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Article History

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Abstract:

The purpose of the current study is to examine the disclosure practices of Islamic banks in Egypt and Kuwait in order to investigate Corporate Social Responsibility disclosure in Islamic banking (CSRDIB). This study tests the factors that may influence CSRDIB practices and constructs a framework for assessing them. Using a sample of Islamic banks in Kuwait and Egypt from 2014 to 2022, the framework is constructed by using six dimensions: "social responsibility towards governance", "social responsibility towards employees", "social responsibility towards environment", "social responsibility towards operations", "social responsibility towards clients", and "social responsibility towards community".

The investigation discovered that 56% of Islamic banks in both countries have appropriate corporate social responsibility disclosure. Although social responsibility disclosure levels in Egypt were higher than those in Kuwait in 2014, disclosure development in Kuwait was faster than that in Egypt. Islamic banks in both countries provide more information about social responsibility towards Governance, Employees, Operations, and Community but less information about Clients. Kuwaiti Islamic banks provide more information about social responsibility towards Environment than Egyptian banks especially for the last three years during the analysis period.

Based on statistical analysis, the most significant factors influencing the level of corporate social responsibility disclosure in the Islamic banking sector are bank size and financial leverage. The study's findings indicated that there is no significant relationship between Islamic banks' profitability and the CSRDIB, indicating that all Islamic banks, regardless of profitability level, need to publish enough information regarding their social responsibility. In a similar way, the researcher discovered no correlation between CSRDIB and Islamic bank credit rating.

Keywords: social responsibility disclosure; Islamic banks; Content analysis; bank size; financial leverage.

مستخلص البحث:

تتناول الدراسة الحالية الإفصاح عن المسئولية الاجتماعية في البنوك الإسلامية من خلال دراسة ممارسات البنوك الإسلامية المصرية والكويتية.

قامت هذه الدراسة بتطوير إطار لتقييم ممارسات الإفصاح عن المسئولية الاجتماعية واختبار محدداتها. ويرتكز هذا الإطار على ستة أبعاد هى: "المسئولية الاجتماعية تجاه الحوكمة، و"المسئولية الاجتماعية تجاه الموظفين"، و"المسئولية الاجتماعية تجاه البيئة"، و"المسئولية الاجتماعية تجاه العمليات"، و"المسئولية الاجتماعية تجاه العملاء"، و"المسئولية الاجتماعية تجاه المجتمع"، وذلك باستخدام عينة من البنوك الإسلامية المصرية والكويتية عن الفترة من عام 2014 حتى عام 2022 .

وقد خلص الباحث إلى أن ممارسات الإفصاح عن المسئولية الاجتماعية كانت مقبولة إلى حد ما من قبل عينة الدراسة في كل من مصر والكويت. وبالرغم من أن مستويات الإفصاح عن المسئولية الاجتماعية في البنوك المصرية كانت أعلى من مستويات الافصاح في البنوك الإسلامية الكويتية خلال عام 2014 ؛ إلا أن تطور ممارسات الإفصاح عن المسئولية الاجتماعية في البنوك الإسلامية الكويتية كانت أسرع من نظيرتها في البنوك الإسلامية المصرية خلال فترة الدراسة.

وتقدم البنوك الاسلامية في كلا البلدين خلال فترة الدراسة معلومات أكثر تفصيلا عن المسئولية الاجتماعية تجاه كلا من الحوكمة، الموظفين ، العمليات ، المجتمع، وأقل تفصيلا عن المسئولية الاجتماعية تجاه العملاء.

وفيما يتعلق ببعد المسئولية الاجتماعية تجاه البيئة توفر البنوك الاسلامية الكويتية معلومات أكثر تفصيلا مقارنة بنظيرتها المصرية وبصفة خاصة خلال الثلاث سنوات الأخيرة من الدراسة.

وقد خلصت نتائج التحليل الإحصائي إلى أن حجم البنك الاسلامي ومستوى الرافعة المالية هما أهم العوامل التي تؤثر على مستوى الإفصاح عن المسئولية الاجتماعية في الصناعة المصرفية الإسلامية. كما توصل الباحث إلى أنه لا توجد علاقة ذات دلالة إحصائية بين ربحية البنوك الإسلامية أو التصنيف الائتماني للبنوك الاسلامية وبين مستوى الافصاح عن المسئولية الاجتماعية.

1- Introduction:

The term "Corporate Social Responsibility" describes a company's obligation to its stakeholders to act morally and to fulfill the social and environmental requirements of accomplishing sustainable development objectives. (Wibisono (2007) as cited in: Faturohman et al., 2021).

