Nigeria) and those in a normative environment (South Africa) have the same SBP score (0.47), the standard deviations indicate that banks in Nigeria are more tightly clustered around the mean (0.12) than those in South Africa, which show greater variability (0.25) in performance. Finally,

across the three bank types, PABs have the highest SBP score (0.37), followed by local and international banks, which are tied.

To address the first research question, which examines the relationship between each of the three isomorphic pressures and banking performance, a boxplot, as shown in Figure 7, was used to visualize the distribution of sustainable banking performance between each treatment group and its respective control group.

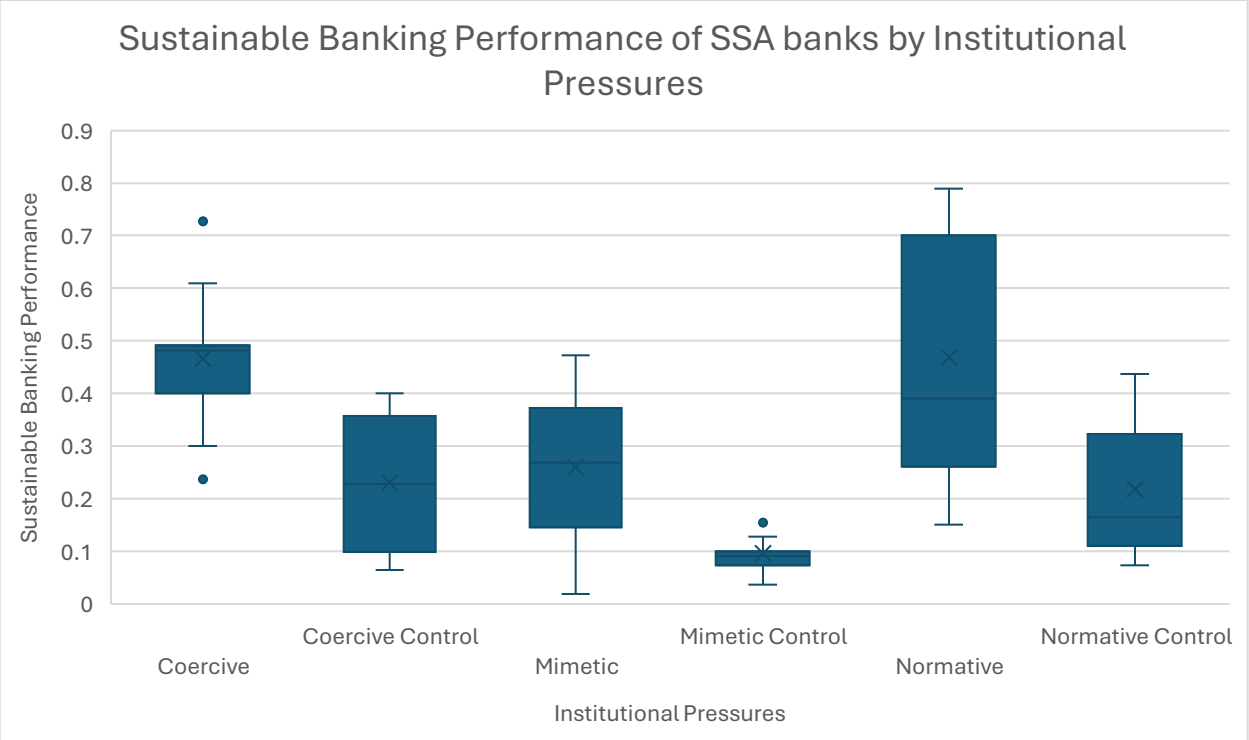


Figure 7: Boxplot Showing the Sustainable Banking Performance of Banks by the Respective Institutional Pressures

Source: Authors

In the coercive contrast (Nigeria vs Zambia), banks in Nigeria have a higher median and a narrower range of scores, indicating higher and more consistent performance, despite a few outliers, compared with banks in Zambia. The results for the mimetic contrast (Uganda vs Ethiopia) show that banks in Uganda have a higher median score but greater dispersion, compared

with banks in Ethiopia, which have a narrower dispersion and a lower median score. In the normative contrast (South Africa vs Tanzania), banks in the treatment country again show a higher median with a broader spread, compared with banks in the control country, suggesting heterogeneous uptake. These boxplots indicate that treatment countries tend to have higher means than their matched control countries, whereas the degree of dispersion varies by mechanism. The coercive mechanism is tightly clustered, the mimetic is intermediate, and the normative has the widest dispersion.

Consistent with the boxplot patterns, the results from the non-parametric Mann-Whitney tests show that sustainable banking performance is significantly higher in the treatment country for coercive (Nigeria > Zambia: U=8.5, exact $p < 0.001$), normative (South Africa > Tanzania: U=27.0, exact p=0.009) and mimetic (Uganda > Ethiopia: U=20.0, exact $p<0.001$) thereby supporting H1-H3.

3.4.1. Regression Analyses

To address RQ1-RQ2, we estimated OLS regressions to test H1-H3 by examining the associations of the three institutional pressures with (i) the overall SBP score and (ii) each of the six categories, consistent with similar studies (Bhuiyan et al., 2023; Jackson & Apostolakou, 2010; Moufty et al., 2024; Sethi et al., 2017). We used the standardized coefficients from the same regression models to determine which pressure has the strongest association with sustainable banking performance, consistent with Martínez-Ferrero and García-Sánchez (2017).

We conducted the Breusch-Pagan (BP) test for each of the seven regression models to assess heteroskedasticity. For each model, the squared residuals were regressed on the predicted values, and the test statistic was computed as the product of the R^2 from the auxiliary regression and the sample size (n = 74). The resulting BP test statistics were compared with the chi-square critical

value of 12.592 (df = 6, α = 0.05). As shown in Table 9, none of the models produced a test statistic exceeding the critical threshold, indicating that heteroskedasticity is absent. The VIFs for all regressors ranged from 1.175 to 3.852, well within the acceptable threshold for the study.

Table 9: Results of Heteroskedasticity Tests

Regression model (Dependent Variable)	R^2 Auxiliary regression	Breusch- Pagan Test Statistic (R^2x 74)	Chi Square Critical value (df=6)	Heteroskedasticity Present
Overall Sustainable Banking Performance	0.005	0.37	12.592	No
Sustainable Banking Products and Services	0.038	2.81	12.592	No
Environmental Management	0.032	2.37	12.592	No
Social Development	0.003	0.22	12.592	No
Internal Socio-ethical Conduct	0.139	10.29	12.592	No
Sustainability Code of Conduct and Reporting	0.149	11.03	12.592	No
Sustainability Governance	0.001	0.07	12.592	No

In the first model, the dependent variable was the SBP score, and the independent variables were each of the three pressures, with controls for bank type and bank size, and the control countries served as the baseline for comparison. The results are presented in Table 10.

Table 10: Results of the Multiple Regression Analysis using Sustainable Banking Performance as the Dependent Variable and Institutional Pressures as the Independent Variables

Independent Variable	Unstandardized Coefficient	Standardized Coefficient	*p* value	Adjusted R^2	Sig	VIF
Sustainable Banking Performance				0.699	<.001	
Coercive Pressure	0.122 (0.042)	0.251	<.005***			1.775
Normative Pressure	0.128 (0.046)	0.233	<.007***			1.707
Mimetic Pressure	0.090 (0.037)	0.17	0.017**			1.175
Total Assets	0.063(0.009)	0.614	<.001***			2.025
Bank Type						
Local	0.049 (0.049)	0.126	0.321			3.846
PABs	0.084 (0.051)	0.207	0.105			3.852
Constant	-0.715(0.126)		<.001***			

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

As illustrated in Table 10, the adjusted R-squared value (0.669) for model 1 demonstrates a strong explanatory power of the independent variables on the dependent variable. The results further reveal that after controlling for bank type and bank size, sampled banks operating in a coercive treatment country (Nigeria), normative treatment country (South Africa) and mimetic treatment country (Uganda), with a dominant non-local bank presence have a positive and significant association with sustainable banking performance as compared to their respective control countries The results also show that only the control variable, bank size, has a significant association with sustainable banking performance. The standardized coefficients further indicate that coercive pressure (0.251) has the strongest association with sustainable banking performance. On the other hand, mimetic pressure has the smallest association (0.17) with sustainable banking performance, consistent with the descriptive statistics. The results of this model strongly support H1, H2 and H3.

In the second regression analysis, we replaced the SBP score with the score for each of the six categories. We conducted similar regressions using the same set of independent and control variables. Table 11 shows the results of the six models.

Table 11: Results of the Multiple Regression Analysis using Categories of Sustainable Banking Performance as the Dependent Variable and Institutional Pressures as the Independent Variables

Independent Variable	Unstandardized Coefficient	Standardized Coefficient	p value	Adjusted R^2	Sig	VIF
Sustainable Banking Products & Services				0.614	<.001	
Coercive Pressure	0.005 (0.037)	0.012	0.903			1.775
Normative Pressure	0.028 (0.041)	0.065	0.495			1.707
Mimetic Pressure	0.056 (0.033)	0.132	0.098			1.175
Total Assets	0.063(0.008)	0.772	<.001***			2.025
Bank Type						

Local	0.043 (0.044)	0.139	0.335			3.846
PABs	0.055 (0.046)	0.172	0.233			3.852
Constant	-0.939 (0.211)		<.001***			
Environmental Management				0.648	<.001	
Coercive Pressure	0.247(0.070)	0.328	<.001***			1.775
Normative Pressure	0.254 (0.077)	0.299	0.002***			1.707
Mimetic Pressure	0.138 (0.062)	0.168	0.029**			1.175
Total Assets	0.080 (0.016)	0.506	<.001***			2.025
Bank Type						
Local	0.006 (0.083)	0.01	0.939			3.846
PABs	0.065 (0.085)	0.104	0.45			3.852
Constant	-0.939 (0.211)		<.001***			
Social Development				0.526	<.001	
Coercive Pressure	0.212 (0.070)	0.328	0.003***			1.775
Normative Pressure	0.096 (0.077)	0.131	0.219			1.707
Mimetic Pressure	0.179 (0.062)	0.253	0.005***			1.175
Total Assets	0.070 (0.016)	0.507	<.001***			2.025
Bank Type						
Local	0.144 (0.083)	0.275	0.087			3.846
PABs	0.163 (0.085)	0.304	0.059			3.852
Constant	-0.744 (0.211)		<.001***			
Internal Socio-ethical Conduct				0.429	<.001	
Coercive Pressure	0.341 (0.084)	0.478	<.001***			1.775
Normative Pressure	0.319 (0.093)	0.396	<.001***			1.707
Mimetic Pressure	0.065 (0.075)	0.083	0.389			1.175
Total Assets	0.019(0.019)	0.123	0.331			2.025
Bank Type						
Local	-0.145 (0.100)	-0.252	0.151			3.846
PABs	-0.043 (0.103)	-0.072	0.68			3.852
Constant	0.436 (0.103)		0.328			
Sustainability Code of Conduct & Reporting				0.751	<.001	
Coercive Pressure	0.269 (0.052)	0.404	<.001***			1.775
Normative Pressure	0.321 (0.058)	0.425	<.001***			1.707
Mimetic Pressure	0.070 (0.046)	0.096	0.134			1.175
Total Assets	0.056 (0.012)	0.394	<.001***			2.025
Bank Type						
Local	0.096 (0.062)	0.178	0.124			3.846
PABs	0.196 (0.063)	0.354	0.003***			3.852
Constant	-0.730 (0.157)		<.001***			
Sustainability Governance				0.489	<.001	
Coercive Pressure	0.455 (0.107)	0.475	<.001***			1.775

Normative Pressure	0.558 (0.118)	0.516	<.001***	1.707
Mimetic Pressure	0.229 (0.095)	0.219	0.018**	1.175
Total Assets	0.036 (0.024)	0.179	0.137	2.025
Bank Type				
Local	0.032 (0.127)	0.041	0.804	3.846
PABs	0.077 (0.130)	0.097	0.556	3.852
Constant	-0.440 (0.305)		0.154	

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

Overall, the results reveal differences in the performance of the independent variables across the categories. The results show that only mimetic pressure has a marginally significant association (p-value < 0.1) with banks' performance in the sustainable banking products and services (SBPS) category, and it is the strongest association for that category. For the environmental management (EM) category, all three pressures are positively and significantly associated, with coercive pressure (0.328) being the strongest. The results for the social development (SD) category indicate that only coercive and mimetic pressures are significantly associated, with coercive pressure (0.328) exhibiting the strongest association. For the internal socio-ethical conduct (ISEC) and sustainability code of conduct and reporting (SCCREP) categories, all pressures except mimetic pressure are positively and significantly associated. The results for the final category, sustainability governance (SGOV), reveal that all three pressures have a significant and positive association with the normative isomorphic mechanism (0.516), which is the strongest.

Total assets showed a significant association across the categories, except for internal socio-ethical conduct and sustainability governance. By contrast, bank type was statistically significant only for the social development and sustainability code of conduct and reporting categories. These disaggregated performance results provide strong partial support for H1, H2 and H3.

3.4.2. Robustness Checks

To conduct robustness checks, the regression analysis was repeated, replacing total assets with net profit after tax (NPAT) as one of the control variables. The results, as illustrated in Table 12, show that all three isomorphic mechanisms are positively and significantly associated with sustainable banking performance relative to their control groups, while coercive pressure has the strongest association among the three pressures. These results align with the main regression model, thereby reinforcing the robustness of the findings.

Table 12: Results of the Multiple Regression Analysis (Robustness Test) using NPAT as the Financial Performance Control Variable

Independent Variable	Unstandardized Coefficient	Standardized Coefficient	p value	Adjusted R^2	Sig	VIF
Sustainable Banking Performance				0.656	<.001	
Coercive Pressure	0.200(0.040)	0.412	<.001***			1.395
Normative Pressure	0.214 (0.048)	0.377	<.001***			1.451
Mimetic Pressure	0.097 (0.041)	0.183	0.021**			1.198
NPAT	0.042 (0.008)	0.446	<.001***			1.435
Bank Type						
Local	0.071 (0.054)	0.178	0.195			3.682
PABs	0.122 (0.055)	0.297	0.105			3.556
Constant	-0.299 (0.087)		<.001***			

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

In conclusion, the consistency across the descriptive statistics, box plot, non-parametric tests, composite and disaggregate multivariate regression results, and robustness checks indicates that institutional isomorphic mechanisms play a significant role in promoting sustainable banking in SSA. Coercive pressure appears to have the most pronounced impact, followed closely by normative and mimetic pressures. The control countries, which lacked these institutional levers as of 2022, generally exhibit lower sustainable banking performance, further underscoring the role of

institutional isomorphism in driving sustainable banking in SSA. Notably, bank size is significantly associated with sustainable banking performance in SSA.

3.5. Discussion

The results from our analyses indicate that all three institutional isomorphic pressures are significantly and positively associated with sustainability performance among the sampled banks in SSA. The coercive isomorphic mechanism exhibits the largest standardized association, whereas the mimetic mechanism exhibits the lowest. We interpret these findings as associations rather than causal effects, given the cross-sectional study design. The remainder of this section interprets the results, relating them to the theoretical framework and comparing them with evidence from prior literature.

Prior SSA studies in the region that tested all three isomorphic mechanisms in one model and focused on listed firms across sectors (Amoako et al., 2021; Iredele et al., 2020; Welbeck, 2017) typically found that only one or at most two of the pressures were significantly related to sustainability performance. In contrast, our study, which focuses on the banking sector across six countries, finds that all three pressures are positively and significantly associated with sustainability performance among the sampled banks. These findings offer fresh insights for the region and highlight the significance of institutional pressures in driving sustainable banking behaviour in SSA. These differences could be attributed to the study's focus on a single, highly regulated industry and the use of a sustainable banking framework to evaluate sustainability performance. Our findings, however, converge with evidence from non-SSA settings across both the banking sector and other multi-sectors, whether in studies that have focused on multiple countries (Martínez-Ferrero & García-Sánchez, 2017; Oliveira et al., 2019) or single-country studies (Alshbili & Elamer, 2020; Amran & Haniffa, 2011; Bose et al., 2018). For instance, Bose

et al. (2018) found that green banking regulations, imitation of disclosure practices, and treating disclosure as a routine process influenced green banking disclosure by banks in Bangladesh. Whereas Martínez-Ferrero and García-Sánchez (2017) explicitly rank the three isomorphic mechanisms in a global study on listed firms in developed economies, using voluntary assurance of sustainability reports as the outcome and finding normative as the strongest pressure, our study finds coercive to be the strongest, a difference that is plausible given differences in context, outcome, and industry.

Among the sampled banks, the positive and significant relationship between banks operating under the coercive isomorphic mechanism and sustainable banking performance underscores the critical role of regulatory interventions in promoting the integration of sustainability in an already compliance-oriented sector such as banking (DiMaggio & Powell, 1983). Its ranking as the most salient among the three pressures is unsurprising, given that banks often conform to regulatory requirements as a strategy for legitimization (Frynas & Yamahaki, 2016). Similarly, the tight clustering of performance among these banks is consistent with standardization often associated with long-standing regulations (e.g., NSBPs in place since 2012). These results align with previous cross-country studies (Moufty et al., 2024; Sethi et al., 2017), which show that sustainability regulations influence the quality of banks' sustainability reporting. However, our findings contradict other studies in which coercive pressure in the form of mandatory non-financial reporting and regulatory pressure did not improve the quality and content of reports (Carungu et al., 2021) or environmental accountability in environmentally sensitive firms in Ghana (Amoako et al., 2021). In the control country, there were no central bank sustainability regulations in 2022, and its relatively lower performance could be attributed to that. The disaggregate results suggest that regulations are more impactful on the process, policies, and governance components of

sustainable banking, with no significant association for the SBPS category in SSA. Using Nigeria's sustainability regulations as an illustration, the environmental management, social development, internal socio-ethical conduct, sustainability governance, sustainability code of conduct, and reporting categories in our sustainable banking framework for this study align with seven of the nine principles in the NSBPs, while sustainable financing was not comprehensively addressed (Central Bank of Nigeria, 2012). The disaggregate results also corroborate the findings of Bhuiyan et al. (2023), who found that coercive pressure strongly influenced the environmental dimension of CSR for companies in Bangladesh but are inconsistent with a cross-country study among non-financial companies where coercive pressure influenced only the social dimension of sustainability (Peng et al., 2023).

Furthermore, the relatively low score for the SBPS category across all sampled banks, coupled with the low significance of each isomorphic mechanism for that category, indicate that the banking sector in SSA is still at the nascent stage of sustainability integration with respect to products and services. It may not be influenced by institutional pressures but rather by other factors such as capabilities, financial strength and bank risk appetite.

The normative isomorphic pressure is positively and significantly associated with overall sustainable banking performance among the sampled banks, although it shows the greatest dispersion among the three pressures. This pattern aligns with the notion that self-regulation by banking associations promotes sustainable banking adoption (DiMaggio & Powell, 1983) but may lead to heterogeneous uptake, regardless of the duration of existence, given the voluntary nature of such interventions. This is illustrated by BASA's guidelines, which have been operational since 2015. Its rank as the second most salient pressure, outperforming mimetic overall, suggests that the banking sector in SSA is more responsive to formalized processes than when such interventions

are absent. By contrast, the comparatively lower performance of the control country, Tanzania, could be linked to the absence of sustainability guidelines by the Tanzania Banking Association in 2022. The results at the aggregate level converge with previous studies, especially in China, where banks attributed their adoption of sustainability reporting practices to the influence of the China Banking Association (Zhao & Patten, 2016), and where Dong et al. (2023) concluded that adherence to industry association guidelines resulted in high-quality sustainability reports. By contrast, our findings diverge from other studies in Malaysia, where there was no significant relationship between firms' involvement with their industry associations and the adoption of sustainability practices (Amran & Haniffa, 2011), and from Iredele et al. (2020)'s comparative study between Nigeria and South Africa, where normative pressures did not influence firms' uptake of environmental management accounting practices.

Given that normative mechanisms often shape conduct, policies, and governance, it is unsurprising that they showed the strongest association with the sustainability governance, sustainability code of conduct, and reporting categories, while being nonsignificant for the social dimension and SBPS categories. For example, in South Africa, BASA's formal endorsement of the UNEP FI Principles for Responsible Banking in 2019, along with the need to demonstrate commitment by adhering to these Principles, which include reporting and governance, could plausibly explain this performance. At the disaggregate level, our findings align with Bhuiyan et al. (2023), who concluded that normative pressures influenced Bangladeshi firms' CSR practices related to accountability to external stakeholders, but do not fully align with the results of Peng et al. (2023), who found that normative pressures significantly influenced both the social and environmental performance of all sampled countries.

Although both coercive and normative mechanisms have existed for comparable periods (2012 vs 2015) and have similar sustainable banking performance scores, their distribution patterns differ, with tighter clustering among banks in the former, suggesting that the enforceability of these mechanisms may be more relevant than the longevity of these interventions.

