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Corporate Anti-Corruption Disclosure and Corporate Sustainability Performance in the United Kingdom: Does Sustainability Governance Matter?

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ABSTRACT

This research investigates the potential effects of companies' commitments to disclose their anti-corruption efforts on their sustainability performance. Additionally, we aim to analyze whether the existence of a sustainability committee influences this relationship. To achieve these objectives, we gathered data from 5344 firm-year observations of companies listed on the FTSE 350 index from 2008 to 2023. Our findings provide strong empirical support for a positive relationship between companies' anti-corruption disclosures and their sustainability performance. Furthermore, our evidence suggests that the presence of a sustainability committee acts as a viable complement to anti-corruption disclosures, driving improved sustainability performance. Our study highlights practical implications for organizations, regulators, and policymakers, and it opens avenues for future research.

1 | Introduction

Numerous studies have highlighted the detrimental consequences of corruption in recent years (Salem et al. 2023; Sarhan and Gerged 2023). In response, many organizations have adopted anti-corruption strategies aimed at curbing unethical behaviors. Measures such as establishing codes of ethics, implementing clear procedures for addressing and reporting corruption cases, and providing anti-corruption education and training for employees are commonly adopted (Garcia-Sanchez, Rodriguez-Dominguez, and Gallego-Alvarez 2011; Boubaker et al. 2024).

An essential aspect of combating corruption is the commitment to sustaining ethical performance (Chen, Zhou, and Ma 2022). The link between corruption and environmental performance has gained significant attention because corrupt activities often involve exploiting natural resources, resulting in adverse ecological impacts (Ren, Hao, and Wu 2021; Hao et al. 2022; Cardoni et al. 2024). For instance, Papyrakis, Rieger, and Gilberthorpe (2017) found that corruption in extractive industries can lead to excessive resource exploitation, causing environmental degradation and pollution.

To promote sustainable development, many companies adhere to high standards of sustainability (Lisciandra and Migliardo 2017). Anti-corruption efforts are crucial in mitigating the negative effects of corruption on both the economy and the environment. Despite acknowledging corruption as a significant contributor to environmental degradation and social inequalities, the existing literature has limitations (Sarhan and Gerged 2023; Vazquez et al. 2020; Wang, Zhao, and Chen 2020; Hou, Yang, and Zhang 2023). There is a dearth of recent systematic empirical analyses focusing

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on the sustainability-related consequences of corruption. For example, Chen, Zhou, and Ma (2022) examined the effects of China's anti-corruption initiative on corporate environmental performance, while Wei and He (2022) explored the correlation between anti-corruption measures and the quality of environmental disclosure in Chinese firms. Sarhan and Gerged (2023) investigated the impact of anti-corruption commitments on environmental performance in the United Kingdom. These studies underscore the need for empirical investigations into the relationship between anti-corruption disclosure and firms' sustainability performance (SP). Thus, the first critical question we pose in the current study is as follow: *How does anti-corruption disclosure influence corporate SP?*

The literature presents mixed findings on the relationship between anti-corruption measures and environmental sustainability or corporate social responsibility (CSR) practices. Some research indicates that anti-corruption measures are associated with positive environmental outcomes (Vazquez et al. 2020; Sarhan and Gerged 2023). However, other studies highlight challenges and limitations (Lisciandra and Migliardo 2017). The effectiveness of anti-corruption measures in achieving sustainable outcomes is influenced by context-specific factors and the nature of corruption issues. In some cases, these policies may inadvertently reduce resources allocated to environmental protection and social equity efforts (Vazquez et al. 2020; Sarhan and Gerged 2023; Lisciandra and Migliardo 2017).

Furthermore, firms may engage in anti-corruption activities primarily for impression management without significantly improving their social and environmental outcomes. It is crucial to explore the contingent factors that influence the relationship between anti-corruption disclosure and SP. One such factor is the existence of a sustainability committee (SC), which can facilitate the effective implementation of anti-corruption measures (Sarhan and Al-Najjar 2023) and ensure these efforts align with sustainability goals (Gerged, Kuzey, et al. 2023; Elbardan et al. 2023; Elmghaamez, Nwachukwu, and Ntim 2024). Integrating anti-corruption commitments into a firm's overall sustainability strategy through a SC helps prevent conflicts and inconsistencies between anti-corruption policies and social and environmental objectives. Continuous evaluation of these commitments provides valuable feedback for improving management practices, ensuring successful implementation of anti-corruption policies, and aligning them with broader sustainability goals.

However, no study has yet investigated the potential contingency role of SCs in the link between anti-corruption disclosure and SP. Therefore, it is essential to explore how the presence of a SC may affect the relationship between anti-corruption disclosure and SP, promoting transparency, accountability, and ethical behavior. Therefore, the second question we pose in this study is as follows: *Does the association between anti-corruption disclosure influence corporate SP contingent on the existence of a sustainability-related committee?*

The current study is particularly relevant to practitioners and policymakers in the United Kingdom due to heightened expectations for corporate accountability and transparency, especially within the scope of SP and anti-corruption initiatives. In recent years, the United Kingdom has introduced stricter regulatory frameworks, such as the UK Bribery Act of 2010, which places greater demands on firms to demonstrate robust anti-corruption measures as part of their commitment to ethical governance (Islam et al. 2021; Salem et al. 2023). These measures are not only critical for legal compliance but also essential for fostering trust with stakeholders, including investors, customers, and the general public, who are increasingly conscious of corporate sustainability and ethics (Freeman and Dmytriyev 2017).

The demand for improved sustainability reporting has been further reinforced by the United Kingdom's growing emphasis on ESG standards. With increased regulatory and public scrutiny, companies are under pressure to go beyond traditional financial metrics and report on sustainability initiatives as part of their core business practices (Liao, Luo, and Tang 2015). This study, therefore, provides timely insights into how UK firms can enhance their sustainability reporting and performance through comprehensive anti-corruption disclosures and the integration of SCs. By examining the role of these mechanisms, this research offers practical recommendations for strengthening governance frameworks, aligning with regulatory expectations, and responding to stakeholders' demand for credible, transparent, and ethical corporate practices (Sarhan and Gerged 2023; Barkemeyer, Preuss, and Lee 2015; Eliwa, Aboud, and Saleh 2021).

This study utilizes a dataset of companies listed on the FTSE350 index in the United Kingdom from 2008 to 2023, comprising 5344 firm-year observations. The findings reveal three main points:- first, engaging in anti-corruption disclosure contributes to better SP, meeting stakeholder expectations; second, the presence of a dedicated SC positively impacts corporate SP by aligning the board's strategy with sustainability objectives; third, the study provides empirical evidence supporting the moderating role of a SC in enhancing the positive impact of anti-corruption disclosure on SP.

