

Corporate Ethical Identity and Earnings Quality: Evidence from Islamic Banks in Qismut+3 Countries

Ulfa Rahmawati¹, Lely Kumalawati¹
¹Politeknik Negeri Madiun, Indonesia
*Email: ulfa.ulfarahmawati@pnm.ac.id

ABSTRACT

This study examines the effect of corporate ethical identity on earnings quality in Islamic banks. Islamic banks apply Islamic principles that underlie corporate ethical identity and should avoid earnings management to maintain high-quality earnings. Prior studies examine corporate ethical identity and firm performance, as well as earnings management or earnings quality in conventional and Islamic banks. Unlike prior studies, this paper examines the association between corporate ethical identity and earnings quality among Islamic banks in an international context. The Ethical Identity Index (EII) and earnings predictability are employed to assess the effect of corporate ethical identity on earnings quality in Islamic banks. Using the OLS regression, this study analyzes 125 firm-year observations from 8 countries that incorporated in QISMUT+3 countries over the period 2013-2017. The results indicate that corporate ethical identity is positively associated with earnings quality in Islamic banks. This study also finds variation between communicated and ideal ethical identities across 25 Islamic banks in QISMUT+3 countries. These results imply that Islamic banks' management and regulators should pay greater attention to Islamic banks' corporate ethical identity, as this is an important variable that influences earnings quality.

Keyword: Earnings; Ethical; Identity; Islamic; QISMUT+3

INTRODUCTION

The collapse of major corporations such as Enron and WorldCom highlighted how weak ethical foundations can lead to earnings manipulation and low – quality financial reporting. While these failures occurred in conventional financial systems, they raise important questions for Islamic banks, which are expected to operate under stricter ethical principles derived from Sharia.

Islamic banks are founded on principles of justice, transparency, and accountability. However, prior studies suggest that the ethical identity of Islamic banks, as communicated in annual reports, does not always fully reflect these ideals. Zaki et al. (2014) found that the corporate ethical identity value of Islamic banks in Asia for 2006-2010 did not exceed 63%, based on the criteria proposed by Haniffa & Hudaib. This raises a critical issue: whether ethical identity in Islamic banks is merely symbolic or substantively influences financial reporting quality.

Moreover, Islamic banking practices differ across countries due to variations in regulatory frameworks, Sharia governance, and disclosure requirements. For example, countries such as Malaysia and Indonesia have relatively advanced Islamic financial regulations, while others may rely more on internal governance mechanisms. These differences may influence how corporate ethical identity is formed and how it affects earnings quality.

Islamic ethical principles are expected to shape managerial behavior by promoting fairness, accountability, and transparency. Prior studies suggest that adherence to ethical and moral principles reduces the likelihood of opportunistic behavior such as earnings management (Quttainah & Almutairi, 2017).

Empirically, previous studies have examined the effects of ethical identity on firm performance (Berrone et al., 2007; Syuhada et al., 2019; Zaki et al., 2014) and earnings management (Mukhibad & Nurkhin, 2019). However, limited research has explored the direct

relationship between corporate ethical identity and earnings quality, particularly in a multi-country Islamic banking context.

Consistent with this gap, this study examines the effect of corporate ethical identity on earnings quality in Islamic banks across multiple countries. This study contributes to literature in two ways. First, it provides empirical evidence on the relationship between ethical identity and earnings quality in an international Islamic banking context. Second, it extends prior earnings quality literature, which has predominantly focused on conventional financial institutions, by incorporating Islamic banks.

Islamic banks operate under Sharia principles that emphasize justice, accountability, and transparency. These principles are expected to be reflected in the corporate ethical identity of Islamic banks. Haniffa & Hudaib (2007) define corporate ethical identity as the extent to which organizations communicate their adherence to Islamic ethical values through disclosures.

From a stakeholder perspective, Islamic banks are accountable not only to shareholders but also to a broader group of stakeholders, including depositors, regulators, and society. Ethical identity serves as a mechanism to signal responsibility and trustworthiness to these stakeholders (Freeman, 1984).

From a legitimacy theory perspective, Islamic banks disclose ethical identity to align with societal expectations and maintain legitimacy. Such disclosures may enhance credibility and reduce information asymmetry (Suchman, 1995)

From an agency theory perspective, ethical identity can function as an internal governance mechanism. Strong ethical values may constrain managerial opportunism and reduce earnings management behavior (Jensen & Meckling, 1976). Earnings quality reflects the reliability and usefulness of financial information. High-quality earnings are characterized by predictability, transparency, and the absence of opportunistic manipulation.

