

FROM CORPORATE GOVERNANCE TO ENVIRONMENTAL RESPONSIBILITY: UNGC-BASED SUSTAINABILITY ANALYSIS OF TURKISH BANKS

Kurumsal Yönetimden Çevresel Sorumluluğa: Türk Bankalarının UNGC Temelli Sürdürülebilirlik Analizi

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Abstract

The United Nations Global Compact (UNGC) provides essential guidance for banks to adapt to the sustainability process. This research aims to reveal the sustainability performance of seven banks operating in Türkiye that are party to the UNGC by analyzing their “Communication on Progress Questionnaire” (COPQ) data for 2024. It is the first academic research to examine the sustainability practices of commercial banks in Türkiye within the framework of the UNGC principles. In this research, the strategies and activities of banks operating in Türkiye were evaluated through document analysis in line with the principles of “governance”, “human rights and labor”, “environment”, and “anti-corruption”. According to the findings; under the principle of “governance”, the Development and Investment Bank of Türkiye (82.77%), VakıfBank (83.98%) in the “human rights and labor” principle, VakıfBank (93.94%) in the “environment” principle, and DenizBank (100%) in the “anti-corruption” principle were found to have the highest level of progress. In conclusion, it is observed that Turkish banks have made significant progress in line with the UNGC principles. In this context, it is recommended that banks develop their sustainability strategies more transparently and comprehensively.

Keywords:

United Nations Global Compact (UNGC), Sustainability, Banking, Document Analysis.

JEL Codes:

G21, M14, Q56.

Öz

Birleşmiş Milletler Küresel İlkeler Sözleşmesi (UNGC), bankaların sürdürülebilirlik sürecine uyum sağlamaları için önemli bir yol göstericidir. Bu araştırmanın amacı, Türkiye’de faaliyet gösteren ve UNGC’ye taraf olan 7 bankanın 2024 yılına ilişkin “Communication on Progress Questionnaire” (COPQ) verilerini analiz ederek, sürdürülebilirlik performanslarını ortaya koymaktır. Araştırma Türkiye’deki ticari bankaların sürdürülebilirlik faaliyetlerini UNGC ilkeleri kapsamında inceleyen ilk çalışmadır. Araştırmada Türkiye’de faaliyet gösteren bankaların stratejileri ve faaliyetleri “governance”, “human rights and labour”, “environment” ve “anti-corruption” ilkeleri doğrultusunda doküman analizi ile değerlendirilmiştir. Bulgulara göre, “governance” ilkesinde Türkiye Kalkınma ve Yatırım Bankası (%82,77), “human rights and labour” ilkesinde VakıfBank (%83,98), “environment” ilkesinde VakıfBank (%93,94) ve “anti-corruption” ilkesinde DenizBank (%100) en yüksek ilerleme düzeyine sahip olduğu tespit edilmiştir. Sonuç olarak, Türk bankalarının UNGC ilkeleri doğrultusunda önemli ilerlemeler sağladığı görülmekte, bu kapsamda bankaların sürdürülebilirlik stratejilerini daha şeffaf ve kapsamlı şekilde geliştirmeleri gerektiği önerilmektedir.

Anahtar Kelimeler:

Birleşmiş Milletler Küresel İlkeler Sözleşmesi (UNGC), Sürdürülebilirlik, Bankacılık, Doküman Analizi.

JEL Kodları:

G21, M14, Q56.

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Received Date (Makale Geliş Tarihi): 14.09.2025 Accepted Date (Makale Kabul Tarihi): 17.03.2026

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1. Introduction

In recent years, societal expectations and stakeholder pressures for businesses to consider their operations' social and environmental impacts have increased significantly. Consequently, engaging in socially responsible activities and transparently sharing these activities with stakeholders has become a fundamental element of corporate social responsibility (CSR) (Nobanee and Ellili, 2016). The financial sector, in particular, is in a position to make significant indirect contributions to Sustainable Development Goals (SDGs) through its lending and investment decisions. One aspect of this contribution relates to financing policies for organizations operating in environmentally or socially sensitive sectors (e.g., gambling, tobacco, alcohol, weapons, etc.). Investing in or financing these sectors necessitates evaluating financial institutions from a sustainability perspective (Neto and Branco, 2019). This necessitates considering economic but also ethical, environmental, and social criteria in financial decision-making processes.

Banks, as one of the fundamental building blocks of the financial system, mediate economic processes and create significant impacts not only at the economic level but also at the social and environmental levels. Therefore, the banking system has become a central actor in supporting sustainable development today (Gai et al., 2023). Through their key roles as financial intermediaries, banks have significant potential in fostering the adoption of sustainable practices and promoting green finance initiatives. By providing resources to companies operating in virtually every sector, financial institutions play an indirect but effective role in guiding industrial sectors. This makes banks economic actors and critical stakeholders in shaping environmental and social sustainability (Gunavan et al., 2022). Meanwhile, today, individuals shape their savings and investment decisions not only based on financial returns but also by considering these funds' social and environmental impacts. Many banks operating in OECD countries offer savings accounts for entrepreneurs who will use their funds for environmentally friendly projects (Scholtens, 2009).

Banks' evaluation of their financing decisions within environmental and social responsibility principles is crucial for achieving SDGs. In this context, the contribution of the financial sector to the development of environmental sustainability is of strategic importance in terms of structuring the economic system around sustainability (Gunavan et al., 2022; Buallay et al., 2023).

Adopting best practices for sustainability disclosure and integrating environmental and ecological dimensions into their annual reports is a key step toward increasing corporate transparency. Such practices offer investors assurance, particularly in reducing information asymmetries and capital costs encountered in debt financing. Thus, banks strengthen stakeholder trust not only through their financial performance but also through their commitment to environmental and social responsibility, contributing to the strengthening of sustainability-focused corporate governance (Nobanee and Ellili, 2016). Banks are increasingly making conscious and systematic efforts to publicly disclose their environmental management policies to comply with environmental regulations and integrate environmental factors into banking activities. This demonstrates that the banking sector is acting with environmental responsibility and is increasingly inclined to incorporate sustainability principles into its corporate governance processes (Islam et al., 2016). In this context, banks' potential to contribute to sustainable

development is being pursued with increasing interest by policymakers and academic circles (Scholtens, 2009).