This study contributes to the growing body of knowledge on corporate governance by advancing the understanding of how sustainability governance mechanisms, particularly SCs, influence anti-corruption practices. By empirically examining the interplay between sustainability governance and anti-corruption disclosures, we reveal that SCs play a pivotal role in strengthening anti-corruption initiatives. These findings suggest that sustainability governance structures can serve as a strategic tool to integrate anti-corruption efforts with wider sustainability goals, meeting the increased demand for holistic and credible ESG disclosures in today's regulatory landscape. This study's insights are particularly relevant for firms operating in highly regulated environments like the United Kingdom, where transparency and accountability in sustainability and anti-corruption practices are essential. Thus, our research highlights the practical importance of establishing SCs, not only for environmental and social governance but also as a means to foster a comprehensive approach to ethical corporate behavior.

The structure of this paper includes a theoretical background, a review of relevant empirical literature, and the development of hypotheses in Section 2. Section 3 outlines the research design, followed by the presentation and discussion of empirical findings in Section 4. The paper concludes in Section 5, providing practical implications and suggestions for future research.

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2 | Literature Review

2.1 | Theoretical Background

In developed countries, sustainability reporting is often voluntary, prompting researchers to explore why organizations choose to disclose their CSR activities. Various theories, including socio-political and economics-based voluntary disclosure theories, have been proposed to explain these decisions (Bilal et al. 2023). This research focuses on the relationship between anti-corruption reporting and SP, using three socio-political theories: political economy, legitimacy theory, and stakeholder theory. Stakeholder theory is central to understanding this relationship.

Stakeholder theory posits that management must prioritize stakeholder demands to achieve strategic objectives (Freeman and Reed 1983). Stakeholders gain importance based on their control over essential resources (Hillman and Keim 2001). Organizations strategically manage relationships with key stakeholders to ensure survival (Roberts 1992). Sustainability reporting and performance are used as tools to manage these relationships, influenced by factors like stakeholder power, strategic orientation, and economic performance.

A common view in socio-political theories, including stakeholder theory, suggests a negative relationship between anti-corruption disclosure and SP. For instance, Patten (2002) found that companies with poor environmental performance tend to disclose more, implying a negative relationship between performance and disclosure.

Contrary to this view, we argue that stakeholder theory actually predicts a positive relationship. Ullmann's (1985) tripartite stakeholder model of CSR supports this, suggesting a positive link between anti-corruption disclosure and SP in most scenarios. When a company has strong stakeholder influence, an active strategic approach, and good economic performance, it aims for high SP and managerial excellence. Thus, a positive relationship between sustainability disclosure and performance aligns with stakeholder theory.

This study investigates the link between anti-corruption disclosure and SP, using stakeholder theory to develop hypotheses.

2.2 | Hypothesis Development

2.2.1 | Anti-Corruption Disclosure and Corporate Sustainability Performance

Stakeholder theory suggests that companies' commitment to anti-corruption and its disclosure is crucial in CSR and sustainability practices. This commitment aligns firms' financial goals with stakeholders' interests, emphasizing ethical practices (Blanc, Branco, and Patten 2019; Moscariello et al. 2024). Prioritizing corporate ethical commitment allows companies to allocate resources to enhance SP (Tran and Adomako 2022; Trequattrini et al. 2024). Companies that address corruption aim to build a positive reputation, gaining competitive advantages, fostering value creation, and improving SP (Previtali and Cerchiello 2023; Sarhan and Gerged 2023).

Stakeholders reward sustainable practices through customer loyalty, reduced capital costs, enhanced reputation, and

TABLE 1 | Descriptive statistics.

	Mean	Median	Std. Dev.	p25	p75	p95	Min	Max
SP	41.429	46.345	28.540	16.735	64.735	83.45	0	95.46
ACD_Q	0.102	0.100	0.065	0.06	0.102	0.23	0	0.44
SC	0.524	1	0.499	0	1	1	0	1
SC*ACD_Q	0.056	0.03	0.072	0	0.102	0.19	0	0.44
CBC	0.797	1	0.403	1	1	1	0	1
Secsen	0.402	0	0.490	0	1	1	0	1
Big4	0.984	1	0.125	1	1	1	0	1
ROE	16.924	12.63	44.194	5.14	21.745	56.89	−573.75	887.92
TQ	1.585	0.891	4.430	0.579	1.449	3.897	0	90.353
F_S	13.407	15.574	4.820	7.031	17.034	18.774	4.582	21.043
L_G	0.256	0.256	0.121	0.194	0.29	0.483	0.001	0.737
AC	0.962	1	0.191	1	1	1	0	1
ACI	91.812	100	18.782	88.89	100	100	0	100
AIR	6.287	5	5.480	2	8	19	0	28
BD	25.916	25	13.247	16.67	33.33	50	0	80
BZ	8.627	9	2.753	7	10	13	0	22

Note: Research variables are operationally defined in Table A1.

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TABLE 2A | Matrix of correlations.

Variables	(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)
(1) ACD_Q	1.000														
(2) SC	0.064	1.000													
(3) SC*ACD_Q	0.559	0.530	1.000												
(4) CBC	−0.004	0.184	0.137	1.000											
(5) Secsen	0.003	0.241	0.167	0.247	1.000										
(6) Big4	0.003	0.020	0.025	0.066	0.104	1.000									
(7) ROE	−0.018	−0.042	−0.038	0.021	−0.035	0.024	1.000								
(8) TQ	−0.017	−0.009	−0.015	−0.011	−0.000	0.015	0.330	1.000							
(9) F_S	−0.013	−0.136	−0.083	0.202	−0.344	−0.085	0.086	0.003	1.000						
(10) L_G	0.045	−0.042	−0.006	−0.001	0.026	−0.003	0.027	0.030	−0.005	1.000					
(11) AC	−0.016	0.112	0.077	0.170	0.057	−0.002	0.021	0.038	0.121	−0.006	1.000				
(12) ACI	−0.014	0.098	0.061	0.176	0.081	0.040	0.044	0.032	0.108	0.008	0.619	1.000			
(13) AIR	0.036	0.035	0.027	0.046	−0.003	−0.022	0.045	−0.036	0.052	−0.005	0.165	0.143	1.000		
(14) BD	0.002	0.116	0.073	0.010	0.204	0.042	0.032	0.040	−0.367	−0.011	0.313	0.294	0.088	1.000	
(15) BZ	−0.011	0.139	0.097	0.153	0.076	−0.009	−0.024	−0.039	0.109	−0.023	0.315	0.257	0.075	0.133	1.000

Note: Research variables are operationally defined in Table A1.