Prior studies have shown that ethical commitment is associated with better financial reporting practices. Firms with stronger ethical orientation tend to adopt more conservative accounting policies and are less likely to engage in earnings management (Choi & Pae, 2011; Mukhibad & Ahmad Nurkhin, 2019).

In the context of Islamic banks, adherence to ethical principles is expected to strengthen financial reporting quality. However, prior studies mainly focus on ethical identity and firm performance, or earnings management separately, rather than directly examining earnings quality.

Furthermore, there may be differences between communicated ethical identity and actual ethical practices. In some cases, ethical disclosure may be symbolic rather than substantive, which could weaken their impact on financial reporting quality.

Based on stakeholder theory, legitimacy theory, and agency theory, corporate ethical identity is expected to influence managerial behavior and reduce opportunistic reporting practices. Ethical identity may enhance transparency and accountability, thereby improving earnings quality.

Therefore, the hypothesis of this study is formulated as follows:

H1: Corporate ethical identity is positively associated with earnings quality in Islamic banks

RESEARCH METHOD

This study employs a quantitative research design to examine the relationship between corporate ethical identity and earnings quality in Islamic banks across multiple countries. The population of this study consists of Islamic banks operating in QISMUT+3 countries, which include Qatar, Indonesia, Saudi Arabia, Malaysia, the United Arab Emirates, Turkey, Pakistan,

Bahrain, and Kuwait. Bahrain was excluded due to incomplete financial data during the observation period.

The sample is selected using purposive sampling based on the following criteria: (1) Islamic banks that operate fully under Sharia principles during the period 2013-2017, (2) availability of complete annual reports, (3) accessibility of financial data required for analysis, and (4) availability of annual reports in English. The final sample consists of 25 Islamic banks, resulting in 125 firm-year observations. Annual reports are obtained from the official websites of Islamic banks, while financial data are collected from Thomson Reuters database.

This study follows several stages. First, Islamic banks that meet the sampling criteria are identified. Second, annual reports are collected and reviewed for the period 2013-2017. Third, content analysis is conducted to measure the Ethical Identity Index (EII) based on the framework developed by Haniffa & Hudaib (2007). Each disclosure item is coded using a binary scoring system, where a value of "1" is assigned if the item is disclosed and "0" otherwise. Fourth, earnings quality is measured using earnings predictability, following prior studies. Financial data required for the calculation is extracted from the Thomson Reuters database. Finally, Ordinary Least Squares (OLS) regression is employed to examine the relationship between corporate ethical identity and earnings quality.

The dependent variable in this study is earnings quality, measured using earnings predictability. The independent variable is corporate ethical identity, measured using the Ethical Identity Index (EII). Control variables include firm size, growth, audit quality, and accounting values conservatism (AVC). Firm size is measured using natural logarithm of total assets. Growth is measured as the percentage change in total assets. Audit quality is measured using a dummy variable indicating whether the bank is audited by a Big Four firm. AVC represents country-level accounting conservatism.

The period 2013-2017 is selected due to the availability of consistent and comparable data across countries. In addition, this period reflects the relatively stable financial reporting practices prior to major regulatory and reporting transformations in the global and Islamic finance landscape. Specifically, this period precedes the implementation of IFRS 9 (Financial Instruments), which became effective in 2018 and introduced significant changes in the classification and measurement of financial assets, as well as the expected credit loss model (International Accounting Standards Board, 2018). These changes have been shown to affect earnings volatility and comparability across financial institutions. Furthermore, this period captures the post-global financial crisis stabilization phase, during which Islamic banking experienced significant growth and expansion across multiple countries (Beck et al., 2013).

In the context of Islamic finance, the period 2013-2017 represents a phase in which Islamic banks were strengthening governance and disclosure practices, but before the increasing emphasis on sustainability and ESG-related reporting frameworks that emerged more prominently in recent years. Therefore, selecting this period allows for a more consistent and comparable analysis of ethical identity and earnings quality across countries without the confounding effects of major regulatory changes.

Model

The research model is represented by equation (2).

$$Earnings_{it+1} = \alpha_{it} + \beta Earnings_{it} + \varepsilon_{it} \quad (1)$$

This study employs earnings predictability as the primary proxy for earnings quality, following Francis et al. (2004) and Kanagaretnam et al. (2014). Earnings predictability (EQ_{it}) is measured as the square root of the error variance derived from the following equation.

