International Journal of Finance, Economics and Business
Vol. 1, No. 1, March 2022, pp.1-17.
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e-ISSN: 2948-3883
https://doi.org/10.56225/ijfeb.v1i1.1

Review

A Review of Sustainable Finance and Financial Performance Literature: Mini-Review Approach

Fathihani [1] and Jumadil Saputra [1,*]

[1] Department of Economics, Faculty of Business, Economics and Social Development, Universiti Malaysia Terengganu, 21030 Kuala Nerus, Terengganu, Malaysia.
* Correspondence: jumadil.saputra@umt.edu.my

Citation: Fathihani, & Saputra, J. (2022). A Review of Sustainable Finance and Financial Performance Literature: Mini-Review Approach. *International Journal of Finance, Economics and Business, 1*(1), 1–17. https://doi.org/10.56225/ijfeb.v1i1.1

Received: 10 December 2021 Accepted: 20 March 2022 Published: 31 March 2022

Abstract: Sustainable development is a concept of how finance interacts with the economy, society, and the environment. As a form of transformation, a sustainable financial system exists to direct business practices by allocating investment funding to productive activities. Financial institutions, especially banks as funders, must ensure that all funds used for company activities create long-term value for the environment and society. Implementing sustainable finance is expected to help deal with uncertain environmental issues, such as carbon emissions on climate change. This paper seeks to provide an understanding of the literature on sustainable finance financing and corporate financial performance in the global banking sector. This research was designed using a qualitative approach through a literature study. Reviews on sustainable finance were conducted by reading and analyzing 30 peer-reviewed journal articles and summarized in two tables, e.g., article journal and publisher distribution and article category on the basis of the subject. The result shows that sustainable finance has a significant positive relationship with banking financial performance. In conclusion, this study identified that companies began to adopt sustainability practices, and it has a positive impact on financial performance and survival, and many organizations are beginning to incorporate the elements of the SDGs into their business operations.

Keywords: sustainability finance; financial institutions; financial performance; mini-review approach.

1. Introduction

Sustainability was first defined in the Bruntland Report (Visser & Brundtland, 2013). There are three major interrelated elements of sustainability: economic growth, environmental protection, and social justice (Jan Jaap Bouma, 2021). The concept of sustainability has grown rapidly over the past few decades as a global response to the problems of poverty, social inequality, and climate change (Lagoarde-Segot, 2019). The resolution calls on all countries and stakeholders, including governments, the private sector, economic agents, and communities, to act and cooperate in implementing the Sustainable Development Goals (Al Muhairi & Nobanee, 2019). Therefore, it is expected that the current implementation of sustainability will provide long-term value and meet future requirements (Kemfert & Schmalz, 2019).

The evolution of applying the principles of sustainable development to current market trends has changed the way business people do business (Nizam et al., 2019). Companies that focus on managing sustainability can create a competitive advantage by managing different asset functions (Ching et al., 2017).

This situation allows companies to focus not only on the interests of the company but also on the broader interests of the community, consumers, suppliers, and regulators (Zioło et al., 2021). Furthermore, when integrated into portfolio strategy and investment analysis, sustainability factors can impact the long-term performance of potential investors (Schumacher et al., 2020)—allowing investors to find new market opportunities for companies that connect sustainability factors with prospects (Cantele & Zardini, 2018).

One sector that plays a vital role in sustainable development is the banking sector, a funding source for economic growth and prosperity (Weber, 2017). The banking sector is now beginning to play a role as a financial institution that understands the relationship between sustainable performance and bank performance (AlFalahi & Nobanee, 2019). Therefore, banks must incorporate material socio-economic and environmental indicators into their business processes to increase their portfolio in green project financing. In addition, banks require every business actor who wishes to apply for funding to banks to conduct an environmental feasibility assessment of business activities to be carried out in accordance with government regulations, so that its implementation will not only affect the banking sector, but also the real sector (Daszyńska-żygadło et al., 2021). Therefore, banks need to be strengthened in their understanding, knowledge, capabilities, and oversight to ensure that their business follows sustainability principles and does not have a lasting impact on the environment (Almansoori & Nobanee, 2019). Furthermore, it requires a high level of commitment and adherence to the principles of sustainable development in the borrower's business activities and the willingness to accept sanctions for any main environmentally harmful business activities (França et al., 2017).

