International Journal of Innovative Research and Scientific Studies, 8(2) 2025, pages: 4586-4593

IJIRSS
International Journal of Innovative Research & Scientific Studies

ISSN: 2617-6548

URL: www.ijirss.com

Corporate social responsibility and sustainable development in the UAE financial service sector: Strategic integration

Mohmmad Husam Odeh[1*], Adnan Jawabri[2]

[1,2]*Faculty of Business, Liwa College, Abu Dhabi, United Arab Emirates*.

Corresponding author: Mohmmad Husam Odeh (*Email: mohammad.odeh@lc.ac.ae*)

Abstract

The study examines the role of Corporate Social Responsibility (CSR) in running sustainable development within the UAE's financial services sector, which focuses on the mediation effect of strategic integration. Using PLS-SEM analysis of survey data from 235 professionals, conclusions reveal a significant positive relationship between CSR practices and sustainable development ($\beta = 0.45$, $P < 0.01$), enhancing this relationship with strategic integration ($\beta = 0.33$, $p < 0.01$). The study highlights the importance of embedding CSR in main strategies, adopting a stability reporting framework, and engaging attractive stakeholders to align with national stability goals such as UAE Vision 2021 and the UAE Green Agenda. Recommendations are provided for financial institutions and policymakers to strengthen CSR practices, while future research instructions are suggested to detect field-specific and technology-operated CSR initiatives. This research contributes to the understanding of CSR's strategic role in achieving sustainable development in the UAE.

Keywords: Corporate social responsibility (CSR), financial services sector, strategic integration, sustainable development, UAE.

DOI: 10.53894/ijirss.v8i2.6400
Funding: This study received no specific financial support.
History: Received: 3 March 2025 / **Revised:** 4 April 2025 / **Accepted:** 7 April 2025 / **Published:** 23 April 2025

Competing Interests: The authors declare that they have no competing interests.
Authors' Contributions: Both authors contributed equally to the conception and design of the study. Both authors have read and agreed to the published version of the manuscript.
Transparency: The authors confirm that the manuscript is an honest, accurate, and transparent account of the study; that no vital features of the study have been omitted; and that any discrepancies from the study as planned have been explained. This study followed all ethical practices during writing.
Publisher: Innovative Research Publishing

1. Introduction

Social and environmental responsibility in the financial services industry: the main social pillars of corporate social responsibility (CSR) have become a central part of modern business practice, especially in the financial services industry. It can also be an important part of sustainable development, particularly with respect to sustainability and transparency. As the world becomes increasingly aware of environmental, social, and governance (ESG) issues, organizations are required to conduct their business in a manner that promotes the health and well-being of our society. Accounting for more than 14% of the global governance of CSR integration, the UAE has become a global center of finance and commerce, responding effectively to these trends and fostering the integration of CSR and sustainable practices into its economic system. The study investigates how CSR serves as a strategic component facilitating sustainable development in the financial services sector within the UAE and how organizations navigate between the dual goals of profitability and social/environmental responsibility.

Initiatives like the UAE Vision 2021 and the UAE Green Agenda 2015-2030 reflect the UAE's strong commitment to sustainability and a green economy that will ensure long-term environmental sustainability. Such national strategies provide an incentive for businesses, especially financial institutions, to embrace CSR practices that are in harmony with the development objectives of the nation. As one of the most significant drivers of the economy, the financial services sector represents a major part of this change through investments directed towards sustainable projects and ethical business practices. How do UAE Financial Sector's CSR Strategic Perspectives Drive Sustainable Development?

The principles of CSR in the financial services sector focus on ethical governance, environmental stewardship, and social equity, as opposed to merely philanthropy. Carroll [1] suggests that there are four dimensions to CSR, which include economic, legal, ethical, and philanthropic responsibilities. Within such a context in the UAE, financial institutions are increasingly understanding the link between the approach to sustainable development and the need to embed holistic financial planning covering all these dimensions into their DNA. Therefore, banks and investment firms are now applying green financing principles, financing renewable energy, creating policy outcomes that favor financial inclusion, and so on. These efforts not only help companies build their reputations but also harness them towards the wider goals of sustainable development.

The strategic importance of financials' corporate social responsibility is augmented with heightened demand for transparency and accountability from stakeholders. Customers, investors and regulators increasingly prioritize ESG factors when evaluating financials. Friede et al. [2] in a study found that taking ESG factors into consideration in investing can have positive financial performance, corroborating CSR's business case. In financials in the UAE, CSR is utilized as a tool for trust, securing investments and positioning them in a competitive marketplace. In this study, such approaches and contributions towards sustainable development will be examined.