Lastly, among the sampled banks, the mimetic isomorphic mechanism is positively associated with sustainable banking performance, even though it shows the lowest association among the three mechanisms. This finding aligns with prior studies (Martínez-Ferrero & García-Sánchez, 2017). It demonstrates that mimetic pressure can encourage sustainable banking behaviour in the face of uncertainty within the SSA banking sector (DiMaggio & Powell, 1983).

The wide dispersion of distribution suggests that such influence could be more heterogeneous, stemming from its apparent informal nature. Using Uganda as an illustration, the large presence of multinational banks could lead to the adoption of sustainability practices from their parent companies, which local banks then imitate (DiMaggio & Powell, 1983). Alternatively, both local and foreign banks may adopt sustainability practices as a strategy for gaining or maintaining a competitive advantage in the market. In contrast, the relatively lower performance and clustered distribution of banks in Ethiopia could be attributed to the absence of foreign commercial banks in the country as of 2022. The findings at the aggregate level align with similar studies in which the imitating behaviour of firms resulted in the adoption of environmental accounting practices and led to uniformity in sustainability practices over time (Amoako et al., 2021; Bhuiyan et al., 2023; Bose et al., 2018; Pedersen et al., 2013; Peng et al., 2023). Conversely, other studies have found divergent results for mimetic pressure, where firms copying the behaviour of industry leaders among Nigerian firms did not significantly influence improved voluntary disclosure (Iliya Nyahas et al., 2017).

3.6. Conclusion

Limited studies on sustainable banking have examined the role of institutional pressures as external determinants of sustainable banking performance, with many focusing on firm-level factors and the financial outcomes of sustainable banking practices. This study aimed to address this gap by applying institutional theory, specifically the three institutional isomorphic pressures, to examine their relationship with sustainable banking performance and to determine which is most salient within the banking sector in SSA.

The findings reveal that sustainable banking performance in SSA is significantly associated with coercive, normative, and mimetic isomorphic pressures, with coercive as the leading mechanism. These findings are consistent at the aggregate level, with slight variations at the disaggregate levels of sustainable banking performance. Overall, our findings show that all three institutional isomorphic pressures are relevant in a compliance-oriented sector like banking, where coercive pressures largely lead to standardized performance, normative pressures promote adoption with heterogeneous uptake, and mimetic pressures catalyze market-oriented sustainability practices.

The study offers theoretical insights and discusses several managerial and policy implications. From a theoretical perspective, it advances understanding of institutional isomorphism in the sustainable banking literature, particularly in the SSA context, an emerging field, by showing that coercive, mimetic, and normative pressures are positively and significantly associated with sustainable banking performance. Additionally, the study contributes to institutional theory by showing that these three isomorphic pressures differ in their associations with sustainable banking performance, with coercive pressure having the strongest association in SSA. Moreover, the research provides evidence that external pressures, which are fundamental to this theory and

measured using country-level proxies, influence the sustainable behaviour of banks in SSA, even after controlling for bank size and bank type. This influence is demonstrated through various mechanisms: coercive isomorphic pressures drive standardized behaviour, normative pressures encourage adoption in a non-uniform manner, and mimetic pressures foster market-oriented sustainability dimensions in SSA.

The study addresses the paucity of research examining sustainability practices in a comparative cross-country context (Jackson & Apostolakou, 2010; Moufty et al., 2024), a focus that is even rarer in SSA, despite the region's heterogeneity, making such comparative designs particularly insightful. The results reveal meaningful cross-country differences in the sustainability performance of the sampled banks, reinforcing the need and value of such comparative research in this region. The study also contributes to the growing body of sustainability literature that focuses on a single industry, particularly the banking sector, which is often viewed as having relatively little direct impact on sustainable development (Gonenc & Scholtens, 2019; Moufty et al., 2024). Finally, the study's assessment of sustainable banking performance using both aggregate and disaggregate analyses provides an in-depth understanding of the phenomenon under study.

Regarding managerial implications, the study's results can motivate bank managers to adopt sustainable banking practices as a legitimization tool and a competitive advantage strategy, especially in times of uncertainty. Concurrently, the growing uptake of sustainability regulations by central banks in SSA, following increased membership in global sustainability networks such as the Sustainable Banking and Finance Network (SBFN), suggests that sustainable banking could become mandatory in most countries in the foreseeable future. Being prepared would ensure their continued survival and relevance. Banking associations can go beyond instituting guidelines by

providing enforceable mechanisms and capacity-building resources that promote adoption beyond mere endorsement. This could ultimately lead to more standardized performance, contributing to the much-needed integration of sustainability in the banking sector in SSA. These findings can also serve as a strong proof of concept for countries like Tanzania, whose banking association has recently launched its sustainable banking guidelines, and for other industry associations that plan to follow suit.

For policymakers and regulators, the findings that enforceable and well-monitored regulatory interventions yield consistent, higher sustainable performance should encourage such developments in the future. These regulations could be more effective if developed in collaboration with banking associations, national social and environmental agencies, and other relevant stakeholders. This is particularly relevant for SSA, given the recent growth of central bank-led sustainability guidelines, particularly concerning climate-related risks and environmental management in countries such as Tanzania, Mauritius and Zambia.

Furthermore, the low performance on the SBPS category across all sampled banks demonstrates the need for additional policy interventions and incentives to promote the integration of sustainability into the rollout of banking products and services in the SSA banking sector. Similarly, both existing and new central bank sustainability regulations could explicitly incorporate sustainable financing and provide the necessary support to implement these interventions.

Finally, given the significant role that the mimetic mechanism plays in promoting sustainable behaviour, regulators, industry practitioners, and other stakeholders can collaborate to create award schemes or recognition strategies that celebrate industry leaders, which could motivate laggards to join the sustainability agenda, given the competitive nature of the banking sector.

The study has a few limitations, as is common in most studies. First, the study's relatively small sample, resulting from the number of disclosing banks, may reduce the generalizability of the results and must be interpreted with caution. Second, the study's cross-sectional design may not allow a strong demonstration of cause and effect, although this limitation was addressed by using control groups and interpreting the findings as associations. Finally, relying solely on country-level context as a proxy for institutional pressure may have excluded other important variables for measuring the same construct.

Future studies could therefore address these gaps by expanding the sample to include additional African countries, particularly Francophone ones, as regulations and industry guidelines continue to evolve. Additionally, conducting longitudinal studies that measure outcomes before and after interventions would be useful in establishing stronger causal relationships and assessing the effectiveness of these institutional mechanisms. Finally, incorporating additional data collection methods, such as questionnaires and interviews, may provide deeper insights into the external determinants of sustainability performance in the banking sector in SSA.

MANUSCRIPT ENDS

Chapter 4

Corporate Involvement in the Sustainable Development Goals: The Case of Banks in Sub-Saharan Africa

Within the global push for sustainable development, the Sustainable Development Goals (SDGs) Framework serves as an important blueprint for spurring the much-needed action across all countries, regions, and sectors, as it aims to "leave no one behind". The inclusion of the partnership goal in the framework further highlights this inclusive approach to development and emphasizes the role of non-state actors, including businesses and the banking sector. Despite the banking sector's relevance, particularly in financing the SDGs, which currently faces a colossal funding gap in Sub-Saharan Africa (SSA), very few studies have examined its role in advancing the Goals. While Chapter 2 evaluated sustainable banking performance, this chapter aims to explore the extent to which banks are explicitly involved in advancing the SDGs and what motivates or constrains their involvement.

Grounded in legitimacy and corporate sustainability theories, the study employed an explanatory sequential mixed-methods design with a sample of 61 banks, a subset of the sample in Chapter 2. The quantitative phase comprises 61 banks using content analysis, followed by a qualitative phase with 14 interviewees.

The findings reveal a low depth of SDG involvement but a relatively higher breadth of engagement and awareness. Banks prioritize SDGs 13 (Climate action), 8 (Decent work and economic growth), 5 (Gender equality), 4 (Education) and 3 (Good health and well-being) in descending order. These SDGs align with their core business and enable them to contribute to addressing societal needs, thereby aligning with corporate sustainability and legitimacy theories. The results reveal challenges that impede progress, including resource constraints, limited awareness, and

insufficient prioritization by senior management. The study contributes to the application of a multi-theoretical lens and a mixed-methods approach to uncover deeper insights into corporate sustainability practices in the context of developing economies. The study offers policy and practical suggestions that can contribute to realizing the potential of the banking sector to advance the SDGs in SSA.

This chapter was adapted from: **Appiah, A., Cordonier Segger, M.C., ElAlfy, A., Wood, M., & Weber, O.** (2025): Corporate Involvement in the Sustainable Development Goals: The Case of Banks in Sub-Saharan Africa. *Sustainable Development.* Early view. https://doi.org/10.1002/sd.70385

MANUSCRIPT BEGINS

4.1. Introduction

The United Nations Sustainable Development Goals (SDGs) framework, comprising 17 goals and 169 targets, is considered one of the landmark global governance mechanisms addressing sustainability challenges due to its focus on people, planet, prosperity, good governance and security (Stafford-Smith et al., 2017; United Nations, 2015).

The SDG framework is highly relevant to the African continent, aligning closely with the aspirations of the African Union Agenda 2063, which sets out a blueprint for Africa's future. (African Union Commission, 2015). Although the SDG framework offers optimism, the most recent Africa SDG report (The African Union et al., 2024) indicates that Sub-Saharan Africa (SSA) is off track for most of the goals, just like the rest of the world. SDG financing is one of the critical success factors required to get the region back on track, and the colossal financing gap, estimated

at $1.3 trillion annually (UNECA, 2020), necessitates mobilization and participation from all sectors, including banking, a significant and integral economic player.

Despite the importance of the SDG framework to developing economies like SSA and the private sector's role as emphasized in the partnership component of the framework, extant literature emphasizes the limited scholarly attention to these contexts and calls for studies that explore the motivations and approaches behind business involvement with the SDGs, particularly using mixed methods research (Ike et al., 2019; Low et al., 2023; Mio et al., 2020).

This study aims to respond to these gaps by examining how banks in the SSA region contribute to achieving the SDGs. The research questions guiding the study are:

1. To what extent are banks in SSA involved in the SDGs?
2. What SDGs are prioritized by banks in SSA?
3. What are the motivating factors for and barriers impeding the contribution of banks in SSA to the SDGs?

This study focuses exclusively on banks that explicitly reference the SDGs in their sustainability or annual reports. While banks can contribute to SDG-related outcomes through their business operations and other activities, such contributions are not measured in this study unless the bank explicitly links its activities to the SDGs in its reports.

To address the above research questions, the study employed an explanatory sequential mixed-methods design, with the quantitative phase comprising 61 banks across six countries to examine the extent to which the SDGs were prioritized. The qualitative phase, consisting of 14 interviews across five countries, focused on the motivations and challenges. The study employed a theoretical framework that combined legitimacy and corporate sustainability theories.

The study's results reveal a low depth of SDG involvement but a relatively higher level of awareness and breadth of engagement. Banks prioritize SDGs 13 (climate action), 8(decent work and economic growth), and 5 (gender equality), which have relevance for their core business and SDGs 4 (quality education) and 3 (good health and well-being), which relate to societal needs, thereby contributing to both corporate sustainability and legitimacy theories, respectively. Banks are primarily motivated to address the SDGs to make a positive impact, as it is a suitable business strategy that further aligns with legitimacy and corporate sustainability theories. They also select SDGs primarily based on their relevance to the business, and the strategic approach used is consistent with corporate sustainability theory. Finally, the study uncovers barriers, including resource constraints, a lack of awareness, limited commitment from senior management and misalignment of efforts, that impede banks' ability to effectively contribute to achieving the SDGs.

The study contributes to the growing body of sustainable development literature by offering novel empirical insights from an underrepresented region, using a robust scoring methodology and a seldom-applied mixed-methods research design. It also provides policymakers and banking practitioners with relevant insights on incentives and strategies that can be employed to harness the full potential of the banking sector's participation in SSA's sustainability trajectory.

The remainder of the paper reviews existing literature and the theoretical framework, followed by a discussion of the methodology. The study presents the findings and concludes with a discussion that includes both academic and practical implications.

4.2. Literature Review

The inclusion of partnerships in implementing the SDGs, along with its focused attention as one of the 17 goals, which are fully described in Table 13, has created a platform for nonstate actors such as the banking sector to participate in the global sustainability agenda formally.

Scholars have recommended actions and strategies that banks can adopt to address the SDGs, including aligning existing sustainable banking and finance strategies with the SDGs and developing innovative products and services that address them (Weber, 2018, 2019).

Table 13: Description of the Seventeen (17) SDGs

SDG #	Description
1	No poverty
2	Zero hunger
3	Good health and well-being
4	Quality education
5	Gender equality
6	Clean water and sanitation
7	Affordable and clean energy
8	Decent work and economic growth
9	Industry, innovation and infrastructure
10	Reduced inequalities
11	Sustainable cities and communities
12	Responsible consumption and production
13	Climate action
14	Life below water
15	Life on land
16	Peace, justice and strong institutions
17	Partnership for the goals

At the industry level, some initiatives have been established to address how the global banking sector can contribute to the achievement of the SDGs. For example, the United Nations Environment Program Finance Initiative (UNEP FI) introduced the Positive Impact Principles to guide the financial sector on financing sustainable development and bridging the funding gap for the SDGs (UNEP FI, 2017.). Another example is the SDG Industry Matrix developed by the United Nations Global Compact and KPMG International, which identifies four sets of opportunities that the financial sector can pursue. These include financial inclusion (SDGs 1, 2, 3, 4, 5, 8, 10), financing renewable energy and infrastructure projects (SDGs 6, 7, 9, 13), leveraging

risk expertise to influence customer behaviour (SDG 12) and influencing corporate clients to address environmental, social and governance (ESG) criteria in their business operations (SDGs 13,14,15,16) (United Nations Global Compact & KPMG International, 2015).

Some empirical studies have also examined the role of the banking sector in contributing towards the SDGs (Agyei et al., 2024; Avrampou et al., 2019; Barone et al., 2024; Chagas et al., 2022; Cosma et al., 2020; Gambetta et al., 2021; Kulińska-Sadłocha, 2024; Sardianou et al., 2021) Avrampou et al. (2019) and Cosma et al. (2020) conducted a quantitative study to examine the contribution of European banks to the SDGs and found a low level of contribution with common prioritized SDGs including goals 8,13 and 4. Similarly, Sardianou et al. (2021) developed a materiality analysis framework to assess the SDG performance of banks in Europe and found that banks emphasized SDGs 8, 16, 9, and 4. Another study on the Polish banking sector found that international bank subsidiaries prioritized SDGs at their parent company level over the needs of their host country (Kulińska-Sadłocha, 2024). Barone et al. (2024) conducted a global study across 641 banks in 61 countries, which similarly found a low overall SDG performance among banks, with bigger but less profitable firms performing better than their counterparts.

Gambetta et al. (2021) also analyzed the relationship between the risk profiles of Spanish banks and their contribution to the SDGs. The results revealed that healthy banks contributed more, primarily with respect to SDGs 8,4,13, and 5, although there was no significant relationship between profitability and SDG performance. Finally, a study on the Brazilian banking sector revealed low quality of SDG reporting, with banks prioritizing SDGs 8,12,16,15 and 13 (Chagas et al., 2022). The common emphasis on SDG 8 across these studies suggests that banks generally address goals aligned with their core business. However, such studies do not yet appear to address the awareness, engagement and contributions of banks in SSA, leading to a gap in explanatory

analyses that aim to understand the why and how of these patterns, especially in SSA and providing fertile ground for this study.

4.3. Theoretical Framework

This study draws on legitimacy and corporate sustainability theories to examine how banks in SSA engage with the SDGs. These theories can provide insights into the extent of involvement, prioritization and motivation for engaging with the SDGs by the banking sector in SSA.

Suchman (1995) defines legitimacy as 'a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions' (p.574). This is premised on the idea that organizations do not exist in isolation but are part of society, and their continued survival is contingent upon the legitimacy conferred upon them by the latter (An et al., 2011; Fernando & Lawrence, 2014). Legitimacy theory is conceptualized in two main ways: strategic and institutional legitimacy. Strategic legitimacy involves organizations having stronger control over the legitimization process through various means, such as CSR and sustainability practices that address societal concerns for reputational and other benefits to the firm (Frynas & Yamahaki, 2016; Suchman, 1995). Based on this concept, banks in SSA are likely to prioritize SDGs 1, 2, 3 and 4, as these address key societal needs in the region while enhancing their social legitimacy. Moreover, larger and listed banks with greater visibility are likely to have higher levels of SDG involvement in line with this concept, as confirmed in previous empirical studies. (ElAlfy et al., 2021; Rosati & Faria, 2019b) On the other hand, institutional legitimacy is maintained by organizations responding appropriately to external expectations, thereby limiting their ability to manage the legitimacy process (Frynas & Yamahaki, 2016; Palazzo & Scherer, 2006; Suchman, 1995). Drawing from this concept, banks in SSA would

be motivated to engage with the SDGs in response to regulatory and other stakeholder pressures, prioritizing SDGs deemed as relevant to these stakeholders, such as SDGs 1, 13, 4 and 5.

Corporate sustainability theory, on the other hand, is founded on the concept of sustainable development and described "as the ability of corporations to meet the needs of their direct and indirect stakeholders without compromising their ability to meet the needs of future stakeholders" (Dyllick & Hockerts, 2002, p. 131). It is rooted in systems theory and connects business strategy with business sustainability, incorporating a temporal approach to the triple bottom line and broad stakeholder engagement (Ashrafi et al., 2020; Bansal & Song, 2017; ElAlfy et al., 2020; Elkington, 2018). For firms to advance corporate sustainability, it involves performing responsibly regarding the three pillars of sustainability while ensuring continuity of their benefits to society, the environment and business (Ashrafi et al., 2018).

Corporate sustainability theory may explain why firms are aware of and seek to explicitly address specific SDGs that align with their core business strategies. Based on this theory, banks in SSA are likely to address economically-oriented SDGs such as SDGs 8, 10, 13 and 5, which arguably have strong alignment or impact on the core business of banks. Few empirical studies have applied corporate sustainability theory to explain the reason behind firms' stated involvement in specific SDGs. For instance, tracking social media postings, ElAlfy et al. (2020) found that firms in the energy sector had more tweet disclosures on SDG 7, which aligned with their core business. Corporate sustainability theory can also explain the findings from the few studies conducted on the banking sector's involvement in the SDGs, which found SDG 8 as the commonly prioritized SDGs across these studies, which is in line with their core business (Avrampou et al., 2019; Chagas et al., 2022; Cosma et al., 2020; Sardianou et al., 2021).

Whereas legitimacy theory emphasizes the expectations of stakeholders that organizations aim to meet through sustainability practices, corporate sustainability theory focuses on the proactive quest for long-term value creation for organizations and the society, environment and economy in which they operate. Together, these two theories enhance our understanding of banks' involvement with the SDGs by offering complementary lenses. The study adopts a multi-theoretical approach that integrates both theories, recognizing that banks in SSA, operating in a society fraught with a myriad of sustainability challenges and simultaneously viewed as key economic players, may address the SDGs as a way of meeting stakeholder expectations to gain legitimacy while also advancing their core business interests. Such engagement may reflect a genuine commitment to the ideals of sustainability while serving as a strategic approach to gaining or maintaining legitimacy. This dual perspective provides a more comprehensive understanding of SDG involvement, highlighting both substantive and symbolic components of firm behaviour and contributing theoretically by demonstrating that SDG involvement can reflect both strategic business imperatives and legitimacy-seeking responses.

4.4. Materials and Methods

The study employed an explanatory sequential mixed-methods design involving quantitative data from banks' non-financial reports and qualitative data from semi-structured interviews to address the research objectives. The explanatory sequential mixed method is practical when qualitative data is required to explain significant, non-significant or even surprising quantitative results (Creswell & Plano Clark, 2018), thereby providing richer contexts.

The study commences with a quantitative phase to explore the level of banks' involvement with the SDGs and to determine which SDGs were prioritized, followed by a qualitative phase to uncover the motivations for and barriers to banks' involvement with the SDGs. This approach

follows the strand of recent studies on sustainability reporting practices that employ similar explanatory sequential designs (Tilt, 2018; Weerasinghe et al., 2024). Findings from both phases are integrated in the discussion section to draw well-rounded conclusions.

4.4.1. Quantitative Phase

The initial sample comprises 99 banks operating in six SSA countries with published non-financial reporting. From this sample, analysis reveals that 62% (61 banks) address the SDGs in their reports. Given the nature of the study and in line with prior studies, only banks with explicit references to the SDGs in their published non-financial reports are included in further review, as a means of differentiating explicitly SDG-engaged banks from non-engaged banks (Cosma et al., 2020; Heras-Saizarbitoria et al., 2022). The final quantitative sample consisted of 61 banks across six countries: Ghana (14), Kenya (12), Mauritius (6), Nigeria (14), South Africa (9) and Tanzania (6). Banks were further grouped into regions: East Africa (Kenya and Tanzania), Southern Africa (South Africa and Mauritius) and West Africa (Ghana and Nigeria). These countries represent each of the three main regional blocs in SSA, ensuring geographical diversity. They were selected because English is their official language, thereby eliminating language barriers in conducting content analysis, as has been done in similar studies (Adu, 2022). These countries also contribute 60% to the GDP of SSA (International Monetary Fund, 2022) and thus are representative of the SSA economy.