Earnings are calculated as income before tax divided by total assets (Hanlon, 2005). To ensure that higher values indicate higher earnings quality, the predictability measure is multiplied by minus one (DeFond et al., 2007).

The independent variable in this study is corporate ethical identity, measured using the Ethical Identity Index (EII_{it}). The control variables include bank size ($SIZE_{it}$), bank growth ($GROWTH_{it}$), audit quality, and accounting values conservatism (AVC_{Nt}).

$$EQ_{it} = \beta_0 + \beta_1 EII_{it} + \beta_2 SIZE_{it} + \beta_3 GROWTH_{it} + \beta_4 AUDQ_{it} + \beta_5 AVC_{Nt} + \varepsilon_{it} \quad (2)$$

The hypothesis is supported if the coefficient on EII is positive and statistically significant at the 10%, 5%, or 1% levels. A positive coefficient indicates that corporate ethical identity is associated with higher earnings quality in Islamic banks. The summaries of variables and measurements in this research can be seen in Table 1. below:

Table 1. Summary of Variables and Measurements

Dependent Variable	Description
Earnings quality (EQ_{it})	EQ_{it} is measured using earnings predictability, defined as the square root of the error variance derived from the earnings model. Earnings are calculated as income before tax divide by total assets $Earnings_{it+1} = \alpha_{it} + \beta Earnings_{it} + \varepsilon_{it} \quad (1)$ (Dechow & Ge, 2006; Francis et al., 2004; Kanagaretnam et al., 2014)
Independent Variable	Corporate ethical identity is measured using the Ethical Identity Index based on disclosure items in annual reports:
Ethical identity index (EII_{it})	$EII_{it} = \frac{\sum X_{it}}{n_{it}}$ (Haniffa & Hudaib, 2007; Zaki et al., 2014)
Control Variable	
Bank Size ($SIZE_{it}$)	Measured as the natural logarithm of total assets (Boulila Taktak et al., 2010; Mersni & Ben Othman, 2016; Quttainah & Almutairi, 2017; Zainuldin & Lui, 2020).
Bank Growth ($GROWTH_{it}$)	Measured as the change in total assets from the beginning to the end of the year divided by total assets at the beginning of the year (Kanagaretnam et al., 2011; Quttainah et al., 2013; Quttainah & Almutairi, 2017; Zainuldin et al., 2018)
Audit Quality ($AUDQ_{it}$)	Measured using dummy variable, where 1 indicates that the Islamic bank is audited by a Big Four audit firm and 0 otherwise (Wan Ismail et al., 2015)
Accounting Values Conservatism (AVC_{Nt})	Measured at the country level using the following formula: $AVC = \text{score } Uncertainty \text{ Avoidance} - \text{score } (Individualism + Masculinity)$ (Hope et al., 2008; Salter et al., 2013)

Source: data processed

RESULTS AND DISCUSSION

This study employs the Ethical Identity Index (EII) developed by Haniffa & Hudaib (2007) without modification. The reliability of the content analysis is assessed using interrater reliability to ensure consistency and objectivity in the scoring process.

Following Platonova et al. (2018), an interrater reliability test is conducted using two independent assessors. Prior to the assessment, all EII disclosure items are clearly explained to

the assessors to ensure a consistent understanding of the coding criteria. The assessors then independently analyze and score selected annual reports of Islamic banks.

The results show no significant differences between the scores assigned by the two assessors, indicating a high level of agreement. This suggests that the content analysis process is reliable and that the measurement of ethical identity is consistent and objective. Table 2 presents descriptive statistics for all variables in this research. Total observations of 125 observations from 25 banks during 2013-2017. The mean value of earnings quality (EQ) is negative, which is expected due to the transformation applied to the predictability measure. The Ethical Identity Index (EII) shows a relatively moderate mean value, indicating that, on average, Islamic banks disclose ethical identity at a moderate level. Bank size (SIZE) exhibits relatively low variation, suggesting that the sampled banks are comparable in scale. In contrast, growth (GROWTH) shows substantial variability, indicating differences in expansion across banks. Audit quality (AUDQ) has a high mean value, implying that most Islamic banks in the sample are audited by Big Four firms. Meanwhile, accounting values conservatism (AVC) varies significantly across countries, reflecting differences in national institutional and cultural environments.

