

# The Impact of Social Performance on Financial Performance of Listed Companies in Saudi Arabia

Prepared by:  
Ali Murad Syed  
Asem Alhomaidi  
Bader Almuhtadi  
Hoda AboAlsamh

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## Introduction

Firms are coming under increasing pressure from stakeholders and other agents to participate in socially responsible behavior. A company's relationship with shareholders, stakeholders, and society is directly related to corporate social responsibility (CSR), which therefore can be viewed as a response to social pressure (Cochran, 2007). The stakeholder aspect relates to how the company interacts with its employees and customers while the environmental aspect relates to how the company's operations take the environment into consideration. Finally, the social aspect relates to how the firm contributes to an enhanced society. CSR is defined as a business organization's configuration of principles of social responsibility, processes of social responsiveness, and policies, programs, and observable outcomes as they relate to the firm's societal relationships (Wood, 1991). This definition includes both social and environmental initiatives since both are potential drivers of business value. In the US, investment in CSR has increased in recent years and almost \$12 trillion was invested in sustainable, responsible, and impact investing funds in 2018<sup>1</sup>. Additionally, a recent PricewaterhouseCoopers (PwC) global CEO survey demonstrated that more than 60% of CEOs look upon CSR as a core business activity (Horoszowski, 2016). The recent increase in CSR activity is related to the belief that CSR offers large corporations a competitive advantage (Kramer and Porter, 2011, Flammer, 2015). A corporation's goal is to constantly maximize shareholders' value and, therefore, if socially responsible activities add financial value, then a company is commonly encouraged to embrace or adopt CSR. Understanding the relation between CSR and financial performance is beneficial to managers and shareholders. Hence, should managers allocate resources to socially responsible behavior? If so, how would shareholders react to such budget allocations for a social cause? (Wu et al., 2013). It is accepted that the performance of companies is considerably affected by their strategies in both market and non-market settings (Baron, 2000). However, scholars have differed as to whether a company's CSR activity improves financial performance.

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<sup>1</sup> <https://www.raconteur.net/global-business/usa/usa-esg-investing/>



Is “doing good” socially associated with “doing well” financially? (Nelling et al., 2009). A review of the empirical research examining the relation between corporate social performance (CSP) and corporate financial performance (CFP) finds that the topic of CSR and financial performance dates back to the early 1970s. Additionally, the academic literature contains at least a dozen meta-analyses and studies (Margolis et al., 2009). The relation between CSR and firm performance has been extensively discussed over the last two decades. Some studies reveal a positive pattern between CSR and financial performance (Graves and Waddock, 1994, Griffin and Mahon, 1997, McGuire et al., 1988a, Waddock and Graves, 1997, Syed, 2017) while other studies find a negative relation between CSR and financial performance. (Marcus, 1989, McWilliams and Siegel, 2000), and some researchers found no relation between these constructs (Aupperle et al., 1985a, McWilliams et al., 1999). Thus, the CSR and financial performance discussion has, so far, been inconclusive (Waddock and Graves, 1997, Margolis and Walsh, 2003). Appendix 1 lists the previous studies that show the relationship between CSR and CFP from 2015 onwards in different countries.

Of note, most of the research into CSR and financial performance has been devoted to developed economies. Developed economies have strong institutional and corporate standards and, therefore, CSR is considered to be a predominantly Western phenomenon and less of a factor in developing economies (Chapple and Moon, 2005). Weak corporate standards in developing countries mean that it is a challenge for regulators to implement improved social practices. Therefore, more research is needed in developing economies where CSR may be needed more (Dobers et al., 2009). Although the Saudi economy is undergoing a massive overhaul with the Vision 2030<sup>2</sup> implementation, the question of whether CSR beneficially affects financial performance has yet to be addressed. In this paper, our goal is to investigate the effect of socially responsible behavior of firms on their financial performance. We address this issue by focusing on all Saudi firms listed in the Saudi stock exchange (Tadawul) from 2015 to 2018. We compare the CSP construct with the CSP disclosures in the annual reports of the

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<sup>2</sup> <https://www.vision2030.gov.sa/en/node/12>



companies. Further, we use content analysis to analyze CSR constructs that include philanthropic CSR, environmental CSR, employee CSR, social CSR, and stakeholder CSR. In addition, a composite CSR is used which combines all the above mentioned CSR constructs. We also develop a questionnaire survey and distribute the questionnaire to boards of directors (BoD) and senior management of Saudi listed companies.

Our findings indicate that the relation between CSR and financial performance is insignificant. When we consider each CSR construct separately, we find that each construct has an insignificant but positive impact on each financial performance measure. None of the CSR dimensions (philanthropic CSR, environmental CSR, employee CSR, social CSR, and stakeholder CSR) has a significant impact on the financial performance of the companies in our sample.

We also test the impact of the composite CSR, which includes all the CSR dimensions, on various financial performance measures. We find a significant impact of environmental CSR on a financial performance measure, that is, the return on invested capital. Additionally, the study reports a significantly positive impact of stakeholder CSR on the return on invested capital. Both findings are statistically significant at the 10% confidence level. Finally, the other dimensions of CSR have no significant relation with financial performance.

The remainder of the paper is structured as follows. Section 2 describes the data and empirical methodology. Section 3 reports the empirical findings. Section 4 is the conclusion. Finally, Section 5 offers our recommendation.

## Data and Empirical Methodology

### *a) Content Analysis*

The measurement of CSP is difficult and previous studies have tried to measure CSP using a variety of methods, including content analysis (Wolfe, 1991), questionnaire surveys (Aupperle et al., 1985b, Aupperle and policy, 1991), social responsibility indices (McGuire et al., 1988b), and case study methodologies (Clarkson and policy, 1991). However, all these approaches suffer from limitations. For example, questionnaire surveys have shortcomings relating to sample size, rate of response, and validity issues. Index ratings have been criticized for quantifying CFP in a way that is similar to the approach used for CSP. On the other hand, content analysis largely depends upon the purposes for which the reports were originally generated. Lack of generalizability is the biggest issue in case study methods.

Our CSP disclosure measurement consists of content analysis of the annual reports and other corporate disclosures. CSP disclosure has been used by previous studies to measure the social performance of companies (Lerner and Fryxell, 1988). In addition, annual reports are used for the medium CSR disclosures because of their availability and because they are considered tools that enable companies to communicate with their shareholders (Hughes et al., 2001). Content analysis is a useful metric to measure the social performance of companies (Wolfe, 1991). Previous work on social and environmental disclosures also employed content analysis methodology (Abbott and Monsen, 1979, Hughes et al., 2001, Milne and Adler, 1999). The content analysis of social and environmental disclosures comprises the development of a categorization scheme and the determination of the directions to be used as a guideline in terms of coding. The unit of analysis is the number of sentences related to CSR disclosed in the companies' annual report, thus determining the degree of CSR (Hackston and Milne (1996).



We use sentences as a medium for the basis of coding because it is far more reliable than any other unit of analysis.

Inspired by previous work, we measure the financial performance of the firm by using the share price along with the return on assets, return on equity, and return on sales. Berman et al. (1999) and McGuire et al. (1988a) argue that return on assets is an authentic measure of financial performance.

To test the relationship between CSR and CFP, we develop the following hypotheses:

*H1: Philanthropic CSR has a significant positive impact on the financial performance of publicly listed companies.*

*H2: Environmental CSR has a significant positive impact on the financial performance of publicly listed companies.*

*H3: Employee CSR has a significant positive impact on the financial performance of publicly listed companies.*

*H4: Social CSR has a significant positive impact on the financial performance of publicly listed companies.*

*H5: Stakeholder CSR has a significant positive impact on the financial performance of publicly listed companies.*

*H6: Composite CSR among all dimensions has a significant positive impact on the financial performance of publicly listed companies.*

Our sample spans from 2015 to 2018 and covers all publicly listed Saudi firms. We obtain all financial reports of the 233 companies from Tadawul's website<sup>3</sup>. We find that 88 firms have financial reports in Arabic and the rest of the companies have financial reports in English. The quality of many of the financial reports in a PDF format meant that they were quite challenging to read and analyze for our content analysis approach. Hence, we utilize the optical character recognition (OCR) technique to convert PDF files into higher quality, readable documents. OCR is a widespread technology that is used to recognize text inside images and to convert written

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<sup>3</sup> <https://www.tadawul.com.sa/wps/portal/tadawul/home?locale=ar>

text (typed, handwritten, or printed) into machine-readable text data. The process of the OCR analysis is quite lengthy, and the conversion of a single company report requires at least 35 minutes to convert to a readable format. After a lengthy exploration, OCR was performed on all financial reports to produce readable data in a format suitable for content analysis. Table 1 presents the sectors and the number of companies in our data.

**Table 1. Companies and Sectors**

Tadawul Stock Market Firms and Sectors	
Sector Name	Number of Firms
Energy	4
Basic Materials	20
Telecommunications	5
Financials	53
Utilities	2
Consumer Staples	17
Real Estate	26
Industrials	40
Consumer Discretion	28
Health Care	7
Technology	2
Unclassified	17
Total Firms	221

In order to implement the content analysis of CSP, five CSR constructs were formed which include the following: 1) philanthropic construct; 2) environmental construct; 3) employee construct; 4) social construct; and 5) stakeholder construct. Each construct includes a list of various dimensions, which are keywords obtained from the CSR literature. These keywords are of significant importance to the content analysis. The English keywords are also translated into Arabic for the content analysis of financial statements in Arabic. Table 2 shows the list of constructs and keywords used in our content analysis.



Table 2. Constructs and Keywords

S.No.	Construct: Philanthropy	
	English Keywords	Arabic Words
1	Zakat	الزكاة
2	Charity	الاعمال الخيرية
3	Donations	التبرعات
Construct: Environmental		
1	Environment	بيئة
2	Pollution	التلوث
3	Earth	أرض
4	Water	ماء
5	Air	هواء
6	Renewable Energy	طاقة متجددة
7	Recycled	التلوث
8	Sustainability	الاستدامة
9	Carbon Emission	كربوني انبعاث
Construct: Employees		
1	Employees training	تدريب الموظفين
2	Employees education	تعليم الموظفين
3	Workers Benefits	فوائد العمال
4	Workplace	مكان العمل
5	Gender Discrimination	التمييز الجنسي
6	Employees training	تدريب الموظفين
7	Employees education	تعليم الموظفين
Construct: Social		
1	Community works	يعمل المجتمع
2	Community service	خدمة المجتمع
3	Community development	تطوير المجتمع
Construct: Stakeholders		
1	Disclosure committee	لجنة الإفصاح
2	Social Responsibility	مسؤولية اجتماعية
3	Audit committee	لجنة التدقيق
4	Business ethics	خلاقيات العمل
5	Stakeholders	أصحاب المصلحة
6	Compliance with regulators	الامتثال للمنظمين
7	CEO statement about corporate governance	بيان الرئيس التنفيذي حول حوكمة الشركات

Our study utilizes the MAXDQA software for the content analysis of all OCR financial reports. MAXQDA is a software program designed for computer-assisted qualitative and mixed methods data, text, and multimedia analysis. It is developed and distributed by VERBI Software

in Berlin, Germany<sup>4</sup>. MAXQDA can be used for content analysis in both Arabic and English. Table 3 presents the content analysis for all English and Arabic keywords along with the frequency and percentage of all related keywords. This table indicates that most of our keywords are derived from financial statements in English rather than Arabic. For the purpose of our analysis, we include keywords with a frequency of higher than 20.

Table 3. Content Analysis on Keywords

Content Analysis	Frequency	%
zakat	7901	66.95
الزكاة	2018	17.10
environment	301	2.55
air	246	2.08
water	238	2.02
audit committee	230	1.95
أرض	200	1.69
ethics	172	1.46
المزايا	124	1.05
stakeholders	77	0.65
renewable	60	0.51
recycled	43	0.36
ماء	30	0.25
بيئة	28	0.24
donations	24	0.20
community	17	0.14
workplace	16	0.14
charity	15	0.13
training and development	15	0.13
sustainability	13	0.11
sustainable	12	0.10
social responsibility	7	0.06
discrimination	3	0.03
التلوث	3	0.03
community development	2	0.02
أصحاب المصلحة	2	0.02
التبرعات	2	0.02
مكان العمل	2	0.02
هواء	1	0.01
business ethics	0	0.00

<sup>4</sup> <https://www.maxqda.com/about#>



carbon emission	0	0.00
statement about corporate governance	0	0.00
community service	0	0.00
community works	0	0.00
compliance with regulators	0	0.00
CSR reports	0	0.00
disclosure committee	0	0.00
earth	0	0.00
emissions	0	0.00
emissions to air	0	0.00
employees education	0	0.00
employees training	0	0.00
energy consumption	0	0.00
energy efficiency	0	0.00
gender discrimination	0	0.00
philanthropy	0	0.00
policy regarding corporate social responsibility	0	0.00
pollution	0	0.00
reusable	0	0.00
workers benefits	0	0.00
اتباع الأنظمة	0	0.00
أخلاقيات العمل	0	0.00
استهلاك الطاقة وكفاءتها	0	0.00
أعمال مجتمعية	0	0.00
الإحسان	0	0.00
الاستدامة	0	0.00
الاعمال الخيرية	0	0.00
الانبعاثات في الهواء	0	0.00
السياسة المتعلقة بمسؤولية الشركات	0	0.00
الفصل بين الجنسين	0	0.00
بيان الرئيس التنفيذي حول حوكمة الشركة	0	0.00
تدريب الموظفين	0	0.00
تطوير المجتمع	0	0.00
تعليم الموظفين	0	0.00
تعويضات العمال	0	0.00
تقارير المسؤولية الاجتماعية	0	0.00
خدمة المجتمع	0	0.00
طاقة متجددة	0	0.00
لجنة الإفصاح	0	0.00
لجنة التدقيق	0	0.00
مادة قابلة لإعادة الاستخدام	0	0.00

مسؤولية اجتماعية	0	0.00
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In addition to the CSR constructs, we include keywords of both English and Arabic words. Further, we conduct a principal component analysis on our content analysis for all five constructs. Five different variables are formed for each construct by combining Arabic and English keywords, and each variable created by the principal component analysis is used in our regression analysis. The construction of CSR constructs is shown in Table 4.

Table 4. CSR Index Using Principal Component Analysis

CSR Index Construction Using Principal Component Analysis		
Variable	Variables/Keywords included in Construction	Index Construction
Philanthropic CSR	Zakat Charity Donations	Philanthropic CSR indicator is constructed using principal component analysis with varimax rotation.
Environmental CSR	Environment Air Water Earth Sustainable Renewable Recycled Pollution	Environmental CSR indicator is constructed using principal component analysis with varimax rotation.
Employees CSR	Workplace Training and development Discrimination	Employees CSR indicator is constructed using principal component analysis with varimax rotation.
Community/Social CSR	Community Community development	Social CSR indicator is constructed using principal component analysis with varimax rotation.
Stakeholder CSR	Audit committee Social responsibility Ethics Stakeholders	Stakeholder CSR indicator is constructed using principal component analysis with varimax rotation.

After forming the CSR constructs, we aim to find the effect of these constructs on the financial performance of the companies in our study. We look upon four financial performance proxies: earnings per share (EPS), return on assets (ROA), return index (RI), and return on

invested capital (ROIC) (Ozkan et al., 2017, Damodaran et al., 2007, Khan et al., 2014, Qian and Zhu, 2018). Control variables are the variables that are related to the dependent variable but can strongly influence the results in the regression analysis. For control variables, we use firm size, financial slack, leverage, sales/revenue, and market to book ratio. In order to control for financial risk, we also use the ratio of debt to total assets (DTA) as a control variable. This study utilizes the dynamic panel model by using the generalized method of moments technique adopted by Arellano and Bond (1988). The definitions of all these variables and the previous research that used these variables are shown in Appendix 2.

Our data is unbalanced panel data and panel data analysis will be used for this project as it is a data that contains observations about different cross sections across time. Panel data can take explicit account of individual-specific heterogeneity by combining data in two dimensions and, thus, panel data give more data variation, less collinearity, and more degrees of freedom. Two approaches are normally used in panel data analysis: 1) random effects models and 2) fixed effects models or first-difference models. Following the existing literature, we also used panel data estimation techniques and used fixed effect estimation and random effect estimation.

### *b) Questionnaire Survey*

The questionnaire survey uses the same five CSR constructs as those used in the content analysis. To measure financial performance, we used the balanced scorecard approach, which has been used in a number of similar studies (Kaplan and Norton, 1992, Javed et al., 2020, Ali et al., 2020). The questionnaire was developed in English and then translated into Arabic for a better response. The questionnaire was sent to three senior managers working in the corporate sector of Saudi Arabia and was modified as per their comments. Finally, the questionnaire was sent to BoD members and senior management of the companies registered at Tadawul. The Capital Market Authority (CMA) helped distributed the questionnaire to get a better response rate.

## Empirical Results

### a) Questionnaire Survey

#### I. Demographic Statistics

Table 5 presents the demographic statistics of our questionnaire survey. The survey was sent to 188 participants and we received 89 completed questionnaire surveys. There were 99 questionnaires with some missing values and the majority of our respondents are male and aged 35–54 years. Almost all of our respondents have a bachelor's degree or above. About 68% of our respondents are senior management and 37% are BoD members. Most of our respondents have at least 10 years' experience. Additionally, almost 25% of our respondents are from the materials sector of Tadawul.

Table 5. Demographic Statistics from Questionnaire Survey

Characteristics	Categories	Frequency	Percent
Gender	Male	110	90.91%
	Female	11	9.09%
	Total	121	100%
Age	18 years-24 years	3	2.48%
	25 years-34 years	8	6.61%
	35 years-44 years	42	34.71%
	45 years-54 years	44	36.36%
	55 years and More	24	19.83%
	Total	121	100%
Education	High school or College	1	0.83%
	Bachelors	67	55.83%
	Masters and Above	52	43.33%
	Total	120	100%
Position in the Company	BOD member	38	32.48%
	Senior Level Management	79	67.52%
	Total	117	100%
Professional Experience	Less than 1 year	0	0.00%
	1-3 years	2	2.56%
	More than 3 year and up to 5 years	3	3.85%
	More than 5 years and up to 10 years	6	7.69%
	more than 10 years	67	85.90%
	Total	78	100%
	Up to 200	15	20.00%

Number of employees in the company	More than 200 and up to 1,000	26	34.67%
	More than 1,000 and up to 10,000	28	37.33%
	More than 10,000	6	8.00%
	Total	75	100%
The sector of the company in Tadawul	Energy	4	3.64%
	Commercial and Professional Services	2	1.82%
	Materials	27	24.55%
	Transportation	4	3.64%
	Capital Goods	2	1.82%
	Consumer Durables and Apparel	0	0.00%
	Consumer Services	1	0.91%
	Media	0	0.00%
	Retailing	3	2.73%
	Food and Staples Retailing	4	3.64%
	Food and Beverages	2	1.82%
	Health Care Equipment and Svc	0	0.00%
	Pharma, Biotech and Life Sciences	4	3.64%
	Banks	11	10.00%
	Diversified Financials	0	0.00%
	Insurance	37	33.64%
	Telecommunication Services	0	0.00%
	utilities	0	0.00%
	RIETs	0	0.00%
	Real Estate Mgmt and Derv't	9	8.18%
Total	110	100%	

## II. Descriptive Statistics

Table 6 shows the descriptive statistics of the questionnaire survey. On a Likert scale of 1 to 5, the results show that the stakeholder CSR dimension has the highest mean value of 4.32, followed by employee CSR mean value of 4.13. In addition, financial performance has the lowest mean value of 2.97. The complete results of the questionnaire are given in Appendix 5.

Table 6. Descriptive Statistics of Questionnaire Survey

CSR Dimension	Mean Score	Standard Dev.	Variance
Environmental CSR	3.39	1.14	1.30
Philanthropic CSR	3.41	1.11	1.25
Stakeholder CSR	4.32	0.88	0.78
Employee CSR	4.13	0.97	0.95
Social CSR	3.93	1.06	1.13
Financial Performance	2.97	0.88	0.77

## *b) Content Analysis*

### *1. Descriptive Statistics*

Table 7 shows the descriptive statistics for the full sample using content analysis. The results indicate that all CSR constructs have means equal to zero and a standard deviation of around 1. Further, the skewness values for all constructs of CSR are low while the kurtosis values for all CSR constructs are positive and high, indicating the presence of heavy tails.