The efforts of banks and financial institutions to adapt to the economic, environmental, and social dimensions of sustainable development are considered as an important factor in terms of the reliability of the financial sector (Scholtens, 2009). Banks are seen as leading businesses in the implementation of sustainability principles both through their resources for investments and their financial decisions (Weber and Feltnate, 2016). In this context, the United Nations Global Compact (UNGC) provides one of the most widespread frameworks on a global scale for financial institutions to adopt environmental, social, and governance (ESG)-based approaches (Ortas et al., 2015; Orzes et al., 2020). While there are studies in the literature that include analyses of banks' ESG-based sustainability scores (Kikichev et al., 2024; Gai et al., 2023; Buallay, 2023), it is striking that there is a lack of research in which banks that are party to the UNGC are evaluated with comprehensive analyses in line with the principles of "governance", "human rights & labor", "environment", and "anti-corruption" using COPQ (Communication on Progress Questionnaire) data. Furthermore, it is crucial to provide data on the level of compliance of the banking sector with the UNGC principles in developing countries, especially in emerging markets like Türkiye.

Systematically analyzing the practical implications of the principles of "governance", "human rights and labor", "environment", and "anti-corruption" is crucial both for generating academic knowledge on sustainability and for developing ideas for sustainable finance strategies for policymakers. In this regard, a comprehensive evaluation of the compliance levels of banks operating in Türkiye with the UNGC principles will both strengthen the regional evidence missing in the sustainability literature and contribute to the development of strategic roadmaps for the banking sector.

2. Literature Review

Sustainability, viewed from various perspectives as a balance, system, and vision, is a general conceptual framework that defines a desirable, healthy, and dynamic balance between human and natural systems; a system of policies, beliefs, and best practices that will protect the diversity and richness of ecosystems, promote economic vitality and opportunities, and create a high quality of life for people; it defines a livable future. (Kates et al., 2005; Bettencourt and Kaur, 2011; Purvis et al., 2019). The literature on sustainability was examined under two headings in the research. The first section included theories related to sustainability. The second section evaluated research examining banks' sustainability-related activities and sustainability reporting.

2.1. Theories About Sustainability

The management literature offers a variety of theories that explain the importance of corporate sustainability disclosures. When examining the existing literature on CSR reporting, it is necessary to be open to many theoretical perspectives (Bebbington et al., 2008). This section focuses on the fundamental contributions of theories such as the Triple Bottom Line (Elkington, 1998), Stakeholder Theory (Freeman, 1994), Legitimacy Theory, CSR, Corporate Citizenship, Natural Resource-Based View, and Reputation Theory in the context of sustainability. Since the 1990s, there has been increasing recognition that the business world should actively shape and implement sustainable development-oriented projects. Contrary to the anti-industry, anti-profit,

and anti-economic growth attitudes of early environmental approaches, it is clear that the private sector is a central player in achieving sustainability goals (Elkington, 1994). The private sector's rise to become a central player in achieving sustainability goals has also transformed the understanding of corporate responsibility.

The Triple Bottom Line (3P: People, Planet, Profit) approach, developed by John Elkington (1998), argues that businesses should operate not only by considering financial profit but also their social and environmental impacts. This model defines sustainable development as a holistic process encompassing economic prosperity, environmental balance, and social equity. Therefore, businesses embracing sustainability are expected to give equal weight to financial indicators and social and environmental dimensions in their performance evaluations (Elkington, 1998). The Triple Bottom Line encourages organizations to move away from short-term profitability goals and adopt strategic approaches considering long-term social, environmental, and economic impacts (Norman and McDonald, 2004). It also offers a new framework for performance measurement for a wide range of organizations, from for-profit enterprises to public institutions, and its flexible structure allows different organizations to adapt it to their own needs (Slaper and Hall, 2011).

Stakeholder Theory is an approach developed by Edward Freeman (1944) that advocates that businesses should consider not only the interests of shareholders but also the expectations of all stakeholders affected by their activities. According to this theory, stakeholders include all groups with direct or indirect relationships with the organization, such as employees, customers, suppliers, the local community, non-governmental organizations, and the government. Offering a critical alternative to the traditional shareholder-focused management approach, Stakeholder Theory argues that long-term success is possible by establishing and maintaining balanced relationships among stakeholders. In this context, from a sustainability perspective, Stakeholder Theory offers a more inclusive governance model that considers the interests of various stakeholders in a business's decisions and actions (Maignan and Ferrell, 2004). Stakeholder theory outlines a company's duties and responsibilities to its stakeholders. According to this theory, a company must report all sustainability issues transparently to establish lasting and healthy relationships with its stakeholders (Freeman, 1994). From this perspective, the company's continued existence requires the support of stakeholders. Stakeholder approval must be obtained, and company activities must be structured to achieve this approval. The more powerful the stakeholders, the more adaptable the company must be. Therefore, social networking is viewed as part of the company's and its stakeholders' dialogue (Nobanee and Ellili, 2016).

Legitimacy theory has long provided a conceptual foundation for explaining businesses' social responsibility and sustainability activities (Stanaland et al., 2011). Legitimacy was defined as "a generalized perception or assumption that the actions of an entity are desirable, proper, or appropriate within some socially constructed system of norms, values, beliefs, and definitions" (Suchman, 1995: 574). Legitimacy theory accepts that businesses operate based on an implicit, unwritten contract with society (Gray et al., 1995). Companies should report their activities' economic, environmental, and social consequences to demonstrate that they fulfill their role in this implicit contract and align with society's value systems (Nobanee and Ellili, 2016). Companies strive to enhance their legitimacy in the eyes of stakeholders through CSR reporting (Stanaland et al., 2011).

“CSR” and “sustainability” are two of many terms used to describe the social and environmental contributions and outcomes of business activities (Jenkins and Yakovleva, 2006). Corporate social reporting is the “communication of the social and environmental effects of organizations’ economic actions to particular interest groups within society and society at large” (Gray et al., 1987: 9). The CSR model proposed by Carroll (1979) conceptualizes four corporate responsibilities for companies: economic, legal, ethical, and discretionary. A company’s understanding of CSR requires it to share its economic performance with all stakeholders, adhere to legal and ethical principles, and support social, cultural, educational, or entertainment-oriented projects (Hamann, 2003).

Corporate Citizenship Theory is an approach that advocates that businesses should act not only as economic actors but also as social citizens. According to this theory, companies should be sensitive to the social, environmental, and ethical issues of the societies in which they operate and assume active responsibility in these areas. Corporate citizenship involves businesses going beyond their legal obligations to make voluntary social contributions and establish mutually beneficial relationships with society. Thus, companies are positioned as profit-seeking institutions and corporate actors pursuing the public good. While this approach overlaps with CSR, it also emphasizes businesses’ commitment to democratic values, human rights, and social justice (Waddell, 2002; Matten and Crane, 2005).

Drawing on resource-based theory, Hart’s Natural Resource-Based View (1995) focuses on a company’s relationship with the natural environment and how to transform this relationship into a competitive advantage. To operate while protecting natural resources, businesses must develop strategies in pollution prevention, product management, and sustainable development. Recognizing that resources available to today’s businesses and future generations are limited is the driving force behind companies reporting on their sustainability activities (Hahn and Kühnen, 2013).