Table 2 Descriptive Statistics for Research Variables

Variabel	n	Min	Max	Mean	Std
<i>EQ</i>	125	-0,047	-0,000	-0,004	0,006
<i>EII</i>	125	0,372	0,872	0,610	0,147
<i>SIZE</i>	125	18,936	24,795	22,438	1,424
<i>GROWTH</i>	125	-0,999	77,613	0,759	6,932
<i>AUDQ</i>	125	0	1	0,800	0,401
<i>AVC</i>	125	-40	15	-4	14,235

Source: data processed

This study examines whether the earnings quality of Islamic banks across eight major Islamic banking markets can be explained by corporate ethical identity. The results are expected to provide empirical evidence on the effect of ethical identity as reflected in annual report disclosures.

The results of the multiple linear regression are presented in Table 4.2. The findings indicate that the coefficient on EII is positive and statistically significant at the 5% level, supporting the hypothesis of this study. In addition, the multicollinearity test results show that all variables have Variance Inflation Factor (VIF) values below 10, indicating that multicollinearity is not a concern in the regression model.

The results indicate that corporate ethical identity (EII) has a positive and statistically significant effect on earnings quality in Islamic banks. This finding suggests that ethical identity plays an important role in shaping financial reporting behavior and improving the reliability of earnings.

From an agency theory perspective, this result implies that ethical identity functions as an internal governance mechanism that reduces managerial opportunism (Jensen & Meckling, 1976). Managers in Islamic banks with stronger ethical commitments are less likely to engage in earnings management practices, thereby enhancing earnings predictability (Quttainah & Almutairi, 2017)

From a stakeholder perspective, Islamic banks are expected to maintain higher ethical standards due to their accountability to a broader range of stakeholders, including depositors, regulators, and society (Freeman, 1984). The positive relationship between ethical identity and

earnings quality reflects the importance of maintaining trust and transparency in Islamic financial institutions.

However, the results reveal variation across banks and countries. This suggests that the effectiveness of ethical identity is influenced by institutional factors such as regulatory frameworks, Sharia governance, and enforcement mechanisms (Kanagaretnam et al., 2014). For example, countries with more developed Islamic finance regulations may exhibit stronger alignment between ethical identity and financial reporting practices.

Furthermore, the findings highlight the gap between communicated and ideal ethical identity. While some Islamic banks disclose strong ethical commitments in their annual reports, these disclosures may not always reflect actual practices. This indicates the possibility of symbolic disclosure or “window dressing,” where ethical identity is used as a reputational tool rather than a substantive governance mechanism (Haniffa & Hudaib, 2007; Suchman, 1995).

This study extends prior research by demonstrating that ethical identity is not only associated with firm performance but also plays a significant role in determining earnings quality (Zaki et al., 2014). The results support prior findings that ethical commitment is linked to lower earnings management and more conservative accounting practices (Choi & Pae, 2011; Mukhibad & Ahmad Nurkhin, 2019).

Overall, the findings suggest that corporate ethical identity contributes to improving earnings quality, but its effectiveness depends on the institutional environment and the extent to which ethical values are genuinely implemented rather than merely disclosed.

Table 3 Earnings Quality and Corporate Ethical Identity

Variable	Sample Period 2013-2017	
	EQ_{it}	
	Coef.	VIF
	(<i>t-value</i>)	
(constant)	-0,032** (-2,16)	
<i>EII</i>	0,006** (2,03)	1,84
<i>SIZE</i>	0,001 (1,63)	2,10
<i>GROWTH</i>	0,000 (0,10)	1,04
<i>AUDQ</i>	-0,002 (-1,40)	1,53
<i>AVC</i>	-0,000*** (-2,92)	1,32
<i>N</i>	125	
<i>F-value</i>	2,43**	
<i>Adj R²</i>	0,027	

*, **, *** significance at the level of 10%, 5%, and 1%. Definitions and measurements of variables are provided in Table 3.1 in Section 3.

CONCLUSION

This study examines the effects of corporate ethical identity on earnings quality in Islamic banks across multiple countries. The findings provide empirical evidence that Islamic banks with stronger ethical identity tend to exhibit higher earnings quality.

The results suggest that ethical identity plays a role as an internal governance mechanism that enhances financial reporting quality and reduces opportunistic behavior. This indicates that ethical principles embedded in Islamic banking are not merely symbolic but may influence managerial decisions.