Table 7. Descriptive Statistics - CSR and Firm Performance

Variables	Obs	Mean	Std.Dev.	Min	Max	p1	p99	Skew.	Kurt.
EPS	701	1.6	1.81	0	13.97	0	7.62	1.82	7.76
ROA	748	3.83	12.61	-164.07	52.81	-22.38	32.48	-6.33	87.46
ROIC	751	1.97	110.74	-2985.11	95.92	-53.48	54.92	-26.2	706.81
RI	729	186.8	486.4	6.88	6875.57	10.64	1363.25	10.28	126.7
Philanthropic CSR	768	-0.1	0.51	-0.41	3.32	-0.41	3.08	4.73	29.66
Environmental CSR	776	0	1.25	-3.2	8.97	-2.03	5.81	2.86	15.79
Employees CSR	776	0	1.01	-4.73	5.09	-4.73	5.09	0.09	23.58
Social CSR	776	0	1.23	-0.08	29.9	-0.08	2.49	20.98	478.14
Stakeholder CSR	776	0	1.26	-0.68	7.37	-0.68	4.52	2.09	7.29
SIZE	770	14.66	1.95	9.44	21.01	10.65	19.91	0.78	3.62
SLACK	626	11.96	2.3	1.79	19.63	6.44	17.33	-0.24	3.64
LNSALES	767	13.53	1.93	4.76	21.01	8.62	17.98	-0.33	5.07
DTASSET	737	18.93	26.68	0	455.62	0	68.3	7.72	114.54
LEV	739	28.87	52.7	0	455.65	0	244	3.4	18.77
MKTBOOK	708	2.22	2.61	-18.17	34.16	-1.32	9.49	1	51.17

Where Obs is Number of Observations, Std.Dev is Standard Deviation, Min is Minimum Value, Max is Maximum Value, P1 is Percentile 1 and 99P is Percentile 99, skew is Skewness, Kurt is Kurtosis.

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

## II. Correlation Matrix

Table 8 presents the correlation matrix for all the variables in this study. The highest correlation value among constructs is between stakeholder CSR and environmental CSR (0.382). Also, the highest correlation value among control variables and CSR constructs is 0.826.

Table 8. Correlation Matrix

Variables	1	2	3	4	5	6	7	8	9	10	11
(1) Philanthropic CSR	1										
(2) Environmental CSR	0.294	1									
(3) Employees CSR	0.024	0.065	1								
(4) Social CSR	0.089	0.111	-0.004	1							
(5) Stakeholder CSR	0.298	0.382	-0.025	0.133	1						
(6) SIZE	0.148	0.303	0.192	0.136	0.187	1					
(7) SLACK	0.114	0.273	0.203	0.101	0.171	0.826	1				
(8) LNSALES	0.198	0.301	0.177	0.112	0.207	0.809	0.784	1			
(9) DTASSET	0.08	0.178	0.005	0.146	0.037	0.27	0.245	0.35	1		
(10) LEV	0.047	0.18	0.001	0.257	0.076	0.424	0.343	0.4	0.722	1	
(11) MKTBOOK	-0.022	-0.048	-0.043	-0.014	0.078	-0.236	-0.15	-0.046	-0.175	-0.137	1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

### III. *Reliability Test (Cronbach's Alpha Test)*

The Cronbach's alpha test of reliability is calculated for all the data collected in this research. Appendix 4 presents the reliability test results for the CSR variables and financial performance of all listed companies. The average value of Cronbach's alpha is 0.3970 which is high enough to show that our data is reliable.

### IV. *Multicollinearity Test (Variation Inflation Factor)*

In order to check for multicollinearity, we determined the values of the variation inflation factor in the financial sector in Appendix 5. The findings indicate that the variation inflation factor of all variables is below 10, which suggests that our variables do not suffer from multicollinearity.

### V. *Regression Analysis*

The Hausman test was used to determine whether fixed effect or random effect regression analysis should be used and the results indicate that fixed effect regression analysis is the most suitable for our panel data. Six fixed effect regression analyses were performed on our data. In the first five fixed effect regression analyses, we take each dimension of CSR individually and various control variables. The results of these five fixed effect regression analyses are shown in Tables 9–13 in the following sections. We also combine the CSR dimensions to find the effect of all dimensions of CSR on financial performance and the results are presented in Table 14. The composite CSR results are shown in Table 15.

#### 1) *Philanthropic CSR*

Table 9 shows the results of panel data fixed effect regression analysis of philanthropic CSR when using the control variables as independent variables. Different columns show the results for the four dependent variables EPS, ROA, ROIC, and RI. The value of philanthropic CSR is

positive but insignificant for all the dependent variables. The variable SIZE is significant for EPS, ROA, and RI while SLACK is significant for EPS, ROA, and ROIC. Based on our findings, our first null hypothesis is rejected and there is no significant impact of philanthropic CSR on financial performance.

Table 9. Philanthropic CSR and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Philanthropic CSR	0.043 (0.126)	-0.322 (0.545)	-0.546 (1.200)	-0.214 (14.526)
SIZE	1.957*** (0.441)	3.929** (1.909)	3.743 (4.210)	138.216*** (50.900)
SLACK	0.299*** (0.062)	0.738*** (0.270)	1.534** (0.596)	1.737 (7.197)
LNSALES	0.188 (0.143)	3.187*** (0.620)	5.328*** (1.369)	-14.807 (16.530)
DTASSET	-0.027** (0.012)	-0.141*** (0.053)	-0.171 (0.117)	-2.024 (1.413)
LEV	0.001 (0.003)	-0.027** (0.014)	-0.032 (0.030)	-0.047 (0.360)
MKTBOOK	0.242*** (0.051)	0.925*** (0.219)	-0.167 (0.484)	49.232*** (5.853)
Constant	-33.784*** (6.180)	-105.647*** (26.713)	-137.025** (58.980)	-1,740.940** (713.221)
Observations	532	530	532	533
R-squared	0.170	0.200	0.083	0.173
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.1729	0.7833

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

## 2) Environmental CSR

To examine the effect of environmental CSR on financial performance, we conduct a fixed effect regression analysis as shown in Table 10. Table 10 shows the results for the four dependent variables EPS, ROA, ROIC, and RI. The value of environmental CSR is positive but insignificant for all the dependent variables. The variable SIZE is significant at the 10%

confidence level for EPS RI and significant at the 5% confidence level for ROA. SLACK is significant for EPS, ROA, and ROIC. The independent variable DTA is significant at the 5% confidence level for EPS as a dependent variable. Therefore, our second null hypothesis is rejected and there is no significant impact of environmental CSR on financial performance.

Table 10. Environmental CSR and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Environmental CSR	0.026 (0.060)	0.061 (0.261)	-0.093 (0.574)	0.650 (6.937)
SIZE	1.969*** (0.435)	3.838** (1.885)	3.549 (4.160)	135.429*** (50.259)
SLACK	0.295*** (0.061)	0.726*** (0.266)	1.548*** (0.586)	2.142 (7.073)
LNSALES	0.187 (0.140)	3.152*** (0.605)	5.304*** (1.336)	-13.774 (16.127)
DTASSET	-0.028** (0.012)	-0.140*** (0.052)	-0.164 (0.116)	-1.991 (1.401)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.029)	-0.045 (0.356)
MKTBOOK	0.241*** (0.050)	0.955*** (0.215)	-0.076 (0.475)	50.061*** (5.737)
Constant	-33.905*** (6.105)	-103.789*** (26.391)	-134.362** (58.307)	-1,722.433** (704.528)
Observations	539	537	539	540
R-squared	0.174	0.204	0.085	0.180
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.1691	0.7500

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

### 3) Employee CSR

Table 11 contains the results of the fixed effect regression analysis of employee CSR on financial performance. Table 11 shows the results for the four dependent variables EPS, ROA, ROIC, and RI. The value of employee CSR is positive but insignificant for EPS and RI as the

dependent variables while it is negative and insignificant for ROA and ROIC as the dependent variables. The variable SIZE is significant at the 10% confidence level for EPS, ROA, and RI. SLACK is significant for EPS, ROA, and ROIC. The independent variable DTA is significant at the 5% confidence level for EPS as a dependent variable. According to the findings, our third null hypothesis is rejected and there is no significant impact of employee CSR on financial performance.

Table 11. Employees CSR and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Employees CSR	0.003 (0.112)	-0.208 (0.493)	-0.126 (1.072)	5.606 (12.967)
SIZE	1.974*** (0.435)	3.863** (1.884)	3.536 (4.159)	135.276*** (50.232)
SLACK	0.297*** (0.061)	0.732*** (0.265)	1.540*** (0.585)	2.195 (7.048)
LNSALES	0.186 (0.140)	3.150*** (0.605)	5.306*** (1.336)	-13.767 (16.122)
DTASSET	-0.027** (0.012)	-0.139*** (0.052)	-0.165 (0.116)	-1.985 (1.398)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.029)	-0.044 (0.356)
MKTBOOK	0.241*** (0.050)	0.958*** (0.215)	-0.074 (0.475)	49.981*** (5.739)
Constant	-34.007*** (6.102)	-104.199*** (26.370)	-134.083** (58.269)	-1,721.117** (703.895)
Observations	539	537	539	540
R-squared	0.173	0.204	0.085	0.180
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.1949	0.8051

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

#### 4) Social CSR

Table 12 shows the results of panel data fixed effect regression analysis of social CSR on financial performance. The analysis uses all four dependent variables EPS, ROA, ROIC, and RI. Our findings suggest that the value of social CSR is positive but insignificant for EPS and RI as the dependent variables while it is negative and insignificant for ROA and ROIC as the dependent variables. The variable SIZE is significant at the 10% confidence level for EPS, ROA, and RI. SLACK is significant for EPS, ROA, and ROIC. The independent variable DTA is significant at the 5% confidence level for EPS as the dependent variable. The findings rejects our fourth null hypothesis as there is no significant impact of social CSR on financial performance.

**Table 12-Social CSR and Firm Performance -Fixed Effects Regression**

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Social CSR	-0.002 (0.036)	-0.001 (0.156)	-0.004 (0.345)	0.512 (4.177)
SIZE	1.974*** (0.436)	3.851** (1.885)	3.529 (4.160)	135.720*** (50.256)
SLACK	0.297*** (0.061)	0.731*** (0.265)	1.541*** (0.585)	2.175 (7.052)
LNSALES	0.186 (0.140)	3.151*** (0.605)	5.307*** (1.336)	-13.821 (16.128)
DTASSET	-0.027** (0.012)	-0.139*** (0.052)	-0.166 (0.116)	-1.984 (1.398)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.030)	-0.047 (0.357)
MKTBOOK	0.241*** (0.050)	0.955*** (0.215)	-0.076 (0.475)	50.046*** (5.739)
Constant	-34.003*** (6.103)	-104.027*** (26.378)	-133.985** (58.275)	-1,726.544** (704.121)
Observations	539	537	539	540
R-squared	0.173	0.204	0.085	0.180
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.2047	0.8120

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

### 5) Stakeholder CSR

Table 13 shows the effect of stakeholder CSR on financial performance. The value of stakeholder CSR is positive but insignificant for EPS and RI as the dependent variables while it is negative and insignificant for ROA and ROIC as the dependent variables. The variable SIZE is significant at the 10% confidence level for EPS, ROA, and RI. SLACK is significant for EPS, ROA, and ROIC. The independent variable DTA is significant at the 5% confidence level for EPS as the dependent variable. According to the results, our fifth null hypothesis is rejected and there is no significant impact of stakeholder CSR on financial performance.

Table 13. Stakeholders CSR and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Stakeholders CSR	0.079 (0.048)	0.195 (0.209)	0.359 (0.462)	-2.345 (5.586)
SIZE	1.996*** (0.434)	3.903** (1.883)	3.627 (4.157)	134.916*** (50.252)
SLACK	0.290*** (0.061)	0.713*** (0.265)	1.507** (0.586)	2.409 (7.066)
LNSALES	0.200 (0.139)	3.185*** (0.606)	5.370*** (1.338)	-14.200 (16.152)
DTASSET	-0.028** (0.012)	-0.140*** (0.052)	-0.167 (0.116)	-1.974 (1.398)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.032 (0.029)	-0.041 (0.356)
MKTBOOK	0.242*** (0.050)	0.955*** (0.215)	-0.075 (0.474)	50.055*** (5.736)
Constant	-34.427*** (6.085)	-105.037*** (26.364)	-135.874** (58.267)	-1,712.601** (704.464)
Observations	539	537	539	540
R-squared	0.179	0.206	0.086	0.180
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.1848	0.8055

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio



## 6) CSR with All Dimensions

To further validate the findings, we re-examine the effect of CSR on financial performance by including all five dimensions of CSR. Table 14 shows that the value of the composite CSR is positive but insignificant for EPS and RI as the dependent variables while it is negative and insignificant for ROA and ROIC as the dependent variables. The variable SIZE is significant at the 10% confidence level for EPS, ROA, and RI. SLACK is significant for EPS, ROA, and ROIC. The independent variable DTA is significant at the 5% confidence level for EPS as the dependent variable. Our empirical findings clearly indicate that our sixth null hypothesis is rejected and there is no significant impact of CSR (with all dimensions) on financial performance. The results are similar to Fauzi et al. (2007) who found no significant relation between CSP and CFP whereas Suto et al. (2016) found that the composite measure of CSP is significantly negatively related to CFP.

Table 14. CSR-All Dimensions and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Philanthropic CSR	-0.006 (0.134)	-0.498 (0.579)		-0.476 (15.479)
Environmental CSR	-0.004 (0.067)	0.045 (0.291)	0.097*** (0.026)	1.893 (7.752)
Employees CSR	-0.000 (0.114)	-0.197 (0.503)	0.037 (0.045)	5.381 (13.250)
Social CSR	-0.007 (0.037)	-0.008 (0.160)	0.012 (0.015)	0.558 (4.283)
Stakeholders CSR	0.080 (0.054)	0.254 (0.234)	0.076*** (0.021)	-2.087 (6.246)
SIZE	1.991*** (0.443)	4.041** (1.920)	0.068 (0.175)	136.925*** (51.288)
SLACK	0.292*** (0.063)	0.712*** (0.273)	0.009 (0.025)	1.787 (7.264)
LNSALES	0.196 (0.144)	3.209*** (0.623)	-0.007 (0.057)	-15.000 (16.627)
DTASSET	-0.027** (0.012)	-0.143*** (0.053)	-0.000 (0.005)	-2.043 (1.423)
LEV	0.001 (0.003)	-0.028** (0.014)	-0.001 (0.001)	-0.047 (0.363)
MKTBOOK	0.241*** (0.051)	0.923*** (0.220)	-0.017 (0.020)	49.132*** (5.889)

Constant	-34.299*** (6.214)	-107.259*** (26.886)	-1.012 (2.458)	-1,719.489** (719.050)
Observations	532	530	533	533
R-squared	0.175	0.203	0.117	0.173
Number of id	166	166	166	166
Hausman Test P-value	0.0000	0.0000	0.8228	0.9216

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

### 7) Composite CSR

Our goal is to test whether CSR has an effect on financial performance. In order to confirm consistency with our findings, we run another regression by including the composite CSR. The results of Table 15 show that the composite CSR has a positive but insignificant value for each of the financial measure dependent variables. SIZE and SLACK, which are control variables, have significant values and, similarly, DTA and MKTBOOK have significant values for the dependent variables.

Table 15. Composite CSR and Firm Performance -Fixed Effects Regression

Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Composite CSR	0.038 (0.039)	0.077 (0.168)	0.057 (0.370)	-2.353 (4.479)
SIZE	1.971*** (0.435)	3.844** (1.884)	3.525 (4.159)	135.748*** (50.223)
SLACK	0.292*** (0.061)	0.720*** (0.266)	1.532*** (0.587)	2.524 (7.075)
LNSALES	0.193 (0.140)	3.165*** (0.606)	5.317*** (1.338)	-14.234 (16.142)
DTASSET	-0.028** (0.012)	-0.140*** (0.052)	-0.166 (0.116)	-1.950 (1.399)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.029)	-0.041 (0.356)
MKTBOOK	0.242*** (0.050)	0.956*** (0.215)	-0.074 (0.475)	50.007*** (5.736)
Constant	-33.987***	-103.984***	-133.968**	-1,726.125**

	(6.094)	(26.366)	(58.264)	(703.757)
Observations	539	537	539	540
R-squared	0.175	0.204	0.085	0.180
Hausman Test P-value	0.0000	0.0000	0.1824	0.8298

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

## VI. *Regression Analysis using a Dummy Variable*

To check the endogeneity of our model, we used regression analysis of all the constructs/dimensions of CSR using 2015 as a dummy variable. Between mid-2014 and early 2016, the global economy faced one of the largest oil price declines in modern history. The 70% price drop during that period was one of the three biggest declines since World War II and the longest lasting since the supply-driven collapse of 1986. The results of regression analysis using a dummy variable are shown in Appendix 6. The results of the regression analysis are similar to our panel data regression analysis and confirm that there is no endogeneity in the variables.

## Conclusion

In this paper, we investigated the impact of CSP on CFP of Saudi listed companies. Social performance was calculated by forming various CSR constructs, which include philanthropic CSR, environmental CSR, employee CSR, social CSR, and stakeholder CSR. The impact of all these constructs on the financial performance of Saudi listed companies was determined, as well as the impact of the composite CSR containing all of these constructs. A questionnaire survey was also carried out to confirm the results obtained from the content analysis.

Our analyses are performed using panel data and the fixed effect regression. We examined each CSR construct separately and our findings indicate that each construct has a positive but insignificant impact on each financial performance measure. No CSR construct has a significant impact on the financial performance of Saudi companies. Additionally, we examined the impact of the composite CSR on various financial performance measures. The composite CSR includes all the dimensions of CSR, including philanthropic CSR, environmental CSR, employee CSR, social CSR, and stakeholder CSR. We documented a significant impact of environmental CSR on the return on invested capital. Further, the evidence provided a significant positive impact of stakeholder CSR on the return on invested capital. Both results are significant at the 10% confidence level. No other CSR dimension has a significant impact on financial performance.

Our results indicate that two dimensions of CSR (environmental CSR and stakeholder CSR) have a significant positive impact on only one financial performance measure (return on invested capital) of Saudi listed companies. These two dimensions of CSR also show an insignificant impact on other financial performance measures. No other dimension of CSR has a significant positive impact on the financial performance of Saudi listed companies. The evidence is further verified by our questionnaire survey results, which show the highest CSR score for stakeholder CSR and the lowest score for financial performance. Overall, we safely conclude that there is no significant impact of CSP on CFP of Saudi listed companies.

## Recommendation

In this research, we analyzed the impact of CSP on the CFP of Saudi listed companies and, based on our findings, few social reports are prepared by Saudi companies and a small number of companies, most of which are international companies and not local companies, mention CSR in their financial reports. Also, our research indicates that companies who prepare financial reports in Arabic do not include social performance or CSR. Our research indicates that all companies that do mention CSR did so as a part of their financial statements and not as a discrete topic or section about CSR. Indeed, the information about CSR in financial statements was spread around various locations. The lack of a clear mention of CSR indicates that companies are not particularly concerned about social responsibility or do not take it seriously. We recommend that a specific section about CSR should be included in financial reports in addition to separate social reports being prepared by the listed companies. A link to a comprehensive sample sustainability report by the Zain group is given in the footnotes.

Presently, there are 55 exchanges in the world with proper environment, social, and governance (ESG) reporting standards. We recommend that proper social reporting standard guidelines should be defined by CMA along with regulations to disclose ESG. Bahrain and UAE have developed proper ESG reporting standards recently. Both Bahrain and UAE follow GRI standards<sup>5</sup>, the Sustainability Accounting Standards Board standards, and the International Integrated Reporting Council standards to voluntarily disclose the information. These standards have various themes in each of the environment, social, and governance categories. Following in the footsteps of other exchanges, CMA should provide proper ESG reporting guidelines to the listed Saudi companies and GRI standards can be used as guidelines. There is an increasing demand for ESG information from companies as the concept of responsible investment gains momentum. ESG reporting shows the transparency and effective management of a company and enhances its ability to attract long-term capital and institutional investors.