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TABLE 2B | Variance inflation factor.

	VIF	1/VIF
SC*ACD_Q	4.903	0.204
SC	3.506	0.285
ACD_Q	2.308	0.433
AC	1.798	0.556
ACI	1.702	0.588
F_S	1.567	0.638
BD	1.418	0.705
Secsen	1.331	0.751
CBC	1.24	0.807
BZ	1.157	0.864
ROE	1.143	0.875
TQ	1.132	0.883
AIR	1.044	0.958
Big4	1.022	0.978
L_G	1.008	0.992
Mean VIF	1.752	

government support (Michelon and Parbonetti 2012; Liao, Luo, and Tang 2015; Sharma, Sharma, and Litt 2018). Sustainable practices reinforce stakeholders' perceptions of a company's ethical commitment, including anti-corruption efforts (Fombrun and Shanley 1990). Thus, transparent anti-corruption measures and sustainable performance can support strong stakeholder relationships, integrating ethical and environmental governance into directors' responsibilities (Rodrigue, Magnan, and Cho 2013).

Recent research highlights the impact of corporate ethical behavior, particularly anti-corruption, on sustainability practices. Tran and Adomako (2022) found that ethical performance moderates the link between environmental regulation enforcement and sustainability practices. Chen, Zhou, and Ma (2022) showed a positive link between anti-corruption campaigns and environmental sustainability in Chinese firms, while Vazquez et al. (2020) found institutional corruption negatively impacts CSR practices. Sarhan and Gerged (2023) identified a positive association between corporate anti-corruption efforts and environmental performance in the United Kingdom.

Based on these findings, we propose the following hypothesis:

H1. *There is a positive relationship between anti-corruption disclosure and corporate SP.*

2.2.2 | SC and Sustainability Performance

The structure of corporate boards and their subcommittees, including sustainability/CSR committees, should align with the organization's mission and strategic goals. Effective committees are small, experienced, meet frequently, and focus on specific agendas (Gerged, Chijoke-Mgbame, et al. 2023; Radu and Smaili 2022; Mohy-ud-Din, Shahbaz, and Du 2024). A SC signals a company's commitment to sustainability and stakeholder interests (Oktarini and Effendy 2024). These committees, composed of experienced directors, plan, implement, oversee, and report on sustainability issues, raising awareness of environmental and societal impacts (Gerged, Chijoke-Mgbame, et al. 2023; Liao, Luo, and Tang 2015; Rodrigue, Magnan, and Cho 2013; Sharma, Sharma, and Litt 2018; Orazalin, Ntim, and Malagila 2024).

The presence of a SC indicates dedication to sustainable initiatives and stakeholder protection (Radu and Smaili 2022; Orazalin et al. 2024). By monitoring and advising on sustainability matters, these committees help corporate boards fulfill their responsibilities (Michelon and Parbonetti 2012). Recent research shows that SCs positively impact SP, integrating sustainable practices into strategic planning (Spitzeck 2009; Ienciu, Popa, and Ienciu 2012; Walls, Berrone, and Phan 2012; Arena, Bozzolan, and Michelon 2015; Amran, Lee, and Devi 2014; Zampone et al. 2024).

However, some studies report no significant or negative correlations between CSR committees and environmental performance (Rupley, Brown, and Marshall 2012; McKendall, Sánchez, and Sicilian 1999; Rodrigue, Magnan, and Cho 2013). Given these mixed findings, we propose the following hypothesis:

H2. *There is a significant association between the presence of a SC and a company's SP.*

2.2.3 | The Moderating Role of the Presence of a SC

Sarhan and Gerged (2023) emphasize the importance of a comprehensive approach in examining the correlation between anti-corruption commitments and SP. It is essential to consider interactions among board structure elements that influence SP (Gerged, Chijoke-Mgbame, et al. 2023).

A focused approach involves forming committees like the SC. Sarhan and Gerged (2023) argue that CSR committees enhance environmental performance, especially regarding anti-corruption commitments. Thus, the interaction between high-quality anti-corruption disclosure and a SC likely enhances sustainable outcomes.

According to stakeholder theory, sustainability/CSR committees align financial objectives with stakeholders' non-financial concerns, improving sustainability practices (Liao, Luo, and Tang 2015; Helfaya and Moussa 2017). Such committees encourage active engagement in sustainability practices, leading to better performance. A company's ethical commitment to combating corruption can complement or substitute CSR/sustainability governance mechanisms, enhancing SP (Sarhan and Gerged 2023).

Although previous research has examined moderation influences (Sarhan and Gerged 2023; Liao, Luo, and Tang 2015), there

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TABLE 3 | The regression results without the interaction term.

SP	Fixed-effects	Random-effects	Multiple linear regressions	Poisson regression
ACD_Q	20.722	22.039	30.942	0.592
	(3.306)***	(3.335)***	(3.988)***	(0.036)***
SC	25.259	28.012	38.987	0.764
	(0.603)***	(0.581)***	(0.546)***	(0.007)***
CBC	−2.275	−2.533	−3.817	−0.131
	(0.616)***	(0.618)***	(0.712)***	(0.007)***
Secsen	1.097	1.318	2.559	−0.003
	(0.538)	(0.538)	(0.605)***	(0.006)
Big4	8.602	8.882	10.658	0.303
	(1.788)***	(1.796)***	(2.079)***	(0.024)***
ROE	0.001	0.001	0.01	0.001
	(0.005)	(0.005)	(0.006)	(0.001)***
TQ	−0.052	−0.051	−0.03	−0.002
	(0.053)	(0.053)	(0.062)	(0.001)***
F_S	1.421	1.35	1.028	−0.037
	(0.055)***	(0.056)***	(0.067)***	(0.001)***
L_G	−1.664	−1.599	−1.705	−0.067
	(2.063)	(2.038)	(2.132)	(0.023)***
AC	5.985	6.661	9.799	−0.179
	(1.502)***	(1.514)***	(1.809)***	(0.017)***
ACI	−0.061	−0.063	−0.054	−0.002
	(0.015)**	(0.016)***	(0.018)***	(0.001)***
AIR	−0.1	−0.106	−0.133	−0.003
	(0.041)	(0.041)	(0.048)**	(0.001)
BD	0.036	0.035	0.042	0.001
	(0.019)	(0.019)	(0.023)	(0.001)
BZ	0.046	0.103	0.303	−0.009
	(0.089)	(0.089)	(0.101)***	(0.001)***
Constant	49.195	46.842	35.147	3.851
	(2.299) ***	(2.385) ***	(2.705)***	(0.0.037) ***
	R-squared = 0.7146 Prob > F = 0.0001 Obs = 5344	R-squared = 0.7188 Prob > chi^2 = 0.0001 Obs = 5344	R-squared = 0.5656 Prob > F = 0.0001 Obs = 5344	Prob > chi^2 = 0.0001 Obs = 5344