As a result, corporate social responsibility disclosure broadens the company's responsibility beyond maximizing profitability for shareholders to include other stakeholders, such as customers, employees, the environment, and the community, placing greater emphasis on social and environmental aspects (Setiawati and Trisnawati, 2015).

This is supported by (Dusuki, 2011) who stated that the corporate governance concept must be shifted from the approach of shareholder-focused governance to a stakeholder-focused governance model. (Dusuki, 2011, as cited in: Platonova et al., 2018, p.1), which emphasizes ethical considerations by integrating corporate social responsibility into company practices.

Therefore, it is important for companies to engage in corporate social responsibility disclosure in their annual reports, because all stakeholders require companies to be responsible for society and the environment (Farah et al., 2021).

However, Islamic banking is a system that must function in line with the rules of Shariah. The prohibition of Ribah, which is against Sharia rules (Sobol, 2016), is what makes Islamic banking unique. Instead, it primarily relies on profit sharing depending on the extent of risk that each participant is ready to take. This is not the case with traditional banking, which bases its business on the interest rate differential between deposits and borrowing.

The origins of the Islamic banking concept in Egypt can be traced to a number of experiments, such as the founding of a local savings bank in 1963, which operated for roughly four years, and the Nasser Social Bank in 1971, which was founded on the principle of not handling interest (Abba Abdullahi, 2016). The first attempt at implementing Islamic banking in Egypt was made in 1980 with the establishment of an Islamic branch connected to Bank Misr.

Since it was the first Islamic bank to be founded in Kuwait in 1977, Kuwait Finance House (KFH) was the first prominent Islamic organization to apply the Islamic Approach to all of its activities and dealings. (https://www.kfh.com/en/home/Personal/aboutus/story.html)

The implementation of corporate social responsibility disclosure by banks has a substantial influence from social and environmental perspectives due to the importance of banks in economic and financial systems. By implementing the social responsibility disclosures, banks can strengthen their relationships with all stakeholders and enhance their reputation. (Khémiri and Alsulami, 2023)

Islamic banks view the full disclosure of the notion of social duty and accountability as being in line with Islamic Shariah standards. (Salman, 2022).

As previously discussed, one of the most significant topics covered by a number of research is corporate social responsibility. This is particularly true in the context of the traditional disclosure system, as only a small number of studies have looked into social disclosures in the context of Islamic banking.

Corporate Social Responsibility disclosure in Islamic banks (CSRDIB) practices in Egypt has not been the subject of many researches. The researcher develops a framework by reclassifying social responsibility disclosure items to comply to social responsibility areas, which makes the current research a contribution to the CSRDIB literature.

The rest of the paper is structured as follows. In Section 2, the factors affecting CSRDIB are described, the prior literature is reviewed, and the research hypotheses are developed.

The CSRDIB assessment technique is developed in Section 3. Section 4 describes the research design. The study's empirical findings are presented in Section 5. Finally, Section 6 discusses the conclusions, limitations, and suggestions for further research.

2- Factors Affecting Islamic Banks' Disclosure of Corporate Social Responsibility and the Formation of Hypotheses:

The researcher addresses the variables that could impact corporate social responsibility disclosure in Islamic banking in this part. These variables include credit rating, profitability, size of the bank, and financial leverage. The section that follows goes into further depth about these variables.

2.1 Islamic Bank Size:

The accounting literature primarily uses firm size as a justification for disclosure behavior.

The majority of research on corporate social responsibility disclosure lends credence to the hypothesis that firm size influences positively corporate social responsibility disclosure levels. (Siregar & Bachtiar, 2010; Rahman & Bukair, 2013; Aras et al., 2010).

Because they are under pressure to fulfill their social responsibilities and are anticipated to get more attention from a wider group of stakeholders, larger corporations are likely to publish more informative information. (Khémiri and Alsulami, 2023; El-Halaby and Hussainey, 2015)

Larger companies, on the other hand, can incur costs associated with producing and disseminating financial information, which improve the quality of information provided.

According to the current study, social responsibility disclosures in annual reports are more likely to be reported by larger Islamic banks. As a result, the following hypothesis is formed :

H1: The size of an Islamic bank and CSRDIB are positively correlated.