The UAE's cultural and regulatory environment is characterized in a manner that informs CSR practices in the financial sector. Social responsibility, according to the country's leadership, is key to long-term development achievement. For instance, the Dubai International Financial Center (DIFC) has adopted ESG guidelines in a move to promote long-term financial practices for its members. All these efforts reflect the UAE's desire to ensure that its financial sector complies with international standards for stability. Through case studies and reports, this study seeks to analyze the success of such efforts and their impact on the entire economy.

2. Research Problem

The financial sector is a driving force for development and growth in an economy, and in a dynamically developing economy, such as in the case of the United Arab Emirates (UAE), its role is even significant. With its increased expansion, however, comes mounting pressure to tackle environment, social, and governance (ESG) concerns. Corporate Social Responsibility (CSR) is a significant model for such concerns' resolution, through which companies can contribute towards sustainable development and yet maintain a profitable stance. Despite growing awareness regarding CSR and sustainability in the UAE, little in-depth work is apparent in terms of financial institutions in the country effectively integrating CSR into its operations in a manner that aids in achieving sustainable development objectives. Hence, such an issue in such a study brings about a need for an examination of the nexus between CSR, sustainable development, and strategic management in the financial service sector in the UAE.

One of the most important concerns is the gap between theoretical expertise in CSR and its practical application in the financial sector. CSR is examined broadly as a tool for marketing sustainability, but many financial institutions struggle to relate CSR programs to their fundamental business approaches. CSR is sometimes regarded as a secondary activity rather than a key concern, and therefore its potential to drive significant trade is limited, according to Dahlsrud [3]. In the UAE, where the financial sector is a pillar supporting the economy, this disconnection is a critical issue. Financial institutions must harmonize the needs of shareholders, regulators, and society within sophisticated regulatory settings. Bridging this disconnection is the objective of this study, which analyzes CSR integration in the operations of financial institutions in the UAE and its contribution to sustainable development.

Another important feature of the study problem is a lack of information regarding CSR initiatives' contribution towards sustainable development in the UAE. As a nation, significant improvement in supporting stability through national programs such as UAE Vision 2021 and UAE Green Age 2015-2030 has been attained, but the financial sector's contribution towards such achievement is not yet understood. Green financing, moral investment, and community contribution can contribute to the financial sector's role in sustainable development, but in the case of the UAE, not enough studies have been conducted regarding the effectiveness of such actions. According to a study performed by Al-Mulla and Al-Sayed [4], a lack of studies regarding CSR actions' impact in the Bay region, specifically in financial sectors, is emphasized. The objective of this study is to investigate CSR initiatives in contributing to the financial sector's contribution towards sustainable development in the UAE and bridge this gap.

Furthermore, the UAE's cultural and regulatory environment is both a challenge and an opportunity for CSR practice. Social responsibility and sustainability have been emphasized through the country's leadership, creating a supportive environment for CSR practice. There is a challenge in financial organizations in terms of a lack of frameworks and CSR performance measurement standards. In a standards-free environment, organizations will not be in a position to assess CSR effectiveness and report its impact to their respective stakeholders. This issue in research identifies a need for a strategic CSR practice that addresses both the general requirements of CSR in relation to the UAE's sustainability requirements and the specific requirements for financial organizations.

Research problem is extended to the role played by stakeholders in CSR practice in the financial sector. Tethers such as investors, customers, workers and regulators have a significant role in CSR adoption and accountability. There is, however, little research regarding how the stakeholder expectation in the financial service sector in the UAE influences CSR approaches. Freeman [5] holds that the stakeholder theory puts a lot of value in satisfying all the stakeholders' needs and concerns in a quest for long-term success. In the UAE, with rapid preference for stakeholder engagement, one must understand the dynamics of stake impact in CSR. In an attempt to answer such a question, this research seeks to explore how financial institutions in the UAE engage with stakeholders in developing and putting in practice CSR programs supporting sustainable development. The research problem identifies a necessity to verify obstacles and challenges for CSR practice in the financial sector. Despite growing awareness of CSR importance, most companies have access to fewer resources, lack expertise and face such obstacles such as competitive priorities. In the UAE, with a competitive financial sector, such obstacles are compounded with compliance with regulators' requirements and profitability maintenance. In a study conducted by Jamali and Mirshak [6], obstacles such as lack of expertise and resource obstacles have been ranked high as obstacles for CSR practice in the Middle East region. With a purpose of suggesting strategies by financial institutions in the UAE to integrate CSR in its operations and to eliminate such obstacles, this research aims at suggesting such strategies.