Note: Research variables are operationally defined in Table A1. The coefficient and standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

is a gap in studying the moderating effect of SCs on the relationship between anti-corruption disclosure and SP. Therefore, we hypothesize the following:

H3. *The presence of a SC positively moderates the association between anti-corruption disclosure and corporate SP.*

3 | Research Methodology

3.1 | Data and Sample

The implementation of the Bribery Act 2010 in July 2011 had a significant impact on the corruption ranking of the United

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Kingdom. However, Transparency International UK conducted a series of studies in 2011, revealing major findings on corruption in 23 sectors across the United Kingdom. While corruption is not widespread throughout the United Kingdom, it is important to acknowledge that it poses a much larger problem in certain sectors of UK institutions than is commonly recognized (Transparency International UK 2011). Furthermore, the response to this growing threat of corruption is inadequate, as indicated by various studies.

To ensure the robustness and relevance of our findings, we have collected data for a period from 2008 to 2023. This dataset captures recent developments in corporate governance, sustainability practices, and anti-corruption disclosure, particularly in response to evolving regulatory requirements and market expectations. This period includes more recent firm-year observations that reflect significant changes in the global and UK-specific regulatory landscape, including increased emphasis on ESG factors and corporate transparency. This timeframe of our data also allows for a more accurate assessment of how firms' anti-corruption disclosures and the presence of SCs influence SP in light of contemporary institutional pressures and market conditions. This time frame enhances the generalizability and current relevance of our results, providing a more comprehensive understanding of the long-term impact of these practices.

Our sample initially included all listed firms in the FTSE 350 index, which represents approximately 96% of the UK stock market and holds a prominent position within the UK market (Ezeani et al. 2023; Gerged, Salem, and Beddewela 2023). To gather accurate data and eliminate inconsistencies and unavailability, we manually collected anti-corruption disclosure quality (ACD_Q) data and the interaction variable (SC) from firms' annual reports. Financial data for the study was obtained from reputable databases such as Bloomberg and DataStream.

Because financial statements possess distinct attributes and the financial sector operates under specific regulatory limitations, we opted to exclude financial firms from our sample. Furthermore, to guarantee the broad applicability of our study's findings, we removed firms with inadequate data, culminating in a final sample comprising 5344 firm-year observations.

3.2 | Measurements of Research Variables and Econometric Models

In our study, we utilized the ESG score as a measure of SP. The ESG score encompasses various aspects of environmental, social, and governance performance and is evaluated based on a company's engagement in sustainable and environmentally friendly activities throughout the year (Gerged, Chijoke-Mgbame, et al. 2023; Shahab et al. 2020). This score assesses a company's involvement in sustainable and environmentally friendly activities throughout the year, ranging from 0 (*lowest rating*) to 100 (*highest rating*) (Gerged, Kuzey, et al. 2023; Oprean-Stan et al. 2020; Zhou, Liu, and Luo 2022). By encompassing various dimensions of SP, ESG scores serve as a direct measure of sustainability practices (Eliwa, Aboud, and Saleh 2021).

Recognizing the significance of selecting a suitable quality measure and acknowledging the limitations of relying solely on disclosure volume, as highlighted by Helfaya and Whittington (2019), we opted for a weighted approach to measuring the Quality of Anti-Corruption Disclosure (ACD_Q). This methodology has gained wide acceptance and support in existing research that examines disclosure quality from various perspectives, as demonstrated by Al-Shaer and Zaman (2018), Al-Shaer (2020), Salem et al. (2020), and Ghazwani et al. (2024).

By drawing insights from the Bribery Act of 2010 in the United Kingdom and prior corporate disclosure literature, we devised an ACD_Q index that considers both the comprehensiveness and extent of disclosed information. This index serves as a valuable gauge of the "richness" of ACD_Q, building on the works of Blanc et al. (2017), Salem et al. (2020), and Ghazwani et al. (2024).

To ensure compatibility with global anti-corruption standards that mandate public disclosure of anti-corruption activities by corporations (e.g., OECD, WB, GRI, and UNCAC), our initial checklist comprised 25 anti-corruption information components, categorized into six general sections. The study utilized a comprehensive approach, incorporating various aspects: a proportional procedure consisting of nine items, top-level commitment with five items, risk assessment comprising three items, communication (including training) with three items, due diligence with three items, and monitoring and review with two items (see Appendix A). To evaluate the quality of disclosures, we followed the scoring scale from Salem et al. (2020), Ghazwani et al. (2024), and Hughes, Anderson, and Golden (2001), utilizing a five-point scale to distinguish between poor and high-quality disclosures. To ensure the credibility and consistency of the disclosure index scoring technique, multiple coders were involved, and any inconsistencies in coding records were meticulously reviewed, compared, and resolved.

For our independent variable, we utilize the following scale formula:

$$\text{ACD\_Q} = \frac{1}{\sum_n^i \text{NI}} \times \sum_n^i \text{WS}$$

where NI is the sum of items disclosed by firms i at year n and WS represents the aggregate of weighted records assigned to each element within the index.

3.3 | Econometric Models

In our assessment, firms were categorized into four groups based on their performance in relation to best practices in the industry. Firms demonstrating exceptional performance were assigned a score of 4, while those meeting quantitative benchmarks and clearly defining their anticorruption impact in monetary terms or physical quantities were assigned a score of 3. Firms with descriptive evidence of impact resulting from their policies or overall operations received a score of 2, whereas firms with minimal coverage, lacking in detail and relying on general terms, anecdotal evidence, or brief mentions, were assigned a score of 1. Lastly, firms that did not disclose or discuss the issue of anticorruption received a score of zero. To assess the reliability and consistency of our anticorruption disclosure, we employed the Cronbach method, which yielded

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a dependability level of 0.67, considered appropriate in terms of anticorruption disclosure (Bland and Altman 1997; Gerged, Cowton, and Beddewela 2018).

Consistent with existing literature, our study incorporated several control variables reflecting corporate governance and firm-specific characteristics that could potentially influence the main association and address any omitted variable-induced endogeneities (Gerged, Kuzey, et al. 2023; Ntim 2016; Sharma et al. 2022; Salem, Ezeani, and Song 2023). These variables include the presence of a SC, adherence to a code of bribery conduct (CBC), sector sensitivity (SecSen), engagement with a Big4 auditing firm, profitability (ROA), Tobin-Q, firm size (F_S), leverage (L_G), the existence of external audit of sustainability reports (AC), diversity within the boardroom (BD), and the size of the board of directors (BZ), the independence of audit committee (ACI), and the rotation of audit firm (AIR). In Appendix A, comprehensive explanations regarding the measurement of these variables can be located.

