

## EDITORIAL: Recent trends in corporate governance and sustainability research

*Dear readers!*

I am honoured to introduce this second issue of 2021 (Volume 5) of the journal *Corporate Governance and Sustainability Review*.

Substantial changes in international climate conditions resulted in growing public awareness of sustainability practices as a considerable area for academics and businesses (Lu & Abeyssekera, 2017; Gerged, 2021). Sustainability practices deal with a company's economic growth and its relationship with the intimate environment and society at large. Sustainability strategies consider any responsible activities that have been taken by corporate managers to protect the environment and develop well-functioning societies, which is largely expected to be aligned to companies' interests (Gerged, Albitar, & Al-Haddad, 2021). For this purpose, numerous environmental initiatives and agreements have been launched by some international bodies, including Kyoto Protocol in 1997 and recently Paris Accord in 2016 (the United Nations Framework Convention on Climate Change (UNFCCC)), in order to handle the mitigation of companies' environmental effects, such as greenhouse-gas-emissions, on humankind (Gerged, Mathews, & Elheddad, 2021). Increased public recognition of the value of corporate sustainability has been attributed to expanding sustainable development standards and guidelines to update stakeholders about the corporation's responsibility towards sustainable development (Xie, Nozawa, Yagi, Fujii, & Managi, 2019).

Corporate governance structures can be used to align companies' economic interests to their sustainability agenda (Giannarakis, Andronikidis, & Sariannidis, 2019; Gerged, 2021). Various corporate governance mechanisms, such as board composition, ownership structures, executive pay, can take a prominent part in protecting stakeholders' interests during the decision-making process (Ashfaq & Rui, 2019; Koutoupis & Pappa, 2018; Arouri, Hossain, & Muttakin, 2011; Del Brio, Maia-Ramires, & Perote, 2006; Chappelle, 2004). The existence of a robust board of directors, for instance, appears to increase a corporation's transparency and enhance its reputation (De Silva Lokuwaduge & Heenetigala, 2017). Altogether, corporate compliance with good corporate governance practices can enhance the allocation of a firm's financial resources to sustainability-related practices to legitimise its commercial activities and improve its survival prospects (Nuskiya, Ekanayake, Beddewela, & Gerged, 2021). This means that corporate governance mechanisms are deemed crucial determinants of the quality and quantity of sustainability practices globally (Albitar, Hussainey, Kolade, & Gerged, 2020; Gerged, 2021).

The nine articles published in this issue discuss various interesting corporate governance and sustainability-related topics. I can appreciate some shared aspects that indeed correspond to three emerging trends in corporate governance and sustainability research. The first trend is apparently essential for our journal. It is represented by examining whether corporate engagement in sustainability activities is attributed to compliance with corporate governance mechanisms in emerging economies, adding to the previous debate by Gerged, Cowton and Beddewela (2018), Elamer, Ntim, and Abdou (2020), Gerged, Beddewela, and Cowton (2021), among others. For instance, *Jamel Chouaibi*, *Yamina Chouaibi*, and *Noomen Chaabane* investigate the expected impact of corporate governance mechanisms on the level of environmental disclosure among a selected sample of Islamic banks in the Middle East and North Africa (MENA) region. In another paper titled "*Do Egyptian listed companies support SDGs? Evidence from UNCTAD guidance on core indicators disclosures*", *Ahmed M. Abdel Meguid*, *Khaled M. Dahawy*, and *Nermeen F. Shehata* provide a piece of empirical evidence that examines the extent to which macro-level foundations, including corporate governance regulations, influence sustainable development goals (SDGs) in Egypt. Similarly, *Vincent Gagné* and *Sylvie Berthelot* explore the determinants of greenhouse gas (GHG) emissions disclosure, including the influence of the existence of an environmental committee in the Canadian context.

The second trend that can be appreciated in some articles on this issue is related to sustainability challenges in the time of COVID-19. In this regard, everybody is expected not only to create a new way of thinking but also to develop the association with the environment and the community (Albitar, Gerged, Kikhia, & Hussainey, 2020). Given this, corporate governance and sustainability research ought to move a step forward from being a set of rules and mechanisms to a systemic approach that can help managers enhance their companies' performance and survival prospects. Relatedly, *Shirley Mo Ching Yeung* explores in this issue the key elements of emotion sustainability (ES) and sustainable partnership (SP) post-COVID-19. This paper succeeded to add more perspectives to the academic debate that is established by recent studies, such as Adams and Abhayawansa (2021), Koutoupis, Kyriakogkonas, Pazarskis, and Davidopoulos (2021), Ikram, Zhang, Sroufe, and Ferasso (2020).

The third trend focuses on various developments in corporate governance implementations. For example, *Hamza El Kaddouri* and *Modar Ajeeb* examine management teams' perceptions of the role of legal audit in the governance system of French universities and its impact on the managerial latitude of university managers. Likewise, *D. M. K. T. Dissanayake* and *D. B. P. H. Dissabandara* analyse the nature and level of the relationship between board characteristics and dividend policy. Likewise, *Tien-Chin Wang* and *Bi-Chao Lee* raises the question of whether community security is the key to sustainable governance. These papers empirically contribute to the earlier work by Scott (2018), Yarram and Dollery (2015), Nesadurai (2013), among others.

Along with the trends mentioned above in this issue, *Udo C. Braendle* reviews a book titled "*Board of directors: A review of practices and empirical research*", edited by Stefano Dell'Atti, Montserrat Manzanegue, and Shab Hundal (Virtus Interpress, 2020; ISBN: 978-617-7309-16-0). This book review focuses on the main challenges that are associated with board diversity and sustainability issues.

I am sure that anyone keen on advanced knowledge of the determinants, consequences, and associations among corporate governance and sustainability issues might find some points to ponder in these articles.

Enjoy the reading!

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