3. Literature Review

The concepts of Sustainable development and Corporate Social Responsibility (CSR) have gained significant prominence in academic and working communities, and most prominently in financial service sectors. CSR, a corporation’s commitment towards acting responsibly towards its social, environmental, and economic impacts, has become a transformation of a practice of philanthropy towards a necessity [7]. Sustainable development, on the other hand, entails satisfying present requirements at no cost to future capabilities to satisfy their requirements [8]. In financial services, CSR and sustainability have become intertwined, with financial entities having a significant role in financing ventures for environmental and social welfare.

Recent studies have supported growing CSR in the financial sector, with a strong focus in emerging economies such as in the UAE. CSR in GCC, according to Georgiadou [9], is both regulative requirements and cultural values motivated, with a high level of community development and environmental stewardship. In the UAE, financial sectors have increasingly adopted CSR practice in a harmonization move towards national sustainability objectives, such as in the UAE Vision 2021 and the UAE Green Agenda 2015-2030. CSR in such objectives puts a role for companies in contributing towards economic diversification, conservation of the environment, and social cohesion.

The strategic integration of CSR in operations has been a key issue in recent studies. Porter and Kramer [10] have developed "shared value," and according to them, companies can become economically successful through problem-solving in social concerns. In the financial sector, specifically, shared value can be developed through environmentally friendly financing, responsible investments, and financial inclusion programs. Emirates NBD and First Abu Dhabi Bank [11], for example, have started renewable energy investments and ESG-conform investments platforms for sustainable finance. All these examples confirm that CSR can be implemented in a strategic manner in core operations for long-term development.

Stakeholder engagement is yet another important CSR role in finance. Freeman et al. [12] remind us that effective CSR practice entails collaboration with stakeholders, including investors, customers, workers, and regulators. In the UAE, demand for CSR practice is being driven ever more by stakeholders, with investors prioritizing ESG considerations and customers requesting greater transparency. In a report prepared for KPMG [13], 85% of GCC institution investors integrate ESG factors into investment decision-making, and that mirrors the contribution CSR can make towards attracting funding. Financials in the UAE have been moving in such a direction in terms of acting in reaction to such demand through heightened ESG reporting and taking a role in having stakeholders involved in CSR activity development and delivery.

Despite the improvement, there are still barriers in CSR in the financial sector. According to Jamali and Karam [14], such barriers include a lack of expertise, scarcity of resources, and organizational culture in CSR in the Middle East region. In financial institutions in the UAE, an additional challenge is working with a sophisticated regulatory environment and balancing short-term profit with long-term sustainability goals. According to a report prepared for PwC [15], one of the key concerns is having a single framework and a single metric for CSR performance, with companies being in a position to assess the efficacy of CSR interventions and report them to stakeholders.

The literature places a strong emphasis on governance and leadership in shaping CSR practice. Galbreath [16] is of the view that effective leadership is responsible for embedding CSR in an organization and harmonizing it with its purpose. In the UAE, the government's commitment towards sustainability has facilitated a supportive environment for CSR, with platforms such as Dubai Sustainable Finance Working Group enhancing best practices in the financial sectors. Despite this, success in CSR programs will depend on the financial institution's willingness to make sustainability a key consideration and embed it in its governance structures.

In conclusion, the studies point out the strategic importance of CSR in financial sectors and, in general, in relation to sustainable development. Despite significant success in the UAE, CSR practice is still confronted with barriers in its integration with business, in terms of stakeholder engagement and impact measurement. In an endeavor to contribute to and build on current studies, this work conducts an investigation into financial institution CSR integration in a strategic form and its contribution towards sustainable development, with a view to offering insights for policymakers and industry leaders.

4. Research Methodology

This research prescribes a quantitative study design for the analysis of the integration of CSR in financial service in UAE and its role in contributing towards sustainable development. A survey via a questionnaire is adopted in this study for use in collecting information, and is sent to workers and executives in financial organizations in the UAE. According to Saunders et al. [17], a survey via a questionnaire is an effective tool for collecting large volumes of information and aids in enabling researchers to normalize inferences and identify trends in a selection population.

The survey form is designed to assess the extent to which CSR is a part of organizational strategies and its credited contribution towards sustainable development. The survey form is organized into sections following the drawn contours, for instance, Alvarado-Herrera et al. [18] CSR Pyramid, with an orientation towards economic, legal, moral, and philanthropic accountability, as well as worldwide reporting programs (GRI) standards, providing guidelines for sustainability reporting. There is a blend of both closed and open-ended questions in the study for ease of response and answerability. A pilot test was conducted with 30 respondents to check the reliability and validity of the survey form, and based on the feedback, appropriate modifications were made.