Banks' financing of their business activities indirectly impacts society and the environment (Kumar & Prakash, 2019). Banks with the principle of sustainability offer service products only to customers where social and environmental impacts are essential (Halimatussadiah et al., 2018). Banks are responsible for creating innovative products and services that leverage renewable energy, clean manufacturing processes and technologies, energy efficiency, microfinance, biodiversity conservation, and financial assistance for marginalized low-income communities and can play an influential role (Ghoniyah & Hartono, 2020). This product provides banks with access to new markets and new investors and brings new capital to banks (Weston & Nnadi, 2021). In addition, it helps investors integrate sustainability assessments into current and future decision-making and business processes (Rocha et al., 2019). The more investors are committed to integrating social and environmental sustainability into their investment processes, the better the bank's performance (Ching et al., 2017).

2. Materials and Methods

This study was conducted a mini-review on sustainable finance by reading and analyzing 30 peer-reviewed journal articles. These articles are summarized in Table 1 and Table 2. The first table presents the journal article's information regarding the title, authors, publishers, and the year of publication. The second table shows the contents of the journal articles, including the study's objectives, the research findings, and the recommendations for future research.

Table 1. Article Title, Author(s), Journal, Publisher, and Year

No	Article Title	Author(s)	Journal	Publisher	Year
1	Sustainable Financial systems toward sustainability in finance	Zioło, Bak, Cheba, Spoz & Niedzielski	Procedia Computer Science	Elsevier	2021
2	ESG and financial performance of banks in the MENAT region: concavity–convexity patterns	El Khoury, Nasrallah & Alareeni	Journal of Sustainable Finance & Investment	Taylor & Francis	2021
3	Evaluation of strategic and financial variables of corporate sustainability and ESG policies on	Weston & Nnadi	Journal of Sustainable Finance & Investment	Taylor & Francis	2021

	corporate finance performance				
4	Sustainable business practices and financial performance during pre- and post-SDG adoption periods: a systematic review	Muhmad & Muhamad	Journal of Sustainable Finance & Investment	Taylor & Francis	2021
5	Transforming automotive companies into sustainability leaders: A concept for managing current challenges	Wolff, Brönner, Held, & Lienkamp	Journal of Cleaner Production	Elsevier	2020
6	Sustainable finance in Japan	Schumacher, Chenet & Volz	Journal of Sustainable Finance & Investment	Taylor & Francis	2020
7	The nexus of sustainability practices and financial performance: From the perspective of Islamic banking	Jan, Marimuthu, Mohd & Isa	Journal of Cleaner Production	Elsevier	2019
8	Assessment of corporate culture in sustainability performance using a hierarchical framework and interdependence relations	Islam, Tseng & Karia	Journal of Cleaner Production	Elsevier	2019
9	Design for sustainability models: A multi perspective review	Rocha, Antunes & Partidário	Journal of Cleaner Production	Elsevier	2019
10	Sustainable finance. A critical realist perspective	Lagoarde-Segot	Research in International Business and Finance	Elsevier	2019
11	How Sustainability Contributes to Shared Value Creation and Firms' Value	Almansoori & Nobanee	Social Science Research Networks	Electronic Journal	2019
12	Sustainable Financial Management	Al Muhairi & Nobanee	Social Science Research Networks	Electronic Journal	2019