However, the study also finds variation across countries and banks, indicating that the effectiveness of ethical identity depends on institutional factors such as regulatory frameworks and governance structures. In some cases, ethical identity disclosures may reflect symbolic practices rather than substantive implementation. Overall, this study highlights the importance of strengthening ethical identity in Islamic banks to improve financial reporting quality and maintain stakeholder trust.

This study has several limitations. First, corporate ethical identity is measured using disclosure-based content analysis, which captures communicated ethical identity but may not fully reflect actual practices, leading to potential symbolic disclosure bias.

Second, earnings quality is measured using a single proxy, namely earnings predictability. As earnings quality is a multidimensional construct, the use of a single measure may not fully capture all aspects of the financial reporting quality. Third, the study focuses on a relatively limited sample of Islamic banks across selected countries, which may affect the generalizability of the findings across different institutional contexts.

Future research may extend this study by incorporating additional proxies for earnings quality to provide a more comprehensive analysis. Researchers may also examine the role of governance mechanisms, such as Sharia supervisory boards, as moderating variables.

In addition, future studies may employ advanced analytical techniques such as machine learning or natural language processing to analyze ethical disclosures in annual reports. This approach could improve objectivity and reduce bias in measuring corporate ethical identity.

Further research may also explore cross-country institutional differences in greater depth to better understand how regulatory environments influence the relationship between ethical identity and financial reporting quality.

The findings of this study have important implications for regulators, practitioners, and stakeholders in Islamic banking. For regulators, the results highlight the need to strengthen guidelines and standards for ethical disclosure to ensure that reported ethical identity reflects actual practices. This may improve transparency and comparability across countries.

For practitioners, particularly bank management, the findings emphasize the importance of integrating ethical values into organizational practices rather than treating ethical identity as a symbolic communication tool.

For stakeholders, including investors and depositors, the results provide insights into the role of ethical identity as an indicator of financial reporting quality and governance strength in Islamic banks.

REFERENCES

- Beck, T., Demirgüç-Kunt, A., & Merrouche, O. (2013). Islamic vs. conventional banking: Business model, efficiency and stability. *Journal of Banking & Finance*, 37(2), 433–447. <https://doi.org/10.1016/j.jbankfin.2012.09.016>
- Berrone, P., Surroca, J., & Tribó, J. A. (2007). Corporate Ethical Identity as a Determinant of Firm Performance: A Test of the Mediating Role of Stakeholder Satisfaction. *Journal of Business Ethics*, 76(1), 35–53. <https://doi.org/10.1007/s10551-006-9276-1>
- Boulila Taktak, N., Ben Slama Zouari, S., & Boudriga, A. (2010). Do Islamic banks use loan loss provisions to smooth their results? *Journal of Islamic Accounting and Business Research*, 1(2), 114–127. <https://doi.org/10.1108/17590811011086714>
- Choi, T. H., & Pae, J. (2011). Business Ethics and Financial Reporting Quality: Evidence from Korea. *Journal of Business Ethics*, 103(3), 403–427. <https://doi.org/10.1007/s10551-011-0871-4>