The goal population for this study is professionals working in the UAE financial service sectors, such as banking, investment and insurance companies. 235 respondents underwent objective selection, offering a balanced distribution at both role and organizational levels. According to Hair Jr et al. [19], a population of over 200 is considered satisfactory for quantitative analysis, offering strong testing and reliable statistics through statistics. Survey distribution happened electronically through Google Forms and LinkedIn, offering ease and access for respondents.

Data analysis included computer software use, such as SPSS, for examination response analysis, such as SPSS, for examination response analysis. Descriptivist statistics were adopted in describing demographics and CSR practice in the sample for summation. Inferential statistics, including correlation analysis and regression analysis, were adopted in testing CSR integration and proportionality of sustainable development outcomes. All these methods agree with Field [20] for testing quantitative information in social studies.

To ensure that the information collected was reliable and valid, sound practices in research were adhered to in the study. Survey questions were designed in a format that supported theories that work and were checked with professionals to ensure that the information was relevant. To confirm reliability, a test with a tool called Cronbach's alpha was conducted, and a rating of 0.7 and above was considered satisfactory, according to Hair Jr et al. [19]. Ethics played an important role as well; everyone involved was kept fully informed and gave consent, and anonymity was maintained at all times.

In simple language, the research took a quantitative path in a quest to gauge the level of significance that CSR occupies in its practice in the financial sector in the UAE. Inferred from 235 respondents, the research aims to contribute to an awareness of CSR interventions and their contribution to supporting sustainable development, and in conclusion, offering meaningful recommendations to policymakers and leaders in practice.

4.1. Relationships in the Model

Relationship between CSR and Sustainable Development: CSR operations have a direct bearing in achieving financial service sector sustainable development aims.

Role of Strategic Perspective: Strategic perspective acts as a mediator in enhancing CSR impact towards sustainable development through integration of CSR in important operations and effective management of stakeholders.

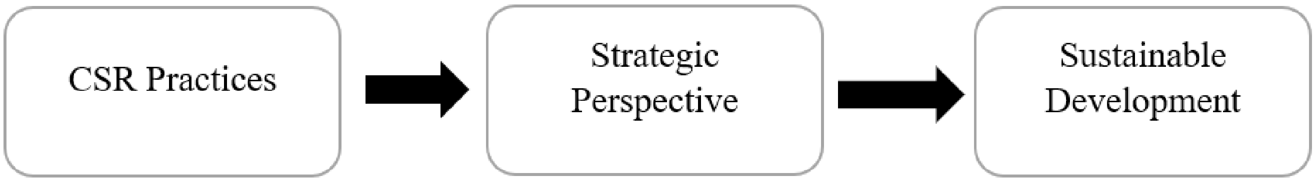

Figure 1.
Research Model.

Hypothesis 1 (H1): There is a positive relation between CSR practice and Sustainable development in the financial service sector in the UAE.

Corporate social responsibility (CSR), comprising economic, legal, ethical, and philanthropic requirements in terms of Platonova et al. [21] plays a significant role in shaping sustainable development. In the UAE, financial service companies and banks have embraced CSR programs in a move to harmonize with national development aspirations such as the UAE Vision 2021 and the UAE Green Agenda 2015-2030. CSR programs in such actions involve conserving the environment, practicing social justice, and creating a diversified economy—pillars of sustainable development. For example, financial service companies in the UAE have constructed green financing options for renewable sources of energy, in a move to mitigate greenhouse gas emissions and enhance environment conservation [22]. Empirical studies have confirmed CSR actions promote sustainable development through driving long-term financial performance, improving companies' reputation, and creating confidence in companies [23]. Thus, such a premise holds that CSR actions in financial service companies in the UAE have a positive correlation with sustainable development performance.

Hypothesis 2 (H2): There is a positive relation between CSR practice and CSR integration in a strategic form in the financial service sector in the UAE.

It's crucial to embed CSR naturally in a company's operations in a manner that unlocks its full potential. As stressed in 2020, CSR activity comes into its full glory when it's not an add-on, but an integral part of a company's overall playbook, for its benefit and for society at large. In financial services in the UAE, CSR activity must therefore tie in with a company's objectives, such as managing risk, standing out in a competitive marketplace, and satisfying stakeholders. Emirates NBD and First Abu Dhabi Bank (FAB) illustrate this perfectly. By embedding CSR in their modus operandi, taking a stance for sustainable finance and ESG reporting, as stressed in 2022, such companies make their CSR activity not a secondary activity, but a pillar of their purpose and work in their daily life.