<sup>5</sup> <https://www.globalreporting.org/standards/>

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## Appendix 1. List of Previous Studies

Previous studies showing the relationship between CSR and CFP (2015 and onwards)

S. No	Title and Authors	Reference	Methodology	Area
<b>Positive Relationship between CSP and CFP</b>				
1	Comparative Analysis of CSR Disclosure and Its Impact on Financial Performance in the GCC Islamic Banks	(Platonova, 2014)	Content Analysis of annual Reports	GCC
2	Corporate social responsibility disclosures as an indicator of social performance and its relation with financial performance	(Yilmaz, 2011)u	Content Analysis	Turkey
3	Corporate social responsibility and financial performance: An empirical analysis of Indian banks	(Maqbool and Zameer, 2018)	Content Analysis	India
4	Corporate social responsibility and firm's performance: empirical evidence  Corporate social responsibility and firm's performance: empirical evidence	(Famiyeh, 2017)	Questionnaire Survey	Ghana
5	Doing good and doing bad: The impact of corporate social responsibility and irresponsibility on firm performance	(Price and Sun, 2017)	KLD Index	US
6	Financial performance and corporate social responsibility in the banking sector of Bahrain: Can engagement moderate?	(Galdeano et al., 2019)	Questionnaire Survey	Bahrain
7	The Impact of CSR and Financial Distress on Financial Performance—Evidence from Chinese Listed Companies of the Manufacturing Industry	(Wu et al., 2020)	Rating Agency Data	China
8	Corporate social responsibility, financial instability and corporate financial performance: Linear, non-linear and	(Jahmane and Gaies, 2020)	ESG database Thomson Reuters	France

	spillover effects – The case of the CAC 40 companies			
9	Corporate social responsibility, financial performance and risk in Indonesian natural resources industry	(LIMAN et al., 2019)	KLD Index	Indonesian
10	Corporate social responsibility and future financial performance: Evidence from Tehran Stock Exchange	(Salehi et al., 2018)	Content Analysis	Iran
11	The Corporate Social Responsibility and Firms' Financial Performance: Evidence from Financial Sector of Pakistan	(Bagh et al., 2017)	Financial Reports	Pakistan
12	The relationship between corporate social responsibility and financial performance: Evidence from Malaysia	(Yusoff and Adamu, 2016)	Content Analysis	Malaysia
13	Corporate social responsibility and financial performance in Saudi Arabia: Evidence from Zakat contribution	(Al-Malkawi and Javid, 2018)	Financial Reports	Saudi Arabia
14	Does corporate social responsibility affect the financial performance of the manufacturing sector? Evidence from an emerging economy	(Cherian et al., 2019)	Financial Reports	India
15	Corporate social responsibility, environmental leadership and financial performance	(DiSegni et al., 2015)	Sustainability Index	US
16	The bidirectional CSR investment – economic performance relationship	(Nakamura, 2015)	Financial and CSR reports	Japan
17	Do corporate sustainability practices enhance organizational economic performance?	(Dahlgard-Park et al., 2015)	Questionnaire Survey	Germany, Poland, Serbia, Slovenia and Spain
18	The relationship between Corporation Social Responsibility and Financial	Tu (2015)	Questionnaire Survey	Vietnam

	Performance, An empirical Research in Vietnam			
19	Corporate social responsibility and financial performance nexus: Empirical evidence from South African listed firms	Nyeadi et al. (2018)	CSR Rating company, Financial reports	South Africa
20	Strategic corporate social responsibility (CSR), company financial performance, and earning response coefficient: Empirical evidence on Indonesian listed companies	Sayekti and Sciences (2015)	Financial Reports	Indonesia
21	Linking corporate social responsibility and financial performance in Spanish firms	Muñoz et al. (2015)	CSR disclosure and financial reports	Spain
22	Corporate Social Responsibility Impact on Financial Performance of Bank's: Evidence from Asian Countries	Ashraf et al. (2017)	Financial Reports	Pakistan, Bangladesh
23	Does it pay to be socially responsible? Empirical evidence from the GCC countries	Alsartawi and Management (2020)	Financial Reports	GCC
24	Impact of CSR on financial performance of Casablanca Stock Exchange companies: A longitudinal study	El Yaagoubi and Studies (2020)	Social Reports and Financial Reports	Morocco
25	Corporate Social Responsibility and financial performance: A comparative study in the Sub-Saharan Africa banking sector	Siuieia et al. (2019)	Content Analysis	South Africa & Mozambique
	<b>Negative Relationship between CSP and CFP</b>			
1	Corporate social responsibility and financial performance: A non-linear and disaggregated approach	(Nollet et al., 2016)	Bloomberg's Environmental Social Governance (ESG) Disclosure Indexes	US
2	Study on the Relationship between CSR and Financial Performance	(Cho et al., 2019)	CSR Index	Korea



3	Strategic stakeholder management, environmental corporate social responsibility engagement, and financial performance of stigmatized firms derived from Chinese special environmental policy	Xu et al. (2019)	CSR Rating company, Financial reports	China
4	Does it pay to be socially responsible? Empirical evidence from the GCC countries	Alsartawi and Management (2020)	Financial reports	GCC
	<b>No Relationship between CSP and CFP</b>			
1	Investigating the link between CSR and Financial Performance – Evidence from Vietnamese Listed Companies	(Ho Ngoc and Yekini, 2014)	Content Analysis	Vietnam
2	Corporate Social Responsibility And Financial Performance: The Spanish Case	(Madorran and Garcia, 2016)	CSR Index	Spain
3	Pengaruh Biaya Corporate Social Responsibility Terhadap Kinerja Keuangan Dan Nilai Perusahaan	(Yudharma et al., 2016)	Financial Reports	Indonesia
4	The relation between corporate social responsibility certification and financial performance: An empirical study in Spain	(Brotons et al., 2020)	CSR Certificate	Spain
5	The association between corporate social responsibility index and performance of firms in industrial products and resources industries: empirical evidence from Thailand	(Janamrung and Issarawornrawanich, 2015)	CSR Index	Thailand
6	A stakeholder approach to corporate social responsibility, reputation and business performance	Taghian et al. (2015)	Questionnaire Survey	Australia
7	Can socially responsible leaders drive Chinese firm performance?	Wang et al. (2015)	Questionnaire Survey	China
	Impact of CSR on financial performance of Casablanca Stock Exchange companies: A longitudinal study	El Yaagoubi and Studies (2020)	Social Reports and Financial Reports	Morocco

## Appendix 2. Variable Definitions

Variables	Abbreviation/ Code	Definitions	References/S ource	Database
<b>Dependent Variables (2015-2018)</b>				
Earnings Per Share	EPS	Earnings Per Share	Khan et al. (2014)	Datastream
Return on Assets	ROA	Return on Assets	Damodaran et al. (2007)	
Return on Equity	ROE	Earnings Per Share / Average of Last Year's and Current Year's Book Value Per Share * 100  Interim Time Series:  Trailing 12 Months Earnings Per Share / Average of Last Year's and Current Year's Book Value Per Share * 100	Adegbite et al. (2019)	Datastream
Return Index	RI	This shows a theoretical growth in value of a share holding over a specified period, assuming that dividends are re-invested to purchase additional units of an equity or unit trust at the closing price applicable on the ex-dividend date.  The total return is calculated from the change in the return index over the chosen time period. It is current share price return minus previous return divided by previous return. The basic formula is:  $Ret_{it} = (RI_{it} - RI_{it-1}) / RI_{it-1}$  (multiply by 100 for percentage return)	Cochran and Wood (1984)	Datastream
Return on Invested Capital	ROIC	(Net Income before Preferred Dividends + ((Interest Expense on Debt - Interest Capitalized) * (1-Tax		Datastream

		Rate))) / Average of Last Year's and Current Year's (Total Capital + Last Year's Short Term Debt & Current Portion of Long Term Debt) * 100		
<b>Control Variables</b>				
Firm Size (natural log of total assets)	SIZE	TOTAL ASSETS represent the sum of total current assets, long term receivables, investment in unconsolidated subsidiaries, other investments, net property plant and equipment and other assets.	Adegbite et al. (2019) Fiandrino et al. (2019)	Datastream
Financial Slack (natural log of free cash flows)	SLACK	FREE CASH FLOW PER SHARE represents the cash earnings per share, net of capital expenditures and total dividends paid of the company. The numerator used in this calculation is Funds from Operations  - Capital Expenditures - Cash Dividends Paid.	Lin et al. (2019)	Datastream
Natural log of Sales/Revenue	LNSALES	Gross total sales/revenue	Fiandrino et al. (2019)	Datastream
Debt to Assets Ratio	DTASSET	Debt to assets ratio	Lopatta et al. (2017)	Datastream
Leverage (long term debt to equity ratio)	LEV	Long-term debt to equity ratio	Fiandrino et al. (2019)	Datastream
Market to Book Ratio	MKTBOOK	MKTBOOK is defined as the market value divided by the book value.	Adegbite et al. (2019)	Datastream

## Appendix 3. Tadawul Stock Market Firms and Sectors for Content Analysis

Tadawul Stock Market Firms and Sectors for Content Analysis	
Sector Name	Number of Firms
Energy	4
Basic Materials	20
Telecommunications	5
Financials	53
Utilities	2
Consumer Staples	17
Real Estate	26
Industrials	40
Consumer Discretion	28
Health Care	7
Technology	2
Unclassified	17
Total Firms	221

## Appendix 4. Cronbach's Alpha

Cronbach's alpha examines reliability Test			
Variables	Item	Average iteration covariance	Alpha
Philanthropic CSR	768	20.99512	0.3908
Environmental CSR	776	20.63411	0.3862
Employees CSR	776	21.01288	0.3908
Social CSR	776	20.62655	0.3861
Stakeholders CSR	776	20.99013	0.3905
SIZE	770	19.78072	0.3760
SLACK	626	19.24746	0.3740
LNSALES	767	19.87677	0.3773
DTASSET	737	3.859951	0.1239
LEV	739	1.306155	0.1548
MKTBOOK	708	20.27932	0.3845
<b>Test Scale</b>		17.1407	0.3970

## Appendix 5. Variance Inflation Factor

Variance Inflation Factor with Different CSR indicators		
Variables	VIF	1/VIF
<b>(1) Philanthropic CSR</b>		
SIZE	4.71	0.212444
LNSALES	3.81	0.262760
SLACK	3.59	0.278640
LEV	2.40	0.416053
DTASSET	2.29	0.436487
MKTBOOK	1.18	0.845297
<b>Mean VIF</b>	3.00	
<b>(2) Environmental CSR</b>		
SIZE	4.71	0.212340
LNSALES	3.80	0.263010
SLACK	3.59	0.278749
LEV	2.43	0.411669
DTASSET	2.31	0.432353
MKTBOOK	1.18	0.844852
<b>Mean VIF</b>	3.00	
<b>(3) Employees CSR</b>		
SIZE	4.71	0.212340
LNSALES	3.80	0.263010
SLACK	3.59	0.278749
LEV	2.43	0.411669

DTASSET	2.31	0.432353
MKTBOOK	1.18	0.844852
<b>Mean VIF</b>	3.00	
<b>(4) Social CSR</b>		
SIZE	4.71	0.21234
LNSALES	3.80	0.263010
SLACK	3.59	0.278749
LEV	2.43	0.411669
DTASSET	2.31	0.432353
MKTBOOK	1.18	0.844852
<b>Mean VIF</b>	3.00	
<b>(5) Stakeholders CSR</b>		
SIZE	4.71	0.212340
LNSALES	3.80	0.263010
SLACK	3.59	0.278749
LEV	2.43	0.411669
DTASSET	2.31	0.432353
MKTBOOK	1.18	0.844852
<b>Mean VIF</b>	3.00	

## Appendix 6. Regression Results Using 2015 As Dummy Variable

Philanthropic CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Philanthropic CSR	0.021 (0.050)	-0.231 (0.212)	-0.598 (0.474)	-3.329 (5.779)
SIZE	1.937*** (0.437)	3.613* (1.847)	3.276 (4.122)	133.808*** (50.228)
SLACK	0.297*** (0.061)	0.705*** (0.260)	1.500*** (0.579)	2.422 (7.045)
LNSALES	0.181 (0.140)	3.036*** (0.593)	5.082*** (1.324)	-16.038 (16.119)
DTASSET	-0.028** (0.012)	-0.158*** (0.052)	-0.196* (0.115)	-2.078 (1.402)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.029)	-0.054 (0.355)
MKTBOOK	0.199*** (0.061)	0.301 (0.259)	-1.159** (0.578)	42.445*** (7.046)
Zakat	-0.001 (0.006)	0.022 (0.024)	0.032 (0.054)	-0.509 (0.659)
CRISISD	0.163 (0.128)	2.278*** (0.540)	3.687*** (1.205)	26.405* (14.686)
Constant	-33.296*** (6.127)	-97.606*** (25.874)	-124.913** (57.794)	-1,649.951** (704.391)
Observations	539	537	539	540
R-squared	0.177	0.243	0.111	0.190

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio



Employees CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Employees CSR	0.011 (0.112)	-0.092 (0.483)	0.070 (1.063)	7.061 (12.949)
SIZE	1.947*** (0.435)	3.515* (1.845)	2.968 (4.118)	130.850*** (50.127)
SLACK	0.296*** (0.061)	0.721*** (0.259)	1.523*** (0.578)	2.017 (7.026)
LNSALES	0.179 (0.140)	3.048*** (0.593)	5.142*** (1.323)	-14.890 (16.082)
DTASSET	-0.028** (0.012)	-0.152*** (0.051)	-0.185 (0.115)	-2.136 (1.396)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.032 (0.029)	-0.046 (0.355)
MKTBOOK	0.196*** (0.061)	0.339 (0.258)	-1.078* (0.576)	42.510*** (7.016)
CRISISD	0.166 (0.128)	2.248*** (0.541)	3.643*** (1.208)	27.045* (14.702)
Constant	-33.408*** (6.114)	-96.364*** (25.869)	-121.326** (57.790)	-1,623.896** (703.608)
Observations	539	537	539	540
R-squared	0.177	0.240	0.107	0.188

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

Environmental CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Environmental CSR	0.026 (0.060)	0.067 (0.255)	-0.089 (0.567)	-0.089 (0.567)
SIZE	1.942*** (0.436)	3.495* (1.846)	2.991 (4.119)	2.991 (4.119)
SLACK	0.294*** (0.061)	0.716*** (0.260)	1.530*** (0.580)	1.530*** (0.580)
LNSALES	0.180 (0.140)	3.050*** (0.593)	5.140*** (1.323)	5.140*** (1.323)
DTASSET	-0.029** (0.012)	-0.153*** (0.051)	-0.184 (0.115)	-0.184 (0.115)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.032 (0.029)	-0.032 (0.029)
MKTBOOK	0.196*** (0.061)	0.335 (0.257)	-1.076* (0.575)	-1.076* (0.575)

CRISISD	0.165 (0.127)	2.255*** (0.540)	3.638*** (1.206)	3.638*** (1.206)
Constant	-33.313*** (6.117)	-96.005*** (25.883)	-121.742** (57.823)	-121.742** (57.823)
Observations	539	537	539	539
R-squared	0.177	0.240	0.107	0.107

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

Social CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Social CSR	-0.001 (0.036)	0.006 (0.151)	0.014 (0.342)	0.646 (4.165)
SIZE	1.947*** (0.436)	-2.258*** (0.407)	2.977 (4.119)	131.481*** (50.155)
SLACK	0.296*** (0.061)	1.267*** (0.220)	1.522*** (0.578)	1.995 (7.031)
LNSALES	0.179 (0.140)	2.344*** (0.352)	5.141*** (1.323)	-14.940 (16.090)
DTASSET	-0.028** (0.012)	-0.078*** (0.027)	-0.185 (0.115)	-2.132 (1.396)
LEV	0.001 (0.003)	-0.020** (0.009)	-0.032 (0.029)	-0.050 (0.356)
MKTBOOK	0.196*** (0.061)	0.368* (0.193)	-1.077* (0.575)	42.715*** (7.008)
CRISISD	0.165 (0.128)	1.983*** (0.508)	3.639*** (1.206)	26.596* (14.683)
Constant	-33.416*** (6.114)	-8.609** (3.791)	-121.433** (57.790)	-1,632.335** (703.867)
Observations	539	537	539	540
R-squared	0.177	-	0.107	0.187

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

Stakeholders CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Stakeholders CSR	0.076 (0.048)	0.144 (0.205)	0.277 (0.457)	-2.956 (5.578)
SIZE	1.971*** (0.434)	3.551* (1.845)	3.055 (4.118)	130.400*** (50.150)
SLACK	0.289*** (0.061)	0.708*** (0.260)	1.497** (0.579)	2.287 (7.044)
LNSALES	0.193 (0.140)	3.075*** (0.593)	5.193*** (1.325)	-15.434 (16.114)
DTASSET	-0.029** (0.012)	-0.152*** (0.051)	-0.186 (0.115)	-2.122 (1.396)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.032 (0.029)	-0.042 (0.355)
MKTBOOK	0.199*** (0.061)	0.342 (0.257)	-1.063* (0.575)	42.610*** (7.007)
CRISISD	0.153 (0.127)	2.231*** (0.541)	3.595*** (1.207)	27.019* (14.701)
Constant	-33.862*** (6.099)	-97.091*** (25.875)	-122.993** (57.813)	-1,613.256** (704.271)
Observations	539	537	539	540
R-squared	0.182	0.241	0.108	0.188

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

All CSR Dimensions and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Philanthropic CSR	0.005 (0.050)	-0.220 (0.211)		-4.076 (5.742)
Environmental CSR	-0.005 (0.065)	0.036 (0.275)	0.089 (0.068)	1.872 (7.462)
Employees CSR	0.008 (0.114)	-0.105 (0.488)	-0.017 (0.120)	6.860 (13.099)
Social CSR	-0.006 (0.037)	-0.003 (0.155)	-0.013 (0.039)	0.721 (4.227)
Stakeholders CSR	0.077 (0.052)	0.174 (0.221)	0.155*** (0.054)	-2.891 (6.003)
SIZE	1.967*** (0.438)	3.683** (1.859)	0.593 (0.461)	132.141*** (50.543)
SLACK	0.290*** (0.061)	0.703*** (0.261)	-0.018 (0.065)	2.103 (7.088)
LNSALES	0.194 (0.140)	3.045*** (0.597)	-0.131 (0.148)	-16.072 (16.204)
DTASSET	-0.028** (0.012)	-0.155*** (0.052)	-0.011 (0.013)	-2.192 (1.406)
LEV	0.001 (0.003)	-0.027** (0.013)	0.001 (0.003)	-0.042 (0.357)
MKTBOOK	0.200*** (0.061)	0.319 (0.260)	-0.118* (0.064)	41.834*** (7.087)
CRISISD	0.153 (0.128)	2.230*** (0.544)	0.021 (0.135)	27.732* (14.799)
Constant	-33.832*** (6.153)	-98.505*** (26.061)	-6.348 (6.477)	-1,625.651** (709.523)
Observations	539	537	540	540
R-squared	0.183	0.243	0.060	0.190

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKTBOOK is Market to Book Ratio

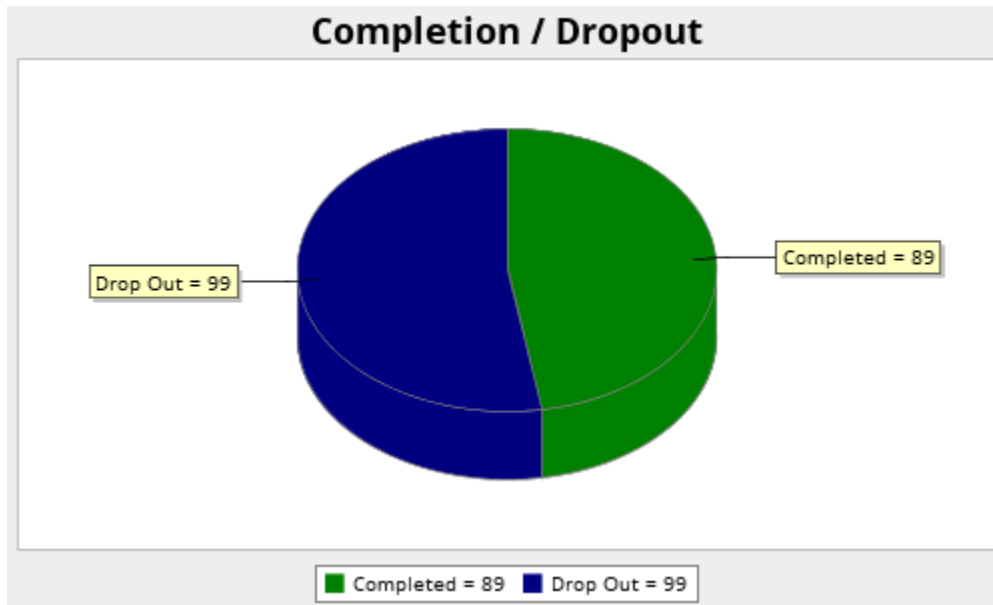


Composite CSR and Firm Performance with Crisis Dummy				
Variables	(1) EPS	(2) ROA	(3) ROIC	(4) RI
Composite CSR	0.096* (0.055)	-0.069 (0.236)	-0.177 (0.526)	1.338 (6.403)
SIZE	1.954*** (0.434)	3.487* (1.846)	2.947 (4.123)	132.104*** (50.154)
SLACK	0.292*** (0.061)	0.713*** (0.260)	1.521*** (0.581)	2.413 (7.055)
LNSALES	0.186 (0.140)	3.060*** (0.594)	5.145*** (1.326)	-15.503 (16.115)
DTASSET	-0.028** (0.012)	-0.155*** (0.052)	-0.189 (0.115)	-2.021 (1.401)
LEV	0.001 (0.003)	-0.027** (0.013)	-0.031 (0.029)	-0.064 (0.357)
MKTBOOK	0.204*** (0.061)	0.326 (0.258)	-1.095* (0.577)	42.998*** (7.029)
Zakat	-0.009 (0.007)	0.022 (0.032)	0.032 (0.070)	-0.718 (0.857)
CRISISD	0.151 (0.127)	2.274*** (0.542)	3.675*** (1.210)	25.998* (14.718)
Constant	-33.427*** (6.097)	-96.261*** (25.883)	-121.412** (57.845)	-1,630.788** (703.868)
Observations	539	537	539	540
R-squared	0.184	0.241	0.107	0.189