2.2 Islamic Bank Financial Leverage:

The capacity of the business to fulfill its short- and long-term obligations is referred to as financial leverage. Therefore, a more sound financial situation corresponds with reduced financial leverage. According to Elshandidy et al. (2013), there is a correlation between a company's level of disclosure and its financial leverage. It makes sense that businesses with greater financial leverage would be more inclined to provide information in order to project a positive image of their ability to handle risks. (Cox and Abraham, 2007)

Conversely, more indebted businesses have higher risk-managing costs; therefore, to lower such costs, they typically disclose more information. (Jensen and Meckling, 1976; As cited in :Atan et al., 2010)

The impact of financial leverage on social responsibility disclosure, particularly in Islamic banking, has not been thoroughly studied in many studies (El-Halaby and Hussainey, 2015; Wardani and Sari, 2018).
According to some researchers, financial leverage and disclosure level are positively correlated (Elshlandidiy et al., 2013). Other researchers did not find a correlation between the two factors. (El-Halaby and Hussainey, 2015; Wardani and Sari, 2018). So it requires further investigation.

The degree of financial leverage and corporate social responsibility disclosure in Islamic banks are predicted by the researcher to be significantly correlated, yet it is unclear which direction this correlation would run.

As a result, the following hypothesis is formed :

H2: The financial leverage of Islamic banks and CSRDIB are significantly correlated .

2.3 Islamic Bank Profitability Level:

In the accounting literature, firm profitability has been used increasingly often as a disclosure determinant to support disclosure levels. More transparency is anticipated from profitable businesses in order to enhance investor confidence in the firm and foster a positive view of their performance.

According to agency theory, the more profitable companies' management may have a strong motive to reveal more information regarding corporate social responsibility in order to increase their remuneration, (Abd El-Salam, 1999; As cited in: El-Halaby and Hussainey, 2015)
On the other side, higher profitable business have greater flexibility for management to report more social responsibility disclosures.

Regarding the effect of an entity's profitability on the degree of corporate social responsibility disclosure, there is a discrepancy in the accounting literature. While some researchers (Oeyono et al., 2011; Othman et al., 2009; Rahman and Bukair, 2013; Wardani and Sari, 2018; Platonova et al., 2018) have found a positive correlation between profitability and the level of corporate social responsibility disclosure, other researchers have found no relationship at all between firm profitability and corporate social responsibility disclosure in Islamic banking (CSRDIB). (Aras et al., 2010; El-Halaby and Hussainey, 2015).

According to the current study, Islamic banks with higher profits are more likely to report social responsibility in their annual reports. As a result, the following hypotheses are formed :

H3: The correlation between an Islamic bank's ROE and CSRDIB is positive.

H4: The correlation between an Islamic bank's ROA and CSRDIB is positive.

2.4 Credit Rating Level of Islamic Bank:

Credit rating refers to the measurement of the creditworthiness of a company and the evaluation of its ability to repay its debts; thus, it measures default risk (Wang, 2020). Credit rating, especially for banks, provide signals to the market. They provide more significant information about the bank to the public (Pasiouras et al., 2006). Because of many investing decisions depend more on such credit rating, banks prefer to receive a high level of credit rating.

The correlation between credit rating and social responsibility disclosure has been investigated by few studies. (such as: Wang, 2020; Fabozzi et al., 2021; Muzammal and Martins, 2021; Ben Saad et al., 2024)

There is a contradiction in the results of these studies; some studies revealed that credit rating and social responsibility disclosure are positively correlated. (Ben Saad et al., 2024; Muzammal and Martins, 2021; Wang, 2020), whereas others found a weak positive correlation between these two variables (Fobozzi et al., 2021). Therefore, the correlation between the credit rating of Islamic banks and CSRDIB is questionable, and further investigation is needed to determine the nature of this relationship.

As a result, the following hypothesis is established:

H5: The credit rating of an Islamic bank and the CSRDIB are significantly correlated.

3- Methodology:

The corporate social responsibility disclosure in Islamic banks (CSRDIB) methodology created by AAIOFI (2010) has been used in certain earlier studies (El-Halaby and Hussainey, 2015, for example). Four dimensions make up this framework: social responsibility within the company, social responsibility in the company's interactions with consumers and clients, social responsibility in the company's investment screening process, and social responsibility in the company's interactions with the larger community (AAIOFI, 2010, pp. 1000-1001).

The majority of earlier research—including those by Abdul Rahman and Bukair (2013), Platonova et al. (2018), Abdul Rahman et al. (2016), Marsidi et al. (2017), Ahmed and El-belihy (2017), Sugianto (2017), and Ineizeh et al. 2022).—have utilized the framework created by Haniffa and Hudaib (2007). The eight dimensions of this framework—vision and mission statement, board of directors and top management, product, zakat, charity and benevolent loans, employee, debtors, community, and Shari'ah Supervisory Board (SSB)—are used to assess corporate social responsibility disclosure in Islamic banking (Haniffa and Hudaib, 2007, pp. 112-113).