According to Reputation Theory, companies’ environmental and social responsibility activities directly impact their corporate reputations. Research by Lu et al. (2015) concluded that the quality of companies’ CSR reporting positively impacts corporate social reputation. Corporate reputation is “A relatively stable, issue-specific aggregate perceptual representation of a company’s past actions and prospects compared against some standard” (Walker, 2010: 370). Findings indicate that, in most cases, sustainability is an antecedent of corporate reputation and a tool that increases stakeholders’ acceptance and perception of company activities. For businesses, establishing clear stances on environmental and social issues, establishing collaborative global networks and genuine local relationships, sending signals reaffirming business objectives with all stakeholders, and committing to the sustainable development agenda enhance positive corporate reputations. (Gómez-Trujillo et al., 2020). The findings show that sustainability’s economic, social, and environmental domains directly and positively affect corporate image and reputation (Martínez and Rodríguez del Bosque, 2014).

2.2. Sustainability Reporting

By the mid-1990s, sustainability-related information published by companies was often inconsistent in scope and depth, difficult to interpret, and lacking comparability (Brown et al., 2009). The development of non-financial reporting began with the disclosure of social

responsibility practices and later evolved into CSR reporting with the addition of environmental performance. Environmental disclosures concern the natural environment, resource use, and environmental protection activities, while social disclosures include information about the company's relationships with employees, society, and other social stakeholders (Jenkins and Yakovleva, 2006). During this period, the concept of non-financial reporting underwent a significant transformation and has continuously evolved over the past three decades, leading to the current understanding of sustainability reporting (Kumar and Prakash, 2019). Today, companies are no longer content with limited disclosures included only in certain sections of annual reports; instead, they are preparing comprehensive sustainability reports that include ESG elements. This change has enabled non-financial performance to be disclosed more systematically and transparently.

The primary purpose of sustainability reporting is to maintain and enhance trust in companies. These reports clarify key issues within companies' areas of responsibility and enable the public to understand sustainability-related risks and opportunities. Thus, increased transparency maintains trust in corporate relationships, increases accountability, and fosters sound decision-making (Diener and Špaček, 2020). In other words, sustainability reports reduce information asymmetry, enabling all stakeholders, especially investors and consumers, to make more informed decisions (Carnevale and Mazzuca, 2013). Sustainability reports are publicly available reports prepared by companies to communicate their economic, environmental, and social performance to internal and external stakeholders (Nobanee and Ellili, 2016). These reports enable organizations to share with the public information about their sustainability-focused activities in their daily operations (Diener and Špaček, 2020). The disclosure of non-financial performance through such reports demonstrates their commitment to sustainable principles (Raman, 2006).

Sustainability literature has demonstrated the multifaceted benefits of sustainability reporting for businesses. These benefits include increased stock value (Hart and Milstein, 2003), encouraging long-term savings and investments (Wehinger, 2011), increasing deposits (Nobanee and Ellili, 2016), effective management of stakeholder relationships (Perrini and Tencati, 2006), strengthening corporate reputation (Carnevale and Mazzuca, 2013; Lourenço et al., 2014), increasing consumer trust and loyalty (Stanaland et al., 2011), improving human resources performance (Jabbour and Santos, 2008), and improving overall business performance (Attah-Botchwey et al., 2022). The benefits and increasing importance of sustainability reporting have led to its widespread adoption, especially in the banking sector (Baldissera, 2023).

Over the past two decades, various frameworks, guidelines, and standards have been developed at national and international levels to encourage businesses to disclose their non-financial performance on environmental and social issues more transparently. The primary objective of these frameworks is to ensure a reliable and transparent flow of information to all stakeholders and to guide businesses toward more responsible practices. In this context, various guidelines and standards, such as the Global Reporting Initiative (GRI), the IFRS S1 and IFRS S2 standards published by the IFRS Foundation, the Carbon Disclosure Project (CDP), the UNGC principles, as well as ISO 14001 (environmental management system) and ISO 26000 (social responsibility guidance standard), have been widely adopted by businesses to improve their environmental and social performance (Kumar and Prakash, 2019).

Sustainability reporting has become a standard practice for socially responsible businesses. As a global benchmark in this field, the GRI provides a comprehensive framework for preparing and evaluating such reports. First published in 2000, the GRI guidelines enable companies to systematically monitor and publicly report their “economic, environmental, social, and governance” performance (Brown et al., 2009; Nobanee and Ellili, 2016). The ten principles of the UNGC are derived from the “Rio Declaration on Environment and Development”, “the Universal Declaration of Human Rights”, “the International Labor Organization’s Declaration on Fundamental Principles and Rights at Work”, and “the United Nations Convention Against Corruption”. Companies are encouraged to address sustainability with a principles-based approach, focusing on key areas such as “human rights, labour standards, environmental awareness, and the fight against corruption” (Kumar and Prakash, 2019). This research aims to conduct a comparative analysis of the 2024 “COPQ” data of banks operating in Türkiye that have signed the UNGC. The research evaluated the strategies and activities of banks operating in Türkiye within the context of the principles of “governance”, “human rights and labor”, “environment”, and “anti-corruption”. This is the first study to examine the sustainability-related activities of commercial banks in Türkiye within the context of the UNGC principles.

3. Methodology

Within the scope of the research, to evaluate the sustainability activities of banks operating within the framework of the UNGC, a qualitative research method was chosen, and a document analysis study using secondary data was designed. In qualitative research, data can be collected through observation, interviews, and documents (Merriam, 2009; Berg and Lune, 2015). Document analysis was chosen as the data collection tool in this research. Document analysis, one of the qualitative research methods, enables the analysis of information and content in written, visual, virtual (internet), or media (photograph, video, etc.) elements related to the topic addressed within the scope of the research objective (Bowen, 2009; Ary et al., 2010; Glesne, 2012). According to another definition, document analysis is collecting, reviewing, questioning, and analyzing various written text formats as a source of research data (O’Leary, 2017).

In qualitative research, selecting the most appropriate participants, determining the research location, or identifying documents is essential to achieve the research objective (Creswell, 2016). Accordingly, purposive sampling and criterion sampling techniques, which allow for limiting the sample by standardizing it with pre-determined criteria (Yıldırım and Şimşek, 2021), were used in the research. Within the scope of the research purpose, the “participant search” button under the “our participants” heading on the UNGC website was used, and the filters “Country: Türkiye” and “Sector: Banks” were applied (UNGC, 2025). Nine banks of Turkish origin that have participated in the UNGC were identified, and banks that had entered “COPQ” data for the period covering January 1, 2024, and December 31, 2024, were preferred as the criteria for the research. In this context, the 7 Turkish banks listed in Table 1 were evaluated, and the data they entered within the scope of their progress reports were analyzed within the framework of the criteria under the headings “governance”, “human rights and labor”, “environment”, and “anti-corruption”.