Banks were also categorized by ownership type. into three groups: local banks (22) are banks operating only in their country of origin; regional foreign banks or Pan-African banks (PABs) (33) are banks originating from Africa with subsidiaries operating in other African countries; and international banks (6) are banks originating outside of Africa. Finally, banks were grouped as

listed (42) or non-listed (19). The study focused on reports published in 2022 as the latest available data at the time of the study.

4.4.2. Measuring Banks' Level of SDG Involvement

Sustainability reporting is often deployed as a proxy for measuring the commitment, performance or involvement levels of firms' sustainability efforts, including the SDGs (Ameer & Othman, 2012; Heras-Saizarbitoria et al., 2022; Pizzi et al., 2021). Indeed, such analysis is even more relevant in the context of corporate commitments to advance the SDGs as a specific target (SDG 12.6) focuses on issuing sustainability reports to address that goal (Heras-Saizarbitoria et al., 2022; Van der Waal & Thijssens, 2020). In this study, a manual content and textual analysis of published reports was conducted to examine the level of banks' involvement, following prior studies in the banking sector (Avrampou et al., 2019; Cosma et al., 2020; Sardianou et al., 2021). The manual approach was used to capture the nuanced reporting of the SDGs, including the use of icons and images by some companies (Heras-Saizarbitoria et al., 2022; Nechita et al., 2020). Textual analysis was used to detect the variations for referencing the SDGs such as "SDG", "Sustainable Development Goals", "Sustainable Development Goal", "Global Goals", and full names of each goal instead of the numbers and other variants in line with other studies (Hummel & Szekely, 2022; Nechita et al., 2020).

A multifaceted approach is activated to measure involvement, encompassing awareness, breadth of engagement and depth of involvement with the SDGs among banks in SSA. Awareness is defined in this study as the recognition of the SDGs by banks through their reporting. It is measured by the frequency of SDG mentions, including both general mentions of SDGs and specific mentions of the respective goals and targets in line with previous studies (Michelon et al., 2015; Van der Waal & Thijssens, 2020). The breadth of engagement indicates the range of

engagement with the SDGs and is measured by the average number of SDGs addressed by each bank, as reported in a few studies (Cosma et al., 2020). Depth of involvement is defined as the substantive engagement with each goal, ranging from a simple mention in reporting to the inclusion of targets and benchmarks for each goal and related targets (Nechita et al., 2020).

A multi-grade scoring system was applied to the content analyzed to measure the depth of involvement across each goal (Arena et al., 2023; A. C. Beck et al., 2010; Gambetta et al., 2021). Each SDG (1-17) was initially scored on a scale of 0-4, and one additional point was assigned if any of the 169 targets were referenced by a bank, reflecting a deeper level of engagement and leading to a new score range of 0-5. This followed previous studies that adopted the same approach of rewarding disclosure of SDG targets (Nechita et al., 2020).

Although specific SDG target-level mentions may enhance disclosure specificity, this study acknowledges the limitation that they do not necessarily imply substantive involvement. In certain instances, referencing specific SDG targets may be symbolic or serve as a legitimization tool, especially for meeting stakeholder expectations. For this reason, deeper involvement or integration levels in this study are measured by a score of 4 or higher, which extends beyond quantitative data to include internal targets or benchmarks for the respective SDGs, as illustrated in the scoring methodology in Appendix B. Thus, the additional point awarded for SDG target references at each score level reflects closer alignment with the global SDG framework; however, it is not treated as a standalone measure of substantive SDG engagement by the sampled banks.

All 17 SDGs had at least one of their targets mentioned in the sample, which justified the extension of the score range. In line with Plourde et al (2014), a baseline score of 1 was given to any bank that referred to the general SDGs without specifying any goal, as that suggested a genuine attention by that bank compared to those that did not mention it. The final maximum total score

for each bank was 86 (1+ 17 goals x 5 (maximum score)) and normalized to a percentage scale ranging from 0% to 100%. These three metrics provided a comprehensive way of assessing how banks in SSA were involved in the SDGs. Although several studies have used the Global Reporting Initiative reporting framework to measure performance, this study departed from that approach to allow for a more inclusive study guided by findings from previous studies that revealed a low level of adoption of GRI reporting in SSA (Tilt et al., 2021).

4.4.3. Data Analysis

The data was queried using a quantitative content analysis method to measure the extent of SDG involvement and prioritization by the sampled banks. Due to unequal sample sizes, inferential statistics such as the Mann-Whitney U test and the Kruskal-Wallis test were conducted to confirm whether there were statistically significant differences in performance across the various categories (Arena et al., 2023; Cosma et al., 2020; Kiliç, 2016). Finally, a linear regression was conducted to explore the relationship between the level of awareness and involvement. Bank size (measured by the natural log of total assets), stock listing status, region, and bank type were used as control variables in line with previous studies (Hummel & Szekely, 2022; Islam et al., 2021; Ramdhony, 2015).

4.4.4. Qualitative Phase

Fourteen banks (five with high SDG involvement scores, four with medium SDG involvement scores, and five with low SDG involvement scores) across five countries agreed to participate in the qualitative phase of the study, out of the 24 initially contacted. The selection was based on the preliminary quantitative results. Purposive sampling was used to select directors, senior and mid-level managers who worked within the sustainability function in their respective banks, as they

were deemed to be best placed to answer the research questions (Creswell & Creswell, 2018; Weerasinghe et al., 2024).

During the interview, participants were asked about their motivation for engaging with the SDGs, the rationale behind their SDG selection, as well as challenges faced by their banks and banks operating in SSA in general. A copy of the interview guide is provided in Appendix C. All interviews were conducted by a single research team member to minimize inter-interviewer bias and were administered online via Microsoft Teams following a standard interview protocol for consistency (Creswell & Creswell, 2018). Semi-structured interview questions were used to collect primary data, providing flexibility in terms of word choice and sequence based on responses from interviewees (Sharma & Choubey, 2022). Semi-structured questions allowed for additional prompt questions to clarify and elaborate on new concepts or ideas that emerged. All interviews were audio recorded, and each lasted between 45 and 65 minutes.

The interview data were systematically coded and analyzed using the thematic analysis approach outlined by Braun and Clarke (2006), supported by QSR NVIVO 14 software. The analysis identified three overarching themes: motivating factors for SDG engagement, criteria guiding SDG selection, and key challenges encountered by banks in their involvement. To ensure confidentiality and protect the identities of participants and their organizations, all names were anonymized in the study. Qualitative validity was ensured through member checking, in which interview transcripts were shared with each participant for clarification or correction before conducting the analysis (Creswell & Creswell, 2018; Kumi-Yeboah, 2014).

4.5. Results

In this section, we present the results of both the quantitative and qualitative phases, which aim to answer the research questions.

4.5.1. Extent of SDG Involvement by Banks in SSA

Descriptive statistics provided insights into the response to the first research question, which aimed to assess the extent to which banks are involved in the SDGs. The mean statistic was used to represent the overall SDG score, measuring the depth of involvement across the sampled banks. Table 14 indicates that the overall performance across all banks was 27%. Descriptive statistics showed differences across all bank categories. Listed banks performed better than non-listed banks, and regional banks outperformed international and local banks. Kenya achieved the highest score at the country level, while banks in Southern Africa outdid those in East and West Africa at the regional level.

Additionally, the standard deviations revealed significant variations among some of the groupings. For instance, Kenya had a higher standard deviation than South Africa, indicating that the performance among banks in Kenya was less consistent than that of South Africa, which came up close in second place. The results of the SDG awareness, as shown in Table 14 follow the same pattern. It is worth highlighting the results of international banks, which recorded the lowest mean SDG involvement score, and total SDG mentions, which may appear counterintuitive given their global footprint and presumed alignment with international sustainability frameworks. Also, the high performance of regional banks plausibly reflects their dual orientation towards regional development and cross-border operations in SSA.

Table 14: Descriptive Statistics of SDG Performance and Financial Indicators

Country	Statistic	Total Assets	SDG Depth of Involvement Score (%)	Total SDG Mentions
Ghana	Mean	13.9	11.4	*130*
	Std. Dev.	0.6	6.5	
Kenya	Mean	14.7	36.4	*799*
	Std. Dev.	1.0	23.9	
Mauritius	Mean	14.9	30.2	*302*

	Std. Dev.	1.3	23.9	
Nigeria	Mean	15.8	28.9	*461*
	Std. Dev.	1.0	18.8	
South Africa	Mean	16.4	35.1	*635*
	Std. Dev.	2.2	13.2	
Tanzania	Mean	13.9	20.5	*107*
	Std. Dev.	1.5	11.3	
Region				
East Africa	Mean	14.4	31.1	*906*
	Std. Dev.	1.2	21.6	
Southern Africa	Mean	15.8	33.2	*937*
	Std. Dev.	2.0	14.0	
West Africa	Mean	14.9	20.1	*591*
	Std. Dev.	1.2	16.5	
Bank type				
International	Mean	14.0	7.2	*37*
	Std. Dev.	0.8	5.2	
Local	Mean	14.4	22.8	*462*
	Std. Dev.	1.2	15.3	
Regional	Mean	15.6	32.7	*1935*
	Std. Dev.	1.6	18.8	
Listing status				
Listed	Mean	15.4	31.5	*2195*
	Std. Dev.	1.6	18.3	
Non-Listed	Mean	14.0	15.7	*239*
	Std. Dev.	0.8	13.3	
Overall	Mean	15.0	26.6	*2433*
	Std. Dev.	1.5	18.3	

Non-parametric tests were conducted to test whether the differences in the depth of SDG involvement between the different groups were statistically significant. Statistically significant differences were found across listing status (U=603.5, p=0.001), countries (H (5)=14.8, p=0.011), region (H (2)=6.4, p=0.04) and bank type (H (2)=11.9, p=0.003). These results suggest that SDG involvement levels vary substantially across banks depending on both geographical and ownership factors.

Figure 8 illustrates the relationship between SDG involvement (represented by the bar chart) and SDG awareness (represented by the line graph) across all 17 goals. The results revealed a few interesting variations worth highlighting. For instance, whereas the bar chart showed that SDGs 13, 8, 5, 4 and 3 had the highest scores, the line graph indicated that SDGs 8,10,13,5 and 7 were the most frequently mentioned. This highlights a nuanced pattern where certain SDGs such as SDG 7 and 10 were frequently mentioned but not part of the top five in terms of SDG involvement implying symbolic or surface-level engagement. On the other hand, SDGs 5, 8 and 13, appeared in both top five for SDG awareness and involvement, suggesting a more consistent integration.

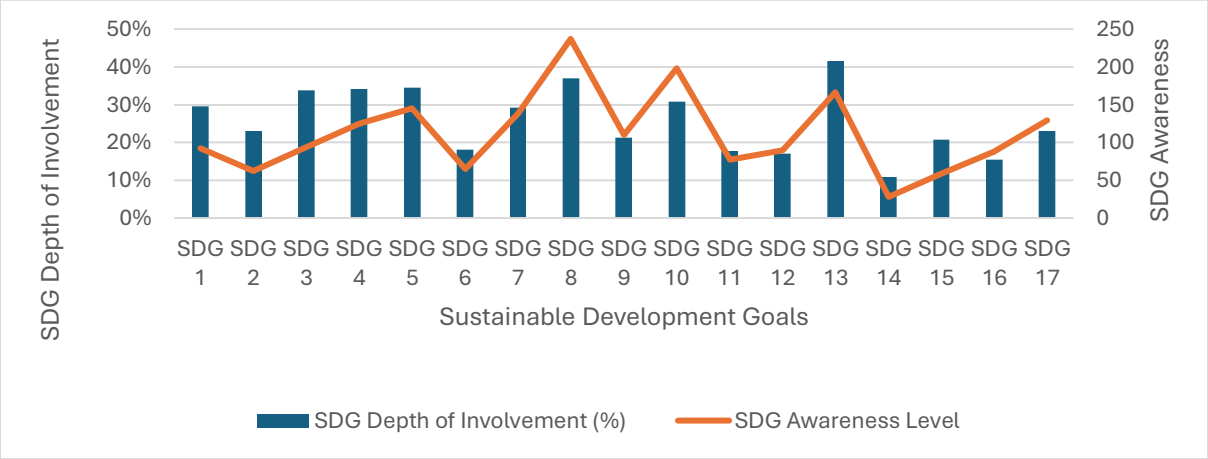


Figure 8: Comparison of SDG Depth of Involvement and Awareness Levels by Banks in SSA

Source: Authors

The study also examined the extent of involvement by analyzing the breadth of engagement across the 17 SDGs. Table 15 shows the average number of SDGs addressed by all banks and across all categories. On average, banks addressed nine goals, indicating a selective rather than comprehensive approach to SDG engagement. This finding is consistent with the observation from the data collection phase, where 54% of banks adopted a selective approach in addressing the SDGs. Notably, the patterns across bank categories largely mirror those observed in the SDG involvement and awareness analysis as regional banks, listed banks and banks in Southern Africa

addressed the highest average number of SDGs compared to their counterparts. This pattern reinforces the consistency between the breadth, awareness and depth of SDG involvement across banks, underscoring the role of bank characteristics such as bank type, market exposure and regional context in shaping the depth and breadth of SDG involvement in SSA.

Table 15: Average Number of SDGs Addressed by Banks

Category	*N*	Average number of SDGs	Std. Dev.
Country			
Ghana	14	5	3.2
Kenya	12	10	6.8
Mauritius	6	9	4.5
Nigeria	14	10	6.5
South Africa	9	11	3.6
Tanzania	6	7	4.3
Region			
East Africa	18	9	6.1
Southern Africa	15	10	4.0
West Africa	28	7	5.6
Bank type			
International	6	3	2.7
Local	22	8	5.0
Regional	33	10	5.4
Listing status			
Listed	42	10	5.3
Non-Listed	19	6	5.1
All banks	61	9	5.4

Furthermore, an ordinary least squares (OLS) regression was conducted to explore whether the level of SDG awareness predicts the depth of SDG involvement while controlling for bank size (total assets), bank type, region and stock listing status. As displayed in Table 16, the adjusted R^2 of 0.567 demonstrates a strong explanatory power. The results reveal a significant positive association between SDG awareness and SDG involvement, indicating that banks with a higher level of awareness are more likely to be deeply involved with the SDGs after accounting for structural characteristics such as region, bank type and listing status. Among the control variables,

only bank size (p=0.047) and local banks (p=0.05) showed a significant positive association with the level of SDG of involvement. This suggests that larger banks may be better resourced to effectively address the SDGs, while local banks may be more invested in engaging deeply with national goals that align with the SDGs as a way of displaying local commitment, leadership and responsiveness to external pressure.

Table 16: Results of the Regression Analysis using Depth of Involvement as the Dependent Variable and Level of Awareness as the Independent Variables

Independent Variable	Coefficient	p value	Adjusted R^2	Sig	VIF
Depth of SDG Involvement Score			0.567	<.001	
Level of SDG Awareness	0.002 (0.000)	<.001***			1.672
Total Assets	0.03 (0.015)	0.047**			2.026
Bank Type					
Regional	0.092 (0.060)	0.131			3.784
Local	0.113 (0.056)	0.05**			3.053
Region					
East Africa	0.045 (0.048)	0.347			1.982
West Africa	-0.012 (0.042)	0.777			1.838
Stock Exchange Listing					
Listed Banks	0.037 (0.040)	0.355			1.405
Constant	-03.80 (0.212)	0.079*			

Note: Standard errors are reported in parentheses. ***, ** and * indicate statistical significance at the 1%, 5% and 10% levels, respectively.

A final analysis was conducted to measure the extent to which banks had integrated the SDGs into their operations. This was measured by the number of banks with a score of at least 4 for each goal, indicating the inclusion of bank-specific targets, benchmarks or KPIs for each SDG. The results show that out of the 61 banks, 20 (33%) achieved this score for at least one SDG, and the average number of goals with this level of involvement was only 1. Similarly, only two banks attained this level of involvement for at least half of the 17 goals, suggesting that although awareness is largely widespread, a measurable, in-depth commitment is at a very low stage among the sampled banks.

4.5.2. Prioritization of the SDGs

Table 17 presents the top five SDGs and the bottom five SDGs prioritized by the sampled banks. Some categories have more than five SDGs because of tied rankings in those instances.

Table 17: Prioritization of SDGs by Bank Categories

Category	Most Prioritized	Least prioritized
Country		
Ghana	3,4,13,5,8	14,16,12,11,10
Kenya	8,5,10,13,15 (17)	14,3,16,6,9, (2,1)
Mauritius	1,5,10,8,13	6,11,15,17,14 (9)
Nigeria	3,13,4,1,8	16,12,14,6,15 (10,9)
South Africa	13,7,8,10,4 (5)	14,17,2,16,12 (1)
Tanzania	3,13,1,10,8	14,11,16,9,6
Region		
East Africa	13,8,10,5,17	14,16,6,9,11
Southern Africa	13,8,10,7,5	14,11,6,17,15
West Africa	3,4,13,5,1	16,14,12,10,11
Bank type		
International	3,6,4,9,13	14,11,17,15,2, (12,16,10)
Local	13,1,3,5,4	16,14,12,9,11
Regional	13,8,5,7,10	14,6,16,11,12
Listing status		
Listed	13,8,5,4,3	14,16,12,6,11
Non-Listed	3,1,13,5,4	14,11,12,6,16 (15)
All banks	13,8,5,4,3	14,16,12,11,6

Note: All SDGs in brackets are tied scores at the 5th rank

The overall results for the sampled banks show that the top five SDGs are 13, 8, 5, 4 and 3. On the other hand, the least prioritized SDGs are 14,16,12, 11and 6.

The country-level analysis shows that banks in Ghana and Nigeria are primarily involved in social goals, but fewer in economic goals. At the bank type level, international banks address the greatest number of environmental goals, while local banks prioritize the highest number of social goals but have no economic goals. In contrast, regional banks prioritize actions aligned with the same number of social and economic goals. Non-listed banks prioritize the same set of SDGs as

local banks, with varied rankings of the top five. Although the results show variations across the different categories, SDG 13 emerged as the top priority across all categories, suggesting a broader sectoral focus on climate-related efforts, while SDG 14 was the least prioritized, implying a limited perceived relevance of marine sustainability issues by banks in SSA.

Finally, an analysis of the integration engagement level revealed that only SDGs 7 and 13 had the greatest number of banks (11) achieving a score of at least 4.

4.5.3. Qualitative Results

To deepen our understanding of the quantitative results, which provided insights into the overall involvement levels of banks and prioritization of the SDGs, the qualitative phase answered the third research question by exploring the motivating factors, SDG selection process and challenges faced in contributing to the SDGs. The key themes related to motivating factors, SDG selection and challenges are presented below.

4.5.4. Motivating Factors

Participants cited four key factors in driving their engagement with the SDGs, including positive impact, good for business, regulatory and stakeholder pressures and enhanced reputation in descending order. All regional banks alluded to the importance of creating a positive impact in the communities and societies they operated in, as one of the key reasons, with one interviewee from Bank 1 citing that:

> *"We are here to save the planet, and we need a better place to live so we think that supporting the SDGs is part of our contribution to make sure that the world is in a better place."* (Interviewee from Bank 1).

This could explain why regional banks addressed the highest number of SDGs (10) and prioritized goals that address social, economic and environmental issues. It further validates these same goals being part of the top three across all banks. Several banks across the sample

highlighted the benefits that the SDGs offer to their businesses, including attracting investors, managing ESG risks, aligning with their purpose and staying relevant in the changing business landscape, suggesting a business imperative for addressing the SDGs, particularly SDG 8. Some of these reasons were well-articulated by Bank 11 as:

> *"... the second is it helps us to manage our ESG risks ... The third is, it attracts investors to us. Investors are increasingly focusing on this conversation, and by demonstrating our commitment to the SDGs, we position ourselves as an attractive investment proposition."* (Interviewee from Bank 11).

Regulatory and stakeholder pressures were highlighted by all international, regional and local banks but in different ways. Whereas local banks primarily referred to central bank regulations, regional and international banks referred to pressure arising from their participation in international sustainability initiatives such as the UN Global Compact and UNEP FI. For instance, Bank 3 intimated that:

> "*Our regulator, Bank of Country 1, in 2019 issued the Country 1 sustainable banking principles, which are seven of them, and that is also motivating factor, so it's to align with our regulators interests."* (Interviewee from Bank 3).

While Bank 5 on the other hand, posited that:

> *"We've signed up for the Principles for Responsible Banking as a signatory and as part of the principles of responsible banking, they talk about strategic alignment, of your business strategy with the SDGs…we certainly have a requirement from the principles of responsible banking, to fulfill our obligation."* (Interviewee from Bank 5).

Finally, 29% of the participants mentioned reputational benefits as the driver for engaging with the SDGs. Unsurprisingly, this was highlighted mainly by listed banks as compared to non-listed banks.