To assist businesses in supporting sustainable development, the International Organization for Standardization (ISO) released the ISO 26000 standard in 2010, which has to do with corporate social responsibility. The following seven categories of social responsibility are identified under this standard: (ISO, 2010)

1. Governance of Organizations
2. Human rights
3. Workplace procedures
4. Environment
5. Equitable methods of operations
6. Customer concerns
7. Participation and development in the community.

The current study develops a methodology to evaluate the CSRDIB based on the prior research on the Corporate Social Responsibility Disclosure in Islamic Banks and the areas suggested by ISO 26000. The researcher has categorized social responsibility disclosure items in Islamic banks into six dimensions using this framework: social responsibility towards governance, social responsibility towards employees, social responsibility towards environment, social responsibility towards operations, social responsibility towards clients, and social responsibility towards community.

As indicated in Table 1, the six dimensions that were developed and the disclosure items for each dimension were grouped.

Table 1: Corporate Social Responsibility Disclosure Dimensions in Islamic Banking and Disclosure Items

Corporate Social Responsibility Disclosure Dimensions in Islamic Banking	Corporate Social Responsibility Disclosure Items
1- Social responsibility towards Governance	Names of the members of the Board of Directors (BOD). Members of the Board of Directors' positions. Percentage of the board of directors' shares that they own. Members of Audit committee. Report of Governance. Board composition: executives and non-executives. The dual duty of the CEO as the board chairman. The management team's names. The management team's position. Members' names of the Sharia Supervisory Board (SSB). Remuneration of Sharia Supervisory Board members (SSB) Number of meetings of Sharia Supervisory Board (SSB) Report of Sharia Supervisory Board (SSB) The statement states that the Islamic bank distributes its revenues and losses in line with Islamic Sharia principles.
2- Social responsibility towards Employees	Transparency on the pleasure of employees. The overall number of staff. Disclosure about Employees' welfare. Description of Working environment. Disclosure about Recruitment policy. Disclosure about Compensation policy. Disclosure about Carrier progress policy. Disclosure about Retirement policy. Disclosure about Policy for education and training for the employees.
3- Social responsibility towards Environment	Sponsoring green environment Statement refers to Compliance with environmental laws and regulations. Providing finance to projects that are friends to environment. Disclosure about Policy for environmental issues and claims.
4- Social responsibility towards Operations	Statement refers to that Islamic bank commits in operating within Islamic Sharia Principles. Statement refers to that Islamic bank focus on maximization of shareholders returns. An adherence to financing and investing in accordance with Islamic Sharia Principles. Sharia Supervisory Board (SSB)'s opinion regarding the bank's operations. Supporting small and medium business. Supporting home-handworks. Disclosure about the departure from principles of sharia for any revenue or expenses. Nature of violated transactions from Islamic Sharia Principles. Disclosure about the amounts of revenues, expenses, and earnings from these violated transactions.
5- Social responsibility towards Clients	Providing efficient services to clients at a higher level of quality. Avoiding onerous terms in providing finance to clients. Information regarding Qard Hasan policy. Information regarding the approach for handling clients that are insolvent. Disclosure about the policy for dealing with the late payment. Shariah Board's opinion about the late penalty.

6- Social responsibility towards Community	Statement refers to that Islamic bank commits to social role. Disclosure about creating job opportunities for graduates. Supporting of disabled. Participating in government social activities. Sponsoring educational areas. Sponsoring conferences about Islamic economics. Sponsoring healthcare areas. Disclosure about Endowment management. Disclosure about Zakat sources and beneficiaries. Disclosure about Charitable activities (sources of charity and usages of it).

4. Research Design:

4.1 Model Development

The following models were examined in order to evaluate the aforementioned hypotheses:

Model	
1	CSRDIB= β0 + β1 Firm Size + β2 Leverage + β3 ROE + β4 ROA + β5 Credit Rating + Ɛ
2	Governance= β0 + β1 Firm Size + β2 Leverage + β3 ROE + β4 ROA + β5 Credit Rating + Ɛ
3	Employees= β0 + β1 Firm Size + β2 Leverage + β3 ROE+ β4 ROA + β5 Credit Rating + Ɛ
4	Environment= β0 + β1 Firm Size + β2 Leverage + β3 ROE+ β4 ROA + β5 Credit Rating + Ɛ
5	Operations= β0 + β1 Firm Size + β2 Leverage + β3 ROE+ β4 ROA + β5 Credit Rating + Ɛ
6	Clients= β0 + β1 Firm Size + β2 Leverage + β3 ROE+ β4 ROA + β5 Credit Rating + Ɛ
7	Community= β0 + β1 Firm Size + β2 Leverage + β3 ROE+ β4 ROA + β5 Credit Rating + Ɛ