Table 1. Basic Data on Banks

Banks	Date of Establishment	Ownership	Participant Since	FCP	DCCP
DenizBank	1997	Privately Held	2023	2021	01/2024 - 12/2024
Doğan Investment Bank	2020	Privately Held	2022	2021	01/2024 - 12/2024
Development and Investment Bank of Türkiye (TKYB)	1975	State-owned	2019	2021	01/2024 - 12/2024
VakıfBank	1954	State-owned	2019	2021	01/2024 - 12/2024
Şekerbank	1953	Publicly Listed	2015	2016	01/2024 - 12/2024
Garanti Bank	1946	Publicly Listed	2012	2005	01/2024 - 12/2024
İşbank	1924	Publicly Listed	2012	2013	01/2024 - 12/2024

FCP: First Communication on Progress, DCCP: Date of Current Communication on Progress

The banks included in the sample included two private banks (DenizBank, Doğan Investment Bank), two state-owned banks (TKYB, VakıfBank), and three public banks (Şekerbank, Garanti Bank, İşbank). In terms of founding dates, the oldest bank is İşbank, established in 1924, while the newest is Doğan Investment Bank, which began operations in 2020. Among these banks, İşbank and Garanti Bank were the first to join the UNGC. The most recent participation was made by DenizBank. Garanti Bank, which was the first bank to share data within the scope of the UNGC.

3.1. Evaluation Criteria

The evaluation criteria applied within the scope of the research data analysis are listed in the tables below. The UNGC progress survey reports assess companies’ management sustainability status under the heading “governance”. Thirteen subcategories were identified under this heading, and the rubric assessment criteria used in the research are presented in Table 2.

Table 2. Evaluation Criteria for the Governance

Criteria	Categories	Rubric Evaluation (Maturity level)	Max. Value
“G1. How many of the six designated areas does the company declare?”	“Sustainable development; impacts on people and the environment; zero tolerance for corruption; organizational sustainability targets; Environmental, Social, and Governance reporting; potential risks related to the business model”	“0=No; 1=Yes”	6
“G2. Does the company have a code of conduct regarding each sustainability topic?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= we plan to within the next two years; 3=focused on employees; 4=focused on employees and suppliers; 5= focused on our own operations and the value chain”	20

Table 2. Continued

Criteria	Categories	Rubric Evaluation (Maturity level)	Max. Value
“G3. Has the company appointed an individual or group responsible for each sustainability topic?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= with limited influence on outcomes; 3=with moderate influence on outcomes; 4=with direct influence of some outcomes; 5= fwith direct influence at the highest levels of the company”	20
“G4. Does the company have a process to identify, assess, and mitigate risks related to the sustainability topics?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= we plan to within the next two years; 3=conducted by a designated individual or group; 4=engaging employees across the company; 5= engaging employees and business partners; 6=engaging employees, business partners and external stakeholders”	24
“G5. Does the company have a due diligence process that identifies, prevents, mitigates, and accounts for actual and potential negative impacts on sustainability topics?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= we plan to within the next two years; 3=frelated to our own operations; 4=related to our own operations and suppliers; 5= related to our own operations and the value chain”	20
“G6. Does the company have a process through which members of the company's workforce can raise concerns about the company's conduct on sustainability topics?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= we plan to within the next two years; 3=informal process; 4=formal process”	16
“G7. How does the company track the effectiveness of its actions and the related impacts of the sustainability topics?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= conducts investigation reviews; 3=conducts investigation/review of incidents and changes organizational policies, processes, and practices accordingly; 4=Conducts investigation reviews and leverages learnings to influence both internal and external affairs”	16
“G8. Is executive pay linked to performance on one or more of the following sustainability topics?”	“Human Rights; Labour Rights/Decent Work; Environment; Anti-Corruption”	“1= no; 2= we plan to within the next two years; 3=yes”	12
“G9. Within the reporting period, what was the percentage of women on the company's board/highest governance body?”			100
“G10. What was the percentage of women in managerial positions within the reporting period?”			100
“G11. What is the gender representation of the company's C-suite or equivalent executive leadership positions?”	“Chief Executive Officer; Chief Financial Officer; Chief Procurement Officer; Chief Technology Officer; Chief Marketing Officer; Chief Operations Officer; Chief Sustainability Officer; Chief Legal Officer/General Counsel; Chief Human Resources Officer”	“0=No; 1=Yes”	9
“G12. Based on which criteria do you prepare sustainability reporting?”	“Global Reporting Initiative; Carbon Disclosure Project; IFRS Foundation”	“0=No; 1=Yes”	3
“G13. Is some or all of the information disclosed in this questionnaire assured by a third-party?”		“0=No; 1=Yes”	1

Note: The evaluation criteria were developed by the authors using data from the UNGC progress survey.

Within the scope of the UNGC progress survey reports, companies’ sustainability progress is assessed under the heading “human rights and labor”. Seven subcategories were identified under this heading, and the rubric assessment criteria used in the survey are presented in Table 3.