For example, Bank 8 noted that:

> *"... secondly, it is around the opportunity to enhance our reputation and customer loyalty through these sustainable practices."* (Interviewee from Bank 8)

4.5.5. SDG Selection

When participants were asked about their approach to selecting the SDGs, three main themes emerged: relevance to business, the use of a scientific approach and alignment to national priorities in descending order of importance.

The majority of interviewees (86%) highlighted that they selected the SDGs that appeared to have relevance to their core business values, strategy and operations, and this could explain why SDGs 8 and 13 were prioritized as they align with banks' economic performance and could impact the long-term sustainability and continuity of banks, respectively. Interestingly, all local banks and non-listed banks in the interview sample alluded to this as a key approach in selecting which SDGs to engage in, and it ties in with some of the prioritized SDGs for both categories, such as goals 13, 5 and 4. For instance, Bank 9 opined that:

> *"We are financial institutions and so looking at what the SDGs stand for, it makes it much easier for financial institutions to be able to identify the areas that they will be able to contribute significantly to. If you look at it, the key focus areas where we can contribute significantly to would always have to do with climate action, because we literally are the financiers."* (Interviewee from Bank 9).

Similar ideas were raised by the Bank 12 interviewee, who explained that addressing SDG 4 (quality education) through financial literacy programs and SDG 5 (gender equality) through women's empowerment programs ultimately benefited the bank through increased deposits and savings that could be used to increase banking assets and contribute to further economic growth in society.

The use of scientific approaches as opposed to arbitrary or subjective approaches was another strong response that emerged in the interviews. These were mainly cited by regional (67%), international (100%) and listed banks (67%) as compared to the other categories. This could be

attributed to the fact that they were usually larger and had more resources to undertake such analysis, which influenced their decision-making process. For example, Bank 13 intimated that:

> *"Our selection of the SDGs was based on a materiality analysis which looked at what is important to our key stakeholders. After the mapping, we came up with the key pillars that I've mentioned, which are financial inclusion, diversity and inclusion and climate."* (Interviewee from Bank 13).

Finally, local and international banks selected goals that aligned with the country's national priorities. For instance, Bank 14 mentioned that a global impact study conducted at their Group level across their operating markets led them to select SDG 6 as one of the SDGs to prioritize in their host country. These reasons align with the quantitative results of the prioritized goals for the overall bank sample and the respective categories. Similarly, Bank 4 expressed that:

> *We are so big on financial inclusion, especially in the Country 3 context, because the federal government has prioritized financial inclusion, we want to achieve up to 95% financial inclusion at the end of 2024 and that's part of the reasons we have made SDG 1 & 2 part of our priority, because financial inclusion is really a tool for poverty alleviation…"* (Interviewee from Bank 4).

4.5.6. Challenges

Participants cited numerous challenges impeding banks' effectiveness in SDG involvement in SSA. Figure 9 illustrates that resource constraints, which are the most frequently mentioned challenge, are cited by nearly twice as many banks as the second most common barrier, lack of awareness and understanding. Other challenges identified by interviewees include a lack of prioritization from senior management and misalignment of efforts, while competition among the goals was identified as the least common barrier. These insights highlight both resource and organizational challenges identified by participants across the different bank categories.

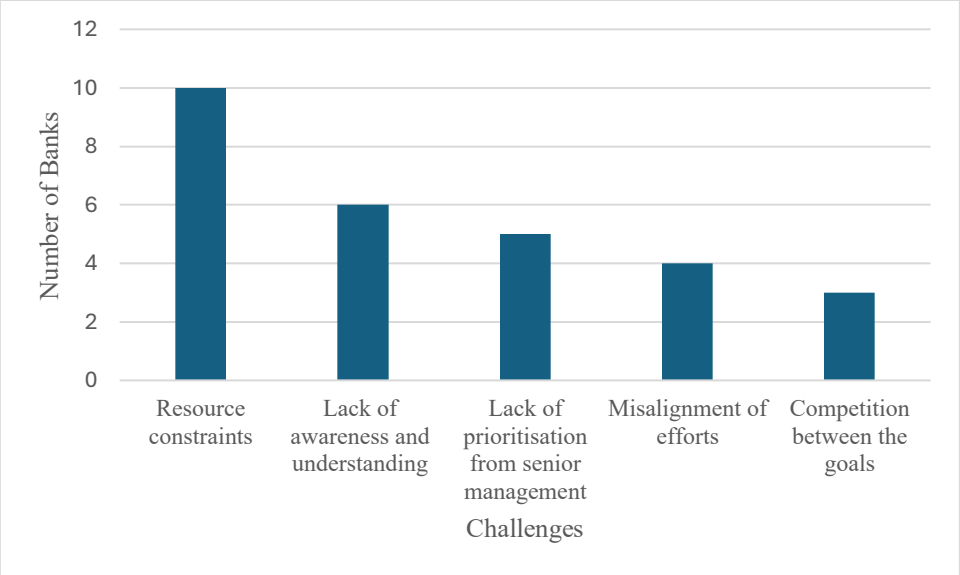


Figure 9: Challenges faced by Banks in addressing the SDGs

Source: Authors

71% of the participants mentioned financial, data and human resource constraints as critical barriers impeding implementation within their banks and the wider banking sector in SSA. For example, Bank 3 intimated that:

> *"Another thing will be lack of funds…I think for Country 1, for instance, the NPL for agriculture is very high, so most banks don't go into agriculture…If you are going to have a credit facility for fisheries, preserving life in the sea and life on land, I don't see most banks having facilities tailored towards preserving biodiversity and preserving aquatic life, so that's what I mean by lack of funds or maybe lack of funding appetite."* (Interviewee from Bank 3).

The issue of a lack of data was expressed by Bank 11 as:

> *"Lack of data makes it very difficult for us to even assess the impacts of our financial products and services on the SDGs. A good example is that we're trying to comply with IFRS S1 and S2, and one of our critical requirements is to have a climate scenario analysis done. But there is no available data for us to be able to do so. It is so frustrating…"* (Interviewee from Bank 11).

The second challenge identified by the participants (43%) was the lack of awareness and understanding of the SDGs among both internal and external colleagues, which was seen as a

fundamental requirement for engaging deeply with the framework. For instance, Bank 10 gave an interesting perspective regarding the lack of understanding by sharing that:

> *"It's a slogan you can ask anybody who speaks to a document. They would tell you, "Oh, as stated in the SDGs or as per the 17 SDGs" but then, first of all, he doesn't know the 17 SDGs. Second, he doesn't know what the SDGs are intended to achieve…"* (Interviewee from Bank 10).

Thirdly, five participants shared that a lack of priority at the senior management level posed a challenge, especially for smaller banks, which would only be motivated if driven by regulatory requirements. Bank 6 explained that

> *"Also, when I speak to people in tier 3 banks, they say, what we are doing as a bank at our end, and it is on a voluntary basis, paying for consultants to come and do work for us, is not what a tier 3 bank will do, especially if it's not a regulatory requirement no one will go for it…"* (Interviewee from Bank 6).

Closely aligned to this issue of internal priorities was the issue of misalignment of efforts both internally and externally. The internal misalignment, as explained by Bank 7, for example, involved a disconnect between strategy teams and sustainability teams in the formulation of bank-wide strategies. The external misalignment focused on the competitive relationship among banks, and this was highlighted by Bank 6 as:

> *"…if you look at SDG 17 on partnering with the goals, it doesn't look like anybody has the same list. Looking at our local competitors, everybody has a slightly different list. It doesn't really speak to partnering at all…because we don't talk about it, I don't talk to my competitors about it…if we are true to the goals, we should actually be speaking to each other about it and seeing how we can support."* (Interviewee from Bank 6).

The final challenge identified was related to the SDG framework itself. Three participants shared similar but insightful opinions about these challenges. For instance, Bank 2 expressed the challenge in impact reporting due to the overlapping nature of some of the goals. On the other hand, Bank 5 highlighted the difficulty in balancing the needs between the goals, for instance,

between SDG 13 and SDG 1, which are both necessary on the continent. Bank 7 also highlighted that the pecking order of SDG prioritization in banking, where economically oriented goals took precedence, followed by regulatory goals, and then donor and societal goals, posed a challenge in achieving a well-rounded sustainable impact through the SDG framework.

4.6. Discussion

The analysis reveals four key patterns. First, banks in SSA have a low depth of SDG involvement but a relatively high level of SDG awareness and breadth of engagement. Second, banks prioritize SDGs 13, 8, 5, 4 and 3, aligning with both core business interests and stakeholder expectations. Third, motivations for SDG involvement stem from several factors, including making a positive impact, the business case and meeting stakeholder expectations. Fourth, barriers such as resource constraints, lack of awareness and low prioritization from senior management impede the effectiveness of SDG involvement across banks in SSA. The remainder of this section explores these results in detail, integrating insights from both the quantitative and qualitative phases while positioning them within the theoretical framework and relevant studies.

The overall low depth of SDG involvement, evidenced by the limited disclosure of quantitative contribution and performance metrics like KPIs, targets and benchmarks, is consistent with prior studies across both the banking sector and multi-sectoral contexts (Avrampou et al., 2019; Chagas et al., 2022; Cosma et al., 2020; Erin & Bamigboye, 2022; Van der Waal & Thijssens, 2020) Of significant interest is the marked contrast between low depth of SDG involvement and high SDG awareness and breadth of engagement. This may suggest that although there is a growing awareness of the SDG framework and the ability to identify several relevant SDGs, this awareness may not necessarily translate into substantive action. While the regression results confirm that SDG awareness is significantly associated with higher SDG involvement, the insights from the

interviews reveal that barriers such as insufficient resources, limited understanding and a lack of prioritization from senior management may constrain this relationship. These challenges underscore the need for stronger institutional support to bridge the gap between growing awareness and meaningful contribution.

The findings at the disaggregate level reveal interesting patterns and differences across bank categories. Listed banks, regional banks and banks operating in the Southern Africa region consistently perform better than their counterparts with respect to the depth of SDG involvement, breadth of engagement and awareness, demonstrating the role of institutional characteristics in shaping SDG adoption in SSA. For example, in the qualitative phase, listed banks highlighted reputational benefits and stakeholder pressure, consistent with legitimacy theory, which posits that firms that face greater public scrutiny are more inclined to adopt sustainability practices to maintain legitimacy. This superior performance of listed banks is consistent with prior studies (ElAlfy et al., 2020; Oppong, 2022; Pizzi et al., 2021) but contrasts with the findings by Cosma et al. (2020), who found no significant difference between listed and non-listed banks in Europe. The higher performance of regional banks may be linked to their large asset size, aligning with extant studies that associate firm size with higher SDG performance (Barone et al., 2024; ElAlfy et al., 2021; Gambetta et al., 2021; Rosati & Faria, 2019). Similarly, at the regional level, the consistent and high performance of banks in Southern Africa, especially South Africa, can be attributed to their banking association's official endorsement of the United Nations Principles for Responsible Banking (The Banking Association of South Africa, n.d.), which incorporates the SDG framework, and applies to all members, corroborating prior findings that higher commitments to global sustainability frameworks promote higher SDG adoption (Rosati & Faria, 2019a).

Banks in SSA prioritize specific SDGs: 13 (climate action), 8 (decent work and economic growth), 5 (gender equality), 4 (education) and 3 (health). These SDGs align with the strategic focus of banks, in terms of climate finance, SME financing and women's economic empowerment activities as well as addressing pertinent social needs in SSA, such as education and health. These prioritized SDGs, particularly 13 and 8, are consistent with findings in European and Brazilian banking studies (Avrampou et al., 2019; Cosma et al., 2020; Gambetta et al., 2021; Kulińska-Sadłocha, 2024) as well as other African evidence (UNEP FI, 2023), suggesting a sector-wide preference for business-oriented SDGs across diverse banking environments. The interview insights triangulated these quantitative results as participants identified business relevance, a structured or scientific approach and alignment with national priorities and regulatory requirements as key strategies employed in selecting which SDGs to address. Prioritizing SDGs that align with regulatory requirements is consistent with prior studies (Nylund et al., 2022) and was particularly evident in the case of Ghana, where the prioritized SDGs (3,4,13,5,8) aligned with four of the seven principles espoused in the Ghana Sustainable Banking Principles (Bank of Ghana, 2019). Collectively, these findings indicate that SDG prioritization in SSA reflects both a corporate sustainability orientation focused on value creation (Ashrafi et al., 2020) and legitimacy-seeking behaviour shaped by regulatory and societal expectations (Frynas & Yamahaki, 2016). The least prioritized SDGs (14,16,12,11,6,) broadly align with findings in other regions (Avrampou et al., 2019) and further substantiate the strategic business approach of banks in SDG prioritization. This also reflects the lack of appetite for funding high-risk sectors such as marine ecosystems, a concern that was echoed in the interview phase. It is worth noting a striking disconnect between SDG 16 (peace, justice and strong institutions), recognized as a continent-wide priority (The African Union

et al., 2024) and its low prioritization by banks, which evidences the tensions that can exist between business imperatives and wider societal needs.

While the prioritization of specific SDGs illustrates how banks operationalize their commitment to the SDGs, the underlying motivating factors offer insights into the rationale behind their initial commitment. The desire to make a positive impact emerges as the strongest motivating factor, particularly among listed banks and regional banks, suggesting that SDG engagement among high-performing banks in SSA extends beyond symbolism. The emphasis on the business importance of the SDGs and the need to respond to regulatory and stakeholder pressure as secondary motivating factors shows how banks view SDG involvement as a strategic pursuit. Although seldom, reputational benefits were also cited, especially by listed banks. Altogether, these factors reveal a dual rationale for banks in SSA's involvement with the SDGs, aligning with both legitimacy theory and corporate sustainability theory.

Despite the compelling motivations for banks' involvement with the SDGs in SSA, several significant barriers exist that hinder effective engagement. Resource constraints, particularly in terms of data availability, financial resources and professional expertise, emerge as the greatest challenge faced by banks in SSA. This finding is consistent with prior studies in other developing country contexts (Erin et al., 2022; Erin & Bamigboye, 2022; Weerasinghe et al., 2024), indicating how such constraints can considerably impede sustainability initiatives in such markets. In particular, the lack of data is considered a pervasive issue across SSA and has been identified as a key barrier to the effective monitoring of SDG progress (The African Union et al., 2024). Interestingly, several banks linked this gap to challenges in setting measurable and meaningful KPIs. The lack of awareness and understanding highlights a knowledge gap that undermines the integration of the SDGs within core banking activities. The lack of prioritization by senior

management is a significant challenge, given that leadership commitment is crucial for setting the tone for embedding sustainability within organizations. The misalignment of efforts among banks undermines the ideals of SDG 17 (Partnerships for the Goals). It suggests that collaborative approaches to SDG engagement are underexplored in SSA, possibly due to the competitive relationship between banks, limiting sector-wide synergies that could enhance impact. Finally, the intrinsic tension between some of the goals (e.g. climate action and energy access) and banks prioritizing some goals over others reveals the inherent complexity associated with addressing the SDGs, which has been highlighted in extant literature (Nilsson et al., 2016). The above challenges reveal some of the tensions between banks' aspirations to contribute meaningfully to the SDGs and the practical and institutional constraints that hinder the depth of involvement.

4.7. Conclusions

This study aimed to examine the level of SDG involvement and the factors influencing such involvement among banks in SSA. The study finds that there is a relatively high level of SDG awareness and breadth of engagement, but a low depth of SDG involvement, signalling growing interest with scope for further progress. The study finds that while the decision for banks to engage with the SDGs is predominantly driven by legitimacy, closely followed by business imperative, banks adopt a prioritization approach in engaging with the SDGs, emphasizing business relevance and strategic alignment. The study also identifies specific challenges that can be addressed to unleash the full potential of banks' role in contributing to this critical global agenda. The study offers several academic contributions as well as policy and managerial implications, which are highlighted in this section.

First, the study addresses the research gap on the role of the banking sector in addressing the SDGs in SSA. Second, the study's use of a mixed methods research design addresses a notable

gap in the corporate sustainability literature and responds to calls for deeper inquiry into the "why" and "how" behind corporate sustainability practices (Ike et al., 2019; Low et al., 2023; Mio et al., 2020).

Additionally, the study advances the use of a multi-theoretical framework in corporate sustainability studies to provide new insights (Fernando & Lawrence, 2014; Frynas & Yamahaki, 2016; Mellahi et al., 2016). It also offers further empirical application of legitimacy and corporate sustainability theories in understanding the sustainability behaviour of corporations. In particular, the study helps to define and provide important regional insights into the definition and scope of banks' involvement with the SDGs in SSA.

Beyond applying legitimacy and corporate sustainability theories to the Sub-Saharan African (SSA) banking context, the study extends these frameworks by illustrating how they intersect in emerging economies. The findings reveal that legitimacy-seeking behaviours primarily shape the breadth of SDG engagement. In contrast, corporate sustainability approaches focus on the strategic prioritization and integration of specific SDGs. Hence, we can demonstrate that legitimacy and corporate sustainability are not mutually exclusive, but rather mechanisms through which firms navigate external expectations and internal capacities.

At the policy level, as negotiations begin for the post-2030 sustainable development agenda worldwide, there is increased impetus for SSA governments and central bank regulators to develop ways to provide a more enabling environment for banks to increase their involvement in the SDGs, especially since the results of this study reveal not only a desire but evidence of progress.

To address financial constraints in the short to medium-term, central banks could introduce incentives, including credit loss guarantees to banks as insurance for financing high-risk sectors as part of SDG financing, discounted central bank funding for SDG-related projects, and a reduction

in the capital adequacy ratios and cash reserve requirements to increase the capital available for funding such projects. Tax regulatory bodies could also reduce corporate taxes for banks that allocate a portion of their capital to SDG financing.

Regarding the pervasive issue of data scarcity, governments can, in the short term, encourage investment in data systems for collection, assessment, monitoring, reporting and verification while strengthening national statistical offices with technical expertise and digital infrastructure. Such interventions could enhance alignment and contributions to each SDG and its related targets, while also supporting systemic standard-setting efforts that address banks' concerns about the lack of reliable baseline data, which hinders their ability to set meaningful targets for deeper engagement.

In the short term, national banking associations can serve as platforms for capacity-building initiatives, enabling high-performing banks to share best practices, thereby raise awareness and deepen understanding of the SDG framework. Such platforms could also foster more coordinated approaches to addressing the SDGs, encouraging banks to act as partners in development rather than competitors. In addition, collaboration between banking associations, government agencies and other stakeholders could support the establishment of award schemes that reward exemplary performance, providing further incentives for the adoption of the SDGs.

In addition to industry-level initiatives, individual banks can take concrete steps to deepen SDG engagement by designing products and processes that directly advance specific goals. For example, to increase support for SDG 5, banks can establish women's banking desks and develop gender lens financing solutions such as loan products tailored to women-owned and women-led enterprises, or those offering products and services that significantly improve the lives of women and girls. Similarly, banks can contribute to SDG 7 (Affordable and Clean Energy) by developing renewable energy financing schemes and to SDG 13 by integrating climate-related risks into their

credit risk assessment frameworks. Finally, senior management can demonstrate greater commitment to the SDG agenda by setting the tone at the top and establishing well-resourced sustainability units to embed the SDGs into banking operations effectively.

As part of long-term planning, by including banks in SSA in stakeholder dialogue concerning the upcoming post-2030 sustainable development agenda, it may be possible to clarify the overlapping nature of some of the goals and targets and increase the relevance of the post-2030 agendas to the financial sector in SSA, and potentially also lead to greater financing for sustainability across Africa more broadly.

In essence, the findings show that sustainable banking regulations aligning with the SDGs may drive behaviour. Thus, it may also be necessary to increase the awareness, engagement and capacity of banking regulators to incorporate the SDGs in future sustainable banking regulations. This can be achieved in the short term by leveraging regional platforms such as the Association of African Central Banks (AACB), where central banks that have successfully incorporated the SDGs into their sustainable banking regulations (e.g. Bank of Ghana) can guide countries in the process of implementing similar sustainability regulations.

The study acknowledges some limitations and provides direction for future research. First, the relatively small sample size in both the quantitative and qualitative phases may limit the generalizability of the findings, warranting cautious interpretation. Second, the reliance on cross-sectional data constrains the study's ability to capture the longitudinal contribution of banks since the adoption of the SDG framework.

While this study focused exclusively on banks explicitly referencing the SDGs in their reports to ensure clarity and objectivity, future research could explore the broader, indirect contributions of banks to the SDGs beyond explicit disclosures. Such investigations could complement the

present findings and deepen understanding of the multifaceted ways banks support the SDGs. Future studies could expand the sample size by including banks operating in francophone SSA countries and the wider African continent, conducting a comparative analysis to explore any nuanced findings that would enhance understanding of sustainability integration within the banking sector in Africa as a whole. Additionally, longitudinal studies could be used to assess performance trends across the banking sector.

Ultimately, future studies can examine the same topic through alternative theoretical lenses, such as institutional logics and stakeholder salience, to offer new and valuable insights. These new insights could shape the banking sector in SSA and contribute to ensuring that SSA is not only back on track in meeting the SDGs but also achieving the AU Agenda 2063 and prepared to engage substantively in the post-2030 sustainable development agenda worldwide.