Standard errors in parentheses \*\*\* p<0.01, \*\* p<0.05, \* p<0.1

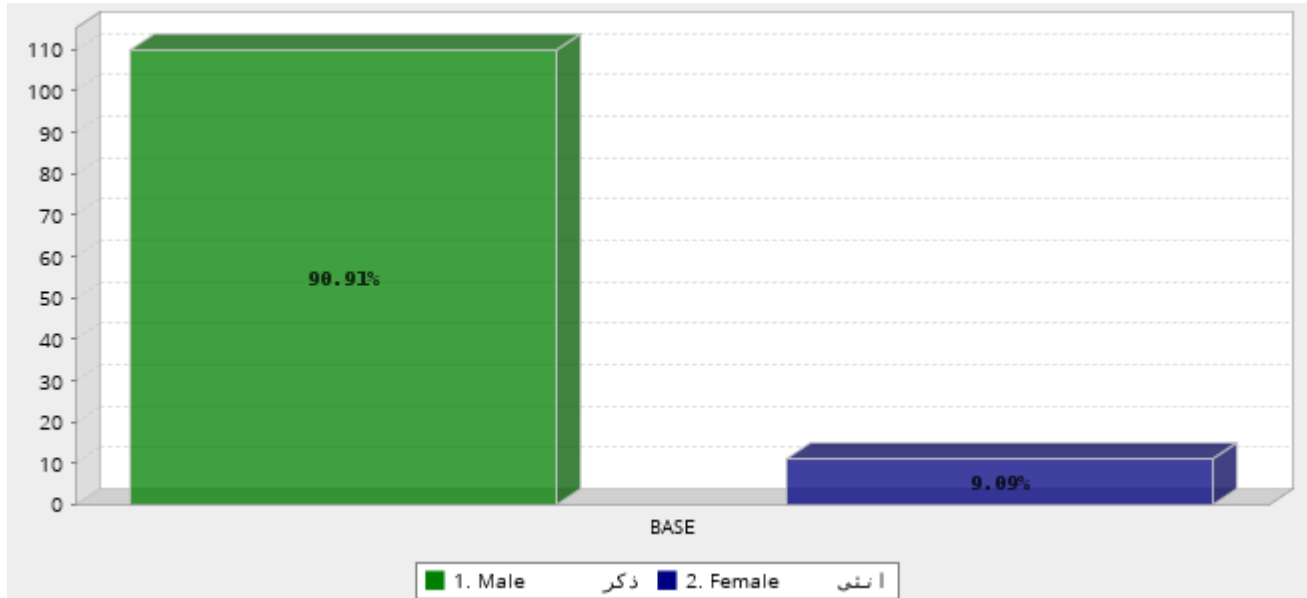
Where EPS is Earning Per Share, ROA is Return on Assets, ROIC is Return on Invested Capital, SIZE is Size of Company, SLACK is Financial Slack, LNSALES is Log of Sales, DTASSET is Debt to Asset Ratio, LEV is Leverage, MKBOOK is Market to Book Ratio

## Appendix 7 - Survey Overview



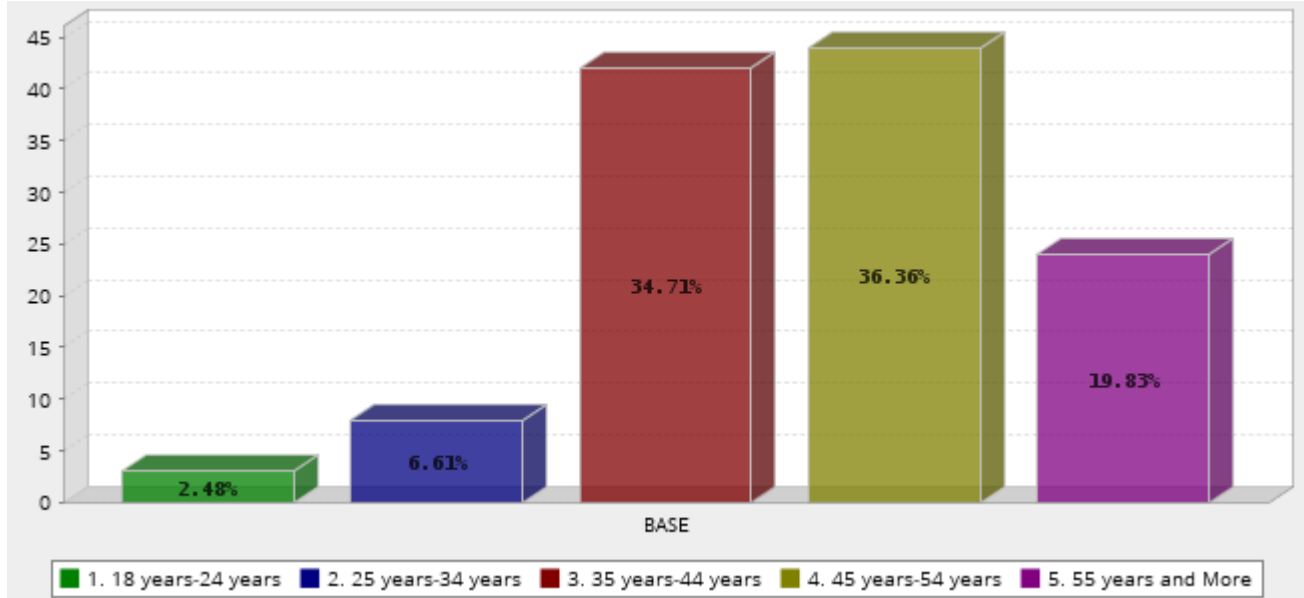
Viewed	Started	Completed	Completion Rate	Drop Outs (After Starting)	Average Time to Complete Survey
445	188	89	47.34%	99	9 minutes

Q1. 1) Your Gender الجنس



	Answer	Count	Percent
	1. Male ذكر	110	90.91%
	2. Female انثى	11	9.09%
	Total	121	100%
Mean : 1.091	Confidence Interval @ 95% : [1.039 - 1.142]	Standard Deviation : 0.289	Standard Error : 0.026

Q2. 2) Your Age العمر

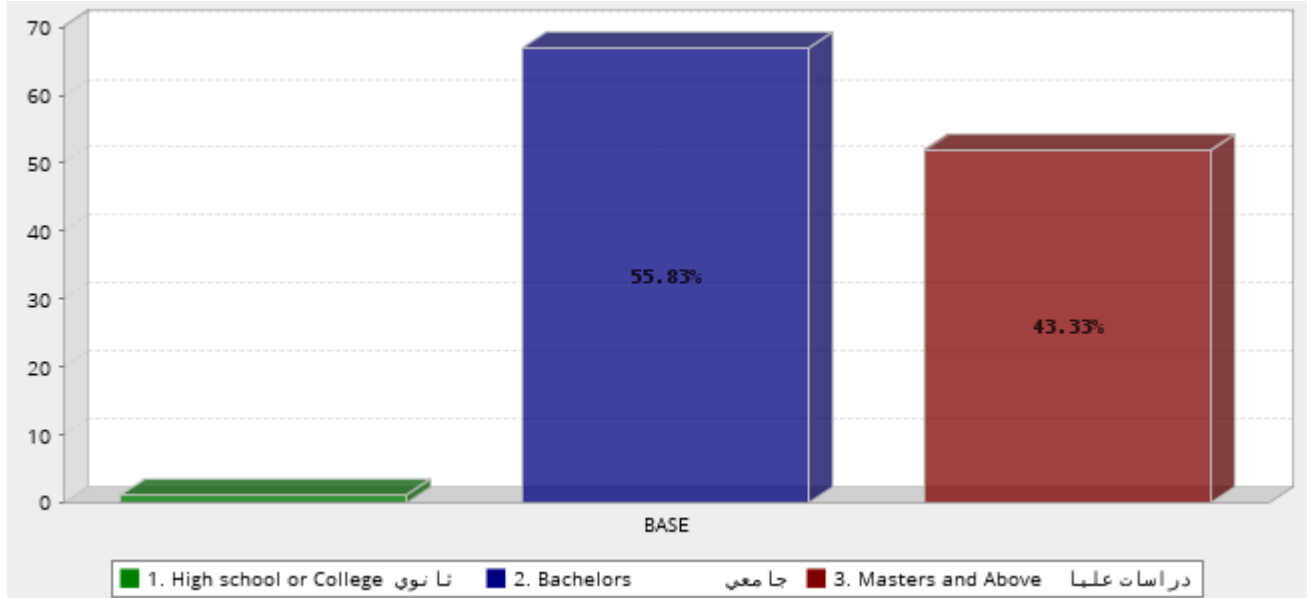


	Answer	Count	Percent
1.	18 years-24 years	3	2.48%
2.	25 years-34 years	8	6.61%
3.	35 years-44 years	42	34.71%
4.	45 years-54 years	44	36.36%
5.	55 years and More	24	19.83%
	Total	121	100%
Mean : 3.645	Confidence Interval @ 95% : [3.474 - 3.815]	Standard Deviation : 0.956	Standard Error : 0.087



Q3. 3) Your Education

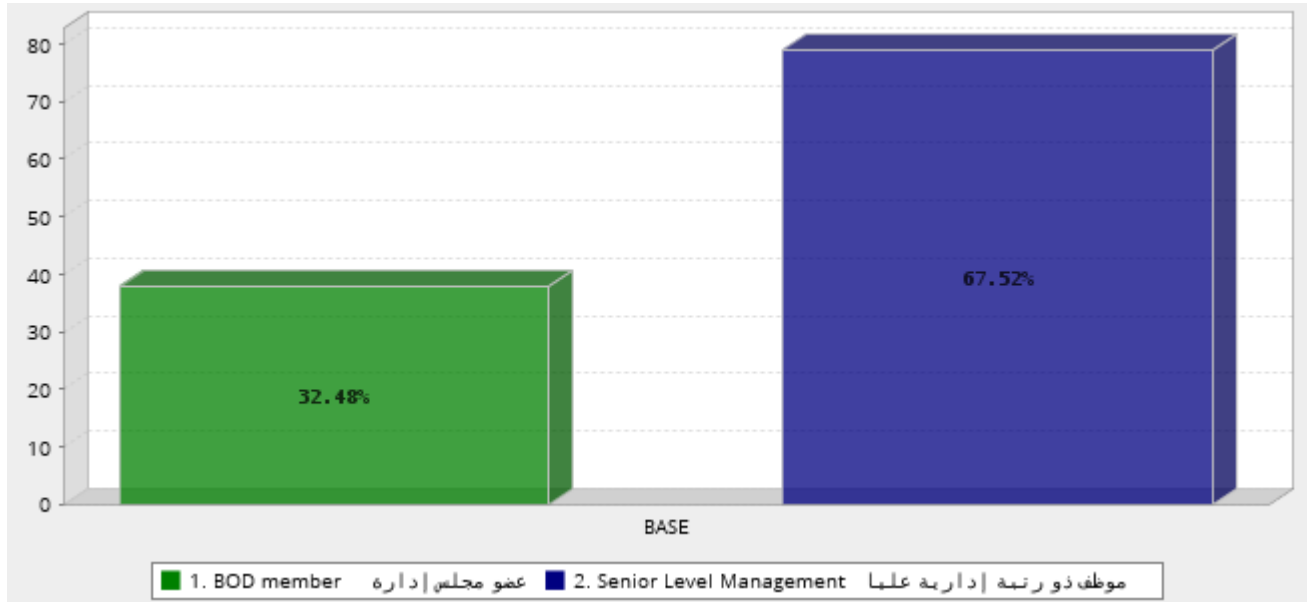
التعليمي المستوى



	Answer	Count	Percent
1.	High school or College ثانوي	1	0.83%
2.	Bachelors جامعي	67	55.83%
3.	Masters and Above دراسات عليا	52	43.33%
	Total	120	100%
Mean : 2.425	Confidence Interval @ 95% : [2.333 - 2.517]	Standard Deviation : 0.513	Standard Error : 0.047

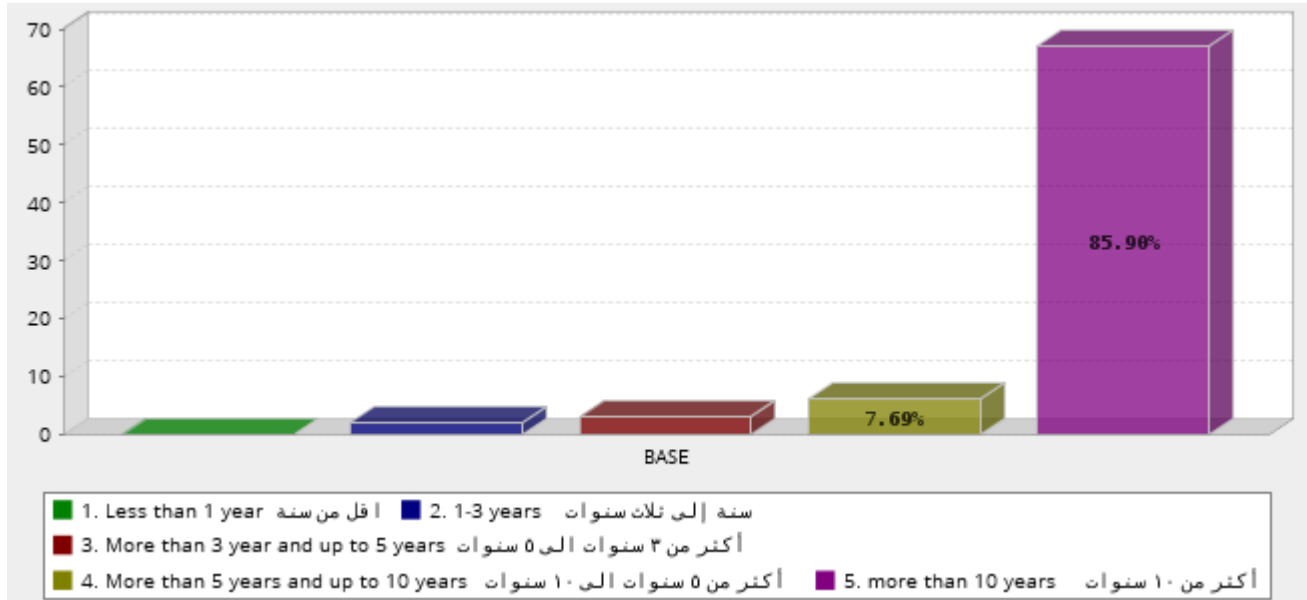
Q4. 4) Your Position in the Company

الشركة في منصبك



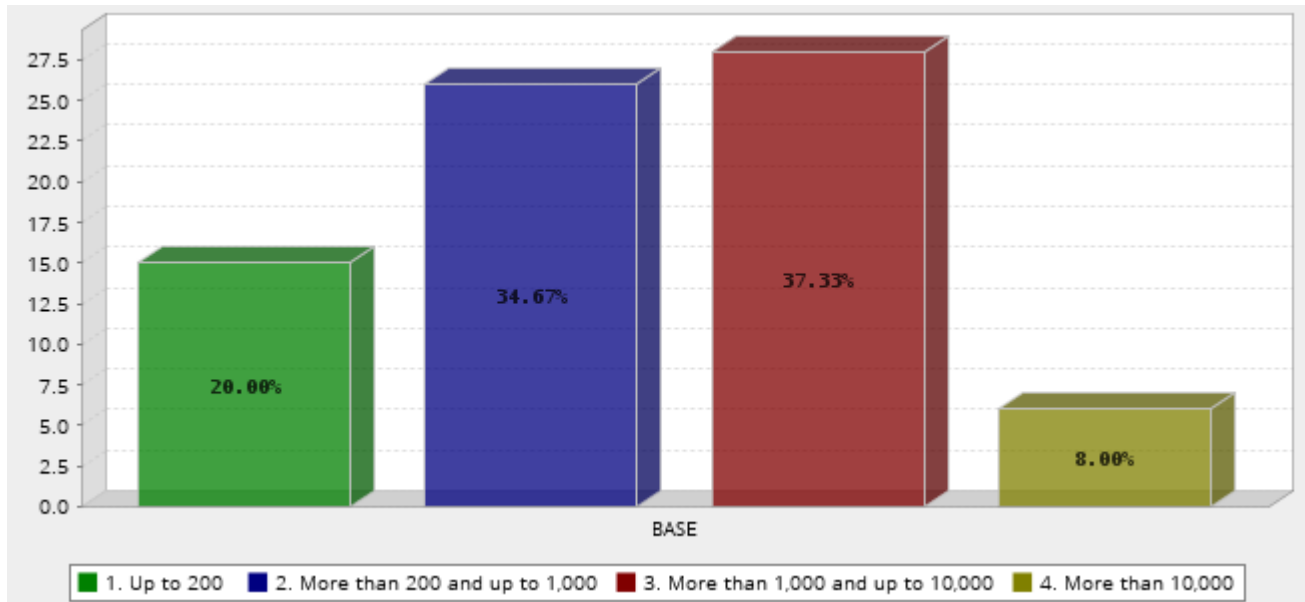
	Answer	Count	Percent
	1. BOD member    عضو مجلس إدارة	38	32.48%
	2. Senior Level Management    موظف ذو رتبة إدارية عليا	79	67.52%
	Total	117	100%
Mean : 1.675	Confidence Interval @ 95% : [1.590 - 1.760]	Standard Deviation : 0.470	Standard Error : 0.043

Q5. 5) Your Professional Experience      الوظيفية خبرتك



	Answer	Count	Percent
1.	Less than 1 year    أقل من سنة	0	0.00%
2.	1-3 years    سنة إلى ثلاث سنوات	2	2.56%
3.	More than 3 year and up to 5 years    أكثر من ٣ سنوات الى ٥ سنوات	3	3.85%
4.	More than 5 years and up to 10 years    أكثر من ٥ سنوات الى ١٠ سنوات	6	7.69%
5.	more than 10 years    أكثر من ١٠ سنوات	67	85.90%
	Total	78	100%
Mean : 4.769	Confidence Interval @ 95% : [4.627 - 4.912]	Standard Deviation : 0.643	Standard Error : 0.073

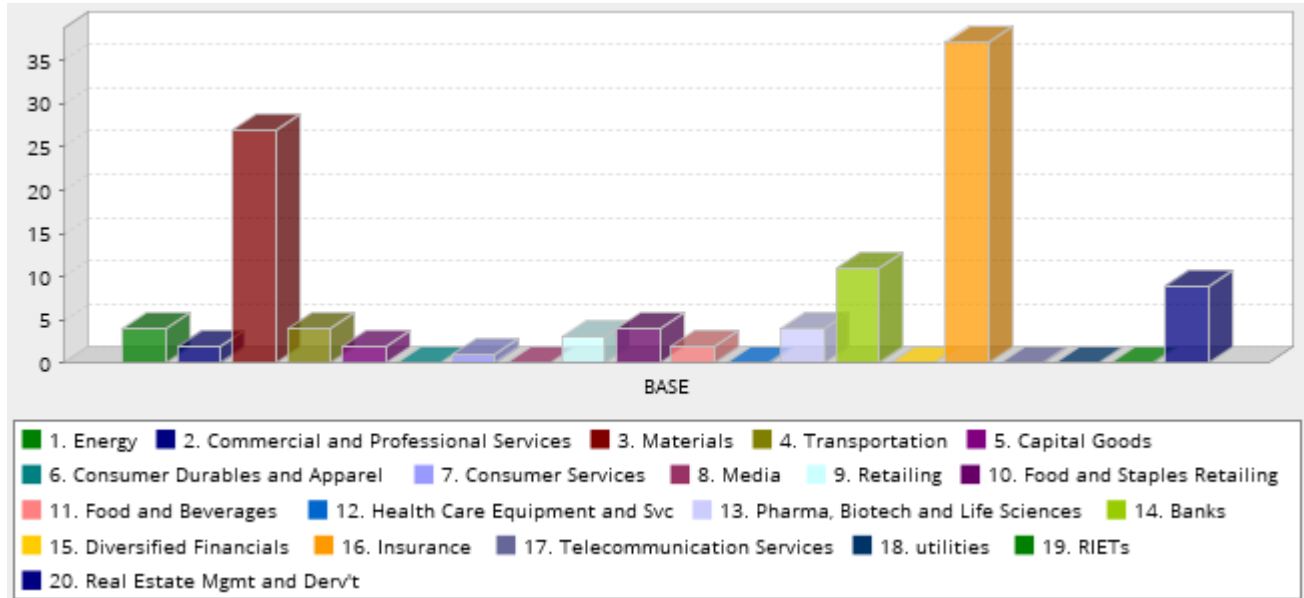
Q6. Number of employees in your company عدد العاملين في الشركة