Table 3. Evaluation Criteria for the Human Rights and Labor

Criteria	Categories	Rubric Evaluation (Maturity level)	Max. Value
“HR/L1. Which of the following has the company identified as material human and labour rights topics connected with its operations and/or value chain?”	“Freedom of association and the right to collective bargaining; Child labour; Forced labour; Non-discrimination in respect of employment and occupation;	“0=No; 1=Yes”	16
“HR/L2. Does the company have a policy commitment concerning the following human rights and labour rights topics?”	Safe and healthy working environment; Wages; Working hours; Gender equality and women's rights; Freedom of expression; Digital security and privacy;	“1= no; 2= we plan to within the next two years; 3= included within a broader policy or as a stand-alone policy”	48
“HR/L3. Within the reporting period, has the company engaged with potentially affected stakeholders or their legitimate representatives concerning the following human rights and labour rights topics?”	Product and service end-user rights; Security arrangements; Right to clean and healthy environment: pollution, water, air, and land; Land rights and rights of Indigenous Peoples; Rights of vulnerable groups and minorities; Raw material sourcing”	“1= no; 2= To better understand the risks; 3=To discuss potential ways to prevent or mitigate the risks; 4=To agree on a way to prevent/ mitigate the risks; 5= To assess progress in preventing /mitigating the risks; 6=To collaborate in the prevention/ mitigation of the risks”	96
“HR/L4. What action has the company taken within the reporting period to prevent/mitigate the risks/impacts of the following human rights and labour rights topics?”	Freedom of association and the right to collective bargaining; Child labour; Forced labour; Non-discrimination in respect of employment and occupation; Safe and healthy working environment; Wages; Working hours; Gender equality and women's rights; Freedom of expression; Digital security and privacy; Product and service end-user rights; Security arrangements;	“1= no; 2= Provided internal training/ capacity building for the direct workforce; 3=Built capacity among relevant business relationships; 4=Conducted an audit process and/or corrective action plan; 5= Collective action with peers or other stakeholders to address the issue; 6=Collaborated with governmental or regulatory bodies”	96
“HR/L5. Within the reporting period, has the company been involved in providing or enabling remedy where it has caused or contributed to adverse impact(s) associated with the following human rights & labour topic(s)?”	Right to clean and healthy environment: pollution, water, air, and land; Land rights and rights of Indigenous Peoples; Rights of vulnerable groups and minorities; Raw material sourcing”	“1= adverse impact(s) identified, but no remedy provided/enabled; 2=Yes, adverse impact(s) identified, and remedy provided/enabled; 3= No adverse impact identified or caused”	48
“HR/L6. What was the average gender pay gap (comparing jobs of equal value) during the reporting period?”	“There should be no gender-based wage gap.”	“Value = 100 – (Gender wage gap)”	100
“HR/L7. What was the rate of recordable work-related accidents for employees within the reporting period?”	“The desired occupational accident rate is 0.”	“Occupational accident rate is 0= 5; 1 to 5 = 4; 6 to 10 = 3; 11 to 15 = 2; 16 to 20 = 1; Over 20 = 0”	5

Note: The evaluation criteria were developed by the authors using data from the UNGC progress survey.

The “environment” section of the UNGC progress survey reports assesses companies’ relationships with the environment and their environmental sustainability activities. Eleven subcategories within the “environment” section that directly concern banks in Türkiye were identified, and the rubric assessment criteria used within the scope of the survey are presented in Table 4. The term “investment in low-carbon technologies” in the relevant table does not refer to direct equity investments by banks, but rather to financing, loans, or investment support provided to projects or companies primarily operating in the field of low-carbon technologies.

Table 4. Evaluation Criteria for the Environment

Criteria	Categories	Rubric Evaluation (Maturity level)	Max. Value
“E1. Does the company have a policy commitment concerning the following environmental topics?”	“Climate change; Water; Nature and biodiversity; Air pollution; Waste; Energy & resource use”	“1= no; 2=we plan to within the next two years; 3=included within a broader policy or as a stand-alone policy”	18
“E2. Within the reporting period, has the company engaged with potentially affected stakeholders or their legitimate representatives concerning the following environmental topics?”	“Climate change; Water; Nature and biodiversity; Air pollution; Waste; Energy & resource use”	“1= no; 2= To better understand the risks; 3=To discuss potential ways to prevent or mitigate the risks; 4=To agree on a way to prevent/ mitigate the risks; 5= eTo assess progress in preventing /mitigating the risks; 6=To collaborate in the prevention/ mitigation of the risks”	36
“E3. What action has the company taken within the reporting period to prevent/mitigate the risks/impacts associated with the following environmental topics?”	“Climate change; Water; Nature and biodiversity; Air pollution; Waste; Energy & resource use”	“1= no; 2= Provided internal training/ capacity building for the direct workforce; 3=Built capacity among relevant business relationships; 4=Conducted an audit process and/or corrective action plan; 5= Collective action with peers or other stakeholders to address the issue; 6=Collaborated with governmental or regulatory bodies”	36
“E4. Within the reporting period, has the company been involved in providing or enabling remedies where it has caused or contributed to adverse impacts associated with the following environmental topics?”	“Climate change; Water; Nature and biodiversity; Air pollution; Waste; Energy & resource use”	“1= adverse impact(s) identified, but no remedy provided/enabled; 2=Yes, adverse impact(s) identified, and remedy provided/enabled; 3= No adverse impact identified or caused”	18
“E5. Does the company have a target(s), validated by a third-party, for reducing GHG emissions?”	“Scope 1; Scope 2 (market-based); Scope 2 (location-based); Scope 3”	“0=No; 1=Yes”	4
“E6. Did the company measure Scope 3 global GHG emissions within the reporting period?”		“0= We did not measure Scope 3 emissions; 1= Yes, partially measured; 2= Known”	2
“E7. Does the company have a climate adaptation plan?”		“1= no; 2= we plan to within the next two years; 3=it includes actions to increase adaptation and resilience in the communities in which we operate; 4=it includes a physical climate risk scenario analysis; 5= it includes physical risk assessments”	5
“E8. Has your company taken steps to reduce its fossil fuel consumption within the reporting period?”		“0=No; 1=Yes”	1

Table 4. Continued

Criteria	Categories	Rubric Evaluation (Maturity level)	Max. Value
“E9. During the reporting period, has the company increased its direct/indirect investment in low-carbon technologies (e.g., renewable energy, nuclear energy, carbon capture and storage (CCS))?”		“1= No, we have decreased direct/indirect investment in low-carbon technologies; 2= No change – direct/indirect investment in low-carbon technologies remained the same; 3=Yes, we have increased direct/indirect investment in other low-carbon technologies; 4=Yes, we have increased direct/indirect investment in carbon capture and storage (CCS); 5= Yes, we have increased direct/indirect investment in nuclear energy; 6=Yes, we have increased direct/indirect investment in renewable energy”	6
“E10. Which of the following has the company identified as material environmental topics connected with its operations and/or value chain”	“Climate change; Water; Nature and biodiversity; Air pollution; Waste; Energy & resource use”	“0=No; 1=Yes”	6
“E15. Within the reporting period, has the company acted to reduce waste generated by its operations?”		“1= no; 2= through recycling measures; 3=through investment in alternative materials; 4=through the implementation of circular and/or reuse initiatives”	4

Note: The evaluation criteria were developed by the authors using data from the UNGC progress survey.

The “Anti-Corruption” section of the UNGC progress survey reports aims to assess companies' activities in fighting corruption. Five subcategories were identified within this section, and the rubric assessment criteria used within the research are presented in Table 5.