4.2 Measuring the Variables

4.2.1 Dependent Variable: corporate social responsibility disclosure in Islamic banking measured by CSRDIB index, is the dependent variable. The disclosure index that was developed by the researcher to measure CSRDIB is represented by the following equation:
CSRDIB index = Σ Actual scores / Σ Maximum score (52 points)

where the CSRDIB index: A factor of the Corporate social responsibility disclosure in Islamic bank.

If an item is disclosed, it is assigned a value of (1); if not, it is assigned a value of (zero). The number of elements disclosed for each dimension is shown in Table 2.

Table 2: CSRDIB Index Items

CSRDIB Dimensions	**Number of Disclosure Items**
Governance	14
Employees	9
Environment	4
Operations	9
Clients	6
Community	10
Total	**52**

4.2.2 Independent Variables: Islamic bank size, financial leverage, profitability, and Islamic bank credit ratings are among the independent factors. Table 3 displays the independent variables together with their respective measurements.

Table 3: Independent Variables Measures

Independent Variables	**Measurement**
Bank Size	Is measured by using the natural log of total assets of Islamic bank at the end of each period.
Bank Financial Leverage	Is measured by using total debt (liabilities) to equity ratio.
Bank Profitability	Is measured by using the following two measures: Return of Total Equity of Islamic bank (ROE) Return of Total Assets of Islamic bank (ROA)
Bank Credit Rating	1 for credit rating D, 2 for credit rating C, 3 for credit rating CC, 4 for credit rating CCC, 5 for credit rating B, 6 for credit rating BB, 7 for credit rating BBB, 8 for credit rating A, 9 for credit rating AA, and 10 for credit rating AAA.

4.3 Population and Data

Using a content analysis approach, the current study examines the practices of Corporate Social Responsibility Disclosure in Islamic Banking (CSRDIB) for the years 2014 to 2022. The sample consists of three Egyptian Islamic banks and five Kuwaiti Islamic banks. Annual reports, social responsibility reports, as well as board of directors reports, were analyzed based on items developed for the CSRDIB index. The required reports were obtained from each Islamic bank's website Thus, 72 observations made up the study sample.

4.4 Descriptive Analysis

Descriptive statistics for the independent and dependent variables of the chosen sample are shown in Table 4. The chosen sample showed a wide range of disclosure practices related to corporate social responsibility. The maximum value of the index at the level of the combined index of the corporate social responsibility disclosure in Islamic banks (CSRDIB) is 0.69, while the minimum value is 0.29. Furthermore, there are a broad spectrum of Corporate Social Responsibility disclosure at the sub-dimensions level. For instance, the Governance index has the highest range, ranging from 0.29 to 0.93, while the Community index has the second-highest range, ranging from 0.40 to 0.80. The environment's index and the clients' index have the lowest levels of disclosure.

However, given that the average combined index for CSRDIB is 0.56 while the average index for governance and community is 0.73 and 0.70, respectively, it is observed that there is a significant variation in the practices of the selected sample, either at the level of the sub-dimension index or at the combined index level. Only 16% and 21% of the selected sample disclosed information about social responsibility toward environment and clients respectively. So it is observed in Table 4. that Islamic banks provide more disclosures about corporate social responsibility towards governance, community, employees, and operations than for clients and the environment.

Table 4: Descriptive Statistics of the Variables

	Minimum	Maximum	Mean	Std. Deviation
Combined CSRDIB Index	.29	.69	.5594	.09491
Governance Index	.29	.93	.7301	.13788
Employees Index	.22	.89	.6308	.15005
Environment Index	.00	1.00	.1597	.28859
Operations Index	.00	.67	.5410	.14086
Clients Index	.00	.50	.2103	.09814
Community Index	.40	.90	.7000	.12219
Bank Size	5.770000	10.880000	7.33833333	1.253392017
Financial Leverage	4.88	20.57	10.1978	4.27346
ROE	.000349	.292500	.12783189	.085062030
ROA	.000068	.118600	.01182247	.013939571
Credit Rating	5.000000	8.000000	6.50000000	1.510526445

5- Empirical Findings

Figure 1 shows that over the study period, there was apparent development in the corporate social responsibility disclosure index in Egypt and Kuwait. where the CSRDIB index in Egypt was 0.59 in 2022 compared to 0.46 in 2014, whereas the CSRDIB index in Kuwait was 0.65 in 2022 compared to 0.38 in 2014. Although social responsibility disclosure levels in Egypt were higher than those in Kuwait in 2014, disclosure development in Kuwait was faster than that in Egypt.