	Answer	Count	Percent
	1. Up to 200	15	20.00%
	2. More than 200 and up to 1,000	26	34.67%
	3. More than 1,000 and up to 10,000	28	37.33%
	4. More than 10,000	6	8.00%
	Total	75	100%
Mean : 2.333	Confidence Interval @ 95% : [2.132 - 2.535]	Standard Deviation : 0.890	Standard Error : 0.103



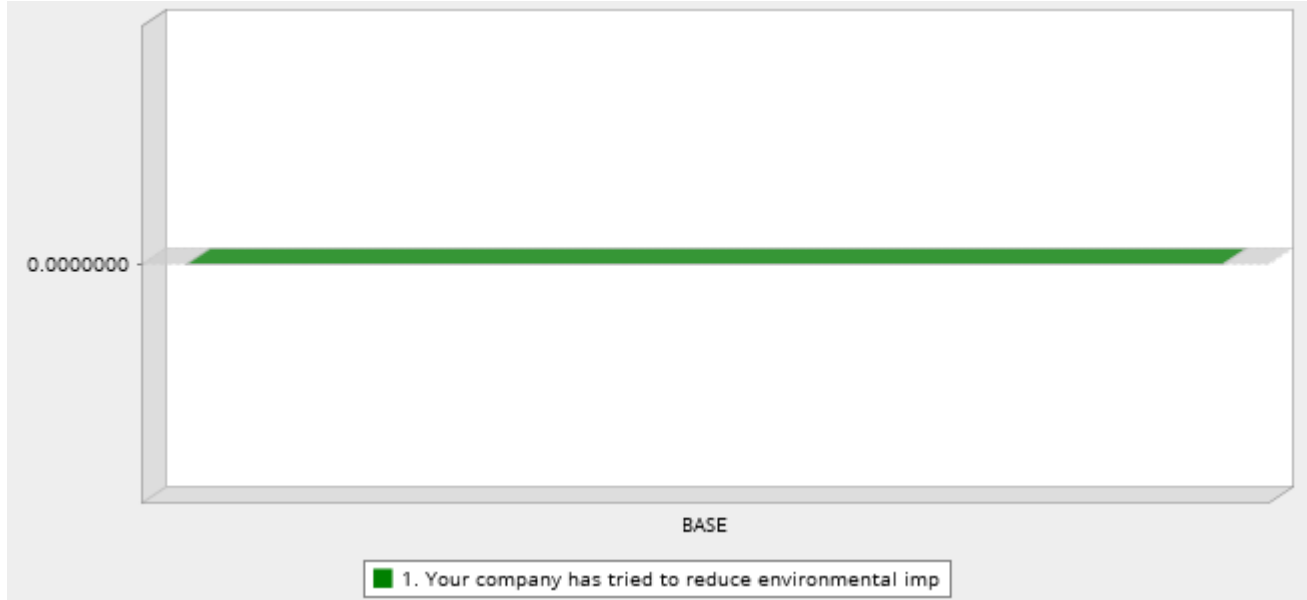
Q7. 6) The sector of your company in Tadawul تداول السعودي الاسهم سوق في الشركة اليه تنتمي الذي القطاع



	Answer	Count	Percent
1.	Energy	4	3.64%
2.	Commercial and Professional Services	2	1.82%
3.	Materials	27	24.55%
4.	Transportation	4	3.64%
5.	Capital Goods	2	1.82%
6.	Consumer Durables and Apparel	0	0.00%
7.	Consumer Services	1	0.91%
8.	Media	0	0.00%
9.	Retailing	3	2.73%
10.	Food and Staples Retailing	4	3.64%
11.	Food and Beverages	2	1.82%
12.	Health Care Equipment and Svc	0	0.00%
13.	Pharma, Biotech and Life Sciences	4	3.64%
14.	Banks	11	10.00%
15.	Diversified Financials	0	0.00%
16.	Insurance	37	33.64%
17.	Telecommunication Services	0	0.00%
18.	utilities	0	0.00%
19.	RIETs	0	0.00%
20.	Real Estate Mgmt and Derv't	9	8.18%

	Total		110	100%
Mean : 10.809	Confidence Interval @ 95% : [9.628 - 11.990]	Standard Deviation : 6.321	Standard Error : 0.603	

Q8. 7) Environmental CSR بالبيئة المتعلقة الاجتماعية الشركة مسؤولية مستوى

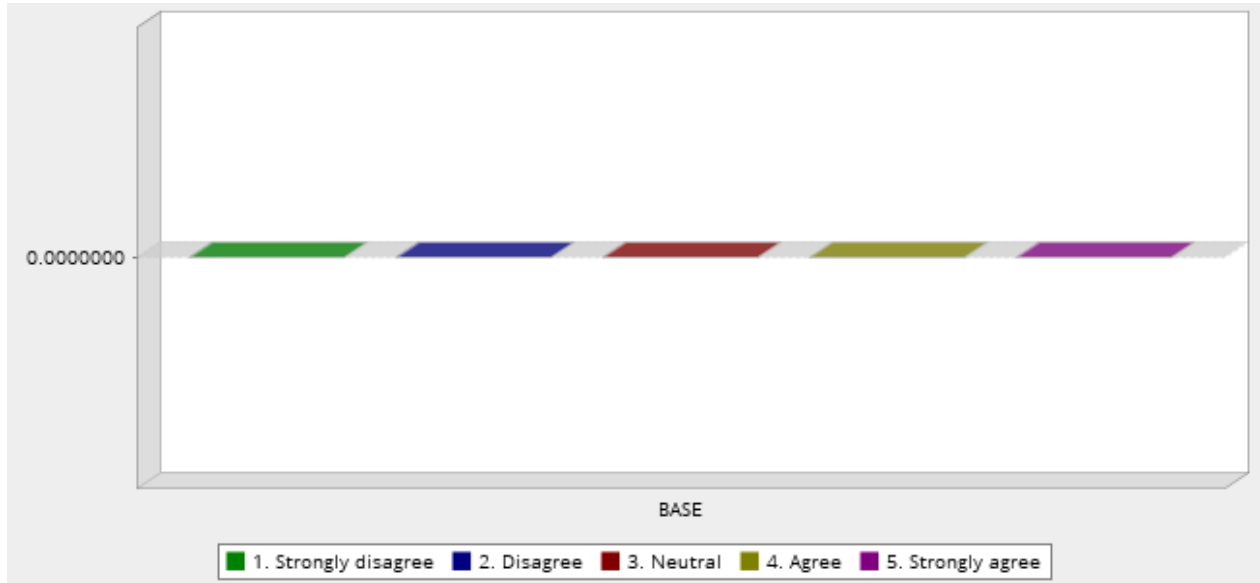


Q8. Overall Matrix Scorecard : 7) Environmental CSR بالبيئة المتعلقة الاجتماعية الشركة مسؤولية مستوى

Question	Count	Score
1. Your company has tried to reduce environmental impact in terms of pollution prevention (e.g. emissions to air and water, effluent discharges, noise). الشركة التي تعمل لديها تحاول تقليل التأثير على البيئة عن طريق منع التلوث الناتج (تقليل) عن نشاطها التجاري تلويث الهواء أو الماء، المجاري (أو التلوث الضوضائي)	0	0.000



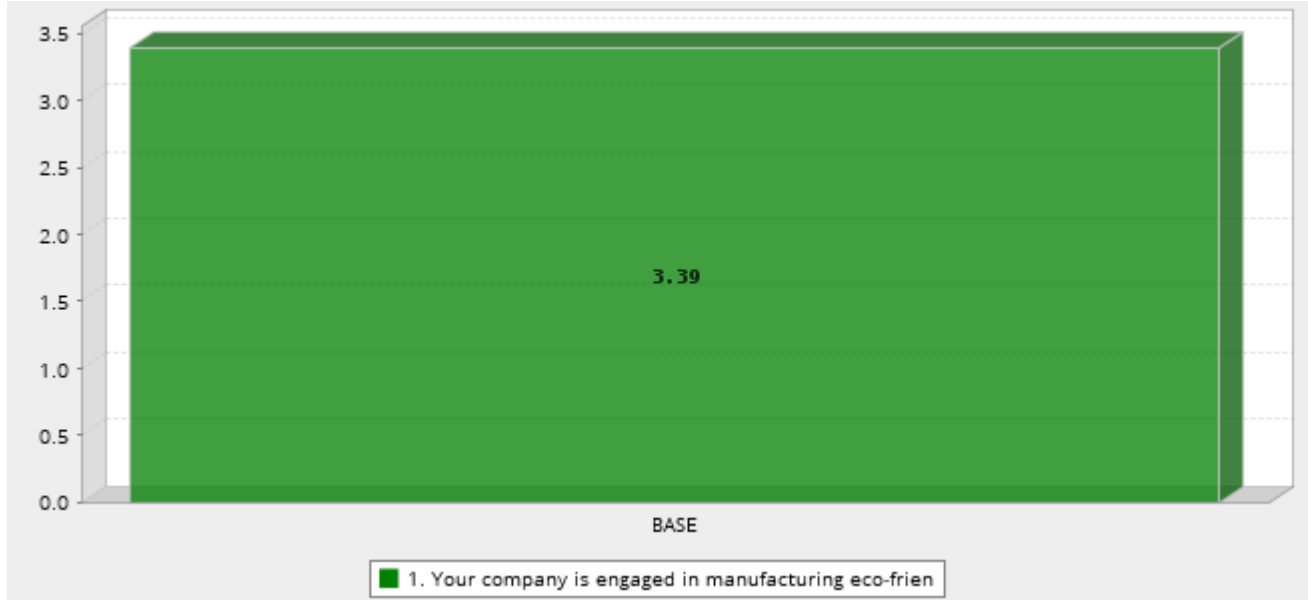
Q8. Your company has tried to reduce environmental impact in terms of pollution prevention (e.g. emissions to air and water, effluent discharges, noise). التلوث منع طريق عن البيئة على التأثير تقليل تحاول لديها تعمل التي الشركة (الضوضائي التلوث او المجاري الماء، او الهواء تلويث تقليل ) التجاري نشاطها عن الناتج



	Answer	Count	Percent
	1. Strongly disagree	0	0.00%
	2. Disagree	0	0.00%
	3. Neutral	0	0.00%
	4. Agree	0	0.00%
	5. Strongly agree	0	0.00%
	Total	0	100%
Mean : 0.000	Confidence Interval @ 95% : N/A	Standard Deviation : 0.000	Standard Error : 0.000



Q9. 8) Environmental CSR بالبيئة المتعلقة الاجتماعية الشركة مسؤولية مستوى

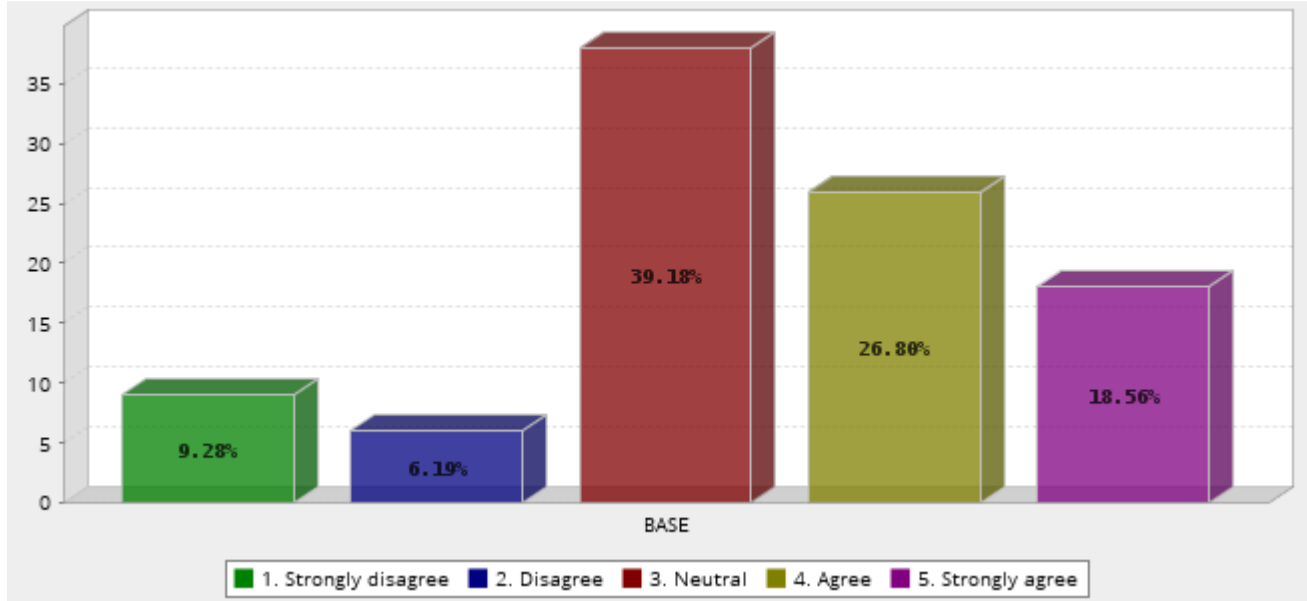


Q9. Overall Matrix Scorecard : 8) Environmental CSR بالبيئة المتعلقة الاجتماعية الشركة مسؤولية مستوى

Question	Count	Score
1. Your company is engaged in manufacturing eco-friendly products/eco-friendly process. الشركة التي تعمل لديها تتعامل مع تم /منتجات صديقة للبيئة تصنعها بطريقة صديقة للبيئة	97	3.392

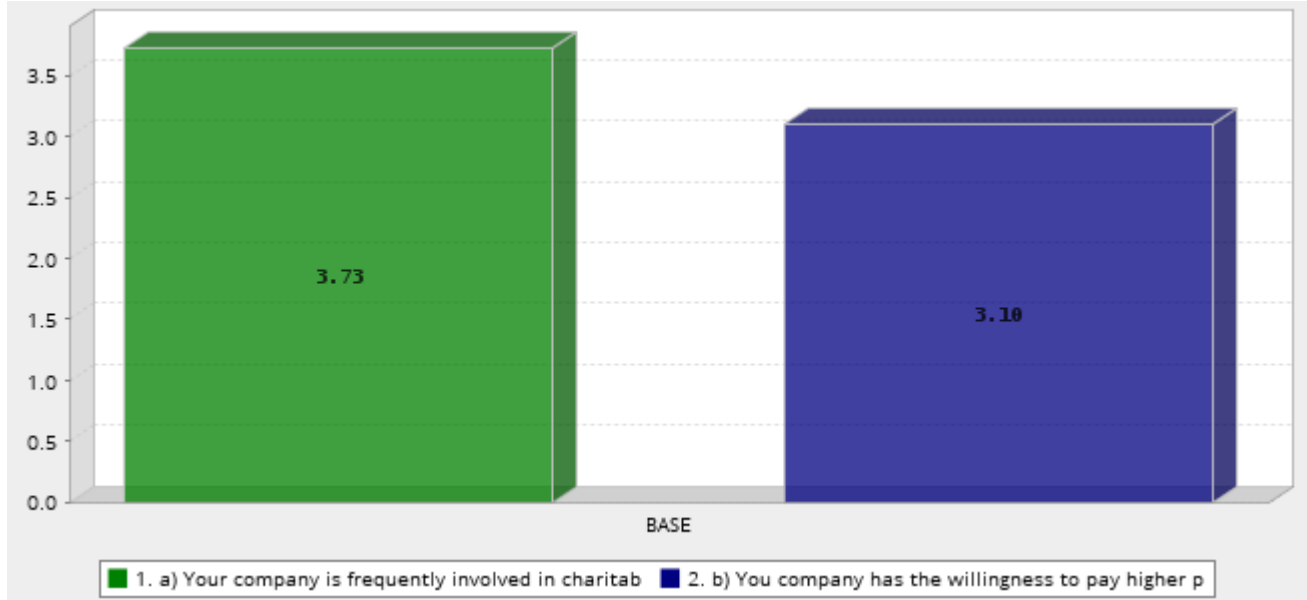
Q9. Your company is engaged in manufacturing eco-friendly products/eco-friendly process.  
للبيئة صديقة بطريقة تصنيعها تم/ للبيئة صديقة منتجات مع تعامل لديها تعمل التي

الشركة



	Answer	Count	Percent
	1. Strongly disagree	9	9.28%
	2. Disagree	6	6.19%
	3. Neutral	38	39.18%
	4. Agree	26	26.80%
	5. Strongly agree	18	18.56%
	Total	97	100%
Mean : 3.392	Confidence Interval @ 95% : [3.165 - 3.619]	Standard Deviation : 1.142	Standard Error : 0.116

Q10. 9) Philanthropic CSR الخيرية بالأعمال المتعلقة الاجتماعية الشركة مسؤولية مستوى

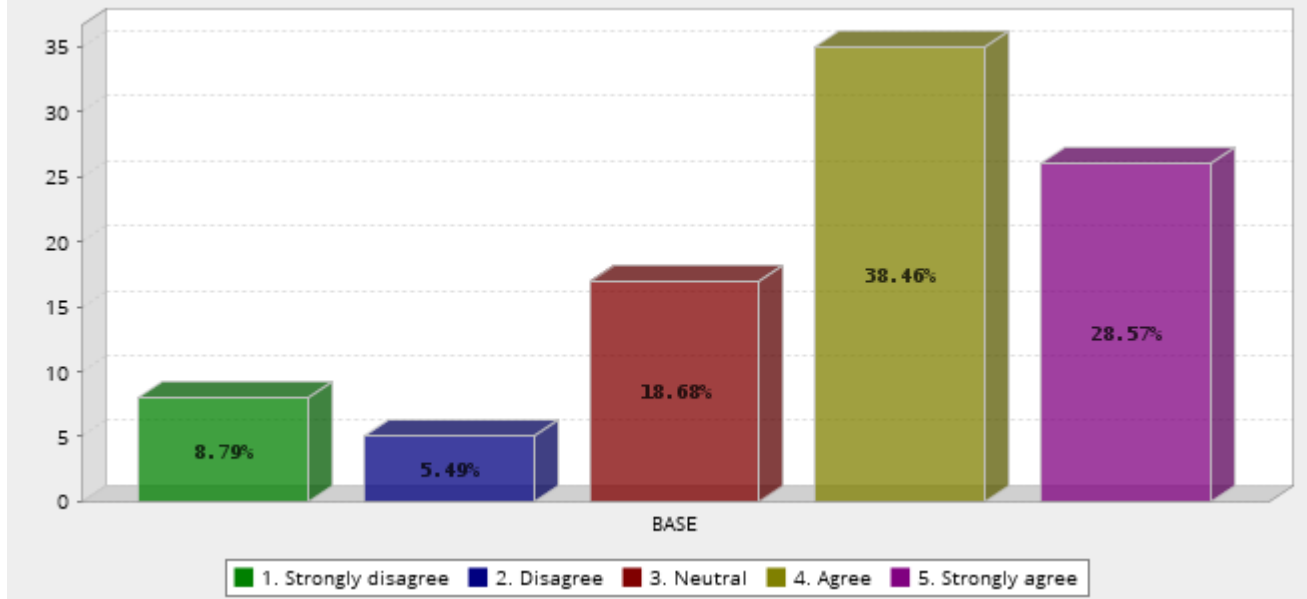


Q10. Overall Matrix Scorecard : 9) Philanthropic CSR مستوى مسؤولية الشركة الاجتماعية المتعلقة بالأعمال الخيرية

Question	Count	Score	
1. a) Your company is frequently involved in charitable activities. الشركة التي تعمل لديها تساهم بشكل دوري في النشاطات الخيرية	91	3.725	
2. b) You company has the willingness to pay higher prices for products/services of companies/organizations which practice CSR. الشركة التي تعمل لديها يوجد لديها الرغبة في دفع أسعار اعلى لمنتجات أو خدمات مقدمة من منظمات أو شركات تمارس المسؤولية الاجتماعية	91	3.099	
Average		3.412	

Q10. a) Your company is frequently involved in charitable activities.  
الخيرية النشاطات في دوري بشكل تساهم