Table 5. Evaluation Criteria for the Anti-Corruption

Criteria	Rubric Evaluation (Maturity level)	Max. Value
“AC1. Does the company have an anti-corruption compliance programme?”	“1= no; 2 = we plan to within the next two years; 3=yes”	3
“AC2. Does the company have policies and recommendations for employee procedures in case of doubt and/or in situations that may represent a conflict of interest, e.g., with regard to gifts and hospitality, donations, sponsorship, or interactions with public officials?”	“1= no; 2=we plan to within the next two years; 3=included within a broader policy or as a stand-alone policy”	3
“AC3. Does the company engage in collective action against corruption?”	“1= no; 2 = we plan to within the next two years; 3=yes”	3
“AC4. Who receives training on anti-corruption and integrity?”	“1= No training provided; 2= Selected employees; 3= All employees; 4= Third-party suppliers, contractors and/or consultants”	4
“AC5. Have there been any suspected incidents of corruption within the reporting period?”	“0=Yes; 1= No”	1

Note: The evaluation criteria were developed by the authors using data from the UNGC progress survey.

The research data was analyzed by processing it into an Excel database within the scope of the evaluation criteria. Comparisons were made between banks by expressing the percentage (%) of the maximum possible score they achieved for each heading and sub-criterion.

4. Results

Tables and comments regarding the comparison of the data obtained within the scope of the analysis of the research in line with the principles of “governance”, “human rights and labor”, “environment”, and “anti-corruption” are as follows.

In the UNGC Progress Report, which assesses the management sustainability status of companies, the highest level of progress in the “governance” section was identified as TKYB (82.77%) among Turkish banks. This bank was followed by İşbank (81.89%) and DenizBank (81.24%). Doğan Investment Bank (74.03%) was identified as the bank with the lowest level of progress in sustainability efforts under this heading. All banks reached 100% sustainability progress in the G3, G6, and G13 criteria. No bank reached 100% in the G9, G10, and G11 criteria. The banks that reached the highest maturity level were Garanti Bank (47.00%) in the G9 criterion, Şekerbank (48.00%) in the G10 criterion, and Şekerbank (44.44%) in the G11 criterion (Table 6).

Table 6. Governance

Max. Value	Criteria	DenizBank		Doğan Investment Bank		TKYB		VakıfBank	
		Value	%	Value	%	Value	%	Value	%
6	G1	6	100.00	4	66.67	6	100.00	6	100.00
20	G2	20	100.00	19	95.00	20	100.00	20	100.00
20	G3	20	100.00	20	100.00	20	100.00	20	100.00
24	G4	24	100.00	16	66.67	24	100.00	24	100.00
20	G5	20	100.00	12	60.00	20	100.00	20	100.00
16	G6	16	100.00	16	100.00	16	100.00	16	100.00
16	G7	16	100.00	16	100.00	16	100.00	16	100.00
12	G8	12	100.00	12	100.00	8	66.67	10	83.33
100	G9	10	10.00	42	42.00	29	29.00	0	0.00
100	G10	35	35.00	32	32.00	47	47.00	22	22.00
9	G11	1	11.11	3	33.33	3	33.33	0	0.00
3	G12	3	100.00	2	66.67	3	100.00	3	100.00
1	G13	1	100.00	1	100.00	1	100.00	1	100.00
		Total	81.24	Total	74.03	Total	82.77	Total	77.33
Max. Value	Criteria	Şekerbank		Garanti Bank		İşbank			
		Value	%	Value	%	Value	%		
6	G1	6	100.00	6	100.00	6	100.00		
20	G2	20	100.00	20	100.00	20	100.00		
20	G3	20	100.00	20	100.00	20	100.00		
24	G4	24	100.00	24	100.00	24	100.00		
20	G5	16	80.00	20	100.00	20	100.00		
16	G6	16	100.00	16	100.00	16	100.00		
16	G7	12	75.00	12	75.00	16	100.00		
12	G8	12	100.00	10	83.33	10	83.33		
100	G9	8	8.00	47	47.00	18	18.00		
100	G10	48	48.00	24	24.00	41	41.00		
9	G11	4	44.44	3	33.33	2	22.22		
3	G12	3	100.00	2	66.67	3	100.00		
1	G13	1	100.00	1	100.00	1	100.00		
		Total	81.19	Total	79.18	Total	81.89		

Progress made by companies in line with their activities regarding sustainability activities related to human rights and the workforce is assessed under the heading “Human Rights and Labor”. The analysis results are presented in Table 7. The bank with the highest overall progress level in this heading is VakıfBank (65,60%), while the lowest level belongs to İşbank (37,39%). The lowest level of progress in this area was in the HR/L4 criterion. The highest level of progress in this criterion was found in VakıfBank (35.42%), while the lowest was found in DenizBank (19.79%).

Table 7. Human Rights and Labour

		DenizBank		Doğan Investment Bank		TKYB		VakıfBank	
Max. Value	Criteria	Value	%	Value	%	Value	%	Value	%
16	HR/L1	11	68.75	5	31.25	12	75.00	15	93.75
48	HR/L2	27	56.25	27	56.25	21	43.75	24	50.00
96	HR/L3	51	53.13	9	9.38	28	29.17	48	50.00
96	HR/L4	19	19.79	21	21.88	23	23.96	34	35.42
48	HR/L5	30	62.50	27	56.25	21	43.75	24	50.00
100	HR/L6	95	95.00	100	100.00	0	0.00	100	100.00
5	HR/L7	4	80.00	5	100.00	5	100.00	4	80.00
		Total	62.20	Total	53.57	Total	45.09	Total	65.60
		Şekerbank		Garanti Bank		İşbank			
Max. Value	Criteria	Value	%	Value	%	Value	%	Value	%
16	HR/L1	11	68.75	15	93.75	5	31.25		
48	HR/L2	20	41.67	27	56.25	21	43.75		
96	HR/L3	35	36.46	45	46.88	23	23.96		
96	HR/L4	21	21.88	27	28.13	25	26.04		
48	HR/L5	28	58.33	23	47.92	21	43.75		
100	HR/L6	100	100.00	72	72.00	93	93.00		
5	HR/L7	2	40.00	4	80.00	0	0.00		
		Total	52.44	Total	60.70	Total	37.39		

Table 8. Environment

		DenizBank		Doğan Investment Bank		TKYB		VakıfBank	
Max. Value	Criteria	Value	%	Value	%	Value	%	Value	%
18	E1	16	88,89	16	88,89	18	100,00	18	100,00
36	E2	31	86,11	11	30,56	36	100,00	36	100,00
36	E3	17	47,22	15	41,67	24	66,67	30	83,33
18	E4	18	100,00	18	100,00	18	100,00	18	100,00
4	E5	0	0,00	0	0,00	0	0,00	4	100,00
2	E6	1	50,00	1	50,00	2	100,00	2	100,00
5	E7	4	80,00	2	40,00	2	40,00	5	100,00
1	E8	1	100,00	1	100,00	1	100,00	1	100,00
6	E9	6	100,00	6	100,00	6	100,00	6	100,00
6	E10	3	50,00	2	33,33	6	100,00	6	100,00
4	E15	2	50,00	1	25,00	2	50,00	2	50,00
		Total	68,38	Total	55,40	Total	77,88	Total	93,94