MANUSCRIPT END

Chapter 5

Conclusion

The banking sector plays a pivotal role in advancing sustainable development globally through its financial intermediary function in the economy. By spearheading capital allocation and shaping financial decision-making and public policy (Yip & Bocken, 2018), banks are strategically positioned to influence sustainability efforts, particularly in developing and emerging markets, where they remain dominant players in the financial sector. While sustainable banking continues to garner interest within the academic community, this dissertation offers a unique contribution to the extant literature by exploring the sustainable banking landscape in SSA. It evaluates the level of sustainable banking performance and financial outcomes, investigates the relationship between institutional pressures and sustainable banking performance, and examines the extent of banks' involvement with the SDGs, including the motivations for and barriers to their involvement.

To evaluate sustainable banking performance, Paper 1 used a comprehensive framework comprising forty-four (44) indicators across six (6) main categories, including products, services, processes, and policies. The study employed a sample of ninety-nine (99) banks, categorized by region, bank type, and stock listing status, to explore performance variations. A four-stage ranking methodology was used to assess and compare bank performance. The results showed that most banks are at the initial and growth stages of sustainable banking adoption, with an emphasis on the social and ethical dimensions of sustainability. These findings align with other sustainable banking benchmarking studies in developed economies (La Torre et al., 2024) and developing economies (Gaba & Sharma, 2024; Kumar & Prakash, 2019; Mishra & Sant, 2023). Comparing across bank categories revealed notable performance differences, with banks operating in Southern Africa, PABs, and listed banks ranking higher than their counterparts. These findings demonstrate the

need for context-specific regulatory interventions that consider firm-level characteristics such as bank type, financial capacity, and ownership structure, rather than a one-size-fits-all approach. The study also examined the relationship between sustainable banking performance and financial performance, measured by financial accounting indicators and grounded in good management theory. Using regression analysis, the study found a positive association between sustainable banking performance and financial performance, thereby confirming sustainable banking as a value-creation strategy rather than a trade-off in the region. Although the broader literature reports inconclusive results on this relationship in both developed and developing regions, the consistency of this finding with other limited studies in the region (Field, Adu, 2022; Siueia et al., 2019) adds further support to the view that sustainability-oriented practices may improve financial outcomes within the banking sector in SSA.

To investigate the relationship between institutional pressures and sustainable banking performance, Paper 2 employed a quasi-experimental design with treatment and control group countries, using a sample of seventy-four (74) banks in six (6) countries. The study also utilized the institutional isomorphic framework as its lens to examine how coercive pressure (central bank sustainability regulations), normative pressure (banking association guidelines), and mimetic pressure (dominant foreign bank presence) drive sustainability performance at both aggregate and disaggregate levels. The comparative analysis showed that banks in countries with coercive, normative, and mimetic pressures outperformed those in the control group countries. Regression analysis of the association between these three pressures and sustainable banking performance found a positive and significant association, underscoring the importance of external factors in promoting the integration of sustainability in the region. These findings align with other comparative country studies in the Field (Martínez-Ferrero & García-Sánchez, 2017; Oliveira et

al., 2019) and single-country studies in the Field (Alshbili & Elamer, 2020; Bose et al., 2018) in other regions and sectors. Furthermore, coercive pressure showed the strongest association with sustainable banking performance, underscoring the role of regulatory interventions in driving sustainable behaviour among banks in SSA.

Finally, **to examine banks' SDG involvement in SSA**, Paper 3 adopted an explanatory sequential mixed-methods design underpinned by legitimacy and corporate sustainability theories. The quantitative phase analysed sixty-one (61) banks across six (6) countries using content analysis, followed by a qualitative phase comprising interviews with fourteen (14) banks in five (5) countries. The findings reveal low depth of SDG involvement, consistent with other SDG studies in the banking sector (Avrampou et al., 2019; Chagas et al., 2022; Cosma et al., 2020), but higher breadth of engagement and awareness, suggesting growing interest and scope for deeper contributions. The study found significant differences in SDG involvement scores, with banks in Southern Africa, PABs or regional banks, and listed banks performing better than their counterparts. The prioritized SDGs identified include SDGs 13, 8, 5, 4 and 3, which align with the core business of banks and are associated with addressing societal goals, thus confirming the applicability of both legitimacy and corporate sustainability theories. Some of the prioritized SDGs, particularly 13 and 8, were consistent with findings in other banking studies (Avrampou et al., 2019; Gambetta et al., 2021; Kulińska-Sadłocha, 2024) and grey literature (UNEP FI, 2023), indicating a strategic business alignment approach to SDG involvement by the banking sector. The study's findings indicated that drivers of SDG involvement include the desire of banks to make a positive impact, the perception that it is good for business, and responses to regulatory and stakeholder pressures. The study also identified several challenges, including resource constraints, lack of awareness, limited commitment from senior management, and misalignment of efforts, as

barriers to stronger SDG alignment by the banking sector in the region. The study offered managerial and policy recommendations that could harness the full potential of banks to increase their current contributions towards advancing the SDGs in the region.

A synthesis of the findings across the three studies revealed several insights worth highlighting. For instance, Papers 1 and 3 used the same set of countries and conducted comparative analyses across the same bank categories. Results showed consistent performance patterns, with PABs and listed banks outperforming their counterparts in both sustainable banking adoption and SDG engagement, reflecting strategic legitimacy-seeking behaviour and resource advantages that these banks often possess, thereby enabling deeper sustainability integration. However, a notable divergence emerged at the regional level of analysis. Whereas banks in West Africa had the highest SBP score (0.333) in the first study, almost identical to Southern Africa (0.332), they had the lowest SDG involvement score (0.201) in the third study, despite central bank-led sustainable banking regulations in both West African countries. In contrast, East Africa, which had the lowest SBP score (0.228), ranked second in SDG involvement (0.311). Another interesting observation emerged when synthesizing the findings in Papers 2 and 3. While Paper 2 found that coercive pressure, measured by central bank sustainability regulations, had the strongest association with sustainable banking performance, the qualitative findings in Paper 3 revealed regulatory pressure as the third driver of SDG involvement. Together, these observations suggest that although regulatory interventions provide a good starting point for advancing sustainability integration, they may not fully translate into deeper SDG engagement unless they are well embedded in regulatory frameworks and actively enforced. In contrast, legitimacy-seeking motives and strategic business alignment may foster more meaningful engagement with global developmental agendas such as the SDGs.

5.1. Contribution to Academic Theories

This dissertation makes several unique contributions to good management theory, institutional theory, legitimacy theory, and corporate sustainability theory. For instance, Paper 1 advances theory by applying good management theory (Waddock & Graves, 1997b) to the study of sustainable banking performance and financial outcomes in SSA, a context that has received no direct attention from this theory. While prior studies on sustainable banking and financial outcomes in SSA have applied stakeholder theory (Siueia et al., 2019) and other multi-theoretical frameworks comprising stakeholder, institutional, agency, and resource dependency theories (Adu, 2022), this study demonstrates that integrating sustainability is an aspect of good management practice, which can be viewed as an intangible resource, and that it yields positive financial outcomes in SSA. This theory positions internal management quality and strategic competitive advantage as integral factors in explaining the sustainability and financial performance linkage. Although this theory has been applied in a few studies on CSR and sustainable banking globally (Surroca et al., 2010; Waddock & Graves, 1997b; Weber, 2017; Weber & Chowdury, 2020), it remains underutilized in sustainable banking research globally. Thus, applying this theory complements externally driven theories, broadens the theoretical base of the sustainable banking literature, and highlights the role of internal capabilities in sustainability and financial outcomes in the sector.

Paper 2 contributes to institutional theory by empirically testing the distinct relationships between coercive, normative, and mimetic pressures and the sustainability performance of banks in SSA. This focus is novel, as prior studies applying the institutional isomorphic framework have focused on other sectors rather than the banking sector exclusively (Amoako et al., 2021; Welbeck, 2017), with mixed results. The study adopts a cross-country quasi-experimental design, using

country-level proxies to represent coercive (central bank sustainability regulations), normative (banking association guidelines), and mimetic (dominant foreign bank presence) institutional pressures, and comparing treatment and control countries accordingly. This innovative approach not only deepens understanding of how institutional environments can shape sustainability in the banking sector in SSA but also responds to calls for more comparative research in institutional theory (Jackson & Apostolakou, 2010; Moufty et al., 2024). The finding that all three pressures are positively associated with sustainable banking performance complements results from similar sustainable banking studies in other regions (Bose et al., 2018), demonstrating the real-world relevance of this theory. Finally, the identification of coercive pressures as having the strongest association provides empirical support for the potential effectiveness of regulatory interventions in promoting sustainability integration in developing countries, which are often characterized by institutional fragility and weak enforcement capacity.

Paper 3 contributes to both legitimacy and corporate sustainability theories in various ways. First, the results of the SDG performance measured by the depth of involvement demonstrate that listed banks and PABs are the highest performers, confirming the legitimacy-seeking behaviour of banks in addressing the SDGs. Moreover, the prioritization of socially oriented SDGs like education and good health and well-being confirms that banks in SSA generally engage with the SDGs to increase their strategic and institutional legitimacy(Palazzo & Scherer, 2006; Suchman, 1995) with their stakeholders. Finally, the qualitative findings of the study confirm the presence of legitimacy theory in SSA as banks are motivated to address the SDGs to make a positive impact in the society they operate, respond to regulatory and stakeholder pressure and select SDGs that align with national priorities. On the other hand, the study also confirms the real-world applicability of corporate sustainability theory as banks prioritize SDGs that have direct or indirect

impact on their core business, including SDG 13 and 8. Similarly, the qualitative findings on the drivers and selection approach reveal that banks in SSA adopt a strategic approach to engaging with the SDGs by selecting those relevant to their business and participating in this global development agenda because of their potential benefits. These findings contribute to both legitimacy and corporate sustainability theory and align with similar studies conducted in other sectors and broader global contexts, using both theoretical lenses (ElAlfy et al., 2020). Specifically, the combined application of the two theories to explore banks' engagement with the SDGs represents a novel theoretical approach within both the banking sector and the SSA context.

This dual theoretical lens offers a more nuanced and integrated understanding of the degree of SDG alignment in the region's financial sector. Existing studies in Africa have typically focused on broader sets of industries and drawn primarily on institutional, legitimacy, or stakeholder theories, with little attention to the banking sector or the use of corporate sustainability theory, further underscoring the distinctiveness of this study's theoretical and sectoral focus.

5.2. Contribution to Knowledge

This dissertation makes several contributions to knowledge, particularly in relation to sustainable banking, SDG alignment, and corporate sustainability in underexplored contexts. First, given the growing academic interest in corporate sustainability, particularly sustainable banking, this study contributes to the extant scholarship by offering empirical insights from SSA, a region that remains significantly under-researched. Most studies on sustainable banking have focused on other regions, while the limited research on SSA tends to concentrate on single-country contexts, prioritize financial outcomes over holistic assessments, or rely on non-comprehensive frameworks to measure sustainability performance. Given that context matters in studying real-world issues

like sustainability, it is essential to explore this phenomenon in the African region, which is most affected by many of the sustainability challenges.

Secondly, the study contributes to knowledge by deepening understanding of sustainability integration in the banking sector in SSA, a critical yet understudied economic player in the region's development landscape. In advancing sector-specific knowledge, this study moves beyond the binary classification of banks as local or foreign, common in existing African banking literature. Instead, it adopts a more nuanced typology that reflects the region's unique foreign bank structure by distinguishing among local banks, PABs, and international banks. This approach recognizes the evolving structure of SSA's banking sector, particularly following the 2008 financial crisis, which led to the exit of global banks and paved the way for PABs to expand their footprint and influence. While this classification has been applied in prior studies assessing financial inclusion and banking efficiency, this study is among the first to apply it to sustainability performance and SDG engagement. Additionally, the study examined stock listing status and regional groupings, two underexplored characteristics that yielded significant insights into the sustainable banking landscape in the region. Collectively, these contributions provide a more context-oriented and structurally informed understanding of how different types of banks in SSA engage with the sustainability agenda.

Third, the study advances knowledge through innovative methodological approaches. The use of a 44-indicator SBP framework, encompassing sustainable banking products and services, environmental management, social development, internal socio-ethical conduct, sustainability code of conduct and reporting, and sustainability governance, provides a more inclusive and context-relevant assessment than prior studies in the region. Additionally, the application of a four-stage ranking methodology enables consistent benchmarking across banks, offering a clearer

picture of performance levels. The adoption of a quasi-experimental research design, using country-level proxies to construct treatment and control groups, offers a novel way to assess the influence of institutional environments on sustainability behaviour. Finally, the use of a mixed-methods research design, which combines content analysis and interviews, generates deeper insight into both the quantitative performance and the motivations and challenges behind it. Taken together, these approaches contribute to methodological development in the study of corporate sustainability in emerging markets and provide tools that future researchers can adapt to similar contexts.

Finally, the dissertation contributes to knowledge by applying a multi-theoretical framework to explore the landscape of sustainable banking in SSA. Each of the three studies was grounded in a distinct theoretical lens: good management theory (Paper 1), institutional theory (Paper 2), and legitimacy theory in combination with corporate sustainability theory (Paper 3). This pluralistic approach captured the complex, layered nature of sustainability integration in SSA's banking sector, spanning financial outcomes, institutional influences, and the rationale and approach to SDG involvement. By integrating these theoretical perspectives across different empirical inquiries, the study responds to calls in the sustainability and CSR literature for more contextually grounded, multi-theoretical analyses.

5.3. Contribution to Practice – Policy and Managerial Implications

The three studies that make up this dissertation offer practical insights that are relevant to both policymakers and financial institutions in SSA.

5.3.1. Central Banks/Banking Regulators

First, the findings highlight the importance of regulatory frameworks in advancing sustainable banking adoption in the region. The empirical evidence, particularly from Paper 2, confirms the

positive influence of central bank regulations on banks' sustainability performance. This validates the ongoing rollout of sustainable banking and finance regulations by central banks in other countries in the region. However, such regulations should be agile and context-driven, recognizing the diversity in institutional capacity and bank typologies, as a one-size-fits-all approach may limit effectiveness. This can be achieved through a tiered or phased regulatory model with graduated compliance requirements based on factors such as size, listing status, or cross-border operations. Since banks tend to be responsive to regulatory expectations, embedding the SDG framework explicitly into sustainable banking regulations could help accelerate their much-needed involvement in achieving the goals. Central banks can further support implementation by offering capacity-building initiatives targeted at underperforming or smaller banks that may lack the technical expertise, resources, or internal structures. This would help level the playing field, ensuring that sustainability integration is not limited to larger or better-resourced banks. Additionally, central banks can involve banking associations and other sector stakeholders in co-designing these regulatory frameworks to ensure relevance and buy-in.

Furthermore, central banks can leverage existing structures, such as the Association of African Central Banks (AACB), to create a shared learning platform where countries that have successfully rolled out sustainability frameworks can offer advice and support, or even go a step further by designing minimum standards applicable to all member countries.

Secondly, although the results of the sustainability performance evaluation demonstrate progress toward sustainability integration, primarily through internal ethics and social contributions, the findings reveal significant gaps in financing sustainable development, as evidenced by the limited rollout of sustainable banking products and services. To address this, central banks can play a proactive role by creating a more enabling environment for banks. These

could include initiatives such as credit-loss guarantee schemes for financing high-risk sectors, discounted central bank funding for sustainability financing, a green lending quota, and reductions in capital adequacy ratios and cash reserve requirements to increase the availability of capital for such projects. For these initiatives to be effective, there is a need for a clear, sustainable finance taxonomy, a sustainability disclosure framework, and effective data systems to monitor, track and measure impact.

5.3.2. Banking Associations

The study revealed that normative pressures, such as industry associations, significantly influence the promotion of sustainable banking behaviour, presenting an opportunity for banking associations to strengthen their role in advancing sustainability across member banks. Similar to the growing momentum behind central bank-led regulations, banking associations are increasingly developing sustainable banking and finance guidelines for their members. These guidelines should similarly embed the SDG framework to enhance awareness and further increase SDG engagement. Banking associations are uniquely positioned within the sector. They can provide a platform for knowledge sharing, coordinate voluntary initiatives, and promote soft enforcement mechanisms such as codes of conduct, reporting templates, and shared sustainability commitments. They can also influence the development of regulatory and policy frameworks through active engagement with central banks and other regulatory bodies, thereby serving as a collective voice for banks' interests. This would not only help shape more practical and responsive sustainability regulations but also facilitate greater industry acceptance, which is key to the successful implementation and effectiveness of these frameworks.

5.3.3. Banking Institutions

Beyond regulatory and industry-led initiatives, banks have a pivotal role to play in advancing sustainable development in the region. Although Paper 1 found a positive association between sustainable banking performance and financial performance, a relationship further reinforced in Paper 3, where several banks viewed SDG alignment as "good for business," the overall low depth of sustainability integration across all three papers highlights untapped opportunities.

First, banks should establish sustainability governance structures to set the tone at the top and define clear risk appetites that guide sustainability practices across all operations. These structures may include board-level oversight of sustainability issues through designated sub-board committees and the establishment of dedicated sustainability units or teams with the right expertise and adequate resources. In addition, banks should develop a comprehensive sustainable banking and financing strategy that clearly outlines priorities, targets and capital allocation for sustainability projects. Such strategic clarity would increase commitment from top management, facilitate alignment across departments and enhance internal accountability for sustainability outcomes.

Second, banks should integrate sustainability across all core banking products and services rather than treating sustainable banking and finance as a niche activity. This entails incorporating environmental and social criteria into credit risk management, trade finance, cash management, and other banking services. Banks can set clear sustainability targets for existing financing portfolios, including small and medium-sized enterprise (SME) lending, agribusiness, and infrastructure financing, to ensure these segments contribute meaningfully to sustainable development outcomes.

To increase the current level of SDG involvement in SSA through SDG financing, individual banks can take concrete steps to deepen SDG engagement by designing products and processes that directly advance specific goals. For example, to increase support for SDG 5, banks can establish women's banking desks and develop gender-lens financing solutions, such as loan products tailored to women-owned and women-led enterprises, or those that significantly improve the lives of women and girls. Similarly, banks can contribute to SDG 7 (Affordable and Clean Energy) and SDG 13 (Climate Action) by offering renewable energy financing schemes and other climate mitigation and adaptation products, such as agricultural financing for climate-smart practices. These funding mechanisms can be operationalized through blended finance structures in partnership with development finance institutions such as the African Development Bank (AfDB), African Guarantee Fund (AGF) and the International Finance Corporation (IFC), which can provide concessional financing and credit guarantees to de-risk financing these sectors. Such initiatives would not only contribute towards advancing the SDGs but also create new market opportunities, enhance banking portfolio resilience and strengthen banks in SSA's alignment with global sustainability frameworks.

Furthermore, banks in SSA may consider blending their local sustainability expertise with internationally recognized frameworks such as the GRI and TCFD (now embedded in IFRS S2), as very few banks currently adopt them. By adopting these frameworks, banks can improve transparency and visibility, which could attract international investment and build trust among stakeholders. Finally, banks should invest in internal capacity building by raising awareness and understanding of the importance of integrating sustainability and how staff can contribute to these efforts. Concurrently, banks can draw on their advisory role to support clients in developing bankable sustainability projects and guide them on meeting environmental and social risk

management requirements that align with the bank's credit standards, thereby improving project quality and creditworthiness.

5.4. Limitations of the Study

While this dissertation highlights several unique theoretical, knowledge, practical, and policy-related implications, it also has some limitations, which are discussed below.

Across all three manuscripts, the study focused only on Anglophone SSA countries due to the language barrier. Given that context matters and that there are significant differences between Anglophone and Francophone SSA countries across legal systems, financial systems and institutional cultures, the findings may not apply to the entire SSA region, thereby requiring cautious interpretation and generalization of the results.

For Paper 1, the study examined the link between sustainable banking and financial performance using only the composite SBP score rather than the individual categories, which could have produced different results not captured in the study. In addition, the use of one-year time lags limited the ability to establish strong causal relationships and thus requires some caution in interpreting the results. While relevant control variables were included, there may have been other omitted variables that could provide further explanation of the observed relationships.

One of the main limitations in Paper 2 is the reliance on country-level context as a proxy for measuring institutional pressures. Although this approach was necessary to support the quasi-experimental design and enable meaningful cross-country comparisons, it may have excluded other important variables that could provide a more nuanced understanding of how institutional pressures are operationalized at the firm level. Additionally, the use of cross-sectional data may not have allowed for a strong establishment of the causal relationships among the various institutional environments. However, the use of a control group design helped enhance the study's

internal validity, thereby strengthening the credibility of the comparison of institutional pressures across countries.

Finally, in Paper 3, the main limitation of the study was the selective inclusion of only banks that explicitly addressed the SDGs in their non-financial report. While this was done to ensure clarity and objectivity in the study, it resulted in a very small final sample, which again has implications for the generalizability of the findings. In addition, the reliance on cross-sectional data constrains the study's ability to capture the longitudinal contribution of banks since the SDG framework came into effect and was adopted by the sampled banks.

5.5. Future Research Direction

This dissertation has provided several contributions to the literature on sustainable banking, with a focus on SSA. Nevertheless, the limitations identified across the three manuscripts provide a starting point for future research to uncover new insights.