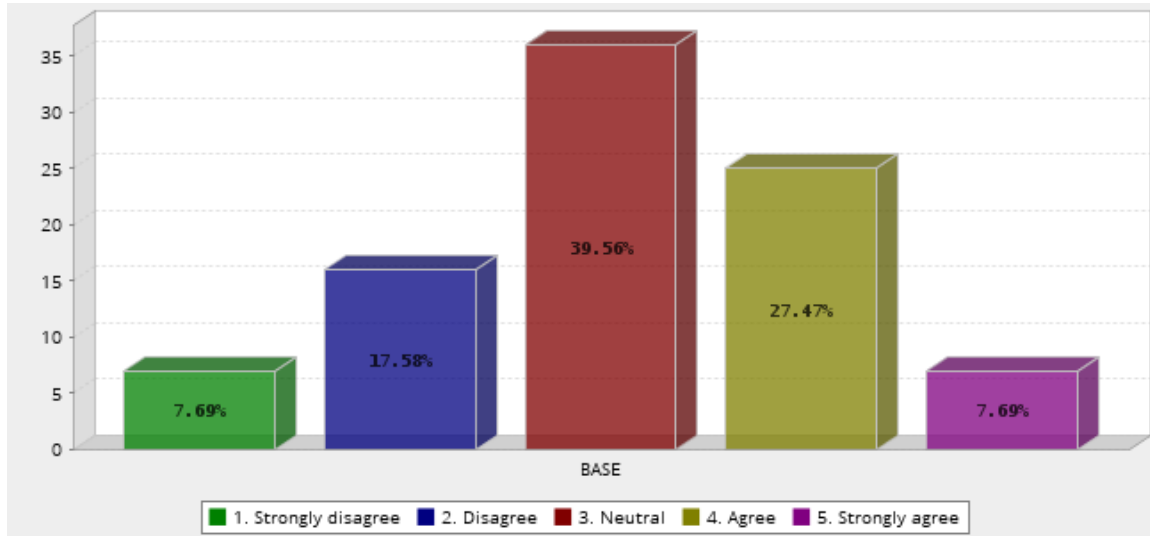
لديها تعمل التي الشركة



	Answer	Count	Percent
	1. Strongly disagree	8	8.79%
	2. Disagree	5	5.49%
	3. Neutral	17	18.68%
	4. Agree	35	38.46%
	5. Strongly agree	26	28.57%
	Total	91	100%
Mean : 3.725	Confidence Interval @ 95% : [3.480 - 3.970]	Standard Deviation : 1.193	Standard Error : 0.125

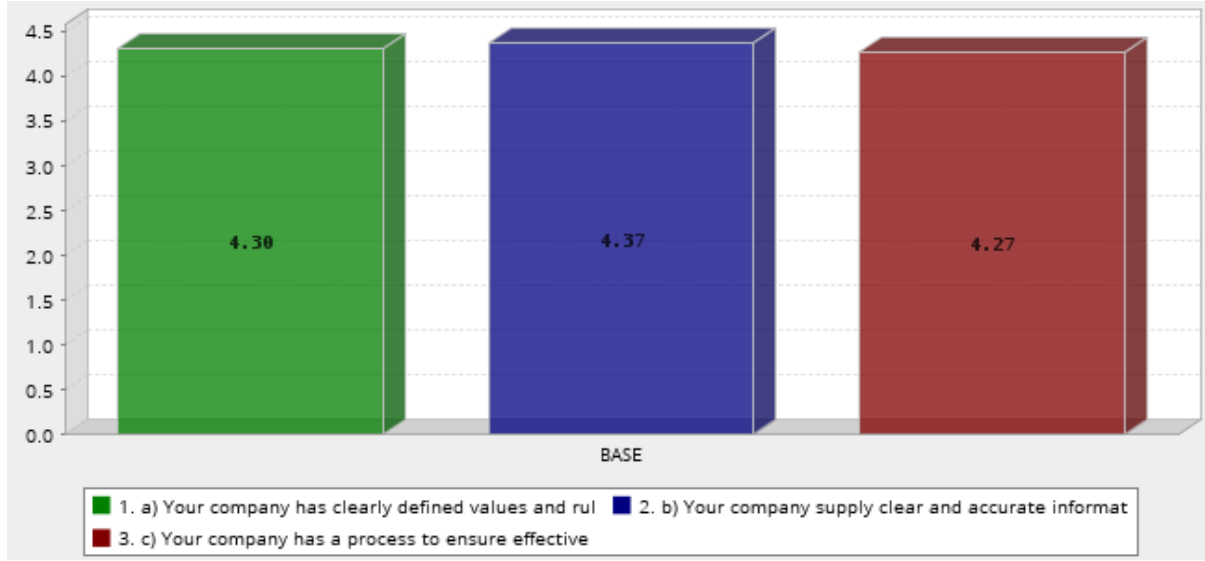


Q10. b) You company has the willingness to pay higher prices for products/services of companies/organizations which practice CSR.  
لمنتجات اعلى أسعار دفع في الرغبة لديها يوجد لديها تعمل التي الشركة الاجتماعية المسؤولية تمارس شركات أو منظمات من مقدمة خدمات أو



	Answer	Count	Percent
	1. Strongly disagree	7	7.69%
	2. Disagree	16	17.58%
	3. Neutral	36	39.56%
	4. Agree	25	27.47%
	5. Strongly agree	7	7.69%
	Total	91	100%
Mean : 3.099	Confidence Interval @ 95% : [2.887 - 3.311]	Standard Deviation : 1.033	Standard Error : 0.108

Q11. Stakeholder CSR العلاقة أصحاب مع الاجتماعية الشركة مسؤولية مستوى

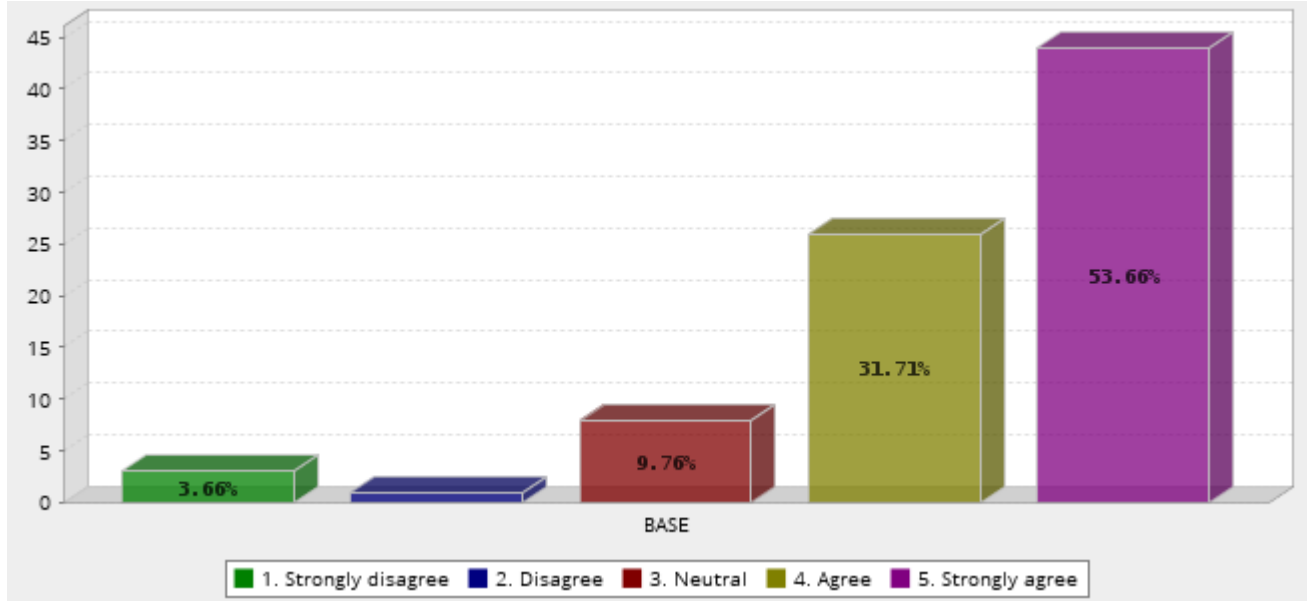


Q11. Overall Matrix Scorecard : 10) Stakeholder CSR مستوى مسؤولية الشركة الاجتماعية مع أصحاب العلاقة

Question	Count	Score
1. a) Your company has clearly defined values and rules of conduct. الشركة التي تعمل لديها حددت بوضوح قيم وقواعد السلوك	82	4.305
2. b) Your company supply clear and accurate information and labelling about products and services, including its after-sales obligation. الشركة التي تعمل لديها توفر علامات ومعلومات واضحة ودقيقة عن الخدمات والمنتجات التي تقدمها بما في ذلك التزامات ما بعد البيع.	81	4.370
3. c) Your company has a process to ensure effective feedback, consultation and/or dialogue with customers, suppliers, and the other people you do business with. من توفير الشركة التي تعمل لديها يوجد لديها طريقة للتأكد من توفر ، وسيلة تواصل وتخاطب مع العملاء ، والموردين، والجهات ذات العلاقة وتقديم مرئيات فعالة	81	4.272
Average		4.316

Q11. a) Your company has clearly defined values and rules of conduct.  
السلوك وقواعد قيم بوضوح

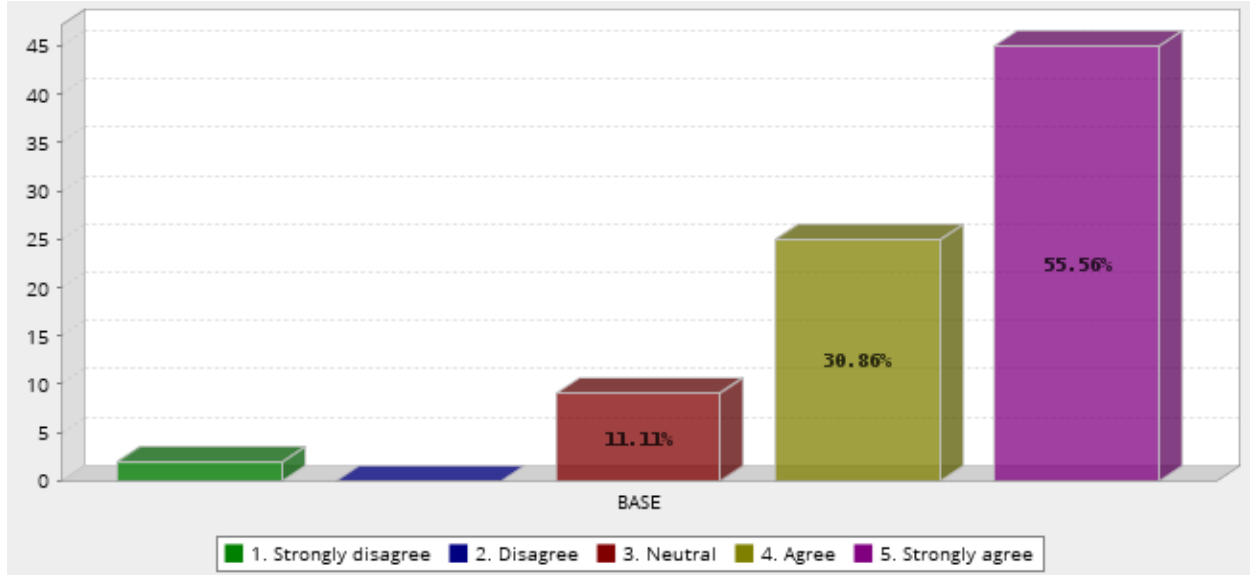
حددت لديها تعمل التي الشركة



	Answer	Count	Percent
	1. Strongly disagree	3	3.66%
	2. Disagree	1	1.22%
	3. Neutral	8	9.76%
	4. Agree	26	31.71%
	5. Strongly agree	44	53.66%
	Total	82	100%
Mean : 4.305	Confidence Interval @ 95% : [4.096 - 4.514]	Standard Deviation : 0.965	Standard Error : 0.107



Q11. b) Your company supply clear and accurate information and labelling about products and services, including its after-sales obligation. ودقيقة واضحة ومعلومات علامات توفر لديها تعمل التي الشركة  
 البيع بعد ما التزامات ذلك في بما تقدمها التي والمنتجات الخدمات عن

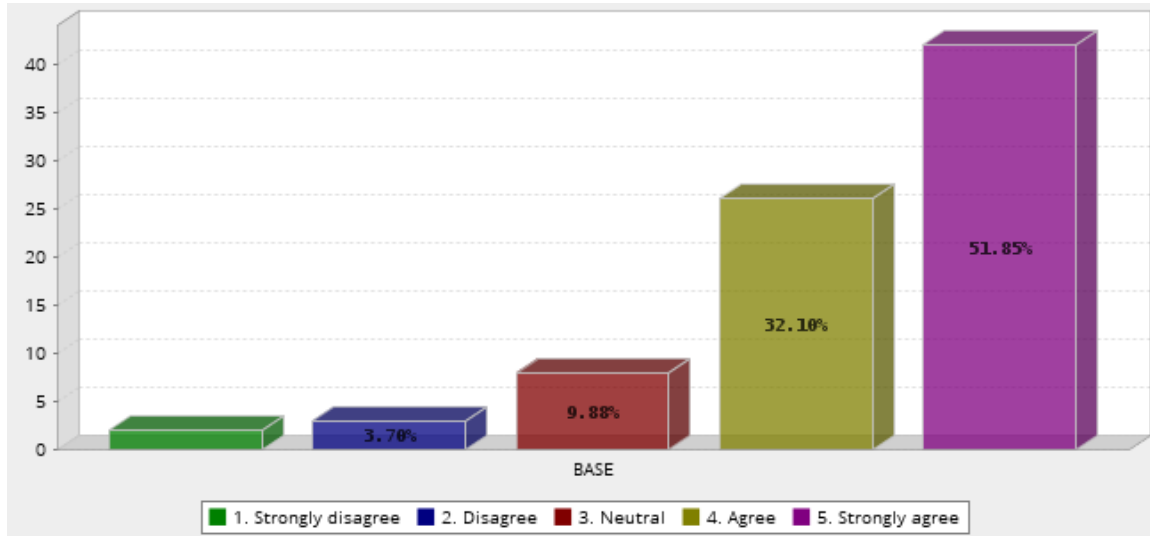


	Answer	Count	Percent
	1. Strongly disagree	2	2.47%
	2. Disagree	0	0.00%
	3. Neutral	9	11.11%
	4. Agree	25	30.86%
	5. Strongly agree	45	55.56%
	Total	81	100%
Mean : 4.370	Confidence Interval @ 95% : [4.180 - 4.560]	Standard Deviation : 0.872	Standard Error : 0.097





Q11. c) Your company has a process to ensure effective feedback, consultation and/or dialogue with customers, suppliers, and the other people you do business with.  
طريقة لديها يوجد لديها تعمل التي الشركة  
العلاقة ذات والجهات والموردين، ، العملاء مع وتخطب تواصل وسيلة ، فعالة مرئيات وتقديم توفير من توفر من للتأكد



	Answer	Count	Percent
	1. Strongly disagree	2	2.47%
	2. Disagree	3	3.70%
	3. Neutral	8	9.88%
	4. Agree	26	32.10%
	5. Strongly agree	42	51.85%
	Total	81	100%
Mean : 4.272	Confidence Interval @ 95% : [4.062 - 4.481]	Standard Deviation : 0.962	Standard Error : 0.107

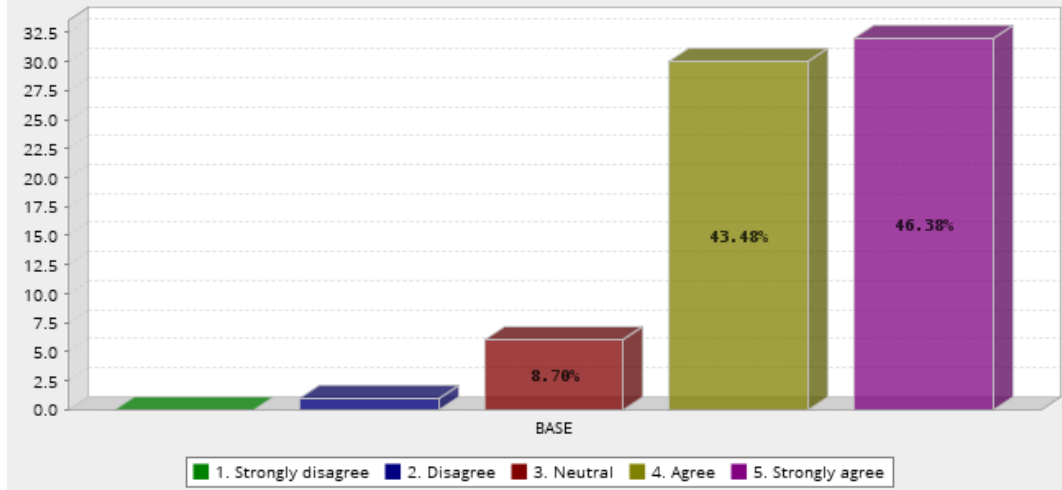
Q12. Stakeholder CSR العلاقة أصحاب مع الاجتماعية الشركة مسؤولية مستوى



Q12. Overall Matrix Scorecard : 11) Stakeholder CSR مستوى مسؤولية الشركة الاجتماعية مع أصحاب العلاقة

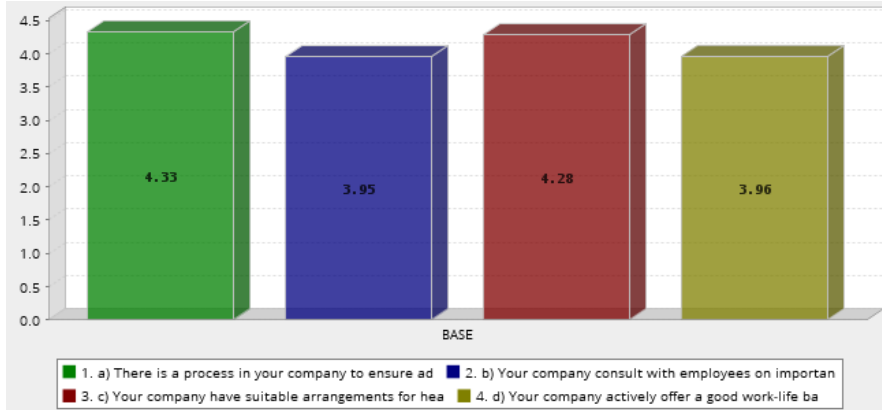
Question	Count	Score
1. Your company communicates company's values to customers, business partners, suppliers and other interested parties (e.g. in sales presentations, marketing material or informal communication). الشركة التي تعمل لديها توصل قيم الشركة وأهدافها لعملائها و شركاء الأعمال، والموردين ، والاطراف من الأمثلة على ذلك، عروض (الآخرى المهمة المبيعات، أو أدوات التسويق ، أو المخاطبات (الغير رسمية)	69	4.348

Q12. Your company communicates company's values to customers, business partners, suppliers and other interested parties (e.g. in sales presentations, marketing material or informal communication). تعمل التي الشركة  
 عروض ذلك، على الأمثلة من ) المهمة الاخرى والاطراف ، والموردين الأعمال، شركاء و لعملائها وأهدافها الشركة قيم توصل لديها  
 ( رسمية الغير المخاطبات أو ، التسويق أدوات أو المبيعات،



	Answer	Count	Percent
	1. Strongly disagree	0	0.00%
	2. Disagree	1	1.45%
	3. Neutral	6	8.70%
	4. Agree	30	43.48%
	5. Strongly agree	32	46.38%
	Total	69	100%
Mean : 4.348	Confidence Interval @ 95% : [4.182 - 4.514]	Standard Deviation : 0.703	Standard Error : 0.085

Q13. Employee CSR الموظفين مع الاجتماعية الشركة مسؤولية مستوى

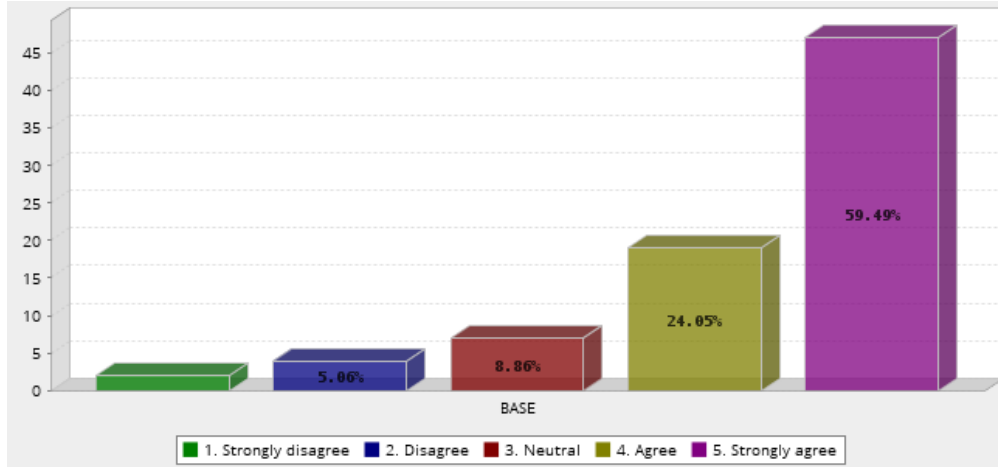


Q13. Overall Matrix Scorecard : 12) Employee CSR مستوى مسؤولية الشركة الاجتماعية مع الموظفين