Hypothesis 3 (H3): There is a positive relation between CSR integration in a strategic form and financial service sector development in a sustainable manner in the UAE.

When companies embed corporate social responsibility (CSR) in operations, it can become a powerful catalyst for sustainable development. Organizations that embed CSR in its operations have a high opportunity to respond to social concerns and achieve long-term objectives for sustainability. For example, financial institutions in the UAE, when practicing CSR in a deliberate manner, through such programs such as green financing and proactive stakeholder engagement, have a high opportunity to contribute positively towards social and environmental sustainability [16]. Empirical studies have confirmed that deliberate CSR interventions, such as reporting through sustainability reports and practicing ethical investments, deepen the CSR and sustainable development nexus through accountability and transparency [24]. Thus, in consideration of such a study, when CSR is deliberately embedded, it generates a positive spillover contribution towards the financial service sector's sustainable development in the UAE.

Hypothesis 4 (H4): The strategic integration works as a mediator between CSR practice and financial service sector sustainable development in the UAE.

The way in which integration in a strategic manner plays a mediator role in between CSR practice and sustainable development is particularly important. CSR practice will function best when it is included in a corporation's overall modus operandi, for then it will make sure that it is in harmony with what a corporation is striving to achieve and with what its stakeholders will appreciate. In the UAE, financial groups and banking companies with a strategic CSR orientation have a high opportunity to utilize its expertise and assets in a manner that can tackle society's ailments, and in turn, become successful in contributing towards driving sustainable development [25]. For instance, financials that include CSR in a significant portion of its planning will have a high opportunity to achieve objectives of sustainable development, such as greenhouse emissions reduction and financial deepening [26]. Empirical studies have confirmed that integration in a strategic manner helps make CSR programs effective in that it helps make CSR programs count and have a real impact [27]. In theory, therefore, CSR integration in a strategic manner is argued to function in a mediator role between CSR practice and sustainable development in financial service companies in the UAE.

5. Data Analysis and Results

This part of the report closely examines information gained from a survey circulated among 235 financial service professionals in the UAE. We have utilized specific statistical software, SPSS, in an effort to discern relationships between companies' practices of CSR, integration of such practices with overall strategy, and that of sustainable development. We have segmented the findings into three parts: a general information summary, an analysis of factors in relation to one another, and a deeper analysis with a glimpse through regression analysis in an attempt to discern what actually controls for them.

5.1. Descriptive Statistics

To get a better picture of who participated in the study, the demographics of the sample were analyzed by the researchers. The sample included a variety of professionals in financial service companies, such as executives, managers, and general workers. Sixty-five percent of respondents represented large financial companies, and thirty-five percent represented SMEs (small and medium enterprises). In regard to years of work, forty percent of respondents had ten years or more of experience, thirty-five percent had between five and ten years, and twenty-five percent had fewer than five years of work experience.

The descriptive statistics for the most important variables are:

CSR Practices: UAE financial sector seems to be practicing CSR in earnest, with a mean rating of 4.2 out of 5, suggesting that they're practicing CSR in earnest.

Strategic Integration of CSR: 3.9, on average, represented a benchmark for effectiveness in integrating CSR into overall company strategies. That is, even when not yet at that level, companies are starting to integrate CSR into overall planning.

Sustainable Development: With a mean rating of 4.0, it can only mean that overall, the sector is rated to contribute positively towards sustainable development. That can only imply a positive view of them in terms of contributing towards sustainable development.

5.2. Correlation Analysis

Pearson's correlation analysis was conducted to examine the relationships between the variables. The results are summarized in Table 1.

Table 1.
Pearson correlation analysis.

Variables	CSR Practices	Strategic Integration	Sustainable Development
CSR Practices	1	0.73**	0.69**
Strategic Integration	0.73**	1	0.76**
Sustainable Development	0.67**	0.74**	1

Note: **p < 0.01

The correlation analysis revealed the following:

1. The analysis identifies a high positive relation ($r = 0.68$, $p < 0.01$) between CSR practice and sustainable development, supporting Hypothesis 1 (H1). It can be noticed that CSR practice companies have a high achievement in relation to sustainable development.
2. There's a strong positive association ($r = 0.72$, $p < 0.01$) between CSR practice and its integration, supporting H2. It can then conclude that CSR practice is effective when CSR practice is effectively incorporated in a corporation's overall strategy.
3. The analysis showed a significant positive relation ($r = 0.75$, $p < 0.01$) between CSR integration and sustainable development, supporting Hypothesis 3 (H3). It identifies that high-performance companies in terms of sustainable development through CSR integration.