First, future studies could increase the sample size by including banks operating in francophone SSA countries and across the wider African continent and conduct a comparative analysis to explore nuanced findings from this study that would enhance understanding of the sustainable banking landscape in Africa as a whole. Future comparative studies may also be conducted between Africa and other emerging economies to explore differences, similarities, and best practices that can inform policymaking and further test existing theories.

In addition, further research can extend the inquiry into the sustainability and financial performance linkage by using the disaggregated components of the SBP framework, for example, the rollout of sustainable banking products and services and financial indicators, to uncover new and interesting patterns that could guide future policy and regulatory frameworks. Furthermore,

future studies could examine the proportion of sustainable financing relative to traditional financing among high-performing banks.

Third, future longitudinal studies addressing similar research questions in this dissertation would be beneficial, providing stronger causal evidence and a clearer understanding of the long-term impact of sustainable banking adoption in the region. In the same vein, future studies can use alternative data collection methods, such as surveys and interviews, to investigate how the three institutional isomorphic pressures manifest at the firm level.

Finally, further research on banks' SDG engagement could explore broader, indirect contributions beyond explicit disclosures. Such studies could complement the present findings and deepen understanding of the myriad ways banks support the SDGs in the region.

5.6. Reflections on Theoretical Debate

During my doctoral defence, a detailed discussion transpired around the distinction between Good Management Theory (GMT) and Corporate Sustainability Theory (CST), both of which informed different papers in this thesis. The examiners noted the conceptual similarities between these theories, prompting me to reflect on their alignment and differences.

Good Management Theory, as posited by Waddock and Graves (1997), emphasizes the instrumental link between effective management practices, such as sustainability and, in this case, sustainable banking practices, and improved financial performance. It frames sustainability as a component of good management quality that enhances stakeholder relations and competitive advantage for organizations. On the other hand, Corporate Sustainability Theory, as espoused by Dyllick and Hockerts (2002), adopts a broader, systems perspective, focusing on embedding sustainability into corporate strategy to create long-term value across economic, social, and environmental dimensions over the short, medium, and long term. While both theories advocate

proactive sustainability and stakeholder engagement, their primary orientations differ: Good Management Theory is performance-oriented, while Corporate Sustainability Theory is systemic and future-focused.

Upon further reflection, I recognize that Corporate Sustainability Theory can be viewed as a subset of Good Management Theory, as sustainability practices constitute a contemporary dimension of effective management. This perspective reinforces the coherence of my theoretical choices and highlights how both theories converge on stakeholder engagement and the strategic integration of sustainability. It also affirms the appropriateness of my multi-theoretical approach: Good Management Theory provided a lens for explaining the positive relationship between sustainable banking performance and banks' financial performance, while Corporate Sustainability Theory and Legitimacy Theory offered complementary perspectives on banks' involvement with the SDGs in SSA. Ultimately, this discussion strengthened my appreciation for theoretical pluralism and the need to articulate why specific lenses are chosen for different research questions.

5.7. Final Words

This dissertation has examined the sustainable banking landscape in SSA through three interrelated studies, each offering a distinct perspective on how banks engage with sustainability practices and their related financial outcomes, respond to institutional pressures, and engage with the SDGs. While the findings contribute to theoretical and practical insights into sustainability in the banking sector, they also reflect an underlying reality: sustainable banking is pivotal to economic resilience, social impact, and environmental integrity in the region.

Sub-Saharan Africa continues to face immense sustainable development challenges, yet it also possesses substantial potential and opportunities to chart a sustainable development trajectory. The

banking sector has begun to embrace sustainability, and this dissertation confirms this narrative by providing evidence, insights, and recommendations that can augment scholarship and inspire the much-needed action.

As sustainability expectations grow and regulatory environments evolve, it is hoped that the insights from this study will stimulate continued progress, not only in evaluating sustainable banking performance but, more importantly, in rethinking the role of banks in SSA as essential agents and partners in the sustainability agenda. Lastly, while this study may not have all the answers, it affirms that sustainable banking is not an idealistic ambition but a pragmatic and essential pathway for the SSA banking sector.

References

Abor, J. Y., & Adjasi, C. K. D. (2022). Introduction: An Overview of Africa's Financial Systems. *The Economics of Banking and Finance in Africa: Developments in Africa's Financial Systems*, 3–19.

Adu, D. A. (2022). Sustainable banking initiatives, environmental disclosure and financial performance: The moderating impact of corporate governance mechanisms. *Business Strategy and the Environment*, *31*(5), 2365–2399. https://doi.org/10.1002/bse.3033

Adu, D. A., Abedin, M. Z., & Hasan, M. (2023). Bank ownership structures and sustainable banking initiatives: The moderating effect of governance mechanism. *International Review of Financial Analysis*, *89*, 102736. https://doi.org/10.1016/j.irfa.2023.102736

Adu, D. A., Flynn, A., & Grey, C. (2022). Executive compensation and sustainable business practices: The moderating role of sustainability-based compensation. *Business Strategy and the Environment*, *31*(3), Article 3.

Adu, D. A., & Roni, N. N. (2024). Bank climate change initiatives, ownership structures, and corporate governance mechanisms: Evidence from emerging economies. *Business Strategy and the Environment*, *33*(4), 3039–3077. https://doi.org/10.1002/bse.3640

African Development Bank. (2024). *Driving Africa's transformation: The reform of the global financial architecture* (pp. 1–266). African Development Bank.

African Development Bank. (2025). *African Economic Outlook 2025: Making Africa's Capital Work Better for Africa's Development* (pp. 1–308) [Text]. African Development Bank Group. https://www.afdb.org/en/documents/african-economic-outlook-2025

African Union Commission. (2015). *Agenda 2063: The Africa We Want* (pp. 1–21). African Union Commission. https://au.int/en/agenda2063/overview

Agyei, F. B., Nigam, N., & Shatila, K. (2024). Impact of Sustainable Development Goals on Profitability: Evidence from Ghanaian Banks. *Theoretical Economics Letters*, *14*(6), Article 6. https://doi.org/10.4236/tel.2024.146104

Akbar, S., & Deegan, C. (2021). Analysis of corporate social disclosures of the apparel industry following crisis: An institutional approach. *Accounting & Finance*, *61*(2), 3565–3600. https://doi.org/10.1111/acfi.12712

Alberici, A., & Querci, F. (2016). The Quality of Disclosures on Environmental Policy: The Profile of Financial Intermediaries. *Corporate Social Responsibility and Environmental Management*, *23*(5), 283–296. https://doi.org/10.1002/csr.1375

Al-Hyari, H. (2023). E-Human Resource Management As An Approach To Sustainable Employee Retention; Mediating Role Of Technological Vigilance. *Quality - Access to Success*, *24*(196), 183–192. https://doi.org/10.47750/QAS/24.196.24

Ali, H. Y., Danish, R. Q., & Asrar-ul-Haq, M. (2020). How corporate social responsibility boosts firm financial performance: The mediating role of corporate image and customer satisfaction. *Corporate Social Responsibility and Environmental Management*, *27*(1), 166–177. https://doi.org/10.1002/csr.1781

Alshbili, I., & Elamer, A. A. (2020). The influence of institutional context on corporate social responsibility disclosure: A case of a developing country. *Journal of Sustainable Finance & Investment*, *10*(3), 269–293. https://doi.org/10.1080/20430795.2019.1677440

Ameer, R., & Othman, R. (2012). Sustainability Practices and Corporate Financial Performance: A Study Based on the Top Global Corporations. *Journal of Business Ethics*, *108*(1), 61–79. https://doi.org/10.1007/s10551-011-1063-y

Amoah, L., Dzeha, G. C. O., & Arun, T. (2022). Sustainable Finance and Banking in Africa. In *The Economics of Banking and Finance in Africa: Developments in Africa's Financial Systems* (pp. 405–429). Springer.

Amoako, G. K., Adam, A. M., Tackie, G., & Arthur, C. L. (2021). Environmental accountability practices of environmentally sensitive firms in Ghana: Does institutional isomorphism matter? *Sustainability*, *13*(17), Article 17.

Amor-Esteban, V., Galindo-Villardón, M.-P., & García-Sánchez, I.-M. (2018). Industry mimetic isomorphism and sustainable development based on the X-STATIS and HJ-biplot methods. *Environmental Science and Pollution Research*, *25*, 26192–26208.

Amran, A., & Haniffa, R. (2011). Evidence in development of sustainability reporting: A case of a developing country. *Business Strategy and the Environment*, *20*(3), Article 3.

An, Y., Davey, H., & Eggleton, I. R. (2011). Towards a comprehensive theoretical framework for voluntary IC disclosure. *Journal of Intellectual Capital*, *12*(4), 571–585. https://doi.org/10.1108/14691931111181733

Aracil, E., Nájera-Sánchez, J.-J., & Forcadell, F. J. (2021). Sustainable banking: A literature review and integrative framework. *Finance Research Letters*, *42*, 101932. https://doi.org/10.1016/j.frl.2021.101932

Arena, M., Azzone, G., Ratti, S., Urbano, V. M., & Vecchio, G. (2023). Sustainable development goals and corporate reporting: An empirical investigation of the oil and gas industry. *Sustainable Development*, *31*(1), 12–25. https://doi.org/10.1002/sd.2369

Arun, T., Girardone, C., & Piserà, S. (2022). ESG issues in emerging markets and the role of banks. In *Handbook of banking and finance in emerging markets* (pp. 321–344). Edward Elgar Publishing.

Ashrafi, M., Adams, M., Walker, T. R., & Magnan, G. (2018). How corporate social responsibility can be integrated into corporate sustainability: A theoretical review of their relationships. *International Journal of Sustainable Development & World Ecology*, *25*(8), Article 8.

Ashrafi, M., Magnan, G. M., Adams, M., & Walker, T. R. (2020). Understanding the conceptual evolutionary path and theoretical underpinnings of corporate social responsibility and corporate sustainability. *Sustainability*, *12*(3), Article 3.

Asiri, N., Khan, T., & Kend, M. (2020). Environmental management accounting in the Middle East and North Africa region: Significance of resource slack and coercive isomorphism. *Journal of Cleaner Production*, *267*, 121870. https://doi.org/10.1016/j.jclepro.2020.121870

Avrampou, A., Skouloudis, A., Iliopoulos, G., & Khan, N. (2019). Advancing the Sustainable Development Goals: Evidence from leading European banks. *Sustainable Development*, sd.1938. https://doi.org/10.1002/sd.1938

Azmi, W., Hassan, M. K., Houston, R., & Karim, M. S. (2021). ESG activities and banking performance: International evidence from emerging economies. *Journal of International Financial Markets, Institutions and Money*, *70*, 101277. https://doi.org/10.1016/j.intfin.2020.101277

Bank of Ghana. (2019). *Sustainable Banking Principles and Sector Guidance Notes*. Bank of Ghana. https://www.bog.gov.gh/wp-content/uploads/2019/12/Ghana-Sustainable-Banking-Principles-and-Guidelines-Book-1.pdf

Bansal, P., & Song, H.-C. (2017). Similar But Not the Same: Differentiating Corporate Sustainability from Corporate Responsibility. *The Academy of Management Annals*, *11*(1), 105–149. https://doi.org/10.5465/annals.2015.0095

Barone, M., Fraccalvieri, I., Cuoccio, M., & Bussoli, C. (2024). Answering the call to action: An empirical analysis of SDG performance in global banks. *Measuring Business Excellence*, *ahead-of-print*(ahead-of-print). https://doi.org/10.1108/MBE-08-2024-0116

Bătae, O. M., Dragomir, V. D., & Feleagă, L. (2020). Environmental, social, governance (ESG), and financial performance of European banks. *Accounting and Management Information Systems*, *19*(3), 480–501. https://doi.org/10.24818/jamis.2020.03003

Beck, A. C., Campbell, D., & Shrives, P. J. (2010). Content analysis in environmental reporting research: Enrichment and rehearsal of the method in a British–German context. *The British Accounting Review*, *42*(3), 207–222. https://doi.org/10.1016/j.bar.2010.05.002

Beck, T., Cull, R., Mare, D. S., Valenzuela, P., & Mare, D. S. (2023). *Banking in Africa: Opportunities and Challenges in Volatile Times*. World Bank, Washington, DC. https://doi.org/10.1596/1813-9450-10632

Beddewela, E., & Fairbrass, J. (2016). Seeking legitimacy through CSR: Institutional pressures and corporate responses of multinationals in Sri Lanka. *Journal of Business Ethics*, *136*, 503–522.

Bhuiyan, F., Rana, T., Baird, K., & Munir, R. (2023). Strategic outcome of competitive advantage from corporate sustainability practices: Institutional theory perspective from an emerging economy. *Business Strategy and the Environment*, *32*(7), 4217–4243. https://doi.org/10.1002/bse.3362

Bimha, A., & Nhamo, G. (2017). Measuring environmental performance of banks: Evidence from Carbon Disclosure Project (CDP) reporting banks. *Journal of Economic and Financial Sciences*, *10*(1), 26–46. https://doi.org/10.4102/jef.v10i1.3

Boachie, C. (2020). Corporate Social Responsibility and Financial Performance in the Banking Industry in Ghana. *International Journal of Sustainable Entrepreneurship and Corporate Social Responsibility (IJSECSR)*, *5*(2), NA-NA. https://doi.org/10.4018/IJSECSR.2020070106

Bose, S., Khan, H. Z., & Monem, R. M. (2021). Does green banking performance pay off? Evidence from a unique regulatory setting in Bangladesh. *Corporate Governance: An International Review*, *29*(2), Article 2.

Bose, S., Khan, H. Z., Rashid, A., & Islam, S. (2018). What drives green banking disclosure? An institutional and corporate governance perspective. *Asia Pacific Journal of Management*, *35*, 501–527.

Botchwey, E. A., Soku, M. G., & Awadzie, D. M. (2022). Sustainability reporting and the financial performance of banks in africa. *Pressacademia*, 1. https://doi.org/10.17261/Pressacademia.2022.1551

Botshabelo, I., Ch, M., & Phatshwane, P. M. (2017). Corporate Social Responsibility Re-porting in Banking Industry: An Analysis of Disclosure Levels in Botswana. *International Journal of Business and Management*, *12*(12), Article 12.

Branco, M. C., & Rodrigues, L. L. (2006). Communication of corporate social responsibility by Portuguese banks: A legitimacy theory perspective. *Corporate Communications*, *11*(3), 232–248. https://doi.org/10.1108/13563280610680821

Braun, V., & Clarke, V. (2006). Using thematic analysis in psychology. *Qualitative Research in Psychology*, *3*(2), 77–101. https://doi.org/10.1191/1478088706qp063oa

Brookings Institution. (2025). *FORESIGHT AFRICA TOP PRIORITIES FOR THE CONTINENT 2025-2030* (pp. 1–196).

Buallay, A., Fadel, S. M., Al-Ajmi, J. Y., & Saudagaran, S. (2020). Sustainability reporting and performance of MENA banks: Is there a trade-off? *Measuring Business Excellence*, *24*(2), 197–221. https://doi.org/10.1108/MBE-09-2018-0078

Busch, T., & Friede, G. (2018). The Robustness of the Corporate Social and Financial Performance Relation: A Second-Order Meta-Analysis. *Corporate Social Responsibility and Environmental Management*, *25*(4), 583–608. https://doi.org/10.1002/csr.1480

Campbell, J. L. (2007). Why would corporations behave in socially responsible ways? An institutional theory of corporate social responsibility. *Academy of Management Review*, *32*(3), Article 3.

Carè, R. (2018). *Sustainable banking: Issues and challenges* (1st ed.). Palgrave Macmillan. https://doi.org/10.1007/978-3-319-73389-0

Carè, R., & Weber, O. (2023). Sustainable Finance: Banks, Sustainability, and Corporate Financial Performance. In M. Dion (Ed.), *Sustainable Finance and Financial Crime* (pp. 41–61). Springer International Publishing. https://doi.org/10.1007/978-3-031-28752-7_3

Carnevale, C., & Mazzuca, M. (2014). Sustainability report and bank valuation: Evidence from European stock markets. *Business Ethics: A European Review*, *23*(1), 69–90. https://doi.org/10.1111/beer.12038

Carungu, J., Pietra, R. D., & Molinari, M. (2021). Mandatory vs voluntary exercise on non-financial reporting: Does a normative/coercive isomorphism facilitate an increase in quality? *Meditari Accountancy Research*, *29*(3), 449–476. https://doi.org/10.1108/MEDAR-08-2019-0540

Central Bank of Nigeria. (2012). *Nigerian Sustainable Banking Principles*. https://www.cbn.gov.ng/out/2012/ccd/circular-nsbp.pdf

Chagas, E. J. M. das, Albuquerque, J. de L., Maia Filho, L. F. A., & Ceolin, A. C. (2022). Sustainable development, disclosure to stakeholders and the Sustainable Development Goals: Evidence from Brazilian banks' non-financial reports. *Sustainable Development*, *30*(6), 1975–1986. https://doi.org/10.1002/sd.2363

Chih, H., Chih, H., & Chen, T. (2010). On the Determinants of Corporate Social Responsibility: International Evidence on the Financial Industry. *Journal of Business Ethics: JBE*, *93*(1), 115–135. https://doi.org/10.1007/s10551-009-0186-x

Cosma, S., Venturelli, A., Schwizer, P., & Boscia, V. (2020). Sustainable development and European banks: A non-financial disclosure analysis. *Sustainability*, *12*(15), Article 15.

Creswell, J. W., & Creswell, J. D. (2018). *Research Design: Qualitative, Quantitative, and Mixed Methods Approaches | Online Resources*. SAGE Publications. https://edge.sagepub.com/creswellrd5e

Creswell, J. W., & Plano Clark, V. L. (2018). *Designing and conducting mixed methods research* (3rd ed.). SAGE Publications.

da Silva Inácio, L., & Delai, I. (2022). Sustainable banking: A systematic review of concepts and measurements. *Environment, Development and Sustainability*, *24*(1), 1–39. https://doi.org/10.1007/s10668-021-01371-7

de Cleene, S., & Wood, C. (2004). *Sustainability Banking in Africa* (pp. 1–84). African Institute of Corporate Citizenship. https://www.unepfi.org/industries/banking/sustainability-banking-in-africa/

Deloitte. (2017). *Sustainable Banking as a Driver for Growth: A survey of Nigerian Banks* (pp. 1–40). Deloitte. https://ndlink.org/wp-content/uploads/2017/09/ng-deloitte-west-africa-sustainability-banking-survey.pdf

DiMaggio, P. J., & Powell, W. W. (1983). The Iron Cage Revisited: Institutional Isomorphism and Collective Rationality in Organizational Fields. *American Sociological Review*, *48*(2), 147–160. https://doi.org/10.2307/2095101

Doku, J. N., Abor, J., Adjasi, C. K., & Andoh, C. (2012). Assessing competitive behaviour in emerging banking market: African evidence. In *Finance and development in Africa* (Vol. 12, pp. 25–51). Emerald Group Publishing Limited.

Donaldson, T., & Preston, L. E. (1995). The stakeholder theory of the corporation: Concepts, evidence and implications. *Academy of Management. The Academy of Management Review*, *20*(1), 65. https://www.proquest.com/docview/210968395/abstract/F58B91548ADA421EPQ/1

Dong, S., Xu, L., & McIver, R. (2021). China's financial sector sustainability and "green finance" disclosures. *Sustainability Accounting, Management and Policy Journal*, *12*(2), 353–384. https://doi.org/10.1108/SAMPJ-10-2018-0273

Dong, S., Xu, L., & McIver, R. P. (2023). Sustainability reporting quality and the financial sector: Evidence from China. *Meditari Accountancy Research*, *31*(5), 1190–1214. https://doi.org/10.1108/MEDAR-05-2020-0899

Doni, F., Martini, S. B., Corvino, A., & Mazzoni, M. (2020). Voluntary versus mandatory non-financial disclosure: EU Directive 95/2014 and sustainability reporting practices based on empirical evidence from Italy. *Meditari Accountancy Research*, *28*(5), 781–802. https://doi.org/10.1108/MEDAR-12-2018-0423

Dossa, Z., & Kaeufer, K. (2014). Understanding sustainability innovations through positive ethical networks. *Journal of Business Ethics*, *119*, 543–559.

Drempetic, S., Klein, C., & Zwergel, B. (2020). The Influence of Firm Size on the ESG Score: Corporate Sustainability Ratings Under Review. *Journal of Business Ethics*, *167*(2), 333–360. https://doi.org/10.1007/s10551-019-04164-1

Dyllick, T., & Hockerts, K. (2002). Beyond the business case for corporate sustainability. *Business Strategy and the Environment*, *11*(2), 130–141. https://doi.org/10.1002/bse.323

ElAlfy, A., Darwish, K. M., & Weber, O. (2020). Corporations and sustainable development goals communication on social media: Corporate social responsibility or just another buzzword? *Sustainable Development*, *28*(5), Article 5.

ElAlfy, A., & Weber, O. (2019). *Corporate sustainability reporting: The case of the banking industry*.