- Dechow, P. M., & Ge, W. (2006). The persistence of earnings and cash flows and the role of special items: Implications for the accrual anomaly. *Review of Accounting Studies*, 11(2–3), 253–296. <https://doi.org/10.1007/s11142-006-9004-1>
- DeFond, M., Hung, M., & Trezevant, R. (2007). Investor protection and the information content of annual earnings announcements: International evidence. *Journal of Accounting and Economics*, 43(1), 37–67. <https://doi.org/10.1016/j.jacceco.2006.09.001>
- Francis, J., LaFond, R., Olsson, P. M., & Schipper, K. (2004). Costs of Equity and Earnings Attributes. *The Accounting Review*, 79(4), 967–1010. <https://doi.org/10.2308/accr.2004.79.4.967>
- Freeman, R. E. (1984). *Strategic Management: A Stakeholder Approach*. Pitman.
- Haniffa, R., & Hudaib, M. (2007). Exploring the Ethical Identity of Islamic Banks via Communication in Annual Reports. *Journal of Business Ethics*, 76(1), 97–116. <https://doi.org/10.1007/s10551-006-9272-5>
- Hanlon, M. (2005). The Persistence and Pricing of Earnings, Accruals, and Cash Flows When Firms Have Large Book-Tax Differences. *The Accounting Review*, 80(1), 137–166. <https://doi.org/10.2308/accr.2005.80.1.137>
- Hope, O.-K., Kang, T., Thomas, W., & Yoo, Y. K. (2008). Culture and auditor choice: A test of the secrecy hypothesis. *Journal of Accounting and Public Policy*, 27(5), 357–373. <https://doi.org/10.1016/j.jaccpubpol.2008.07.003>
- International Accounting Standards Board. (2018). *IFRS 9 Financial Instruments*.
- Jensen, M. C., & Meckling, W. H. (1976). Theory of the firm: Managerial behavior, agency costs and ownership structure. *Journal of Financial Economics*, 3(4), 305–360. [https://doi.org/10.1016/0304-405X\(76\)90026-X](https://doi.org/10.1016/0304-405X(76)90026-X)
- Kanagaretnam, K., Lim, C. Y., & Lobo, G. J. (2011). Effects of national culture on earnings quality of banks. *Journal of International Business Studies*, 42(6), 853–874. <https://doi.org/10.1057/jibs.2011.26>
- Kanagaretnam, K., Lim, C. Y., & Lobo, G. J. (2014). Effects of international institutional factors on earnings quality of banks. *Journal of Banking & Finance*, 39, 87–106. <https://doi.org/10.1016/j.jbankfin.2013.11.005>
- Mersni, H., & Ben Othman, H. (2016). The impact of corporate governance mechanisms on earnings management in Islamic banks in the Middle East region. *Journal of Islamic Accounting and Business Research*, 7(4), 318–348. <https://doi.org/10.1108/JIABR-11-2014-0039>
- Mukhibad, H. & Ahmad Nurkhin. (2019). Islamic Business Ethics Disclosure and Earnings Management “Evidence from Islamic Banks in Indonesia. *Journal of Islamic Finance*, 8(2), 31–42. <https://doi.org/10.31436/jif.v8i2.337>
- Platonova, E., Asutay, M., Dixon, R., & Mohammad, S. (2018). The Impact of Corporate Social Responsibility Disclosure on Financial Performance: Evidence from the GCC Islamic Banking Sector. *Journal of Business Ethics*, 151(2), 451–471. <https://doi.org/10.1007/s10551-016-3229-0>
- Quttainah, M. A., & Almutairi, A. R. (2017). Corporate ethics: Evidence from Islamic banks. *Journal of Management & Governance*, 21(4), 815–840. <https://doi.org/10.1007/s10997-016-9360-6>

- Quttainah, M. A., Song, L., & Wu, Q. (2013). Do Islamic Banks Employ Less Earnings Management? *Journal of International Financial Management & Accounting*, 24(3), 203–233. <https://doi.org/10.1111/jifm.12011>
- Salter, S. B., Kang, T., Gotti, G., & Doupnik, T. S. (2013). The Role of Social Values, Accounting Values and Institutions in Determining Accounting Conservatism. *Management International Review*, 53(4), 607–632. <https://doi.org/10.1007/s11575-012-0152-1>
- Suchman, M. C. (1995). Managing Legitimacy: Strategic and Institutional Approaches. *The Academy of Management Review*, 20(3), 571. <https://doi.org/10.2307/258788>
- Syuhada, M. N., Komalasari, A., & Sudrajat. (2019). *Effect on The Performance of Ethics Disclosure of Identity in Islamic Bank Indonesia*.
- Wan Ismail, W. A., Kamarudin, K. A., & Sarman, S. R. (2015). The quality of earnings in Shariah-compliant companies: Evidence from Malaysia. *Journal of Islamic Accounting and Business Research*, 6(1), 19–41. <https://doi.org/10.1108/JIABR-03-2013-0005>
- Zainuldin, M. H., & Lui, T. K. (2020). Earnings management in financial institutions: A comparative study of Islamic banks and conventional banks in emerging markets. *Pacific-Basin Finance Journal*, 62, 101044. <https://doi.org/10.1016/j.pacfin.2018.07.005>
- Zainuldin, M. H., Lui, T. K., & Yii, K. J. (2018). Principal-agent relationship issues in Islamic banks: A view of Islamic ethical system. *International Journal of Islamic and Middle Eastern Finance and Management*, 11(2), 297–311. <https://doi.org/10.1108/IMEFM-08-2017-0212>
- Zaki, A., Sholihin, M., & Barokah, Z. (2014). The association of Islamic bank ethical identity and financial performance: Evidence from Asia. *Asian Journal of Business Ethics*, 3(2), 97–110. <https://doi.org/10.1007/s13520-014-0034-7>