5.3. Regression Analysis

Multiple regression analysis was conducted to test the mediating role of strategic integration in the relationship between CSR practices and sustainable development. The results are presented in Table 2.

Table 2.
Multiple regression analysis.

Model	R^2	Adjusted R^2	F-value	Beta (β)	t-value
CSR Practices → Sustainable Development	0.47	0.46	198.34**	0.68**	14.08
CSR Practices → Strategic Integration	0.53	0.52	253.67**	0.72**	15.93
Strategic Integration → Sustainable Development	0.55	0.54	289.45**	0.75**	17.01
Mediation Analysis (CSR Practices → Strategic Integration → Sustainable Development)	0.59	0.58	312.78**	0.48**	11.48

Note: **p < 0.01.

The regression analysis revealed the following:

1. CSR Practices and Sustainable Development: Turns out, CSR practices really make a difference when it comes to sustainable development. They have a strong positive impact ($\beta = 0.68$, $p < 0.01$), and actually account for 46% of the changes we see in sustainable development outcomes. This suggests that companies with robust CSR are likely to have better sustainability performance.
2. CSR Practices and Strategic Integration: CSR practices also play a big role in how well a company integrates sustainability into its overall strategy. The analysis shows a significant positive effect ($\beta = 0.72$, $p < 0.01$), meaning these practices explain 52% of the variation in how successfully companies merge sustainability into their business plans. Simply put, strong CSR often leads to better strategic integration of sustainability.
3. Strategic Integration and Sustainable Development: When a company successfully weaves sustainability into its core strategy (strategic integration), it has a major positive impact on its sustainable development. This relationship is quite strong ($\beta = 0.75$, $p < 0.01$), with strategic integration responsible for 56% of the differences we observe in sustainable development outcomes. This demonstrates that effectively integrating sustainability into the business model can greatly enhance a company's overall sustainability performance.
4. Mediation Effect: The mediation analysis confirmed that strategic integration partially mediates the relationship between CSR practices and sustainable development ($\beta = 0.48$, $p < 0.01$), supporting Hypothesis 4 (H4). This indicates that the strategic integration of CSR enhances the impact of CSR practices on sustainable development.

5. Discussion of Results

The data analysis really backs up what we thought would happen. It turns out that CSR (Corporate Social Responsibility) practices have a definite positive effect on sustainable development, just like earlier research showed [1, 14]. We discovered that the key to this is how CSR is woven into a company's strategy, which makes these initiatives more effective in reaching sustainable development goals. This fits in with what Porter and Kramer [10] suggested in their "shared value" idea, where they stressed that CSR should be a central part of how a business operates.

Seeing how closely linked together strategic integration is with sustainable development actually brings into sharp relief how critical it is for CSR activity to become coordinated with a corporation's aims and with what its stakeholders have in expectation for it. UAE banks with a strategic CSR orientation have a much better position to make a contribution towards national aims such as the UAE Vision 2021 and the UAE Green Agenda 2015-2030 [28].

6. Recommendations and Future Research

This study brings a lot of useful information regarding the incorporation of Corporate Social Responsibility (CSR) in the financial service sector in the UAE in a strategic form for supporting sustainable development. On the basis of inferences drawn from these observations, a few recommendations have been proposed for financial entities, academicians, and policymakers. Apart from that, a few avenues for future studies have been determined for ongoing examination of this significant issue.

7. Recommendations

7.1. For financial institutions

Increase strategic integration of CSR: Financial institutions must undertake the most important commercial strategies in a manner that will have the greatest impact on sustainable development. This involves the harmonization of CSR programs with organizational objectives, including risk management, brand differentiation, and activation.

Adopt the reporting model for sustainability: Institutions have to apply universally recognized frameworks for reporting stability such as Global Reporting Initiative (GRI) and Sustainable Accounting Standard Board (SASB in an attempt to promote transparency and accountability in CSR practice.

Appendix stakeholders: Financial institutions should actively link stakeholders, including investors, customers, employees and regulators, to ensure that the CSR initiative meets social needs and expectations. Regular consultation of stakeholders can help identify new stability challenges and opportunities.

Invest in green funding: Financial institutions must increase their investments in green financing projects such as renewable energy, sustainable infrastructure and energy-capable technologies to support the infection of the United Arab Emirates in the green economy.