ElAlfy, A., Weber, O., & Geobey, S. (2021). The Sustainable Development Goals (SDGs): A rising tide lifts all boats? Global reporting implications in a post SDGs world. *Journal of Applied Accounting Research*.

Elkington, J. (2018, June 25). 25 Years Ago I Coined the Phrase "Triple Bottom Line." Here's Why It's Time to Rethink It. *Harvard Business Review*. https://hbr.org/2018/06/25-years-ago-i-coined-the-phrase-triple-bottom-line-heres-why-im-giving-up-on-it

Epule, T. E., Chehbouni, A., Dhiba, D., Moto, M. W., & Peng, C. (2021). African climate change policy performance index. *Environmental and Sustainability Indicators*, *12*, 100163. https://doi.org/10.1016/j.indic.2021.100163

Erin, O. A., & Bamigboye, O. A. (2022). Evaluation and analysis of SDG reporting: Evidence from Africa. *Journal of Accounting & Organizational Change*, *18*(3), 369–396. https://doi.org/10.1108/JAOC-02-2020-0025

Erin, O. A., Bamigboye, O. A., & Oyewo, B. (2022). Sustainable development goals (SDG) reporting: An analysis of disclosure. *Journal of Accounting in Emerging Economies*, *12*(5), 761–789. https://doi.org/10.1108/JAEE-02-2020-0037

European Investment Bank. (2022). *Finance in Africa: Navigating the financial landscape in turbulent times*. European Investment Bank. https://doi.org/10.2867/049837

Fan, X., Tang, Z., Fu, Y., & Yan, J. (2024). Environmental information disclosure and corporate financial performance: Evidence from China. *Accounting & Finance*, *64*(S1), 5039–5068. https://doi.org/10.1111/acfi.13327

Fernando, S., & Lawrence, S. (2014). A theoretical framework for CSR practices: Integrating legitimacy theory, stakeholder theory and institutional theory. *Journal of Theoretical Accounting Research*, *10*(1), Article 1.

Forcadell, F. J., & Aracil, E. (2017). Sustainable banking in Latin American developing countries: Leading to (mutual) prosperity. *Business Ethics: A European Review*, *26*(4), Article 4.

Fosu, S. (2013). Banking competition in Africa: Subregional comparative studies. *Emerging Markets Review*, *15*, 233–254.

Frynas, J. G., & Yamahaki, C. (2016). Corporate social responsibility: Review and roadmap of theoretical perspectives. *Business Ethics: A European Review*, *25*(3), Article 3.

Gaba, R., & Sharma, D. (2024). Benchmarking the sustainable banking performance of Indian commercial banks. *International Journal of Process Management and Benchmarking*, *16*(1), 60–80. https://doi.org/10.1504/IJPMB.2024.135756

Galal, S. (2023, November 20). *Banking sector total assets as percentage of GDP in Sub-Saharan Africa 2010-2021*. Statista. https://www.statista.com/statistics/1250534/banking-sector-total-assets-as-percentage-of-gdp-in-sub-saharan-africa/

Galletta, S., Goodell, J. W., Mazzù, S., & Paltrinieri, A. (2023). Bank reputation and operational risk: The impact of ESG. *Finance Research Letters*, *51*, 103494. https://doi.org/10.1016/j.frl.2022.103494

Galletta, S., Mazzù, S., Naciti, V., & Vermiglio, C. (2021). Sustainable development and financial institutions: Do banks' environmental policies influence customer deposits? *Business Strategy and the Environment*, *30*(1), 643–656. https://doi.org/10.1002/bse.2644

Gambetta, N., Azcárate-Llanes, F., Sierra-García, L., & García-Benau, M. A. (2021). Financial Institutions' Risk Profile and Contribution to the Sustainable Development Goals. *Sustainability*, *13*(14), Article 14. https://doi.org/10.3390/su13147738

Garcia-Sanchez, I.-M., Cuadrado-Ballesteros, B., & Frias-Aceituno, J.-V. (2016). Impact of the Institutional Macro Context on the Voluntary Disclosure of CSR Information. *Long Range Planning*, *49*(1), 15–35. https://doi.org/10.1016/j.lrp.2015.02.004

Gondwe, S., Gwatidzo, T., & Mahonye, N. (2024). Cross-border banking and bank stability: Evidence from Sub-Saharan Africa. *Journal of Banking Regulation*. https://doi.org/10.1057/s41261-024-00254-x

Gonenc, H., & Scholtens, B. (2019). Responsibility and Performance Relationship in the Banking Industry. *Sustainability*, *11*(12), Article 12. https://doi.org/10.3390/su11123329

Griffin, J. J., & Mahon, J. F. (1997). The Corporate Social Performance and Corporate Financial Performance Debate: Twenty-Five Years of Incomparable Research. *Business & Society*, *36*(1), 5–31. https://doi.org/10.1177/000765039703600102

Gunawan, J., Permatasari, P., & Sharma, U. (2022). Exploring sustainability and green banking disclosures: A study of banking sector. *Environment, Development and Sustainability*, *24*(9), Article 9. https://doi.org/10.1007/s10668-021-01901-3

Gungadeen, S., Hossanoo, Z., & Gungah, V. (2021). Corporate Social Responsibility in Mauritius. In S. O. Idowu (Ed.), *Current Global Practices of Corporate Social Responsibility: In the Era of Sustainable Development Goals* (pp. 493–523). Springer International Publishing. https://doi.org/10.1007/978-3-030-68386-3_23

Gutiérrez-Ponce, H., & Wibowo, S. A. (2023). Do Sustainability Activities Affect the Financial Performance of Banks? The Case of Indonesian Banks. *Sustainability*, *15*(8), Article 8. https://doi.org/10.3390/su15086892

Gutiérrez-Ponce, H., & Wibowo, S. A. (2024). Do sustainability practices contribute to the financial performance of banks? An analysis of banks in Southeast Asia. *Corporate Social Responsibility and Environmental Management*, *31*(2), 1418–1432. https://doi.org/10.1002/csr.2641

Heras-Saizarbitoria, I., Urbieta, L., & Boiral, O. (2022). Organizations' engagement with sustainable development goals: From cherry-picking to SDG-washing? *Corporate Social Responsibility and Environmental Management*, *29*(2), 316–328. https://doi.org/10.1002/csr.2202

Hinson, R., Boateng, R., & Madichie, N. (2010). Corporate social responsibility activity reportage on bank websites in Ghana. *International Journal of Bank Marketing*, *28*(7), 498–518. https://doi.org/10.1108/02652321011085176

Ho, A. Y.-F., Liang, H.-Y., & Tumurbaatar, T. (2019). The Impact of Corporate Social Responsibility on Financial Performance: Evidence from Commercial Banks in Mongolia. In *Advances in Pacific Basin Business, Economics and Finance* (Vol. 7, pp. 109–153). Emerald Publishing Limited. https://doi.org/10.1108/S2514-465020190000007006

Huang, D. Z. X. (2021). Environmental, social and governance (ESG) activity and firm performance: A review and consolidation. *Accounting & Finance*, *61*(1), 335–360. https://doi.org/10.1111/acfi.12569

Hummel, K., & Szekely, M. (2022). Disclosure on the Sustainable Development Goals – Evidence from Europe. *Accounting in Europe*, *19*(1), 152–189. https://doi.org/10.1080/17449480.2021.1894347

Hussain, N., Rigoni, U., & Orij, R. P. (2018). Corporate Governance and Sustainability Performance: Analysis of Triple Bottom Line Performance. *Journal of Business Ethics*, *149*(2), 411–432. https://doi.org/10.1007/s10551-016-3099-5

Huynh, A.-T., Knápková, A., Bui, T.-D., & Nguyen, T.-T.-H. (2024). The impact of institutional pressures on corporate social responsibility and green marketing adoption: An empirical approach in Vietnam banking industry. *International Journal of Bank Marketing*, *42*(3), 620–641. https://doi.org/10.1108/IJBM-04-2023-0228

Iredele, O. O., Tankiso, M., & Adelowotan, M. O. (2020). The influence of institutional isomorphism and organisational factors on environmental management accounting practices of listed Nigerian and South African firms. *South African Journal of Accounting Research*, *34*(3), 183–204. https://doi.org/10.1080/10291954.2019.1675254

Ike, M., Donovan, J. D., Topple, C., & Masli, E. K. (2019). The process of selecting and prioritising corporate sustainability issues: Insights for achieving the Sustainable Development Goals. *Journal of Cleaner Production*, *236*, 117661. https://doi.org/10.1016/j.jclepro.2019.117661

Iliya Nyahas, S., Munene, J. C., Orobia, L., & Kigongo Kaawaase, T. (2017). Isomorphic influences and voluntary disclosure: The mediating role of organizational culture. *Cogent Business & Management*, *4*(1), 1351144. https://doi.org/10.1080/23311975.2017.1351144

International Monetary Fund. (2022). *World Economic Outlook Database, October 2022*. https://www.imf.org/en/Publications/WEO/weo-database/2022/October

Islam, M. T., Kokubu, K., & Nishitani, K. (2021). Corporate social reporting in the banking industry of Bangladesh: A test of legitimacy theory. *Social Responsibility Journal*, *17*(2), Article 2.

Islam, S. M. T., Ghosh, R., & Khatun, A. (2021). Slack resources, free cash flow and corporate social responsibility expenditure: Evidence from an emerging economy. *Journal of Accounting in Emerging Economies*, *11*(4), 533–551. https://doi.org/10.1108/JAEE-09-2020-0248

Jackson, G., & Apostolakou, A. (2010). Corporate Social Responsibility in Western Europe: An Institutional Mirror or Substitute? *Journal of Business Ethics: JBE*, *94*(3), 371–394. https://doi.org/10.1007/s10551-009-0269-8

Jeucken, M. (2001). *Sustainable Finance and Banking: The Financial Sector and the Future of the Planet*. Routledge. https://doi.org/10.4324/9781849776264

Jha, M. K., & Rangarajan, K. (2020). The approach of Indian corporates towards sustainable development: An exploration using sustainable development goals based model. *Sustainable Development*, *28*(5), 1019–1032. https://doi.org/10.1002/sd.2053

Joy, I., Akhator, P. A., Igbokwe, I., & Owuze, C. (2022). Effect of Corporate Social Responsibility on Financial Performance in Nigeria. *European Scientific Journal, ESJ*, *18*, 173. https://doi.org/10.19044/esj.2022.v18n19p173

Julian, S. D., & Ofori-dankwa, J. C. (2013). Financial resource availability and corporate social responsibility expenditures in a sub-Saharan economy: The institutional difference hypothesis. *Strategic Management Journal*, *34*(11), 1314–1330. https://doi.org/10.1002/smj.2070

Kiliç, M. (2016). Online corporate social responsibility (CSR) disclosure in the banking industry: Evidence from Turkey. *The International Journal of Bank Marketing*, *34*(4), 550–569. https://doi.org/10.1108/IJBM-04-2015-0060

Kılıç, M., & Kuzey, C. (2019). Determinants of climate change disclosures in the Turkish banking industry. *The International Journal of Bank Marketing*, *37*(3), 901–926. https://doi.org/10.1108/IJBM-08-2018-0206

Kolk, A., & Perego, P. (2010). Determinants of the adoption of sustainability assurance statements: An international investigation. *Business Strategy and the Environment*, *19*(3), 182–198. https://doi.org/10.1002/bse.643

Korzeb, Z., & Samaniego-Medina, R. (2019). Sustainability Performance. A Comparative Analysis in the Polish Banking Sector. *Sustainability*, *11*(3), Article 3. https://doi.org/10.3390/su11030653

Kosasih, W. D., Rahman, A. F., & Prastiwi, A. (2021). Does Sustainable Banking Disclosure Affect Bank Efficiency? Evidence from Indonesia. *Journal of Accounting and Investment*, *22*(2), 375–391. https://doi.org/10.18196/jai.v22i2.11349

Kosgei, A. K., & Cherono, D. I. (2024). Relationship between corporate sustainability practices and financial performance of commercial banks in Kenya. *International Research Journal of Economics and Finance*, *6*(2), Article 2. https://irjp.org/index.php/IRJEF/article/view/309

Kühn, A.-L., Stiglbauer, M., & Fifka, M. S. (2018). Contents and Determinants of Corporate Social Responsibility Website Reporting in Sub-Saharan Africa: A Seven-Country Study. *Business & Society*, *57*(3), 437–480. https://doi.org/10.1177/0007650315614234

Kulińska-Sadłocha, E. (2024). *4: The banking sector and the Sustainable Development Goals (SDGs)*. https://www.elgaronline.com/edcollchap/book/9781035323265/chapter4.xml

Kumar, K., & Prakash, A. (2019). Developing a framework for assessing sustainable banking performance of the Indian banking sector. *Social Responsibility Journal*, *15*(5), Article 5.

Kumi-Yeboah, A. (2014). Transformative Learning Experiences of International Graduate Students from Africa. *Journal of International Students*, *4*(2), 109–125. https://eric.ed.gov/?id=EJ1054794

Kunhibava, S., Ling, S. T. Y., & Ruslan, M. K. (2018). Sustainable financing and enhancing the role of Islamic Banks in Malaysia. *Arab Law Quarterly*, *32*(2), Article 2.

La Torre, M., Bittucci, L., Paccione, C., & Palma, A. (2024). Evaluating the sustainability profile of banks: A comprehensive benchmarking analysis in the Italian context. *Business Strategy and the Environment*, *33*(4), 3654–3668. https://doi.org/10.1002/bse.3673

Le, H., & Nguyen-Phung, H. T. (2024). Assessing the impact of environmental performance on corporate financial performance: A firm-level study of GHG emissions in Africa. *Sustainable Production and Consumption*, *47*, 644–654. https://doi.org/10.1016/j.spc.2024.04.024

Léon, F., & Zins, A. (2020). Regional foreign banks and financial inclusion: Evidence from Africa. *Economic Modelling*, *84*, 102–116. https://doi.org/10.1016/j.econmod.2019.03.012

Low, S. M., Abdullah, D. F., & Khatib, S. F. A. (2023). Research trend in Sustainable Development Goals reporting: A systematic literature review. *Environmental Science and*

Pollution Research, *30*(52), 111648–111675. https://doi.org/10.1007/s11356-023-30122-6

Lu, W., Ye, M., Chau, K. w., & Flanagan, R. (2018). The paradoxical nexus between corporate social responsibility and sustainable financial performance: Evidence from the international construction business. *Corporate Social Responsibility and Environmental Management*, *25*(5), 844–852. https://doi.org/10.1002/csr.1501

Lui, T. K., & Zainuldin, M. H. (2022). Do foreign banks disclose corporate social responsibility practices more than their local counterparts? Empirical evidence of an emerging market context. *Corporate Social Responsibility and Environmental Management*, *29*(5), 1855–1870. https://doi.org/10.1002/csr.2332

Maqbool, S., & Zameer, M. N. (2018). Corporate social responsibility and financial performance: An empirical analysis of Indian banks. *Future Business Journal*, *4*(1), 84–93. https://doi.org/10.1016/j.fbj.2017.12.002

Martínez-Ferrero, J., & García-Sánchez, I.-M. (2017). Coercive, normative and mimetic isomorphism as determinants of the voluntary assurance of sustainability reports. *International Business Review*, *26*(1), 102–118. https://doi.org/10.1016/j.ibusrev.2016.05.009

Mathieu, M. P. H., Pani, M. M., Chen, S., & Maino, M. R. (2019). *Drivers of Cross-Border Banking in Sub-Saharan Africa*. International Monetary Fund.

Mchavi, N. D., & Ngwakwe, C. C. (2018). Link Between External Pressure and Banks' Social Disclosure. *Journal of Accounting and Management*, *8*(2), 95–114. https://hrcak.srce.hr/216259

Mellahi, K., Frynas, J. G., Sun, P., & Siegel, D. (2016). A review of the nonmarket strategy literature: Toward a multi-theoretical integration. *Journal of Management*, *42*(1), Article 1.

Menicucci, E., & Paolucci, G. (2022). ESG dimensions and bank performance: An empirical investigation in Italy. *Corporate Governance: The International Journal of Business in Society*, *23*(3), 563–586. https://doi.org/10.1108/CG-03-2022-0094

Meyer, J. W., & Rowan, B. (1977). Institutionalized Organizations: Formal Structure as Myth and Ceremony. *The American Journal of Sociology*, *83*(2), 340–363. https://doi.org/10.1086/226550

Michael, O. B., & Oluseye, B. S. (2014). Sustainable Development Reporting Practices by Nigerian Banks. *Mediterranean Journal of Social Sciences*. https://doi.org/10.5901/mjss.2014.v5n23p2535

Michelon, G., Pilonato, S., & Ricceri, F. (2015). CSR reporting practices and the quality of disclosure: An empirical analysis. *Critical Perspectives on Accounting*, *33*, 59–78.

Mignamissi, D., & Nguekeng, B. (2022). Trade openness-industrialization nexus revisited in Africa. *Economic Change and Restructuring*, *55*(4), 2547–2575. https://doi.org/10.1007/s10644-022-09401-8

Mio, C., Panfilo, S., & Blundo, B. (2020). Sustainable development goals and the strategic role of business: A systematic literature review. *Business Strategy and the Environment*, *29*(8), 3220–3245. https://doi.org/10.1002/bse.2568

Mishra, P., & Sant, T. G. (2023). Examine the level of environmental, social and governance disclosure in sustainability report – a study of the Indian banking sector. *International Journal of Innovation Science*, *16*(2), 420–442. https://doi.org/10.1108/IJIS-08-2022-0136

Mlachila, M. M., Jidoud, A., Newiak, M. M., Radzewicz-Bak, B., & Takebe, M. M. (2016). *Financial development in Sub-Saharan Africa: Promoting inclusive and sustainable growth*. International Monetary Fund.

Moufty, S., Al-Najjar, B., & Ibrahim, A. (2024). Communications of sustainability practices in the banking sector: Evidence from cross-country analysis. *International Journal of Finance & Economics*, *29*(1), 135–161. https://doi.org/10.1002/ijfe.2679

Muriithi, S. M., & Louw, L. (2017). The Kenyan banking industry: Challenges and sustainability. *Managing Knowledge and Innovation for Business Sustainability in Africa*, 197–222.

Nájera-Sánchez, J. J. (2020). A Systematic Review of Sustainable Banking through a Co-Word Analysis. *Sustainability*, *12*(1), Article 1. https://doi.org/10.3390/su12010278

Nechita, E., Manea, C. L., Nichita, E.-M., Irimescu, A.-M., & Manea, D. (2020). Is Financial Information Influencing the Reporting on SDGs? Empirical Evidence from Central and Eastern European Chemical Companies. *Sustainability*, *12*(21), Article 21. https://doi.org/10.3390/su12219251

Nguyen, A. H., Do, M. H. T., Hoang, T. G., & Nguyen, L. Q. T. (2023). Green financing for sustainable development: Insights from multiple cases of Vietnamese commercial banks. *Business Strategy and the Environment*, *32*(1), 321–335. https://doi.org/10.1002/bse.3132

Nilsson, M., Griggs, D., & Visbeck, M. (2016). Map the interactions between Sustainable Development Goals. Nature, 534(7607), 320–322. https://www.proquest.com/docview/1797694456/abstract/9551BA1A0C674258PQ/1

Ntarmah, A. H., Kong, Y., Obeng, A. F., & Gyedu, S. (2022). The role of bank financing in economic growth and environmental outcomes of sub-Saharan Africa: Evidence from novel quantile regression and panel vector autoregressive models. *Environmental Science*

and Pollution Research, *29*(21), 31807–31845. https://doi.org/10.1007/s11356-021-17947-9

Nugrahani, N., Syuliswati, A., Andhayani, A., Putra, I. L., & Widiati, S. (2025). Determinants of Green Banking Disclosure State Banks. *Jurnal Manajemen Bisnis Dan Kewirausahaan*, *5*(1), Article 1. https://doi.org/10.22219/jamanika.v5i1.39823

Nylund, P. A., Agarwal, N., Probst, C., & Brem, A. (2022). Firm engagement in UN Sustainable Development Goals: Introduction of a constraints map from a corporate reports content analysis. *Journal of Cleaner Production*, *371*, 133446. https://doi.org/10.1016/j.jclepro.2022.133446

Oliveira, J. da S., Azevedo, G. M. do C., & Silva, M. J. P. C. (2019). Institutional and economic determinants of corporate social responsibility disclosure by banks: Institutional perspectives. *Meditari Accountancy Research*, *27*(2), 196–227. https://doi.org/10.1108/MEDAR-01-2018-0259

Oppong, N. B. (2022). Sustainable Development Goals and Small and Medium Enterprises: A Comparative Study of Emerging Economies and Sub-Saharan Africa. *Global Business Review*, 09721509221087848. https://doi.org/10.1177/09721509221087848

Oyegunle, A., & Weber, O. (2015). *Development of sustainability and green banking regulations: Existing codes and practices*.