Table 8. Continued

Max. Value	Criteria	Şekerbank		Garanti Bank		İşbank	
		Value	%	Value	%	Value	%
18	E1	17	94,44	18	100,00	18	100,00
36	E2	36	100,00	30	83,33	30	83,33
36	E3	20	55,56	36	100,00	26	72,22
18	E4	18	100,00	18	100,00	18	100,00
4	E5	3	75,00	4	100,00	4	100,00
2	E6	2	100,00	1	50,00	2	100,00
5	E7	5	100,00	5	100,00	5	100,00
1	E8	1	100,00	1	100,00	1	100,00
6	E9	6	100,00	6	100,00	6	100,00
6	E10	5	83,33	5	83,33	2	33,33
4	E15	4	100,00	4	100,00	0	0,00
Total		91,67		Total	92,42	Total	80,81

The “environment” section, created within the scope of environmental sustainability assessment, allows companies to assess their level of progress in their environmental efforts. The results are presented in Table 8. VakıfBank was found to have the highest level of progress under this heading, with 93.94%, while Doğan Investment Bank had the lowest. All banks achieved 100% progress in criteria E4, E8, and E9. Only Garanti Bank achieved 100% progress in criterion E3, while Doğan Investment Bank achieved the lowest level in this criterion (41.67%).

The level of progress achieved within the scope of activities carried out within the scope of combating corruption is assessed under “anti-corruption”. The analysis results are presented in Table 9.

Table 9. Anti-Corruption

Max. Value	Criteria	DenizBank		Doğan Investment Bank		TKYB		VakıfBank	
		Value	%	Value	%	Value	%	Value	%
3	AC1	3	100,00	3	100,00	3	100,00	3	100,00
3	AC2	3	100,00	3	100,00	3	100,00	3	100,00
3	AC3	3	100,00	3	100,00	2	66,67	3	100,00
4	AC4	4	100,00	3	75,00	2	50,00	3	75,00
1	AC5	1	100,00	1	100,00	1	100,00	0	0,00
Total		100,00		Total	95,00	Total	83,33	Total	75,00
Max. Value	Criteria	Şekerbank		Garanti Bank		İşbank			
		Value	%	Value	%	Value	%		
3	AC1	3	100,00	3	100,00	3	100,00		
3	AC2	3	100,00	3	100,00	3	100,00		
3	AC3	3	100,00	3	100,00	3	100,00		
4	AC4	3	75,00	3	75,00	3	75,00		
1	AC5	1	100,00	1	100,00	1	100,00		
Total		95,00		Total	95,00	Total	95,00		

The analysis conducted within this scope determined that the bank with the highest level of sustainability progress was DenizBank, with 100% success. VakıfBank had the lowest level of progress in this area, with 75%. All banks achieved 100% progress in criteria AC1 and AC2. The bank with the lowest level of progress in criteria AC3 and AC4 was TKYB (AC3; 66.67% - AC4; 50.00%), while VakıfBank had the lowest level of progress in criteria AC5 (0.00%) (Table 9).

5. Discussion

Within the scope of this research, the progress survey results of seven banks operating in Türkiye that completed the UNGC progress survey covering the period 01.01.2024-31.12.2024 were comparatively evaluated. The evaluation considered the four main dimensions of the UNGC progress survey: “governance, human rights and labor, environment, and anti-corruption.” A comparative analysis was conducted on 36 criteria: 13 criteria in the governance dimension, seven criteria in the human rights and labor dimension, 11 criteria in the environment dimension, and five criteria in the anti-corruption dimension. For comparison in the research, each criterion was converted to percentage values. Some indicators represent structural characteristics rather than performance targets; therefore, achieving the maximum score may not always be realistic. For example, while it is theoretically possible to have all management levels comprised of women, it is rare in practice. According to the research findings, it was determined that the highest level of progress was made by Türkiye Development and Investment Bank Inc. in the “governance” principle, VakıfBank in the “human rights and labor” principle, VakıfBank in the “environment” principle, and DenizBank in the “anti-corruption” principle.

The Governance dimension includes criteria such as the company’s highest management body’s sustainability-related disclosures, rules, responsibilities, risks, negative impacts, concerns, mechanisms for determining, evaluating, and mitigating the effectiveness of their actions, the representation of women in management, and the compliance of sustainability-related data with standards and whether third parties have verified it. In other words, the Governance dimension includes criteria for assessing senior management’s commitment and attitude in disclosing company sustainability-related activities to stakeholders. Research findings indicate that banks have reached a high level of maturity regarding senior management and sustainability-related policies. However, it was determined that women are not sufficiently represented in senior management. Therefore, banks score low on the G9, G10, and G11 criteria.

Banks’ sustainability strategies and operations are influenced by the knowledge, attitudes, and approaches of their senior managers (Wang et al., 2025). A study conducted in the Chinese banking sector by Tian et al. (2024) revealed that senior management’s commitment to sustainability policies and commitments positively affects CSR practices and sustainability performance. There are also differences in senior management’s approach to sustainability based on the managers' gender. Women’s empowerment and gender equality are fundamental conditions for building a sustainable future and achieving the SDGs. A study covering the 50 largest European banks between 2016 and 2020 revealed that banks with a higher proportion of female representation on their boards demonstrated a more substantial commitment to their commitments to the 2030 Agenda (Gutiérrez-Fernández, Gallego-Sosa, and Fernández-Torres, 2024).

The UN has identified 16 issues related to human rights and labour. These topics include: “freedom of association and the right to collective bargaining; child labor; forced labor; non-

discrimination in respect of employment and occupation; safe and healthy working environment; wages; working hours; gender equality and women's rights; freedom of expression; digital security and privacy; product and service end-user rights; security arrangements; right to a clean and healthy environment: pollution, water, air, and land; land rights and rights of indigenous peoples; rights of vulnerable groups and minorities; and raw material sourcing". The human rights and labor dimension includes criteria that evaluate a company's human and labor rights activities, policy commitments, interaction with stakeholders, and actions taken to prevent and mitigate risks and impacts. The human rights and labor dimension assesses a company's sensitivity to its employees and general human rights. Research findings indicate that banks have relatively low percentages due to the wide variety and comprehensiveness of criteria related to human rights and employees. It has been determined that banks develop policies on human and employee rights, carry out their activities within the framework of these policies, and organize training. However, banks do not implement human rights policies. It was determined that banks do not engage with potentially affected stakeholders or their legitimate representatives regarding human rights and labor issues, and that no action has yet been taken to prevent and mitigate potential risks and impacts. Therefore, banks score low on the HR/L4 criterion. A study by Khan et al. (2011) examining banks' sustainability reports found that social, decent work and labor practices, and environmental issues are comprehensively addressed. However, they concluded that banks are significantly inadequate in their human rights activities and reporting of these activities.