To empirically examine our hypotheses, we employed multiple regression models that accommodate a wide range of explanatory factors and are less likely to be strictly exogenous or associated with current realizations of inaccuracy (Gerged, Kuzey, et al. 2023). Specifically, we utilized Fixed effects, Random effects, Multiple linear, and Poisson regressions to ensure consistent estimates and address any potential biases. Pooled OLS, being a highly restrictive model, enforces similar slope and intercept coefficients across all cross-sections, thereby neglecting individual heterogeneity (Bell and Jones 2015; Wooldridge 2015). After conducting preliminary Breusch–Pagan and Hausman tests, we opted for the fixed-effects panel data model to account for pooled and/or random effects. While the fixed-effects model examines factors that vary over time, it is unable to estimate variables that remain constant (Bell and Jones 2015; Simnett, Vanstraelen, and Chua 2009). Hence, we also employed the random-effects model to estimate the effects of time-invariant variables. Furthermore, since our research model involves a countable variable, we utilized Poisson regression to address the issue of biased errors that may arise when using OLS. Poisson regression accommodates skewed and over-dispersed count data where the variance exceeds the mean. In contrast, fixed effects and random effects models assume constant variance and may not be suitable for count data (Xiang et al. 2020; Yin and Wang 2018). Therefore, the Poisson model offers increased resilience and improves the precision of data fitting, reducing biased errors (Wooldridge 2015).

In addition, our analysis comprises two models. Model (1) investigates the direct influence of anticorruption disclosure on pro-sustainable performance, while model (2) includes an interaction term to examine the moderating effect. The model specifications are as follows:

where *PS* represents the SP, *ACD_Q* is Anti-Corruption Disclosure Quality, *SC* is the presence of the SC, and the control variables are described in Appendix A.

4 | Empirical Findings

4.1 | Descriptive Statistics and Correlation Analysis

Table 1 summarizes the variables we studied. The variable SP (sustainable performance) shows a mean of 41.43 and a median of 46.34, with a high standard deviation of 28.5, indicating a wide range of values. The interquartile range (IQR) from p25 to p75 suggests that half of the observations fall between 16.73 and 64.73, while the top 5% exceed 83.45. This relatively low average implies that the implementation of sustainable practices among UK firms is still limited, aligning with earlier studies by McGuinness, Vieito, and Wang (2017) and Shahab et al. (2020).

For the main independent variable, ACD_Q, the mean is 0.102 and the median is 0.100, with a standard deviation of 0.065. The p25 and p75 values show that 50% of observations range from 0.06 to 0.102, with the top 5% exceeding 0.23 and a maximum score of 0.44. The lower ACD_Q values could be due to the delayed adoption of the Bribery Act by UK firms, similar to findings in other developed economies (Álvarez Etxeberria and Aldaz Odriozola 2018; Salem et al. 2023; Nobanee, Atayah, and Mertzanis 2020).

The SC has a mean of 0.524 and a median of 1, with almost a 50% standard deviation, indicating wide variation. The p25 and p75 values show that 50% of firms either have or do not have a SC, with nearly half of UK companies having one. This could reduce information asymmetries and improve sustainability evaluations (Al-Shaer and Zaman 2019).

For control variables, CBC (company board committee), Secsen (sector sensitivity), and Big4 (Big Four auditors) have mean values of 0.79, 0.40, and 0.98, respectively, showing that most UK firms have external monitoring and measures to prevent bribery, enhancing their sustainable performance. ACI (audit committee independence) and AIR (audit independence ratio) have mean values of 92% and 6.3%, respectively, indicating independent audit committees in the United Kingdom, which positively affect audit quality perceptions and stakeholder confidence (Song and Windram 2004).

Tables 2A and 2B present the correlation matrix and VIF (Variance Inflation Factor) to check for multicollinearity. The coefficients indicate minor deviations from normal distribution, consistent with earlier studies (Al-Shaer and Zaman 2019;

$$PS_{it} = f\left(\begin{array}{c} ACD\_Q_{it} + SC_{it} + CBC_{it} + Secsen_{it} + Big4_{it} + ROE_{it} + TQ_{it} + F_{Sit} + L_{Git} + AC_{it} + ACI_{it} + AIR_{it} + \\ BD_{it} + BZ_{it} + \varepsilon_{it} \end{array}\right) \quad (1)$$

$$PS_{it} = f\left(\begin{array}{c} ACD\_Q_{it} + SC_{it} + SC * ACDQ_{it} + CBC_{it} + Secsen_{it} + Big4_{it} + ROE_{it} + TQ_{it} + F_{Sit} + L_{Git} + AC_{it} + ACI_{it} + AIR_{it} + \\ BD_{it} + BZ_{it} + \varepsilon_{it} \end{array}\right) \quad (2)$$

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TABLE 4 | The regression results with the interaction term.

SP	Fixed-effects	Random-effects	Multiple linear regressions	Poisson regression
ACD_Q	13.565	15.644	27.28	1.113
	(4.928)***	(4.979) ***	(6.031)***	(0.075) ***
SC	23.959	26.849	38.343	0.833
	(0.896) ***	(0.885) ***	(1.965) ***	(0.011) ***
SC*ACDQ	12.613	11.245	6.366	0.652
	(6.442)**	(6.507) **	(6.864)**	(0.083) ***
CBC	−2.28	−2.538	−3.824	−0.132
	(0.615) ***	(0.618) ***	(0.712) ***	(0.007) ***
Secsen	1.068	1.295	2.558	−0.003
	(0.538)	(0.538)	(0.605) ***	(0.006)
Big4	8.525	8.812	10.62	0.307
	(1.788) ***	(1.795) ***	(2.08) ***	(0.024) ***
ROE	0.002	0.002	0.001	0.001
	(0.005)	(0.005)	(0.006)	(0.001)
TQ	−0.052	−0.05	−0.03	−0.003
	(0.053)	(0.053)	(0.062)	(0.001)
F_S	1.426	1.355	1.03	0.037
	(0.055) ***	(0.056) ***	(0.067) ***	(0.001) ***
L_G	−1.649	−1.589	−1.708	−0.063
	(2.062)	(2.037)	(2.132)	(0.023) ***
AC	6.05	6.716	9.833	0.175
	(1.502) ***	(1.514) ***	(1.809) ***	(0.017) ***
ACI	−0.06	−0.062	−0.054	−0.002
	(0.015) ***	(0.016) ***	(0.018) ***	(0.001) ***
AIR	−0.098	−0.104	−0.131	−0.003
	(0.041)	(0.041)	(0.048)	(0.001)
BD	0.036	0.035	0.042	0.001
	(0.019)*	(0.019)	(0.023)*	(0.001)**
BZ	0.045	0.102	0.303	−0.009
	(0.089)	(0.089)	(0.101) ***	(0.001)**
Constant	50.029	47.593	35.571	3.792
	(2.337) ***	(2.423) ***	(2.755) ***	(0.038) ***
	R-squared = 0.5392 Prob > F = 0.0001 Obs = 5344	R-squared = 0.5510 Prob > F = 0.0001 Obs = 5344	R-squared = 0.5670 Prob > F = 0.0001 Obs = 5344	Prob > chi^2 = 0.0001 Obs = 5344