13	Conceptual Building of Sustainable Financial Management & Sustainable Financial Growth	Al Ahbabi & Nobanee	Social Science Research Networks	Electronic Journal	2019
14	A Study on Financial Management in Promoting Sustainable Business Practices & Development	Alkaabi & Nobanee	Social Science Research Networks	Electronic Journal	2019
15	Conceptual Building of Sustainable Economic Growth and Corporate Bankruptcy	AlFalahi & Nobanee	Social Science Research Networks	Electronic Journal	2019
16	Sustainable finance: political challenges of development and implementation of framework conditions	Kemfert & Schmalz	Green Finance	AIMS Press	2019
17	An Exploratory Study Based on a Questionnaire Concerning Green and Sustainable Finance, Corporate Social Responsibility, and Performance:	Raluca Gh. Popescu & Popescu	Journal of Risk and Financial Management	Multidisciplinary Digital Publishing Institute	2019
18	The Role of Green Economy in Sustainable Development (Case Study: The EU States)	Lavrinenko, Ignatjeva, Ohotina, Rybalkin & Lazdans	Entrepreneurship and Sustainability	ResearchGate	2019
19	Integrating social equity in sustainable development practice: Institutional commitments and patient capital	Trudeau	Sustainable Cities and Society	Elsevier	2018
20	Climate Change, Financial Stability and Monetary Policy	Dafermos, Nikolaidi & Galanis	Ecological Economics	Elsevier	2018
21	Is sustainability a competitive advantage for small businesses? An empirical analysis of possible mediators in the sustainability financial	Cantele & Zardini	Journal of Cleaner Production	Elsevier	2018

	performance relationship				
22	Innovation intermediaries accelerating environmental sustainability transitions	Gliedt, Hoicka & Jackson	Journal of Cleaner Production	Elsevier	2018
23	Promoting and implementing urban sustainability in China: An integration of sustainable initiatives at different urban scales	He, Zhao, Zhu, Darko & Gou	Habitat International	Elsevier	2018
24	Environmental Sustainability in Third-Party Logistics Service Providers: A Systematic Literature Review from 2000–2016	Evangelista, Santoro & Thomas	Sustainability	Multidisciplinary Digital Publishing Institute	2018
25	Risk Management and Knowledge Management as Critical Success Factors of Sustainability Projects	Doskočil & Lacko	Sustainability	Multidisciplinary Digital Publishing Institute	2018
26	The Quality of Sustainability Reports and Corporate Financial Performance: Evidence from Brazilian Listed Companies	Ching, Gerab & Toste	South Asian Journal of Business and Management Cases	SagePub	2017
27	An approach to business model innovation and design for strategic sustainable development	França, Broman, Robèrt, Basile, & Trygg	Journal of Cleaner Production	Elsevier	2017
28	The Role of Financial Management in Promoting Sustainable Business Practices and Development	Hama Said & Hassan	Iraqi Administrative Sciences Journal	SSRN	2017
29	Environmental Performance and Financing Decisions Impact on Sustainable Financial Development of Chinese Environmental Protection Enterprises	Zhang & Chen	Sustainability	Multidisciplinary Digital Publishing Institute	2017

30	Corporate sustainability and financial performance of Chinese banks	Weber	Sustainability Accounting, Management and Policy Journal	Emerald Insight	2017

Table 1 displays 30 journals reviewed and 80% published in Scopus journals. The top journal names are Journal of Sustainable Finance & Investment, Journal of Cleaner Production, Green Finance, Sustainable Cities and Society, Sustainability Accounting, Management, and Policy Journal and Ecological Economics with publisher Elsevier, Emerald Insight, Multidisciplinary Digital Publishing Institute, Taylor, and Francis. From 30 reviewed journals, they discussed the sustainability practices on financial performance, designs for effective sustainability models, sustainable development concept (environmental), social and economic, success factors challenge in implementing sustainable development, and the role of the green economy as a new system transformation finance to accelerate the success of sustainable development.

Table 2. Articles Category Based on the Subject

No.	Article Name	Objectives	Findings	Recommendations
1	Sustainable Financial systems toward sustainability in finance	To Analyse that the level of advancement of activities in building sustainable financial systems depends on the attitude and awareness of financial managers and, consequently, on the banking system model.	Bank finance managers (German-Japanese model) were more aware of the role and importance of sustainable financial systems in financial institutions than financial managers who represent capital market institutions (Anglo-Saxon model)	In-depth study of the degree of advancement in thinking about sustainable financial systems is initially planned for banks; only in subsequent stages will capitally market institutions be considered
2	ESG and financial performance of banks in the MENAT region: concavity–convexity patterns	To investigate the impact of Environmental, Social and Governance (ESG) on the bank performance (FP) in the Middle East, North Africa, and Turkey (MENAT) region	The presence of a non-linear ESG–FP relationship and the financial development variables are significant, while ESG pillars follow different patterns	Considering the asymmetric link between ESG and banks' financial risk such as systematic and idiosyncratic risks
3	Evaluation of strategic and financial variables of corporate sustainability and ESG policies on corporate finance performance	To examine a link between Corporate Social Responsibility (CSR) and Corporate Financial Performance (CFP)	There is no inherent financial benefit to being sustainable, but there are numerous non-financial benefits to acting in a sustainable manner, such as increased reputation, and	Consider how the structure of an institution will impact both their decision-making abilities and their inherent interest and need to consider further including ESG