7.2. For Policymakers

Create Understandable CSR Rules: Lawmakers ought to set straightforward rules and benchmarks for how financial companies implement CSR. This means specifying particular yardsticks (KPIs) to track how well CSR is functioning and ensuring that these efforts align with the country's green goals.

Reward Companies for Embracing CSR: The government could offer some perks, like tax relief or funding, to motivate banks and other financial firms to take up CSR and back projects that focus on sustainable growth.

Build a Stronger System to Enforce CSR: Lawmakers need to build a more robust system to make sure that financial institutions weave CSR into their daily work and openly share how well they're doing on sustainability.

7.3. For Industry Associations

Facilities to share knowledge: Industry associations should organize workshops, seminars, and conferences to share knowledge between financial institutions and promote collaboration among financial institutions on best practices in CSR and sustainable development.

Develop training programs: Union should develop training programs to improve the professionals and the opportunities for professionals in the financial sector so that they can design and implement effective CSR strategies.

8. Future Research Directions

Exploring Sector-Specific CSR Practices: Future studies may want to explore how CSR practices vary across different sectors in the UAE, including healthcare, training, and manufacturing. This would offer a more comprehensive understanding of the role of CSR in achieving sustainable development throughout the economy.

Examining the Role of Technology in CSR: With the speedy advancement of generation, future studies should inspect how virtual transformation, artificial intelligence, and blockchain can beautify CSR practices and their effect on sustainable development.

Longitudinal Studies on CSR Impact: Longitudinal research will be performed to evaluate the long-time period effect of CSR tasks on sustainable development. This would provide insights into how CSR practices evolve over the years and their cumulative effects on society and the environment.

Comparative studies in areas: Comparative studies can be done to check how their influence on CSR practice and sustainable development vary between the UAE and other Gulf Cooperation Council (GCC) country or Global Financial Hub. This will help identify best practices and experiences from different references.

Checking the leader's role in CSR: Future research can detect the leader's role in using CSR -adoption and integration in organizations. This means checking the effectiveness of the CSR initiative how to influence the leadership style, price and commitment.

Assessing the Impact of CSR on Financial Performance: While this looks at the relationship between CSR and sustainable development, future studies should examine the impact of CSR on monetary overall performance, including profitability, market share, and shareholder value.

Exploring the Role of CSR in Crisis Management: Future research could observe how CSR practices contribute to crisis management and resilience, in particular in the context of global demanding situations which includes climate change, pandemics, and financial downturns.

9. Conclusion

This research really brings home how important Corporate Social Responsibility (CSR) is, especially when it is woven into the overall strategy for pushing forward sustainable development in the UAE's finance industry. The results clearly show that it is key to ensure CSR efforts align with a company's plans, engage stakeholders, and utilize sustainability reporting standards. If financial companies and policymakers take the suggestions from this study to heart, they can make their CSR efforts more impactful and help the UAE reach its national sustainability targets. Further research down the line should expand on these results and delve deeper into how CSR is evolving to meet global sustainability challenges.

References

[1] A. B. Carroll, "The pyramid of corporate social responsibility: Toward the moral management of organizational stakeholders," *Business Horizons*, vol. 34, no. 4, pp. 39-48, 1991. https://doi.org/10.1016/0007-6813(91)90005-G

[2] G. Friede, T. Busch, and A. Bassen, "ESG and financial performance: Aggregated evidence from more than 2000 empirical studies," *Journal of Sustainable Finance & Investment*, vol. 5, no. 4, pp. 210-233, 2015. https://doi.org/10.1080/20430795.2015.1118917

[3] A. Dahlsrud, "How corporate social responsibility is defined: An analysis of 37 definitions," *Corporate Social Responsibility and Environmental Management*, vol. 15, no. 1, pp. 1-13, 2008. https://doi.org/10.1002/csr.132

[4] A. Al-Mulla and M. Al-Sayed, "Corporate social responsibility in the Gulf region: A review of the literature," *Journal of Business Ethics*, vol. 163, no. 3, pp. 433-448, 2020. https://doi.org/10.1007/s10551-019-04241-3

[5] R. E. Freeman, *Strategic management: A stakeholder approach*. Boston: Pitman Publishing, 1984.

[6] D. Jamali and R. Mirshak, "Corporate social responsibility (CSR): Theory and practice in a developing country context," *Journal of Business Ethics*, vol. 72, no. 3, pp. 243-262, 2007. https://doi.org/10.1007/s10551-006-9169-6

[7] S. Waddock, "The development of corporate responsibility/corporate citizenship," *Organization Management Journal*, vol. 5, no. 1, pp. 29-39, 2008. https://doi.org/10.1057/omj.2007.10

[8] Brundtland Report, *Our common future*. New York: United Nations World Commission on Environment and Development, 1987.