Question	Count	Score
1. a) There is a process in your company to ensure adequate steps are taken against all forms of discrimination, both in the workplace and at the time of recruitment (e.g. against women, ethnic groups, disabled people, etc.) تتوفر لدى الشركة التي تعمل لديها طريقة لضمان اتخاذ خطوات كافية لمنع أي شكل من أشكال العنصرية تشمل التحيز ضد المرأة أو ضد طائفة عرقية أو ضد أصحاب العنصرية، سواء في مكان العمل أو عند التوظيف (إعاقة بدنية).	79	4.329
2. b) Your company consult with employees on important issues. الشركة التي تعمل لديها تتشاور مع الموظفين في القضايا المهمة	79	3.949
3. c) Your company have suitable arrangements for health, safety and welfare that provide sufficient protection for your employees. الشركة التي تعمل لديها توفر ترتيبات مناسبة تتعلق بالصحة والسلامة والرفاهية من شأنها تقديم حماية كافية للموظفين	79	4.278
4. d) Your company actively offer a good work-life balance for its employees, for example, by considering flexible working hours or allowing employees to work from home. الشركة التي تعمل لديها تقدم موازنة جيدة ما بين متطلبات العمل والحياة الخاصة لموظفيها ، على سبيل المثال، توفر العمل بنظام الدوام المرن أو تسمح للموظفين بالعمل من المنزل.	79	3.962
Average		4.130



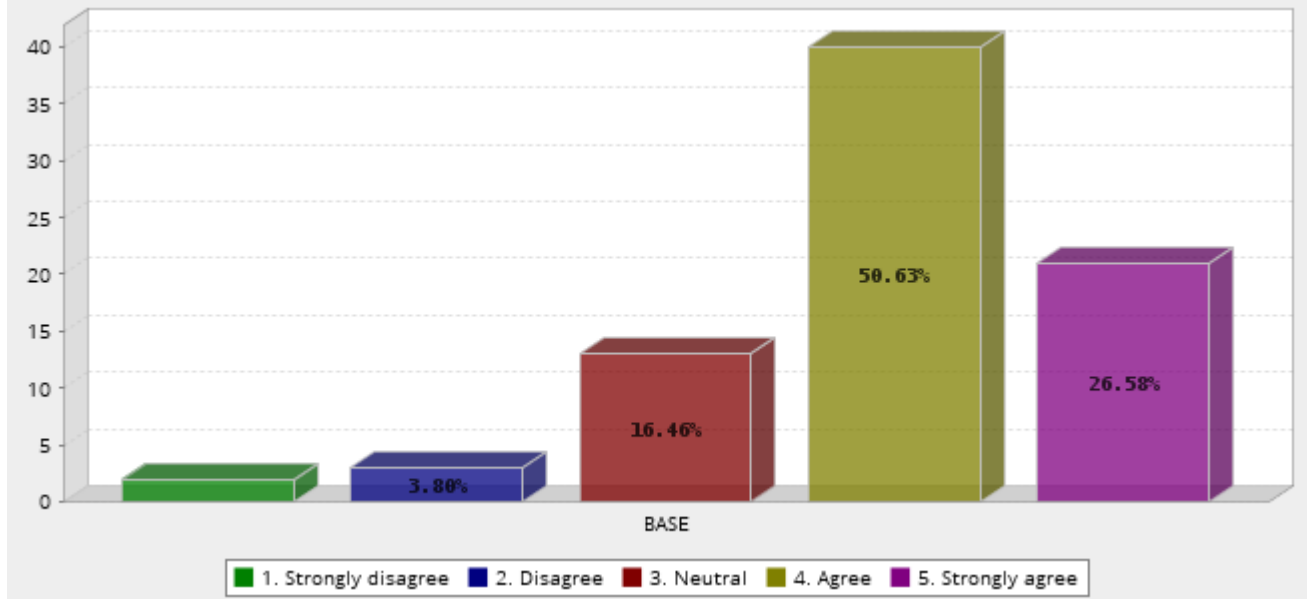
Q13. a) There is a process in your company to ensure adequate steps are taken against all forms of discrimination, both in the workplace and at the time of recruitment (e.g. against women, ethnic groups, disabled people, etc.)  
لمنع كافية خطوات اتخاذ لضمان طريقة لديها تعمل الشركة لدى تتوفر  
او عرقية طائفة ضد او المرأة ضد التحيز تشمل العنصرية ( التوظيف عند أو العمل مكان في سواء العنصرية، أشكال من شكل أي  
بدنية اعاقاة أصحاب ضد).



	Answer	Count	Percent
	1. Strongly disagree	2	2.53%
	2. Disagree	4	5.06%
	3. Neutral	7	8.86%
	4. Agree	19	24.05%
	5. Strongly agree	47	59.49%
	Total	79	100%
Mean : 4.329	Confidence Interval @ 95% : [4.107 - 4.552]	Standard Deviation : 1.009	Standard Error : 0.114

Q13. b) Your company consult with employees on important issues.  
المهمة القضايا في الموظفين مع تتشاور

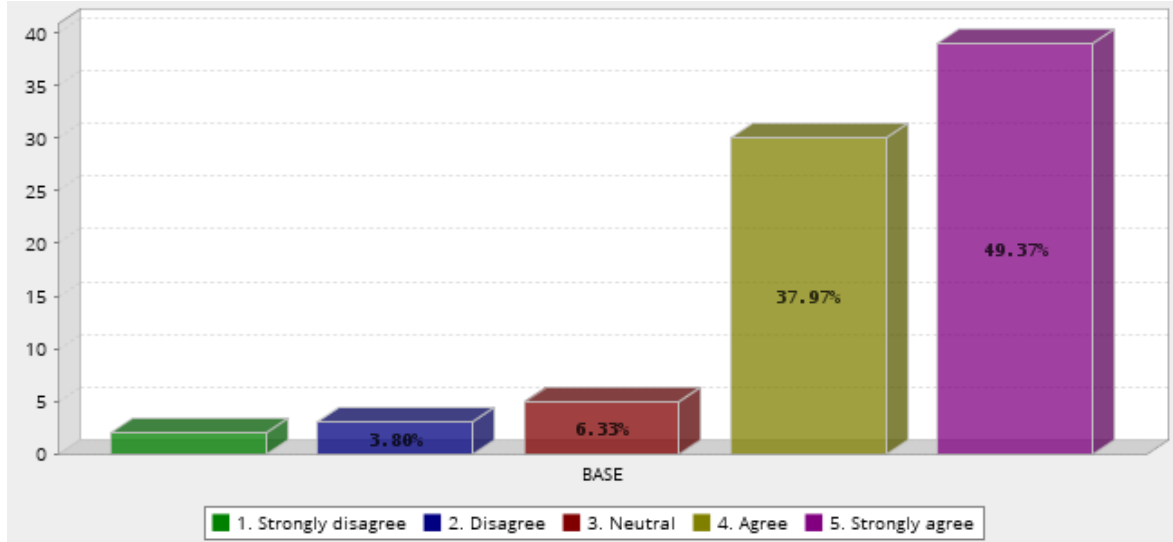
لديها تعمل التي الشركة



	Answer	Count	Percent
	1. Strongly disagree	2	2.53%
	2. Disagree	3	3.80%
	3. Neutral	13	16.46%
	4. Agree	40	50.63%
	5. Strongly agree	21	26.58%
	Total	79	100%
Mean : 3.949	Confidence Interval @ 95% : [3.750 - 4.149]	Standard Deviation : 0.904	Standard Error : 0.102



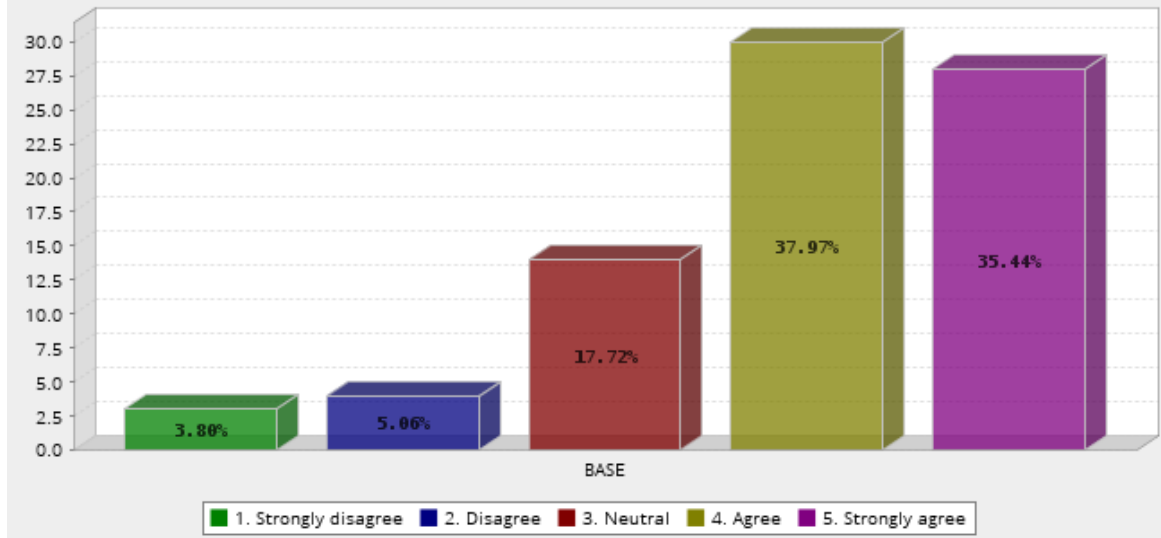
Q13. c) Your company have suitable arrangements for health, safety and welfare that provide sufficient protection for your employees.  
بالصحة تتعلق مناسبة ترتيبات توفر لديها تعمل التي الشركة  
للموظفين كافية حماية تقديم شأنها من والرفاهية والسلامة



	Answer	Count	Percent
	1. Strongly disagree	2	2.53%
	2. Disagree	3	3.80%
	3. Neutral	5	6.33%
	4. Agree	30	37.97%
	5. Strongly agree	39	49.37%
	Total	79	100%
Mean : 4.278	Confidence Interval @ 95% : [4.073 - 4.484]	Standard Deviation : 0.933	Standard Error : 0.105



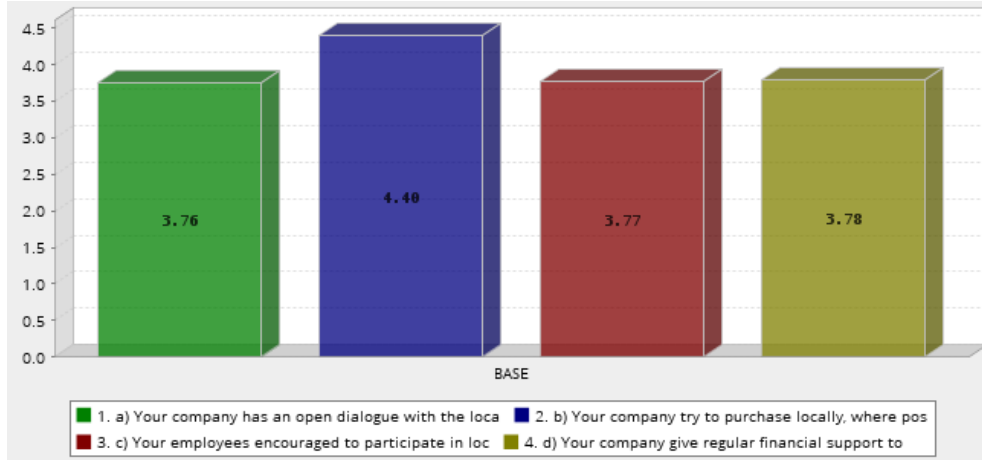
Q13. d) Your company actively offer a good work-life balance for its employees, for example, by considering flexible working hours or allowing employees to work from home. تعمل التي الشركة  
او المرن الدوام بنظام العمل توفر المثال، سبيل على ، لموظفيها الخاصة والحياة العمل متطلبات بين ما جيدة موازنة تقدم لديها  
المنزل من بالعمل للموظفين تسمح.



	Answer	Count	Percent
	1. Strongly disagree	3	3.80%
	2. Disagree	4	5.06%
	3. Neutral	14	17.72%
	4. Agree	30	37.97%
	5. Strongly agree	28	35.44%
	Total	79	100%
Mean : 3.962	Confidence Interval @ 95% : [3.732 - 4.192]	Standard Deviation : 1.043	Standard Error : 0.117



Q14. Social CSR المجتمع مع الاجتماعية الشركة مسؤولية مستوى

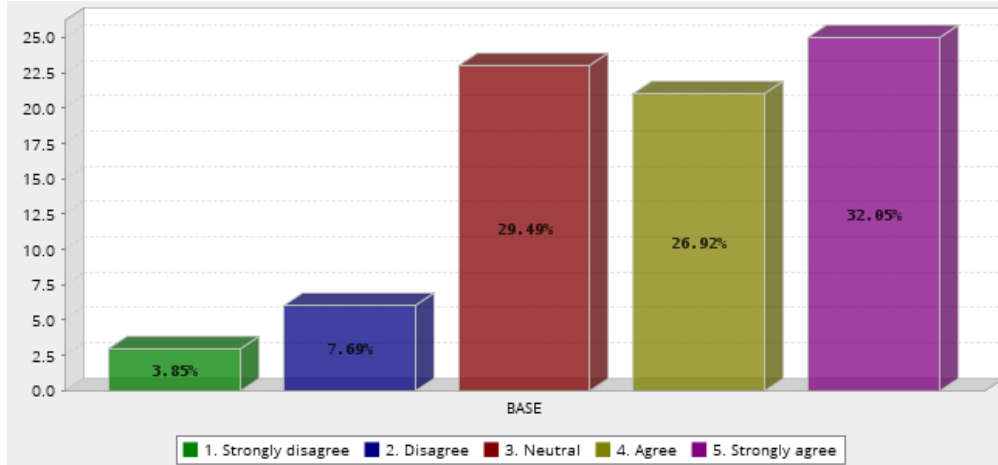


Q14. Overall Matrix Scorecard : 13) Social CSR مستوى مسؤولية الشركة الاجتماعية مع المجتمع

Question	Count	Score
1. a) Your company has an open dialogue with the local community on adverse, controversial or sensitive issues that involve your company (e.g. accumulation of waste outside your premises, vehicles obstructing roads or footpaths). فيما يتعلق تتيح الحوار مع أفراد المجتمع ذوي العلاقة الشركة التي تعمل لديها مثل تراكم مخلفات الشركة خارج مبانيها أو مزاحمة أو قفل الشارع أو الرصيف) بالقضايا الحساسة بالنسبة للشركة والمثيرة للجدل (من قبل سيارات الشركة أو سيارات موظفي الشركة)	78	3.756
2. b) Your company try to purchase locally, where possible. الشركة التي تعمل لديها تحاول شراء احتياجاتها من السوق المحلي قدر الإمكان	78	4.397
3. c) Your employees encouraged to participate in local community activities (e.g. providing employee time and expertise, or other practical help). الشركة التي تعمل لديها تحفز الموظفين (توفر للموظفين الوقت المطلوب للمشاركة في تلك الفعاليات: مثال) للمشاركة في فعاليات الحي	77	3.766
4. d) Your company give regular financial support to local community activities and projects (e.g. charitable donations or sponsorship). الشركة التي تعمل لديها تقدم بشكل اعتيادي الدعم المادي (تبرعات نقدية أو رعاية واستضافة: مثال) لنشاطات ومشاريع المجتمع المحلي أو الحي	78	3.782
Average		3.926



Q14. a) Your company has an open dialogue with the local community on adverse, controversial or sensitive issues that involve your company (e.g. accumulation of waste outside your premises, vehicles obstructing roads or footpaths).  
يتعلق فيما العلاقة ذوي المجتمع أفراد مع الحوار تتيح لديها تعمل التي الشركة  
من الرصيف أو الشارع قفل أو مزاحمة أو مبانيها خارج الشركة مخلفات تراكم مثل) للجدل والمثيرة للشركة بالنسبة الحساسة بالقضايا  
(الشركة موظفي سيارات أو الشركة سيارات قبل

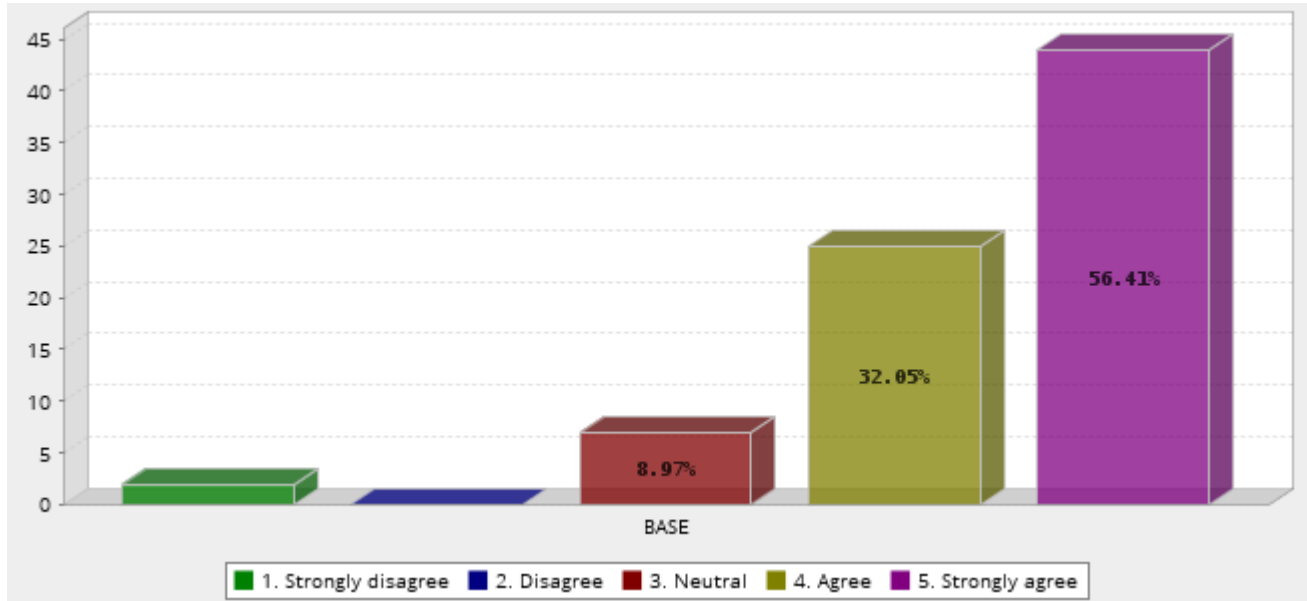


	Answer	Count	Percent
	1. Strongly disagree	3	3.85%
	2. Disagree	6	7.69%
	3. Neutral	23	29.49%
	4. Agree	21	26.92%
	5. Strongly agree	25	32.05%
	Total	78	100%
Mean : 3.756	Confidence Interval @ 95% : [3.511 - 4.002]	Standard Deviation : 1.107	Standard Error : 0.125



Q14. b) Your company try to purchase locally, where possible.  
الإمكان قدر المحلي السوق من احتياجاتها شراء تحاول

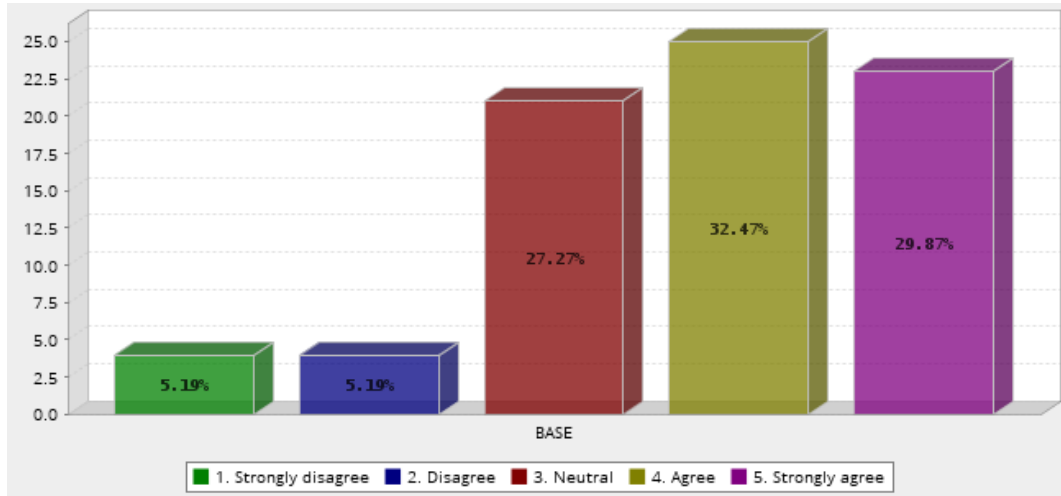
لديها تعمل التي الشركة



	Answer	Count	Percent
	1. Strongly disagree	2	2.56%
	2. Disagree	0	0.00%
	3. Neutral	7	8.97%
	4. Agree	25	32.05%
	5. Strongly agree	44	56.41%
	Total	78	100%
Mean : 4.397	Confidence Interval @ 95% : [4.207 - 4.588]	Standard Deviation : 0.858	Standard Error : 0.097