			ratings and overall contribution to a better environment	metrics into the firm's mantra.
4	Sustainable business practices and financial performance during pre-and post-SDG adoption periods: a systematic review	To identify the trends and issues highlighted in previous studies concerning the relationship between sustainable business practices and financial performance	There is a significant Sustainable business practice and financial performance	Concerned about sustainability in all types of businesses.
5	Transforming automotive companies into sustainability leaders: A concept for managing current challenges	To analyze internal sustainability perspectives, measures, and corporate sustainability reports	This comparison shows that the transformation to sustainable companies is hindered by a lack of a common understanding of sustainability, a failure to assign responsibility, and the absence of measurable sustainability targets.	To demonstrate whether the concept of SDG Owners allows for a sustainable transformation of automotive companies
6	Sustainable finance in Japan	To Analyse how the role of policies and regulations in scaling up sustainable finance and low-carbon infrastructure investments	The provides indicative results that reveal a low sectoral implementation rate of climate mitigation and adaptation strategies among carbon-intensive companies compared to the climate ambition of the Japanese government through the Paris Agreement	Policy recommendations for aligning Japan's financial sector with global climate and sustainability goals with the financial sector community and government regulators

7	The nexus of sustainability practices and financial performance: From the perspective of Islamic banking	To propose a sustainability measurement framework for Islamic banking. A decade of sustainability data 2008-2017 was collected from the annual reports using a weighted content analysis technique	sustainability practices have a significant positive association with the financial performance indicators of the Islamic banks indicating management and the shareholders' perspective. The impact of sustainability practices on the financial performance of the Islamic banks measured from the market perspective was found insignificant	Use the top highest Islamic banking country to evaluate the impact of sustainability practices on the financial performance of Islamic banks
8	Assessment of corporate culture in sustainability performance using a hierarchical framework and interdependence relations	To investigate corporate culture attributes conducive to sustainability and form these attributes as a measurement tool for assessing corporate sustainability performance using linguistic preferences.	corporate sustainability performance is low and found a poorer performance about social responsibility	Use large sample data sets to find empirical evidence
9	Design for sustainability models: A multi perspective review	To develop and apply in systematically 10 published designs for sustainability models, which were identified through an extensive literature review.	The use of corporate sustainability management and design management as theoretical foundations to draw a framework for analysis of the reviewed models has shown to be adequate	Focus primarily on performance-oriented aspects and on strategic aspects

10	Sustainable finance. A critical realist perspective	To define a model in which sustainability practices affect firm financial performance via strategic drivers or antecedents of firm success	Sustainability's social, economic and formal practices positively affect competitive advantage, mediated by corporate reputation, customer satisfaction, and organizational commitment. We also found a competitive advantage to be a second-stage mediator that positively contributes to financial performance	Could be devoted to longitudinal quantitative studies on the impacts of environmental practices on competitive advantage and financial performance; but also, a qualitative investigation is needed to deepen the vision of small entrepreneurs about the market's appreciation of green and sustainable practices.
11	How Sustainability Contributes to Shared Value Creation and Firms' Value	To examine the contribution of sustainability in the creative value of firms about social, performance, environmental and economical of the governance by the corporate sector	Sustainability practices in the firm improve financial growth and decision-making regarding the cost of capital, capital budgeting, investment returns, and working capital management.	Positioned on the sustainable program investment by corporate sectors further economic performance methods in connection to gain a more prospect of investor section and fewer chances of bankruptcy
12	Sustainable Financial Management	To examine sustainable finance administration, sustainable financial evolution	There is the significant importance of financial decisions in business as several of the organizational activities	The sustainability risks and prospects are need attaining more focus from managers, investors, regulators, and lenders
13	Conceptual Building of Sustainable Financial Management & Sustainable Financial Growth	To examine the conceptual building of sustainable financial management and sustainable financial growth	Financial executives need to incorporate financial management to sustainability issues, address risks that impact corporate sustainability, and understand the mutual relationship	Sustainable business practices and development need to incorporate risk mitigation strategies for corporate sustainability risks
14	A Study on Financial Management in Promoting Sustainable Business Practices & Development	To suggest how financial management is imperative in the sustainability process	Percent distribution of periodicals across the time periods demonstrations a stable and steady increase in the	Observed to be fundamental to investors, analysts, and the regulators in capital markets given the financial, financial