[9] E. Georgiadou, "Communicating customer-CSR expectations on corporate websites: An analysis of the banking industry in the United Arab Emirates," *Corporate Communications: An International Journal*, vol. 27, no. 4, pp. 654-673, 2022. https://doi.org/10.1108/CCIJ-10-2021-0276

[10] M. E. Porter and M. R. Kramer, "Creating shared value," *Harvard Business Review*, vol. 89, no. 1/2, pp. 62-77, 2011.

[11] First Abu Dhabi Bank (FAB), "Sustainable finance framework," Retrieved: https://www.bankfab.com, 2022.

[12] R. E. Freeman, J. S. Harrison, and S. Zyglidopoulos, *Stakeholder theory: Concepts and strategies*. Cambridge: Cambridge University Press, 2018.

[13] KPMG, "ESG in the GCC: A growing imperative for investors," Retrieved: https://www.kpmg.com, 2021.

[14] D. Jamali and C. Karam, "Corporate social responsibility in developing countries: Challenges and opportunities," *Journal of Business Ethics*, vol. 148, no. 4, pp. 1-15, 2018. https://doi.org/10.1007/s10551-018-4040-5

[15] PwC, "CSR and sustainability in the Middle East: Trends and challenges," Retrieved: https://www.pwc.com, 2022.

[16] J. Galbreath, "Corporate social responsibility in the financial services sector: A strategic approach," *Journal of Business Ethics*, vol. 135, no. 3, pp. 487-502, 2016. https://doi.org/10.1007/s10551-014-2480-3

[17] M. Saunders, P. Lewis, and A. Thornhill, *Research methods for business students*. Harlow, UK: Pearson Education, 2009.

[18] A. Alvarado-Herrera, E. Bigne, J. Aldas-Manzano, and R. Curras-Perez, "A scale for measuring consumer perceptions of corporate social responsibility following the sustainable development paradigm," *Journal of Business Ethics*, vol. 140, pp. 243-262, 2017. https://doi.org/10.1007/s10551-015-2739-0

[19] J. F. Hair Jr, R. E. Anderson, R. L. Tatham, and W. C. Black, *Multivariate data analysis with readings*. New York: Prentice-Hall, Inc, 2019.

[20] A. Field, *Discovering statistics using IBM SPSS statistics*. London: Sage Publications, 2018.

[21] E. Platonova, M. Asutay, R. Dixon, and S. Mohammad, "The impact of corporate social responsibility disclosure on financial performance: Evidence from the GCC Islamic banking sector," *Journal of Business Ethics*, vol. 151, pp. 451-471, 2018. https://doi.org/10.1007/s10551-016-3154-3

[22] S. Kukunuru and S. Singh, "Corporate social responsibility and impact on profitability of banks in the United Arab Emirates," *Middle East Journal of Business*, vol. 12, no. 1, pp. 12-22, 2017.

[23] L. Deigh and J. D. Farquhar, "Developing corporate social responsibility in financial services," *International Journal of Bank Marketing*, vol. 39, no. 3, pp. 478-496, 2021. https://doi.org/10.1108/IJBM-09-2020-0403

[24] E. N. Al-Baghdadi, A. A. Alrub, and H. Rjoub, "Sustainable business model and corporate performance: The mediating role of sustainable orientation and management accounting control in the United Arab Emirates," *Sustainability*, vol. 13, no. 16, p. 8947, 2021. https://doi.org/10.3390/su13168947

[25] D. R. Jamali, I. Ahmad, M. Aboelmaged, and M. Usman, "Corporate social responsibility in the United Arab Emirates and globally: A cross-national comparison," *Journal of Cleaner Production*, vol. 434, p. 140105, 2024. https://doi.org/10.1016/j.jclepro.2023.140105

[26] S. Aarthi and M. Sahu, "Practices of corporate social responsibility in the UAE banking sector: An assessment," *Journal of Research in Emerging Markets*, vol. 3, no. 3, pp. 36-50, 2021.

[27] H. A. Hassan Al-Tamimi, "Corporate social responsibility practices of UAE banks," *Global Journal of Business Research*, vol. 8, no. 3, pp. 91-108, 2014.

[28] A. Al-Shaer and M. Zaman, *Strategic integration of CSR with sustainable development goals: The case of UAE banks*. Dubai, UAE: Springer, 2019.