Note: Research variables are operationally defined in Table A1. The Coefficient and Standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

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TABLE 5 | The results of employing an alternative measure of anti-corruption disclosure.

SP	Fixed-effects	Random-effects	Multiple linear regressions	Poisson regression
Quantity_ACD	6.645	10.098	20.093	0.31
	(2.381)***	(2.419) ***	(2.923) ***	(0.036) ***
SC	20.002	26.477	43.366	0.631
	(0.995) ***	(0.949) ***	(0.92) ***	(0.014) ***
SC*ACD_Q	10.062	6.19	2.778	0.171
	(3.551) **	(3.669)**	(1.058)*	(0.07) **
CBC	−0.939	−1.163	−2.729	−0.016
	(0.724)	(0.736)	(0.879) ***	(0.01)*
Secsen	−0.549	−0.185	1.68	−0.019
	(0.606)	(0.612)	(0.701) **	(0.008) **
Big4	6.404	6.962	9.7	0.231
	(1.705) ***	(1.736) ***	(2.099) ***	(0.027) ***
ROE	0.004	0.003	−0.006	0.001
	(0.005)	(0.005)	(0.007)	(0.001)
TQ	−0.06	−0.057	−0.044	−0.002
	(0.054)	(0.056)	(0.068)	(0.001) **
F_S	0.442	0.434	0.236	0.016
	(0.228) *	(0.221)**	(0.205)	(0.003) ***
L_G	1.677	1.143	−0.628	0.009
	(2.163)	(2.129)	(2.133)	(0.029)
AC	3.222	3.161	0.163	0.123
	(1.686)*	(1.728)*	(2.206)	(0.024) ***
ACI	−0.014	−0.005	0.035	−0.001
	(0.02)	(0.02)	(0.023)	(0.001) **
AIR	0.026	0.01	−0.048	0.001
	(0.045)	(0.045)	(0.054)	(0.001)
BD	0.01	0.008	0.018	0.001
	(0.021)	(0.022)	(0.028)	(0.001)
BZ	0.119	0.094	−0.074	0.005
	(0.102)	(0.103)	(0.115)	(0.001) ***
Constant	7.162	3.139	−3.496	2.44
	(4.805) **	(4.785) **	(3.969) **	(0.09) ***
	R-squared = 0.2081 Prob > F = 0.0001 Obs = 5344	R-squared = 0.5860 Prob > F = 0.0001 Obs = 5344	R-squared = 0.590 Prob > F = 0.0001 Obs = 5344	Prob > chi^2 = 0.0001 Obs = 5344

Note: Research variables are operationally defined in Table A1. The Coefficient and Standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

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TABLE 6 | The results of the investigated relationships before the UK Bribery Act (before 2011).

SP	Fixed-effects	Random-effects	Multiple linear regressions	Poisson regression
ACD_Q	12.196	24.028	31.998	0.857
	(6.924)	(7.471)	(9.003)	(0.173)**
SC	8.421	29.052	49.19	0.331
	(1.824)***	(1.695)***	(1.647)***	(0.034)***
SC*ACDQ	5.125	16.259	25.012	0.713
	(9.471)	(10.229)	(12.353)	(0.193)***
CBC	−1.014	−2.35	−3.757	−0.032
	(1.453)	(1.454)	(1.429)**	(0.027)
Secsen	−0.932	0.589	2.478	−0.019
	(1.276)	(1.229)	(1.126)	(0.024)
Big4	1.266	3.737	2.268	0.022
	(1.131)**	(1.22)*	(3.383)	(0.067)
ROE	0.007	0.008	0.003	0.001
	(0.008)	(0.008)	(0.011)	(0.001)**
TQ	0.04	0.071	0.043	0.002
	(0.097)	(0.104)	(0.122)	(0.002)
F_S	−0.089	0.127	0.454	−0.005
	(0.437)	(0.394)	(0.331)	(0.008)
L_G	−6.44	−2.788	−1.388	−0.284
	(4.611)	(4.118)	(3.421)	(0.089)***
AC	−3.043	−4.001	−4.093	−0.088
	(2.872)	(2.999)	(3.287)	(0.056)
ACI	0.027	0.024	0.026	0.001
	(0.037)	(0.037)	(0.037)	(0.001)
AIR	−0.05	−0.113	−0.118	−0.002
	(0.095)	(0.092)	(0.087)	(0.002)
BD	0.023	0.028	0.04	0.001
	(0.036)	(0.038)	(0.043)	(0.001)
BZ	−0.155	−0.146	−0.095	−0.003
	(0.206)	(0.201)	(0.188)	(0.004)
Constant	28.163	14.414	0.815	3.244
	(9.029) ***	(8.617)*	(8.075)	(0.22) ***
	R-squared = 0.2341 Prob > F = 0.0001 Obs = 1336	R-squared = 0.6200 Prob > F = 0.0001 Obs = 1336	R-squared = 0.6230 Prob > F = 0.0001 Obs = 1336	Prob > chi^2 = 0.0001 Obs = 1336

Note: Research variables are operationally defined in Table A1. The Coefficient and Standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

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TABLE 7 | The results of the investigated relationships after the UK Bribery Act (after 2011).