			research on sustainability impact on corporate financial performance	and macroeconomic variables
15	Conceptual Building of Sustainable Economic Growth and Corporate Bankruptcy	To investigate the effects of corporate bankruptcy towards achieving the conceptual building of sustainable economic growth.	The study's findings show that corporate bankruptcy significantly undermines environmentally sustainable growth in financial institutions	Banks adopting Green Banking practices should eradicate bankruptcy to achieve environmental sustainability effectively.
16	Sustainable finance: political challenges of development and implementation of framework conditions	To study the extent to which policy frameworks currently being developed at the national and European level can contribute to the development of sustainable finance	The study shows great potential, especially at the national level, for obtaining financial support for sustainable investments	Public procurement in Germany could be used more effectively in order to use the improved legal possibilities at EU level to an increasing extent
17	An Exploratory Study Based on a Questionnaire Concerning Green and Sustainable Finance, Corporate Social Responsibility, and Performance:	To study the situation of social responsibility, intellectual equity, financial and non-financial results in Rumania	There is a relationship between corporate social responsibility, intellectual capital and performance in the Romanian business environment.	Explore the views, beliefs, experiences, and motivations of individual participants with the aid of interviews; and explore the group dynamics to generate qualitative data with the aid of focus groups
18	The Role of Green Economy in Sustainable Development (Case Study: The EU States)	To examine green economy in sustainable development in The EU States	Green growth can provide solutions to economic and environmental problems and create new sources for growth	To assess the green economy, use the method of creating the index, the time period, and the countries under research.
19	Integrating social equity in sustainable development practice: Institutional commitments and patient capital	To examine sustainable development projects that have incorporated social equity in substantive ways into development practice.	The potential for additional returns for scholars and practitioners in studying sustainable urban development projects can make a substantive commitment to social equity.	Functional link between fostering social equity and providing for the sustainability of community values and traditions

20	Climate Change, Financial Stability and Monetary Policy	To analyze the effects of climate change on financial stability and implications of a green quantitative easing (QE) program	Climate change damages can lead to a portfolio to decline in the price of corporate bonds, financial instability might adversely affect credit expansion, and the implementation of a green corporate QE program can reduce climate-induced financial instability	To investigate the economic, financial and environmental implications of green fiscal policies
21	Is sustainability a competitive advantage for small businesses? An empirical analysis of possible mediators in the sustainability financial	To define a model in which sustainability practices affect firm financial performance via strategic drivers or antecedents of firm success	Sustainability's social, economic and formal practices dimensions positively affect competitive advantage, mediated by corporate reputation, customer satisfaction, and organizational commitment. We also found a competitive advantage to be a second-stage mediator that positively contributes to financial performance	Further studies could be devoted to longitudinal quantitative studies on the impacts of environmental practices on competitive advantage and financial performance;
22	Innovation intermediaries accelerating environmental sustainability transitions	To explore whether innovation intermediaries can be employed as a key component of a strategy to create a window of opportunity for green job creation, infrastructure changes, and technological innovation	The study show potential to contribute to a green economic development strategy to connections between innovation intermediaries, such as incubator and accelerator centers, niche actors, green champions, and regime actors, but require further examination	Recommend focussing on the links between sustainability transitions theory and practice and on the integrated roles of actors within multi-level transitions during periods of institutional uncertainty.