The Environment dimension requires companies to be active in six environmental areas: "climate change, water, nature and biodiversity, air pollution, waste, and energy and resource use". The Environment dimension includes criteria such as the company's policy commitment to these six environmental areas, stakeholder engagement, risks, negative impacts, concerns, mechanisms for determining, evaluating, and mitigating the effectiveness of actions, GHG emissions measurements and reduction targets, a climate adaptation plan, actions to reduce fossil fuel consumption and waste generated by operations, and increasing investment in low-carbon technologies. The environmental dimension requires companies to reduce the negative environmental impacts of their operations and engage in general ecological activities. Research findings indicate that banks are involved in significant activities related to climate change, water, nature and biodiversity, air pollution, waste, and energy and resource use, making substantial contributions to environmental sustainability. However, banks appear to be limited in their training activities to prevent and mitigate risks and impacts related to environmental issues. Therefore, banks score low on the E3 criterion. Banks lack third-party verification of GHG emissions measurements and reduction targets within some technical criteria (E5). Furthermore, banks are not implementing recycling measures (E15) to reduce waste generated by their operations, yet they are not investing in alternative materials or implementing circular and/or reuse initiatives.

Today, various frameworks, guidelines, and standards have been developed at national and international levels to ensure reliable and transparent information flow to all stakeholders regarding companies' performance on non-financial environmental and social issues and to guide businesses towards more responsible practices. Companies are expected to prepare their sustainability reports per these standards and have them verified by third parties (Kumar and Prakash, 2019). Research results by Amran et al. (2024) indicate that third-party assurance regarding sustainability information shared with stakeholders positively impacts corporate reputation. A study by Shan and Shi (2025) suggests that banks fail to take the necessary and

practical steps to reduce carbon emissions. A study examining data from 117 banks worldwide reveals that banks are striving to cultivate a public image of being “good citizens”. The research findings indicate that banks lack transparency and rigor in reporting carbon emissions. However, a significant discrepancy has been identified between banks’ discourses on responsible corporate behavior and their actual implementation of these discourses (Caby et al., 2020).

The anti-corruption dimension includes criteria such as the company’s anti-corruption compliance program, procedures, policies, and recommendations for employees in situations that may create suspicion or conflict of interest, collective action against corruption, anti-corruption and integrity training, and whether any suspected corruption occurred during the reporting period. Banks are intermediaries in many commercial activities. Therefore, they play a significant role in the fight against corruption. Thus, banks have strict regulations regarding the fight against corruption. All banks participating in the study have procedures, policies, recommendations, actions, and training regarding anti-corruption. However, banks only provide training on anti-corruption and integrity to employees. This training (AC4) should be expanded to third-party suppliers, contractors, and/or consultants. Because many corruption cases involve financial transactions between individuals or institutions, banks and other financial intermediaries can be directly or indirectly involved in these processes. This requires financial institutions to assume a significant responsibility and play an active role in the fight against corruption. Indeed, the financial sector increasingly recognizes the legal, economic, and reputational risks associated with corruption and taking action (Fenner, 2009). However, concerns persist that banks are not adequately informing their stakeholders about the dangers related to combating corruption.

6. Conclusion and Policy Implications

The findings evaluated within this research reveal that banks operating in Türkiye have made varying degrees of progress in the four core dimensions of the UNGC: “governance, human rights and labor, environment, and anti-corruption”. Overall, banks have taken significant steps in developing corporate policies on sustainability, demonstrating commitment at the senior management level, and developing various action plans. However, considerable shortcomings remain in practice, particularly the underrepresentation of women in management, limited engagement with potentially affected stakeholders regarding human rights, superficial activities aimed at mitigating environmental risks, and an approach limited to training targeting only internal personnel in the fight against corruption. The research suggests that banks should increase transparency in their sustainability reporting, increase third-party verification, and translate these statements into concrete and inclusive practices, rather than limiting themselves solely to political rhetoric. Consequently, adopting a more holistic, participatory, and accountable approach to achieving SDGs is critical for banks to strengthen their corporate reputations and fulfill their social and environmental responsibilities.

Based on the research findings, banks must translate their policy commitments into concrete implementation to enhance their sustainability performance. Strategic steps should be taken to ensure gender equality, particularly at management levels; a stronger and more sustained dialogue should be established with stakeholders affected by human rights; investments should be made in innovative technologies to reduce environmental impacts; and comprehensive training and auditing mechanisms should be established to combat corruption, encompassing not only internal stakeholders but all business partners. Future research would benefit from cross-sectoral

comparisons using a broader sample size and examining institutions' sustainability approaches in-depth through qualitative analyses alongside quantitative data.

7. Limitations of the Study

This research utilizes document analysis to examine the sustainability practices of banks operating in Turkey that are members of the UNGC. Accordingly, sustainability surveys from the UNGC database for the sampled banks were reviewed individually, and the data obtained were standardized and evaluated within the framework of a model developed by the researchers. This allowed for the analysis of data from different banks on a single platform and enabled a comparative assessment between them. However, it should be noted that the study has some limitations. Firstly, the current sustainability survey data for all UNGC member banks are not available in the database. Therefore, only banks with accessible information in the database were included in the research. Consequently, the research sample does not encompass all UNGC member banks. This limits the generalizability of the findings. On the other hand, the study relies solely on secondary documents in the UNGC database. The research is based on COPQ data from 2024. The main reason for this is that this dataset provides the most up-to-date and standardized data source at the time the research was conducted. This research presents a cross-sectional assessment reflecting the current state of sustainability activities in banks. However, the fact that the study is based on data from only one year can be considered a limitation in terms of revealing long-term trends in sustainability practices. In this regard, it is recommended that future research utilize multi-year datasets and conduct longitudinal analyses. Therefore, while standardizing the dataset according to the model created by the researchers increases comparability, it can be considered a methodological limitation, as it may cause the interpretation of the data to depend to some extent on the researcher's approach.

Declaration of Research and Publication Ethics

This study, which does not require ethics committee approval and/or legal/specific permission, complies with the research and publication ethics.

Researcher's Contribution

The authors declare that they have contributed equally to the article.

Declaration of Researcher's Conflict of Interest

There is no potential conflicts of interest in this study.

Declaration of Artificial Intelligence Usage

The authors did not use any artificial intelligence tools during the preparation of this manuscript.

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