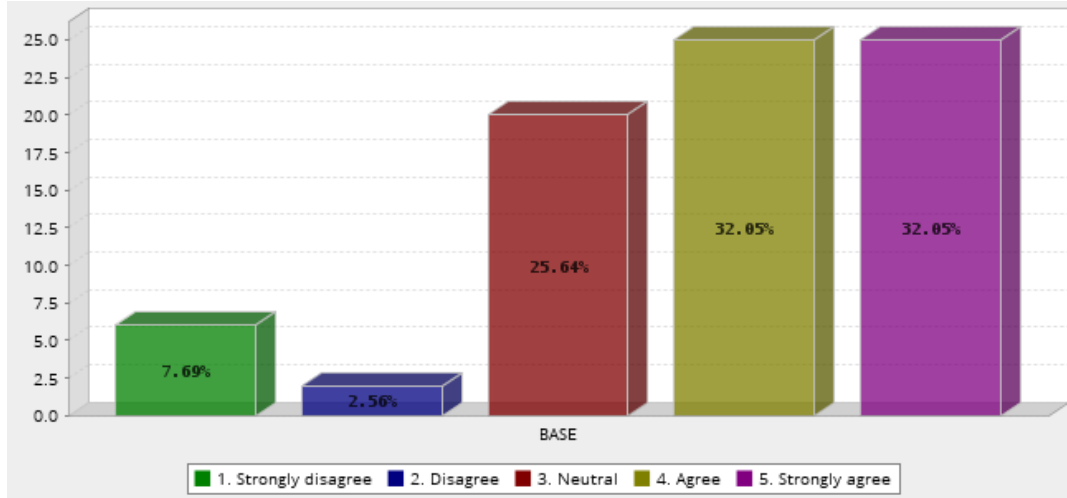
Q14. c) Your employees encouraged to participate in local community activities (e.g. providing employee time and expertise, or other practical help).  
الموظفين تحفز لديها تعمل التي الشركة  
(الفعاليات تلك في للمشاركة المطلوب الوقت للموظفين توفر : مثال) الحي فعاليات في للمشاركة



	Answer	Count	Percent
	1. Strongly disagree	4	5.19%
	2. Disagree	4	5.19%
	3. Neutral	21	27.27%
	4. Agree	25	32.47%
	5. Strongly agree	23	29.87%
	Total	77	100%
Mean : 3.766	Confidence Interval @ 95% : [3.521 - 4.012]	Standard Deviation : 1.099	Standard Error : 0.125

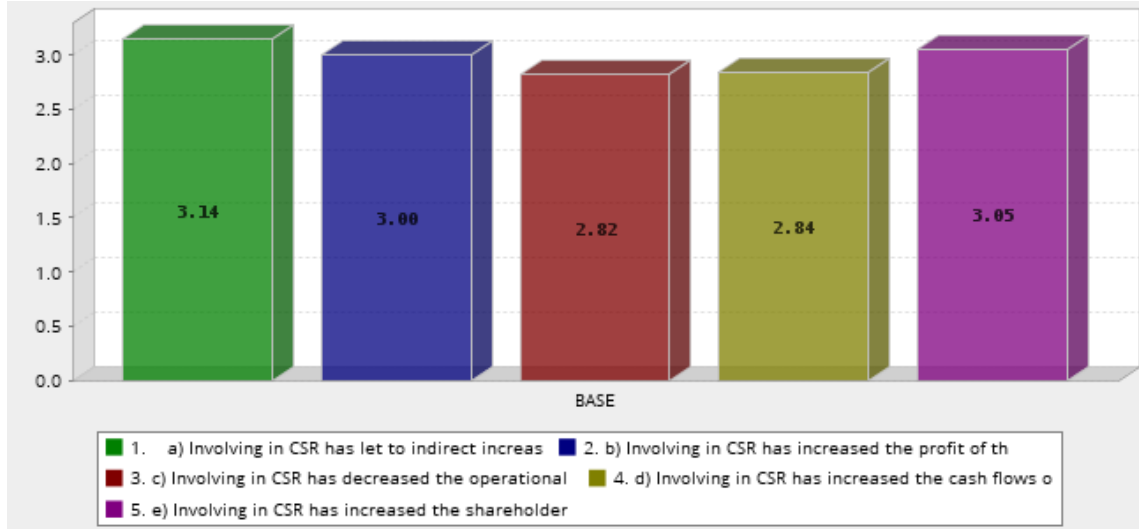


Q14. d) Your company give regular financial support to local community activities and projects (e.g. charitable donations or sponsorship).  
المادي الدعم اعتيادي بشكل تقدم لديها تعمل التي الشركة  
(واستضافة رعاية او نقدية تبرعات: مثال ) الحي أو المحلي المجتمع ومشاريع لنشاطات



	Answer	Count	Percent
	1. Strongly disagree	6	7.69%
	2. Disagree	2	2.56%
	3. Neutral	20	25.64%
	4. Agree	25	32.05%
	5. Strongly agree	25	32.05%
	Total	78	100%
Mean : 3.782	Confidence Interval @ 95% : [3.525 - 4.039]	Standard Deviation : 1.158	Standard Error : 0.131

Q15. Financial Performance الأداء المالي

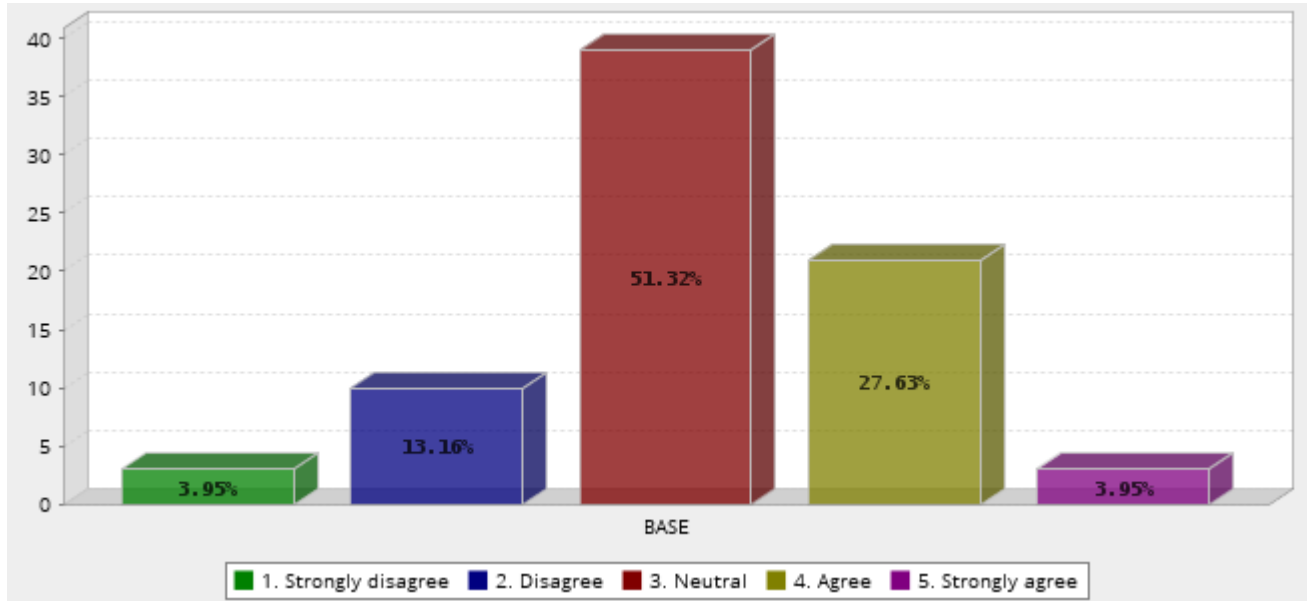


Q15. Overall Matrix Scorecard : 14) Financial Performance الأداء المالي

Question	Count	Score
1. a) Involving in CSR has let to indirect increase in sales. في تقديم المسؤولية الاجتماعية أدت إلى ارتفاع مبيعاتها بشكل غير مباشر	76	3.145
2. b) Involving in CSR has increased the profit of the company. الشركة في تقديم المسؤولية الاجتماعية أدت إلى زيادة ارباحها	76	3.000
3. c) Involving in CSR has decreased the operational cost of the company. في تقديم المسؤولية الاجتماعية أدت إلى انخفاض التكاليف التشغيلية لدى الشركة	76	2.816
4. d) Involving in CSR has increased the cash flows of the company. في تقديم المسؤولية الاجتماعية أدت إلى زيادة التدفقات النقدية لدى الشركة	76	2.842
5. e) Involving in CSR has increased the shareholder value في تقديم المسؤولية الاجتماعية أدت إلى زيادة القيمة الاستثمارية لحملة أسهم الشركة	76	3.053
Average		2.971

Q15. a) Involving in CSR has let to indirect increase in sales.  
مباشر غير بشكل مبيعاتها ارتفاع إلى أدت الاجتماعية المسؤولية

تقديم في الشركة مساهمة

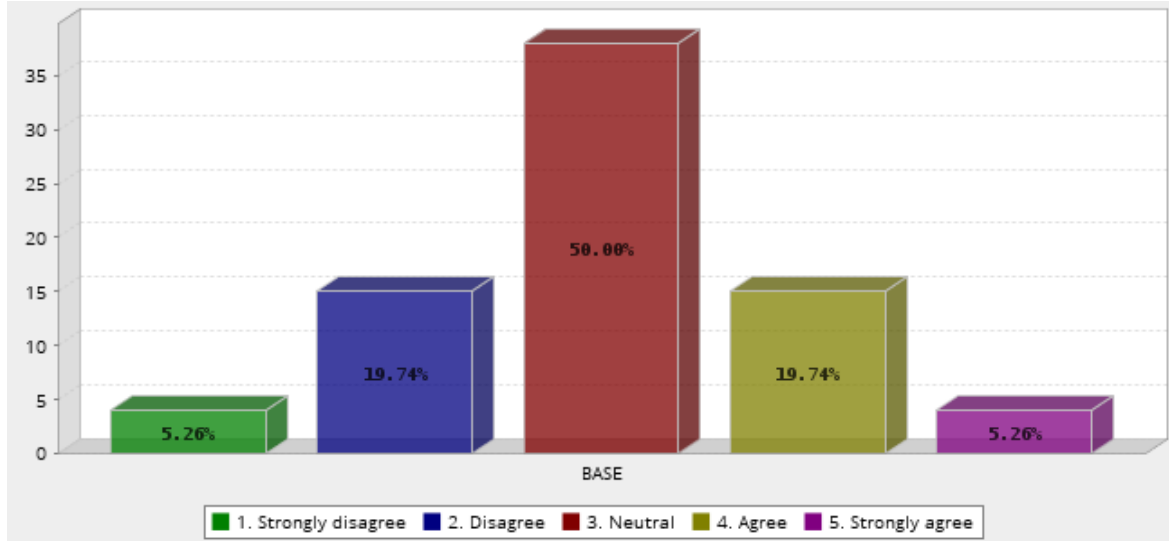


	Answer	Count	Percent
	1. Strongly disagree	3	3.95%
	2. Disagree	10	13.16%
	3. Neutral	39	51.32%
	4. Agree	21	27.63%
	5. Strongly agree	3	3.95%
	Total	76	100%
Mean : 3.145	Confidence Interval @ 95% : [2.955 - 3.334]	Standard Deviation : 0.844	Standard Error : 0.097



Q15. b) Involving in CSR has increased the profit of the company.  
ارباحها زيادة إلى أدت الاجتماعية المسؤولية

تقديم في الشركة مساهمة

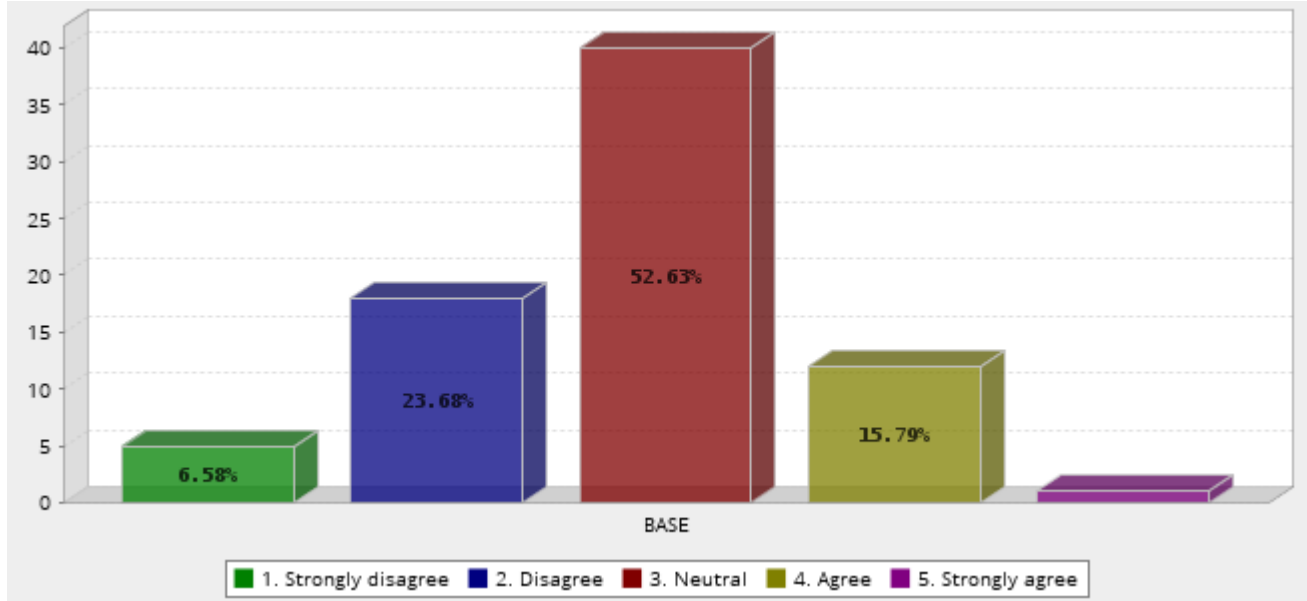


	Answer	Count	Percent
	1. Strongly disagree	4	5.26%
	2. Disagree	15	19.74%
	3. Neutral	38	50.00%
	4. Agree	15	19.74%
	5. Strongly agree	4	5.26%
	Total	76	100%
Mean : 3.000	Confidence Interval @ 95% : [2.796 - 3.204]	Standard Deviation : 0.909	Standard Error : 0.104



Q15. c) Involving in CSR has decreased the operational cost of the company.  
الشركة لدى التشغيلية التكاليف انخفاض إلى أدت الاجتماعية المسؤولية

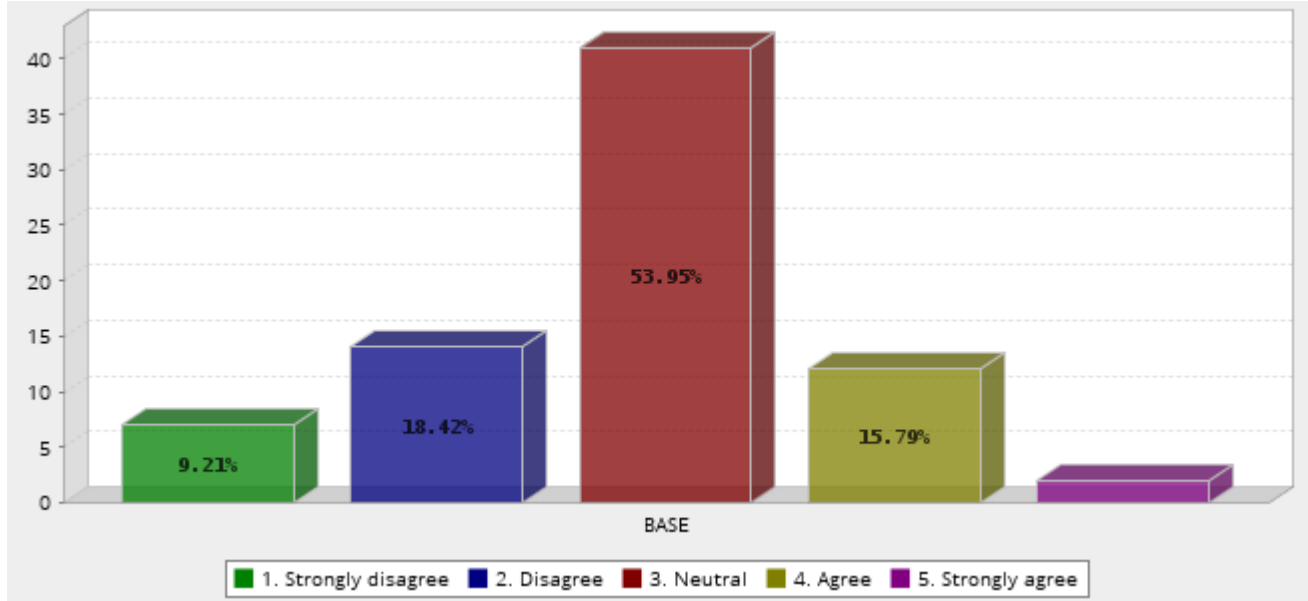
تقديم في الشركة مساهمة



	Answer	Count	Percent
	1. Strongly disagree	5	6.58%
	2. Disagree	18	23.68%
	3. Neutral	40	52.63%
	4. Agree	12	15.79%
	5. Strongly agree	1	1.32%
	Total	76	100%
Mean : 2.816	Confidence Interval @ 95% : [2.630 - 3.002]	Standard Deviation : 0.828	Standard Error : 0.095

Q15. d) Involving in CSR has increased the cash flows of the company.  
الشركة لدى النقدية التدفقات زيادة إلى أدت الاجتماعية المسؤولية

تقديم في الشركة مساهمة

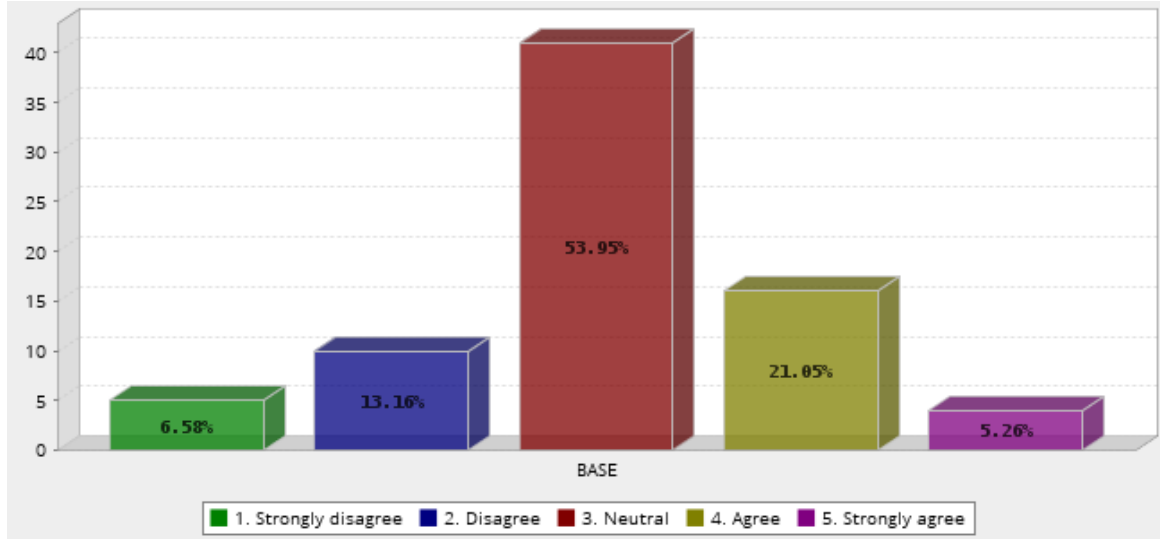


	Answer	Count	Percent
	1. Strongly disagree	7	9.21%
	2. Disagree	14	18.42%
	3. Neutral	41	53.95%
	4. Agree	12	15.79%
	5. Strongly agree	2	2.63%
	Total	76	100%
Mean : 2.842	Confidence Interval @ 95% : [2.641 - 3.043]	Standard Deviation : 0.895	Standard Error : 0.103



Q15. e) Involving in CSR has increased the shareholder value  
الشركة أسهم لحملة الاستثمارية القيمة زيادة إلى أدت الاجتماعية المسؤولية

تقديم في الشركة مساهمة



	Answer	Count	Percent
	1. Strongly disagree	5	6.58%
	2. Disagree	10	13.16%
	3. Neutral	41	53.95%
	4. Agree	16	21.05%
	5. Strongly agree	4	5.26%
	Total	76	100%
Mean : 3.053	Confidence Interval @ 95% : [2.849 Standard Deviation : 0.908		Standard Error : 0.104
	- 3.257]		