23	Promoting and implementing urban sustainability in China: An integration of sustainable initiatives at different urban scales	To investigate implement sustainability in china which in the linkages among and mutual benefits among SIs at different urban scales for tackling their risks and uncertainties	The findings revealed that it is very important for the firms to promote as well as to implement sustainability in the firms to have a competitive advantage in the market of China	It is recommended to the firms in China to implement as well as promote the sustainability
24	Environmental Sustainability in Third-Party Logistics Service Providers: A Systematic Literature Review from 2000–2016	To analyze environmental sustainability in third-party logistics service providers (3PLs) between the years 2000 and 2016	The number of published papers has grown significantly from 2008 onward, but some areas remain highly under-researched	Suggested to research such as Information and Communication Technology (ICT) tools supporting the green actions, and performance measurement
25	Risk Management and Knowledge Management as Critical Success Factors of Sustainability Projects	To analyze the critical factors that have recently affected the success of sustainability projects	The workers fail to perform knowledge transfer and accumulation of their own accord during the projects, within the companies and institutions are managed	To focus on elaborating procedures for risk evaluation through the fuzzy approach in the context of the RIPRAN™ method
26	The Quality of Sustainability Reports and Corporate Financial Performance: Evidence from Brazilian Listed Companies	To verify the sustainability reporting quality and to examine the quality of information disclosed in their sustainability reports (SR).	There is no association between accounting and market-based variables and the reporting quality,	Analyze the firms listed in other sustainability stock indices and examine the relationship between CFP and sustainability reporting quality.
27	An approach to business model innovation and design for sustainable strategic development	To explore how the FSSD could inform business model innovation and design by combining it with the BMC and supplementary tools, methods, and concepts such as creativity techniques, value network mapping, life-cycle assessment, and	The FSSD-BMC combination can support business model innovation and design for sustainable strategic development and strengthen each supplementary tool, method, and concept in its primary purpose.	It is recommended to the organizations to implement a business model which not only integrates innovation but also assures strategic sustainability to have sustainable development

		product-service systems		
28	The Role of Financial Management in Promoting Sustainable Business Practices and Development.	To discuss how the financial manager can improve sustainable business practices and development within financial institutions.	Based on the study results, both productivity and environmental sustainability can be improved through appropriate financial management models.	Bank and other financial institutions adopting green banking practices should implement an effective financial management model that will ensure sustainable development.
29	Environmental Performance and Financing Decisions Impact on Sustainable Financial Development of Chinese Environmental Protection Enterprises.	To investigate the relationship among financing decisions, environmental performance (EP), and economic performance.	Debt financing has a significant impact on short- and long-term economic performance. Environmental performance affects the relationship between financing decisions and economic performance.	Expand sample to include unlisted firms, add other synthetic environmental performance indexes based on GRI Guidelines (Global Reporting Initiative), such as material consumption efficiency, energy-saving, pollution control, cleaning products and services, and environmental management
30	Corporate sustainability and financial performance of Chinese banks	To analyze the connection between the sustainability performance of Chinese banks and their financial indicators to explore whether sustainability regulations can be implemented without decreasing the financial performance of the banking sector.	The environmental and social performance of Chinese banks increased significantly between 2009 and 2013. The Chinese Green Credit Policy influences the sustainability performance of Chinese banks.	Analyze the effect of the Green Credit Policy and similar policies in China on both financial sector stability and sustainability, and analyze the environmental impacts of green finance in China

Table 2 shows that green economy policies influence the potential contribution to sustainable development. Also, the banking sector in several countries such as China, the Middle East, Africa, Turkey, Romania, and EU States have improved their social, economic, and environmental performance by applying green economic policies, such as green investment and green credit. Furthermore, sustainability development positively affects competitive advantage for companies, mainly banks and financial institutions, that play an important role in providing funds to organizational activists. For further research, it is possible to apply a sustainable business model that integrates innovation, ensures a sustainability strategy, and discusses using an effective green financial management model that banks and other institutions should apply.