SP	Fixed-effects	Random-effects	Multiple linear regressions	Poisson regression
ACD_Q	17.065	17.617	21.828	0.985
	(6.388)***	(6.413) ***	(7.876) ***	(0.091) ***
SC	23.732	26.204	34.67	0.711
	(1.073) ***	(1.054) ***	(1.189) ***	(0.013) ***
SC*ACDQ	1.611	1.361	3.867	0.646
	(1.137)**	(1.167)**	(6.018) **	(0.101) ***
CBC	−1.657	−1.833	−2.51	−0.092
	(0.739)**	(0.735)**	(0.846) ***	(0.008) ***
Secsen	0.792	1.077	2.291	−0.011
	(0.658)	(0.651)	(0.73)	(0.007)
Big4	9.367	9.691	12.535	0.299
	(2.249)***	(2.238)***	(2.59) ***	(0.028) ***
ROE	0.007	0.006	0.002	0.001
	(0.006)	(0.006)	(0.007)	(0.001)
TQ	−0.121	−0.116	−0.075	−0.005
	(0.063)	(0.062)	(0.071)	(0.001) ***
F_S	1.192	1.14	0.939	−0.029
	(0.062)***	(0.062) ***	(0.076) ***	(0.001) ***
L_G	−2.411	−2.378	−3.131	−0.082
	(2.564)	(2.509)	(2.658)	(0.028)
AC	8.14	8.763	10.855	0.203
	(1.809)***	(1.81)***	(2.184) ***	(0.02) ***
ACI	0.048	0.052	0.054	0.001
	(0.018)***	(0.018)***	(0.021) ***	(0.001) ***
AIR	−0.13	−0.13	−0.131	−0.004
	(0.049)***	(0.049)***	(0.057) **	(0.001) **
BD	0.05	0.047	0.038	0.001
	(0.023)**	(0.023)**	(0.027)	(0.001) ***
BZ	0.022	0.132	0.53	−0.007
	(0.106)	(0.104)	(0.117) ***	(0.001) ***
Constant	49.185	46.897	35.424	3.804
	(2.765)***	(2.829) ***	(3.248)***	(0.04) ***
	R-squared = 0. 4362 Prob > F = 0.0001 Obs = 4008	R-squared = 0. 5029 Prob > F = 0.0001 Obs = 4008	R-squared = 0. 5150 Prob > F = 0.0001 Obs = 4008	Prob > chi2 = 0.0001 Obs = 4008

Note: Research variables are operationally defined in Table A1. The coefficient and standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

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TABLE 8 | Robustness analysis—GMM regression.

SP	Two-step GMM
ACD_Q	0.598
	(0.024) ***
CSRSC	10.947
	(0.911)***
SC*ACDQ	18.414
	(5.915)***
CBC	−0.179
	(0.686)
Secsen	−0.726
	(0.624)
Big4	4.055
	(2.101)*
ROE	0.001
	(0.004)
TQ	−0.023
	(0.055)
F_S	−0.307
	(0.052)***
L_G	−1.037
	(2.586)
AC	−3.873
	(1.482)***
ACI	−0.019
	(0.016)
AIR	−0.158
	(0.044)***
BD	−0.008
	(0.019)
BZ	0.322
	(0.108)***
Constant	16.546
	(2.796)***
Arellano–Bond test (p value)	0.189
Arellano–Bond test (p value)	0.074
Hansen test of overid	78.71
	Prob > chi^2 = 0.0001
	Obs = 5344

Note: Research variables are operationally defined in Table A1. The coefficient and standard errors are in parentheses.
*$p < 0.1$.
**$p < 0.05$.
***$p < 0.01$.

Shahab et al. 2020). The highest VIF value is less than 5, suggesting multicollinearity is not a significant issue.

4.2 | Baseline Regression Analysis

To evaluate our first hypothesis (H1), we investigate the influence of ACD_Q on SP using four regression models:fixed effects, random effects, multiple linear, and Poisson regressions, as shown in Table 3. Results indicate that ACD_Q positively and significantly impacts SP at the 1% significance level across all models. This supports H1, showing that companies with higher anti-corruption disclosure tend to perform better sustainably.

These findings align with voluntary disclosure theory, suggesting that firms with superior SP are more likely to disclose anti-corruption efforts to signal their quality to the market (Roberts 1992). Additionally, stakeholder theory indicates that firms manage stakeholder relationships to ensure survival, and those with proactive strategies and strong economic performance are more likely to disclose anti-corruption efforts (Freeman and Reed 1983; Ullmann 1985).

This study's results are consistent with prior research in both developed economies and Asian countries, emphasizing the positive link between anti-corruption disclosure and sustainable performance (Papoutsi and Sodhi 2020; Hummel and Schlick 2016; Alsayegh, Abdul Rahman, and Homayoun 2020; Weber 2014).

Hypothesis H2 examines the impact of SC on SP. Table 3 shows a significant positive relationship between SC and SP at the 1% significance level, supporting H2. This suggests that having a SC enhances SP.

The positive association can be attributed to the committee's role in integrating sustainability into corporate strategy and decision-making. By providing oversight and guidance, the committee ensures the firm's commitment to sustainability, positively impacting environmental, social, and governance performance. This is consistent with prior research highlighting the importance of SCs (Arena, Bozzolan, and Michelon 2015; Amran, Lee, and Devi 2014; Ienciu, Popa, and Ienciu 2012; Liao, Luo, and Tang 2015; Walls, Berrone, and Phan 2012).

Hypothesis H3 explores whether the SC moderates the relationship between ACD_Q and SP. Table 4 introduces the interaction term SC*ACDQ, which is positively and significantly related to SP, supporting H3. This indicates that the presence of a SC strengthens the positive impact of ACD_Q on SP.

Organizations with a SC are better at managing sustainability efforts and promoting transparency and accountability in anti-corruption initiatives. The SC acts as a catalyst for anti-corruption policies and sustainable practices, reinforcing the importance of a strong governance structure in achieving sustainability goals.

4.3 | Sensitivity Analysis

To ensure the robustness of our findings, we conducted sensitivity analyses using a new proxy for ACD_Q, the quantity

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of anti-corruption disclosure (Quantity-ACD). Table 5 shows that Quantity-ACD significantly influences SP at the 1% level. The presence of a SC and the interaction term SC*ACDQ also maintain their positive effects on SP, reinforcing our primary findings.

These results emphasize the importance of both the quality and quantity of anti-corruption disclosures in enhancing sustainable performance. Although not mandatory, stakeholders increasingly demand detailed disclosures on corruption, as seen in the UK government's enforcement of such mandates (Islam et al. 2021).

To further validate our findings, we examined the relationship between ACD_Q and SP before and after the implementation of the UK Bribery Act in 2010. Tables 6 and 7 show that ACD_Q significantly improves SP post-2010, while the association is less pronounced before 2011. The moderating effect of SC*ACDQ remains consistent, supporting the positive impact of SCs on SP (Arena, Bozzolan, and Michelon 2015; Liao, Luo, and Tang 2015; Sarhan and Gerged 2023).