Palazzo, G., & Scherer, A. G. (2006). Corporate Legitimacy as Deliberation: A Communicative Framework. *Journal of Business Ethics*, *66*(1), 71–88. https://doi.org/10.1007/s10551-006-9044-2

Pedersen, E. R. G., Neergaard, P., Pedersen, J. T., & Gwozdz, W. (2013). Conformance and Deviance: Company Responses to Institutional Pressures for Corporate Social

Responsibility Reporting. *Business Strategy and the Environment*, *22*(6), 357–373. https://doi.org/10.1002/bse.1743

Peeters, H. (2005). Sustainable development and the role of the financial world. *The World Summit on Sustainable Development: The Johannesburg Conference*, 241–274.

Pelletier, A. (2018). Performance of foreign banks in developing countries: Evidence from sub-Saharan African banking markets. *Journal of Banking & Finance*, *88*, 292–311.

Peng, X., Cui, X., Bai, Y., & Xu, Y. (2023). Institutional isomorphism pressure and multinational corporations' environmental and social performance. *Applied Economics Letters*, *30*(17), 2424–2434. https://doi.org/10.1080/13504851.2022.2097628

Pereira, M. M. O., Silva, M. E., & Hendry, L. C. (2023). Developing global supplier competences for supply chain sustainability: The effects of institutional pressures on certification adoption. *Business Strategy and the Environment*, *32*(7), 4244–4265. https://doi.org/10.1002/bse.3363

Pizzi, S., Rosati, F., & Venturelli, A. (2021). The determinants of business contribution to the 2030 Agenda: Introducing the SDG Reporting Score. *Business Strategy and the Environment*, *30*(1), 404–421. https://doi.org/10.1002/bse.2628

Plourde, Y., Parker, S. C., & Schaan, J.-L. (2014). Expatriation and its effect on headquarters' attention in the multinational enterprise. *Strategic Management Journal*, *35*(6), 938–947. https://doi.org/10.1002/smj.2125

Porter, M. E., & Kramer, M. R. (2006). Strategy & Society: The Link Between Competitive Advantage and Corporate Social Responsibility. *Harvard Business Review*, *84*(12), 78–92.

Rahman, M. L., Uddin, G. S., & Park, D. (2024). Do firms' sustainability practices pay off during global crises? Evidence from Asia and the Pacific. *Business Strategy and the Environment*, *33*(6), 5006–5027. https://doi.org/10.1002/bse.3732

Ramdhony, D. (2015). Corporate Social Reporting By Mauritian Banks. *International Journal of Accounting and Financial Reporting*, *5*, 56. https://doi.org/10.5296/ijafr.v5i2.8067

Riegler, M. (2023). Towards a definition of sustainable banking—A consolidated approach in the context of guidelines and strategies. *International Journal of Corporate Social Responsibility*, *8*(1), 5. https://doi.org/10.1186/s40991-023-00078-4

Rosati, F., & Faria, L. G. (2019a). Addressing the SDGs in sustainability reports: The relationship with institutional factors. *Journal of Cleaner Production*, *215*, 1312–1326.

Rosati, F., & Faria, L. G. D. (2019b). Business contribution to the Sustainable Development Agenda: Organizational factors related to early adoption of SDG reporting. *Corporate Social Responsibility and Environmental Management*, *26*(3), Article 3.

Salim, K., Disli, M., Ng, A., Dewandaru, G., & Nkoba, M. A. (2023). The impact of sustainable banking practices on bank stability. *Renewable and Sustainable Energy Reviews*, *178*, 113249. https://doi.org/10.1016/j.rser.2023.113249

Sardianou, E., Stauropoulou, A., Evangelinos, K., & Nikolaou, I. (2021). A materiality analysis framework to assess sustainable development goals of banking sector through sustainability reports. *Sustainable Production and Consumption*, *27*, 1775–1793. https://doi.org/10.1016/j.spc.2021.04.020

Schmidheiny, S., & Zorraquin, F. J. (1998). *Financing change: The financial community, eco-efficiency, and sustainable development*. MIT press.

Scholtens, B. (2006). Finance as a Driver of Corporate Social Responsibility. *Journal of Business Ethics*, *68*(1), 19–33. https://doi.org/10.1007/s10551-006-9037-1

Scholtens, B. (2009). Corporate social responsibility in the international banking industry. *Journal of Business Ethics*, *86*(2), Article 2.

Scholtens, B., & Van'T Klooster, S. (2019). Sustainability and bank risk. *Palgrave Communications*, *5*(1), 105. https://doi.org/10.1057/s41599-019-0315-9

Scott, L., & McGill, A. (2018). *From promise to reality: Does business really care about the SDGs?*

Scott, R. W. (2001). *Institutions and Organizations* (2nd Edition). Sage Publications.

Sethi, S. P., Martell, T. F., & Demir, M. (2017). An Evaluation of the Quality of Corporate Social Responsibility Reports by Some of the World's Largest Financial Institutions. *Journal of Business Ethics: JBE*, *140*(4), 787–805. https://doi.org/10.1007/s10551-015-2878-8

Sharma, D., & Kumar, P. (2023). Prioritizing the attributes of sustainable banking performance. *International Journal of Productivity and Performance Management*, *73*(6), 1797–1825. https://doi.org/10.1108/IJPPM-11-2022-0600

Sharma, M., & Choubey, A. (2022). Green banking initiatives: A qualitative study on Indian banking sector. *Environment, Development and Sustainability*, *24*(1), Article 1.

Shubham, Charan, P., & Murty, L. S. (2018). Organizational adoption of sustainable manufacturing practices in India: Integrating institutional theory and corporate environmental responsibility. *International Journal of Sustainable Development & World Ecology*, *25*(1), 23–34. https://doi.org/10.1080/13504509.2016.1258373

Siddique, M. N.-E.-A., Nor, S. M., Senik, Z. C., & Omar, N. A. (2023). Corporate Social Responsibility as the Pathway to Sustainable Banking: A Systematic Literature Review. *Sustainability*, *15*(3), Article 3.

Simpson, W. G., & Kohers, T. (2002). The Link Between Corporate Social and Financial Performance: Evidence from the Banking Industry. *Journal of Business Ethics*, *35*(2), 97–109. https://doi.org/10.1023/A:1013082525900

Siueia, T. T., Wang, J., & Deladem, T. G. (2019). Corporate Social Responsibility and financial performance: A comparative study in the Sub-Saharan Africa banking sector. *Journal of Cleaner Production*, *226*, 658–668.

Stafford-Smith, M., Griggs, D., Gaffney, O., Ullah, F., Reyers, B., Kanie, N., Stigson, B., Shrivastava, P., Leach, M., & O'Connell, D. (2017). Integration: The key to implementing the Sustainable Development Goals. *Sustainability Science*, *12*(6), 911–919. https://doi.org/10.1007/s11625-016-0383-3

Suchman, M. C. (1995). Managing legitimacy: Strategic and institutional approaches. *Academy of Management Review*, *20*(3), Article 3.

Surroca, J., Tribó, J. A., & Waddock, S. (2010). Corporate responsibility and financial performance: The role of intangible resources. *Strategic Management Journal*, *31*(5), 463–490. https://doi.org/10.1002/smj.820

Tawfik, O. I., Kamar, S. H., & Bilal, Z. O. (2021). The Effect of Sustainable Dimensions on the Financial Performance of Commercial Banks: A Comparative Study in Emerging Markets. *TheJournalofAsianFinanceEconomicsandBusiness*, *8*(3), 1121–1133. https://doi.org/10.13106/JAFEB.2021.VOL8.NO3.1121

The African Union, African Development Bank, United Nations Development Programme, & United Nations Economic Commission for Africa. (2024). *2024 Africa Sustainable Development Report-Reinforcing the 2030 Agenda and Agenda 2063 and eradicating poverty in times of multiple crises: The effective delivery of sustainable, resilient and innovative solutions*. UNDP. https://www.undp.org/africa/publications/2024-africa-sustainable-development-report

The Banking Association of South Africa. (n.d.). *Global Principles for Responsible Banking*. The Banking Association South Africa. Retrieved May 6, 2025, from https://www.banking.org.za/news/global-principles-for-responsible-banking/

The Banking Association of South Africa. (2015). *Principles for Managing Environmental and Social Risks*. https://sustainablefinanceinitiative.org.za/wp-content/uploads/2020/10/BASA-PRINCIPLES-FOR-MANAGING-ENVIRONMENTAL-AND-SOCIAL-RISK_Oct2015.pdf

Thistlethwaite, J., & Wood, M. O. (2018). Insurance and Climate Change Risk Management: Rescaling to Look Beyond the Horizon. *British Journal of Management*, *29*(2), 279–298. https://doi.org/10.1111/1467-8551.12302

Tilt, C. A. (2018). Making Social and Environmental Accounting Research Relevant in Developing Countries: A Matter of Context? *Social and Environmental Accountability Journal*, *38*(2), 145–150. https://doi.org/10.1080/0969160X.2018.1489296

Tilt, C. A., Qian, W., Kuruppu, S., & Dissanayake, D. (2021). The state of business sustainability reporting in sub-Saharan Africa: An agenda for policy and practice. *Sustainability Accounting, Management and Policy Journal*, *12*(2), Article 2.

UNECA. (2020). *Innovative finance for private sector development in Africa*. United Nations Economic Commission for Africa.

UNEP FI. (2017). Positive- Impact- Principles- AW- WEB.pdf. UNEP FI. https:// www. unepfi. org/ wordp ress/ wp- conte nt/ uploa ds/ 2017/ 01/ POSIT IVE- IMPAC T- PRINC IPLES - AW- WEB. pdf.

UNEP FI. (2023). *Responsible banking: Towards real-world impact. The second biennial progress report on implementation of the UN Principles for Responsible Banking*. United Nations Environment Programme Finance Initiative (UNEP FI). https://www.unepfi.org/wordpress/wp-content/uploads/2023/09/PRB-Second-Progress-Report-2023.pdf

United Nations (2015). *Transforming our world: the 2030 Agenda for Sustainable Development* https://sdgs.un.org/2030agenda

United Nations. (2025). *Compromiso de Sevilla for action: Outcome document of the Fourth International Conference on Financing for Development*. https://financing.desa.un.org/sites/default/files/ffd4-documents/2025/Compromiso%20de%20Sevilla%20for%20action%2016%20June.pdf

United Nations Global Compact, & KPMG International. (2015). *SDG Industry Matrix: Financial Services* (pp. 1–49).

Van der Waal, J. W., & Thijssens, T. (2020). Corporate involvement in sustainable development goals: Exploring the territory. *Journal of Cleaner Production*, *252*, 119625.

Vitezić, N., Vuko, T., & Mörec, B. (2012). Does Financial Performance Have an Impact on Corporate Sustainability and CSR Disclosure? A Case of Croatian Companies. *Journal of Business Management*, *5*(Special Edition), Article Special Edition. https://journals.riseba.eu/index.php/jbm/article/view/183

Vulturius, G., Maltais, A., & Forsbacka, K. (2024). Sustainability-linked bonds – their potential to promote issuers' transition to net-zero emissions and future research directions. *Journal of Sustainable Finance & Investment*, *14*(1), 116–127. https://doi.org/10.1080/20430795.2022.2040943

Waddock, S. A., & Graves, S. B. (1997a). Quality of Management and Quality of Stakeholder Relations: Are They Synonymous? *Business & Society*, *36*(3), 250–279. https://doi.org/10.1177/000765039703600303

Waddock, S. A., & Graves, S. B. (1997b). The Corporate Social Performance–Financial Performance Link. *Strategic Management Journal*, *18*(4), 303–319. https://doi.org/10.1002/(SICI)1097-0266(199704)18:4%253C303::AID-SMJ869%253E3.0.CO;2-G

Weber, O. (2005). Sustainability benchmarking of European banks and financial service organizations. *Corporate Social Responsibility and Environmental Management*, *12*(2), 73–87. https://doi.org/10.1002/csr.77

Weber, O. (2017). Corporate sustainability and financial performance of Chinese banks. *Sustainability Accounting, Management and Policy Journal*, *8*(3), 358–385. https://doi.org/10.1108/SAMPJ-09-2016-0066

Weber, O. (2018). *The financial sector and the SDGs: Interconnections and future directions*. Centre for International Governance Innovation Waterloo, ON, Canada.

Weber, O. (2019). Sustainable finance and the SDGs: The role of the banking sector. In *Achieving the Sustainable Development Goals* (1st ed., Vol. 1, pp. 226–239). Routledge. https://doi.org/10.4324/9780429029622-14

Weber, O., Acheta, E., & Adeniyi, I. (2016). The Impact of Sustainability Codes of Conduct in the Financial Sector. In *Policy File*. Centre for International Governance Innovation. https://www.proquest.com/docview/1846444061/fulltextPDF?pq-origsite=primo

Weber, O., & Chowdury, R. K. (2020). Corporate Sustainability in Bangladeshi Banks: Proactive or Reactive Ethical Behavior? *Sustainability*, *12*(19), Article 19. https://doi.org/10.3390/su12197999

Weber, O., Diaz, M., & Schwegler, R. (2014). Corporate social responsibility of the financial sector–strengths, weaknesses and the impact on sustainable development. *Sustainable Development*, *22*(5), Article 5.

Weber, O., & Feltmate, B. (2016). *Sustainable banking: Managing the social and environmental impact of financial institutions*. University of Toronto Press.

Weber, O., Hoque, A., & Ayub Islam, M. (2015). Incorporating environmental criteria into credit risk management in Bangladeshi banks. *Journal of Sustainable Finance & Investment*, *5*(1–2), 1–15. https://doi.org/10.1080/20430795.2015.1008736

Weber, O., & Oni, O. (2015). *The impact of financial sector sustainability regulations on banks*.

Weber, O., Scholz, R. W., & Michalik, G. (2010). Incorporating sustainability criteria into credit risk management. *Business Strategy and the Environment*, *19*(1), 39–50. https://doi.org/10.1002/bse.636

Weerasinghe, T., Gunarathne, N., & Samudrage, D. N. (2024). Sustainable development goals disclosures: Evidence from Sri Lanka. *Corporate Social Responsibility and Environmental Management*, *31*(2), 993–1010. https://doi.org/10.1002/csr.2614

Welbeck, E. E. (2017). The influence of institutional environment on corporate responsibility disclosures in Ghana. *Meditari Accountancy Research*, *25*(2), 216–240. https://doi.org/10.1108/MEDAR-11-2016-0092

Wong, C. W. Y., Miao, X., Cui, S., & Tang, Y. (2018). Impact of Corporate Environmental Responsibility on Operating Income: Moderating Role of Regional Disparities in China. *Journal of Business Ethics*, *149*(2), 363–382. https://doi.org/10.1007/s10551-016-3092-z

Yip, A. W., & Bocken, N. M. (2018). Sustainable business model archetypes for the banking industry. *Journal of Cleaner Production*, *174*, 150–169.

Young, S., & Thyil, V. (2014). Corporate social responsibility and corporate governance: Role of context in international settings. *Journal of Business Ethics*, *122*, 1–24.

Zhao, N., & Patten, D. M. (2016). An exploratory analysis of managerial perceptions of social and environmental reporting in China: Evidence from state-owned enterprises in Beijing. *Sustainability Accounting, Management and Policy Journal*, *7*(1), 80–98. https://doi.org/10.1108/SAMPJ-10-2014-0063

Zimmermann, S. (2019). Same Same but Different: How and Why Banks Approach Sustainability. *Sustainability*, *11*(8), Article 8. https://doi.org/10.3390/su11082267

Zins, A., & Weill, L. (2018). Do Pan-African banks have the best of both worlds? *Economic Systems*, *42*(4), 665–681. https://doi.org/10.1016/j.ecosys.2018.06.001

Appendices

Appendix A

Table A1

Sustainable banking performance framework

Sustainable Banking Performance Category	#	Indicator	Range of score	Maximum Score
1. Sustainable Banking Products and Services				
	1	Sustainability linked bond	0-4	
	2	Sustainability linked loan	0-4	
	3	Sustainable Finance	0-4	
	4	Other Sustainable financial products	0-4	
	5	Green Bond	0-4	
	6	Green loans/financing	0-4	
	7	Green Microfinance	0-4	
	8	Climate Financing	0-4	
	9	Social Bond	0-4	
	10	Social Loans	0-4	
	11	Social Microfinance	0-4	
	12	Mobile/Digital loans	0-4	
	13	Financial Inclusion	0-4	
	14	Financial Literacy and Advisory	0-4	
	15	Sustainability advisory/advocacy services	0-4	60
2. Environmental Management				
	16	Environmental policy/framework	0-1	
	17	Certified environmental management system	0-1	
	18	Sector-specific guidelines and exclusion/exceptions list	0-1	
	19	Environmental credit risk assessment	0-4	
	20	Internal environmental management	0-4	
	21	Acknowledgement of climate change in reporting	0-1	
	22	Net Zero commitment in reporting	0-4	16
3. Social Development				
	23	Social policy/framework	0-1	
	24	Community involvement and investment programs	0-4	
	25	Women economic empowerment	0-4	
	26	Certified Social management system	0-1	
	27	Social credit risk assessment	0-4	14
4. Internal Socio-ethical Conduct				

	28	Policy/Statement concerning human rights	0-1	
	29	Policy /Statement on business ethics	0-1	
	30	Policy/statement on labour practices	0-1	
	31	Policy/Statement on Gender, equity, inclusion, diversity	0-1	4
5. Sustainability Code of Conduct and Reporting				
	32	Sustainability reporting	0-4	
	33	Inclusion of sustainability materiality analysis in reporting	0-1	
	34	Reporting in line with GRI standards/ Member of GRI	0-1	
	35	Independent/ Limited assurance on sustainability report	0-1	
	36	Signatory to/Adherence to Equator Principles	0-1	
	37	IFC performance standards	0-1	
	38	Adherence/Signatory to UN Global Compact principles	0-1	
	39	Signatory/ Adherence to UNEP-FI/PRB	0-1	
	40	Member of Net Zero Banking Alliance	0-1	
	41	Supporter /alignment with the TCFD	0-1	13
6. Sustainability Governance				
	42	Sustainability Oversight at Board/Executive level	0-1	
	43	Sustainability/ESG department/team/unit	0-1	
	44	Sustainability policy/framework/plan	0-1	3
Total		44 Indicators		110

Appendix B

Table B1

Description of SDG depth of involvement scoring methodology

Score	Description	Examples
0	No SDG information disclosed	None
1	Respective SDG is mentioned	As a strategy, CBG's CSR focuses on three (3) thematic areas in line with four (4) of the Sustainable Development Goals (SDG's): Health (SDG 3), Quality Education (SDG 4) and Community and Employee Engagement (Goal 11 and 17). (Consolidated Bank of Ghana Annual Report 2022, p. 13)
2	Strategy around specific SDG is discussed qualitatively	SDG 12: Encourage the responsible and efficient use of resources through the Bank's operations. • Implementing waste reduction strategies by establishing recycling programs, eliminating single-use plastics, and promoting paperless transactions and communications (Co-operative Bank Kenya Integrated Report 2022, p.76)
3	Quantitative data is included to support the qualitative description for the specific goal	SDG 2: In 2022, we provided support for Agriculture in seeds and equipment funding to the tune of N43.2 billion (First Bank Nigeria Sustainability Report 2022, pp 59)
4	Target/benchmark for that goal is discussed and provided both qualitatively and quantitatively	SDG 5: We scored 26.41 out of 25 for empowerment financing and enterprise development. A 12-month programme to provide business skills and development support to 100 women-owned businesses. The programme launched in August 2021 with 74 women. To date a total of 115 women-owned businesses have been enrolled (Stanbic South Africa Sustainability Report, pp. 21,23)
5	SDG target is mentioned in addition to score 4 above)	SDG 5 Target: We support UN SDG 5.5: Ensure women's full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic and public life. We are committed to advancing the empowerment of women in the group and in our marketplaces. This commitment is reflected in our targets for representation of women, on our boards and in executive and senior management positions (Stanbic Group ESG Report 2022, p.50)
	All scores increase by 1 if the bank includes the SDG targets in their reporting	

Appendix C

Semi-structured interview guide

1. Can you briefly explain your role in the bank?
2. Briefly explain what the Sustainable Development Goals (SDGs) mean to your bank?
3. Who is responsible for setting the strategy around your bank's involvement with the SDGs?
4. How would you describe your bank's level of involvement with the SDGs?
5. What are the motivating factors and drivers promoting your bank's involvement with the SDGs?
6. How does your bank select the SDGs to engage with?
7. To what degree are the SDGs leveraged in decision-making and/or establishing the bank's KPIs, if at all?
8. What indicators and metrics does the bank use to assess its performance in relation to the SDGs?
9. According to the quantitative phase of the study, the results indicated that SDG 13, 8, 5, 3 and 4 (in descending order of priority) seemed to be the most prioritized amongst the banks operating in the sampled Sub-Saharan Africa (SSA) countries. Does that align with your priority SDGs (if applicable)? What are your thoughts about these results?
10. How does your bank disclose its involvement with the SDGs (e.g. annual report, sustainability reports, websites, etc.)
11. What do you think are the main challenges faced by banks operating in SSA in their pursuit of contributing to the SDGs?
12. How do you think these challenges can be overcome?
13. Are there any additional insights you would like to provide on how you think that commercial banks in SSA can further engage in the SDGs?