3. Results and Discussion

The results of previous studies indicated a significant positive relationship between sustainable development and financial performance, particularly in the banking sector (Zhang & Chen, 2017). To reach the sustainability stage, banks have fully adopted the concept of sustainable development that has been jointly determined (Jan Jaap Bouma, 2021). The first stage is the bank as a "follower" who follows the regulations set by the government related to environmental issues and sustainable development. The next stage of preventative banking is related from the internal side to make cost savings in the bank's operational activities (internal), for example, the use of the concept of "environmentally friendly" in terms of paper use, energy, water, etc. Then, banks seek to minimize investment risks and losses resulting from environmental or social risks on the external side. Banks are then aggressive Banks prepare for environmentally friendly financing or promote sustainability ideas such as environmentally friendly energy financing. Finally, sustainable banks, at this stage, are efforts to encourage and promote "sustainability" to customers and the wider community externally, while banks meet the standards of environmentally friendly business behaviour internally. Is focused on. Therefore, banks need to make changes so that economic activity needs to minimize its impact on the environment (Al Ahbabi & Nobanee, 2019). In some countries, such as European and Asian countries, results based on reviews Journals show that the role of banks in the sustainable development process has a positive impact on the transformation of the financial system (Lavrinenko et al., 2019).

Furthermore, the review results show that banks' environmental and social sustainability performance in several countries has increased significantly and is influenced by the Green Credit Policy (Muhmad & Muhamad, 2021). The provision of green credit can solve economic and environmental problems and create new sources for better growth (Raluca Gh. Popescu & Popescu, 2019). The banking sector is now conducting an early selection of financing proposed by prospective debtors. Banks have the full right to reduce financing or not, depending on the extent to which the activities to be financed with bank loans impact the environment (El Khoury et al., 2021). Therefore, the role of banks is crucial in promoting more responsible and sustainable business practices (Evangelista et al., 2018).

Transitioning towards sustainability necessitates adequate financial resources for green investments (Alkaabi & Nobanee, 2019). Green finance may play a substantial role in supporting companies` environmentally sustainable projects, supporting thus countries to decarbonize economies and adapt to the consequences of climate change (Dafermos et al., 2018). However, much still needs to be done to avoid specific constraints that might prevent the investment decisions of green-oriented companies. Several strategies should be put in place to increase the reliability and transparency of the financial system and find ways to manage those systemic risks deriving from green loans (Doskočil & Lacko, 2018). For example, greater diversification of investments accompanied by a reduction in the cost of the same determined on the basis of sustainability indexes leading to a better rating of green investment projects could guarantee a better assessment of the solvency of bank loans with a consequent expansion of access to credit for green companies (Gliedt et al., 2018).

Finally, the analysis results show that while development positively impacts financial performance, especially in the banking sector, the transition to a sustainable enterprise includes a lack of understanding of sustainability in some countries. It shows that these factors hinder it. Sustainable development is an indicator of performance in any country, but a lack of understanding of sustainability leads to improper implementation of planned activities (He et al., 2018). In addition, there is a lack of assignment of responsibilities and a lack of measurable sustainability goals (Trudeau, 2018). Therefore, to expand our knowledge of sustainable development goals and gain deeper referrals to stakeholders, we need the support of governments as powers, regulators, and political decision-makers. Second, the role of banks is needed to provide the right resources to increase the credibility and transparency of sustainable financial systems that lead to green investment (Hama Said & Hassan, 2017).

4. Conclusions

In conclusion, this study has successfully identified the sustainability practices and financial performance during the post-SDGs implementation period. With the adoption of the SDGs, companies began to adopt sustainability practices, and it has a positive impact on financial performance and survival.

Also, the socio-ecological advantage and literature tend to focus on a combination of social and ecological measures. By prioritizing social responsibility and the environment, many organizations are beginning to incorporate the elements of the SDGs into their business operations. This study suggests encouraging the companies to focus on sustainable development by the government and the United Nations has led them to pursue comprehensive sustainability practices.

Author Contributions: Conceptualization, F.F., and J.S.; methodology, F.F., and J.S.; formal analysis, F.F., and J.S; investigation, F.F., and J.S.; writing—original draft preparation, F.F., writing—review and editing, F.F., and J.S.; supervision, J.S. All authors have read and agreed to the published version of the manuscript.

Acknowledgments: The author would like to thank Universiti Malaysia Terengganu for supporting this research and publication. We would also like to thank the reviewers for their constructive comments and suggestions.

Conflicts of Interest: The authors declare no conflict of interest.

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