To address potential endogeneity issues, we used a dynamic Generalized Method of Moments (GMM) regression model, incorporating lagged observations of SP. This method, suggested by Roodman (2009) and Wooldridge (2015), helps mitigate endogeneity concerns by transforming the data internally.

Post-estimation checks, including the Hansen and Arellano-Bond tests, confirm the validity of the instruments used. The results, presented in Table 8, show a significant positive impact of ACD_Q on SP, with the moderating effect of SC*ACDQ remaining consistent. This strengthens our confidence in the robustness of our findings and indicates that endogeneity is not a significant issue.

5 | Conclusion

This study provides valuable insights into the relationship between ACD_Q and corporate SP in FTSE 350 firms, as well as the moderating role of SC. Our analysis extends previous research by demonstrating how the quality of anti-corruption disclosures directly contributes to better sustainability performance, with SCs enhancing this relationship. This study analyzes data from FTSE350-listed companies in the United Kingdom, covering the period from 2008 to 2023 with a total of 5344 firm-year observations. The findings highlight three key insights: First, anti-corruption disclosure is associated with improved sustainability performance, aligning with stakeholder expectations; second, the establishment of a dedicated SC strengthens corporate sustainability performance by aligning board strategies with sustainability goals; and third, the study empirically demonstrates that a SC plays a moderating role, amplifying the positive effect of anti-corruption disclosure on sustainability performance.

Beyond the empirical results, the study carries significant strategic implications for firms. Companies that adopt high-quality anti-corruption disclosure practices can strategically align themselves with evolving institutional pressures for ethical conduct. Such alignment not only enhances transparency but also signals a firm's commitment to responsible business practices, fostering stronger relationships with stakeholders and improving reputation. In competitive industries where sustainability and corporate governance play an increasingly pivotal role, these practices can serve as a differentiator and source of competitive advantage.

Drawing from Oliver's (1991) institutional framework, this study shows that firms responding to institutional pressures for transparency and ethical behavior, especially through anti-corruption disclosures, can reinforce their market positions. Companies that integrate these practices as part of their broader strategic planning may not only ensure compliance but also capitalize on stakeholder trust and long-term sustainability benefits. This is especially crucial in industries with high regulatory scrutiny, where failure to comply with anti-corruption standards can result in reputational risks and financial penalties.

The findings also highlight the importance of robust governance structures, particularly SCs, in mitigating strategic risks. By ensuring that anti-corruption efforts are not only implemented but also integrated into broader sustainability strategies, SCs play a critical role in aligning a firm's ethical commitments with long-term performance goals. These committees help firms avoid the reputational and operational risks associated with non-compliance or unethical behavior, contributing to both sustainability and overall corporate resilience.

Firms that excel in anti-corruption disclosure and integrate SCs into their governance structures are better positioned to differentiate themselves in the market. These practices foster stronger relationships with suppliers, customers, and other stakeholders, providing long-term access to resources and flexibility in negotiations. In the context of increasingly competitive and sustainability-conscious markets, such firms are likely to secure a sustained competitive advantage.

We recommend that corporate leaders take active steps to incorporate anti-corruption measures into their broader business strategy. By establishing or strengthening SCs, firms can ensure that these practices are not isolated but are part of a comprehensive governance framework that drives both ethical transparency and sustainable growth. Managers should view sustainability and anti-corruption efforts as complementary drivers of corporate value, rather than mere compliance activities.

For policymakers, the study provides evidence that encouraging firms to adopt and improve the quality of anti-corruption disclosures can significantly impact their sustainability performance. Regulators should consider implementing policies that promote transparency, ethical business practices, and the establishment of SCs, as these can positively influence firm behavior and overall market sustainability.

Although this study provides robust findings, it also highlights areas for further exploration. Future research could investigate the impact of anti-corruption disclosures and SCs in smaller firms or across different geographic regions. Additionally,

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exploring the macro-level impact of institutional and industry-specific factors on the relationship between corporate governance and sustainability performance would add depth to the current findings.

Conflicts of Interest

The authors declare no conflicts of interest.

Data Availability Statement

The data that support the findings of this study are available from the corresponding author upon reasonable request.

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Appendix A

TABLE A1 | Description and measurement of the study variables.

Symbol	Variable name	Description and measurement	Research adopted from
Dependent variable			
SP	Sustainability performance	Sustainability performance as proxied with ESG score	Gerged, Salem, et al. (2023).
Independent variables			
ACD_Q	Anti-corruption disclosure quality	The total anti-corruption disclosure score is measured by the weighted anticorruption disclosure index.	Salem et al. (2020), Hooks and Van Staden (2011)
Moderating variables			
SC	Sustainability committee	The dummy variable equals one if a board has a sustainability committee and 0 otherwise.	Gerged, Yao, and Albitar (2022), Tingbani et al. (2020), Liao, Luo, and Tang (2015)
Control variables			
CBC	Code of conduct/Policy bribery and corruption	The dummy variable coded 1 if the company adopted code to avoid bribery and corruption in all its operations and 0 if otherwise.	Gerged, Beddewela, and Cowton (2021)
SecSen	Sector sensitivity/ industry type	The dummy variable coded one if the company is more exposed to corruption and 0 otherwise.	Salem et al. (2020), and Ghazwani et al. (2024)
Big4	Big four	The firm's external auditor is one of the big four	Gerged, Chijoke-Mgbame, et al. (2023), Ghazwani et al. (2024), and Salem et al. (2020)
ROE	Return on equity	Return on equity is measured as profit before tax deferred by total equity shares.	Gerged, Chijoke-Mgbame, et al. (2023), Hossain and Hammami (2009), Ezeani et al. (2022), Salem et al. (2020).
TQ	Firm value/market capitalization	Tobin-Q is measured as the ratio of the market capitalisation plus total debt divided by total asset	Gerged, Chijoke-Mgbame, et al. (2023)
F_S	Firm size	Natural logarithm of total assets	Elzahar and Hussainey (2012)
L_G	Leverage	The ratio of total debt to total assets	Salem et al. (2020)
AC	Audit committee	The presence of an external audit is represented by a binary variable, assigned a value of 1 if the company's CSR, H&S, or sustainability report is externally audited, and 0 if it is not.	Gerged, Salem, and Beddewela (2023)
ACI	Audit committee independence	The proportion of independent non-executive directors on the audit committee	Salem et al. (2020)
AIR	Audit firm rotation	The number of years that a certain audit firm audited the financial statements of a specific firm throughout our sample period.	Corbella et al. (2015), Jadiyappa et al. (2021)
BD	Board diversity	The proportion of females on the board of directors	Reguera-Alvarado, De Fuentes, and Laffarga (2017)
BZ	Board size	Number of board members	Salem et al. (2020)

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