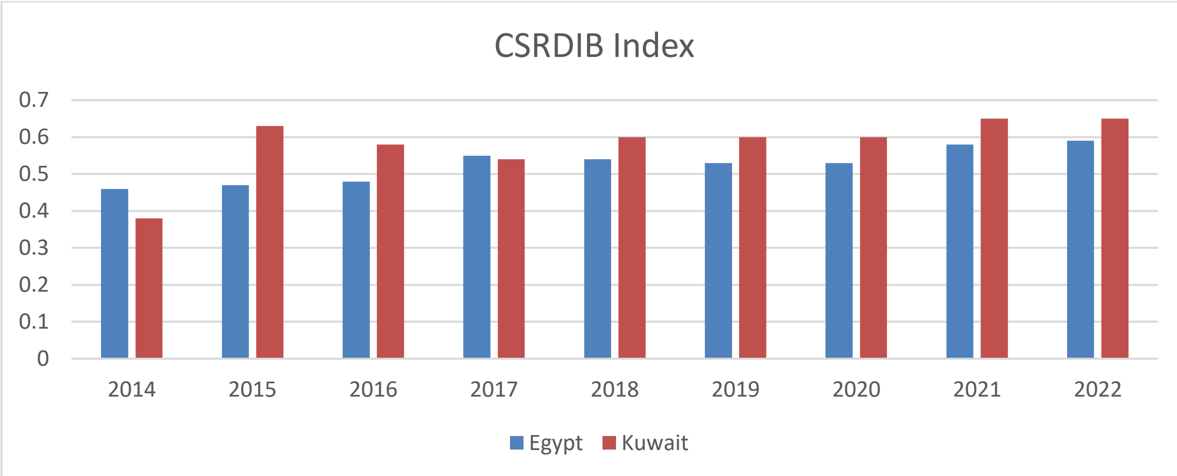

Figure 1: Comparison of CSRDIB Index between Egypt & Kuwait

An analysis of the dimensions of the CSRDIB, as shown in Figure 2 shows that the study sample of Islamic banks in Egypt provides more disclosure about social responsibility towards governance, community, employees, and operations, but provides less disclosure about social responsibility towards clients. Egyptian Islamic banks provided no disclosure about the environment in the first seven years of the study period, however there has been a minor development in this disclosure in the last two years.

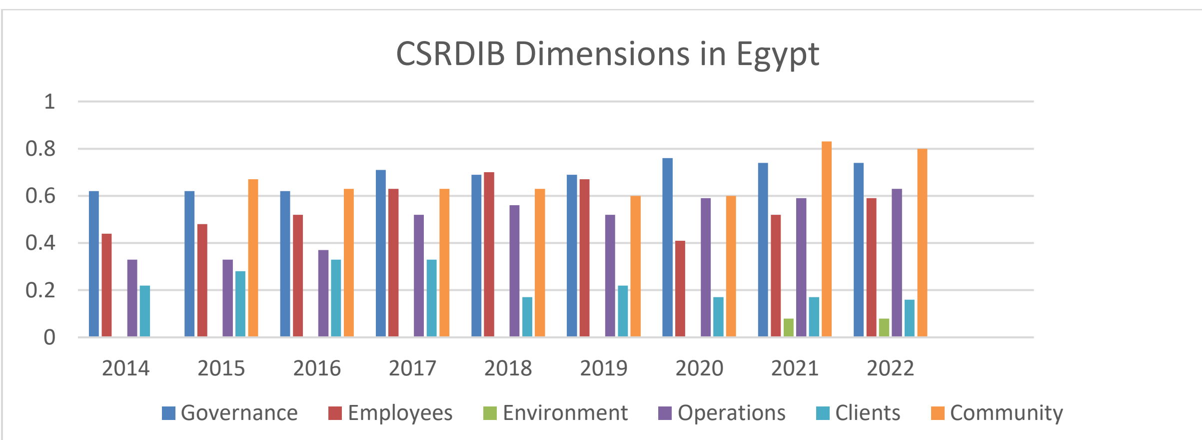

Figure 2: Development of CSRDIB Dimensions in Egypt

In the same direction, as shown in Figure 3, the study sample of Islamic banks in Kuwait provides more disclosure about social responsibility towards governance, employees, community, and operations, and less disclosure about clients. Regarding environmental dimension, Islamic banks in Kuwait provided less disclosure in the first three years of the study period (2014-2016); since it did not exceed 0.20; but in the last three years of the study period (2020-2022), there was a significant improvement in environmental disclosure; since it arrived to 0.70 in the last two years. The researcher can conclude that Islamic banks in both countries Egypt and Kuwait give more attention toward disclosures about governance, employees, operations and community, whereas give less attention regarding clients and environment.

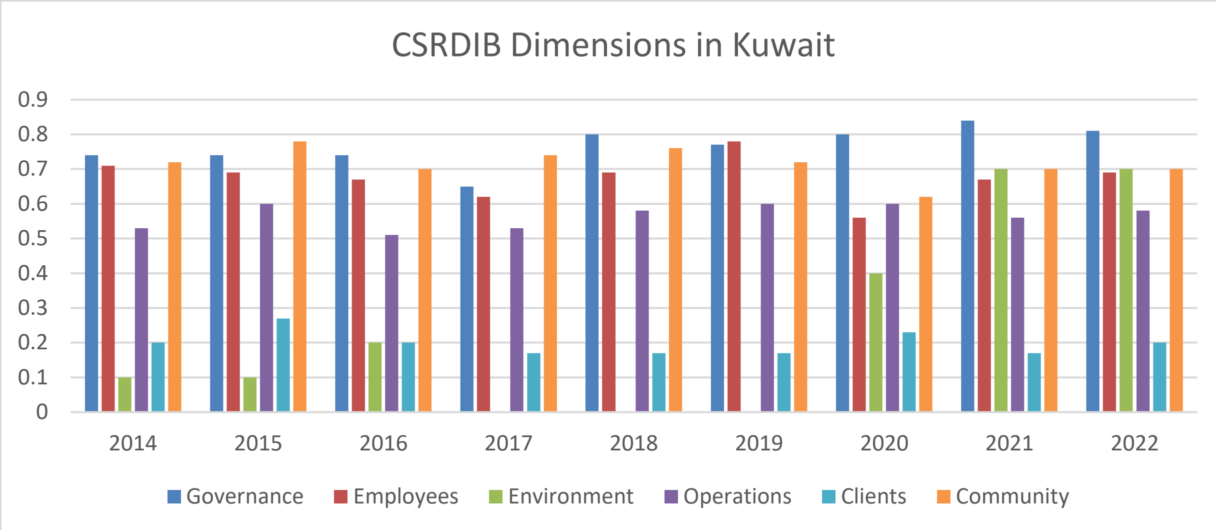

Figure 3: Development of CSRDIB in Kuwait

Regression Results

With the exception of the employee index, Table 5 demonstrates that all models are statistically significant.

Table 5: Regression Results

Variables	Combined CSRDIB Index		Governance Index		Employees Index		Environment Index		Operations Index		Clients Index		Community Index	
	Sig*	T	Sig*	T	Sig*	T	Sig.*	T	Sig*	T	Sig*	T	Sig*	T
Bank Size	.008	2.752	.000	3.890	.261	1.133	.136	1.511	.258	1.141	.254	1.150	.024	-2.308
Financial Leverage	.025	-2.302	.001	-3.455	.119	-1.580	.789	-.269	.000	-4.031	.006	2.820	.055	-1.955
Profitability (ROE)	.235	-1.200	.119	-1.580	.433	-.788	.003	-3.126	.248	1.164	.143	-1.481	.037	2.126
Profitability (ROA)	.639	-.471	.629	-.485	.559	-.588	.965	.044	.653	-.452	.958	-.053	.127	-1.547
Credit Rating	.981	.024	.886	.143	.331	.980	.782	.278	.609	.514	.996	.005	.335	.971
R^2	.176		.305		.050		.229		.223		.437		.187	
Adjusted R^2	.113		.253		.116		.170		.164		.191		.126	
Sig.	.023		.000		.138		.004		.004		.014		.016	

*Significant at the 5% level.

The firm size coefficient estimate is positive and statistically significant at the level of the combined CSRDIB index, indicating that larger Islamic banks reveal more information about their social responsibility than smaller banks. This is consistent with earlier research and validates the study's first hypothesis (Hussain et al., 2020; Khémiri and Alsulami, 2023).

Furthermore, the financial leverage coefficient estimate is statistically significant and negative, indicating that Islamic banks with high levels of financial leverage also likely to reveal less information regarding their social responsibilities. This result also validates the study's second hypothesis. This is contrary to previous literature (Wardani and Sari, 2018), which found no evidence of a significant relationship between financial leverage and disclosure of corporate social responsibility.

Bank size has a conflicting effect on the individual models because it is statistically positively significant for governance but negatively significant for the community. This means that larger Islamic banks tend to disclose more information about governance and less information about community than smaller ones. Furthermore, financial leverage is positive for the client index and negative and statistically significant for the governance and operations index. These findings suggest that Islamic banks with higher financial leverage provide more information regarding social responsibility toward clients and less information about governance and operations than lower leveraged ones.

In contrast to earlier research (Faturohman et al., 2021; Wardani and Sari, 2018), which discovered a significant positive association between profitability level and corporate social responsibility disclosure, the researcher found no significant association between profitability level and the combined index for CSRDIB. Profitability, as measured by Return on Total Equity (ROE), is positively correlated with the community and negatively statistically significant for the environment for individual indexes. This suggests that Islamic banks with higher profitability disclose more information about their social responsibility to the community and less information about the environment than Islamic banks with lower profitability.

The researcher found no significant correlation between profitability, as measured by Return on Total Assets (ROA) or Credit rating, and Corporate Social Responsibility Disclosure in Islamic Banking for both the combined CSDRIB Factor model and the sub-dimensions models. This suggests that the third, fourth, and fifth hypotheses are all rejected.

6- **Conclusion, Limitations, and Suggestions for Further Research**:

In order to assess Corporate Social Responsibility Disclosure in Islamic Banking, the researcher developed an index (CSRDIB). This index consists of 52 points and constructed based on six dimensions. Social responsibility towards governance, social responsibility towards employees, social responsibility towards environment, social responsibility toward operations, social responsibility towards clients, and social responsibility towards community. This study examined the primary variables that could affect the Corporate Social Responsibility Disclosure for a sample of three Islamic banks in Egypt and five Islamic banks in Kuwait between 2014 and 2022.

The findings of the statistical analysis revealed that the Corporate Social Responsibility Disclosure in Islamic Banking (CSRDIB) index indicates a level of corporate social responsibility disclosure of 56%. This level of disclosure is deemed acceptable in comparison to prior research in the same field, including studies by Wardani and Sari (2018), which reported a social responsibility disclosure level of 67%; Belal et al. (2015), which reported a social responsibility disclosure level of 42%; and El-Halaby and Hussainey (2015), which reported a social responsibility disclosure level of 26%.

The researcher reached the conclusion that, in 2014, Egypt had a higher level of Corporate Social Responsibility Disclosure in Islamic Banking (CSRDIB) than Kuwait did. Nevertheless, over the duration of the analysis period, Kuwait's Islamic banks had a faster rate of development in terms of corporate social responsibility disclosure levels.

According to statistical analysis, the two most significant factors influencing the degree of corporate social responsibility disclosure in the context of Islamic banking are the size and financial leverage of Islamic banks. The study's conclusion—that there is no significant relationship between Islamic banks' profitability and their level of corporate social responsibility disclosure—suggests that Islamic banks must, regardless of their profitability level, disclose enough relevant information about their social responsibility. In the similar way, the researcher failed to discover any meaningful correlation between the degree of social responsibility disclosure and Islamic bank credit rating.

This study has several implications for practitioners, scholars, and for the disclosing Islamic bank. It offers factual proof from the contexts of Kuwait and Egypt that the level of corporate social responsibility disclosure (56%) is appropriate. The research findings have potential benefits for accounting standards bodies, as they can be utilized to provide recommendations on optimal techniques for enhancing the quality of Corporate Social Responsibility Disclosure in Islamic Banking. The tiny sample size of this study—just eight Islamic banks for nine years in Egypt and Kuwait—is one of its limitations.

In order to improve the quality of Corporate Social Responsibility Disclosure in Islamic Banking (CSRDIB), future research may look into conducting questionnaires or interviews with interested parties, including audit firms, investors, and financial analysts. These parties may suggest additional disclosure items that are not taken into account in the current study and help refining the social responsibility disclosure index. More comparative research could be useful to evaluate CSRDIB levels globally and contrast them with Egyptian Islamic banking practices.

Lastly, it could be valuable to investigate how informative reporting conveyed to the stock market from social responsibility disclosure. One way to do this would be to test how corporate social responsibility disclosure affects the price of stocks or the cost of capital.

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