

**THE RELATION BETWEEN CORPORATE SOCIAL
RESPONSIBILITY DISCLOSURE AND FINANCIAL PERFORMANCE:
EVIDENCE FROM THE COMMERCIAL BANKING INDUSTRY**

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Abstract

The purpose of this paper is to extend previous research on the relationship between corporate social responsibility disclosure and financial performance. Increase level of CSR disclosure can improve a firm's credibility but it can also incur extra cost and reduce firm's profit. The unique contribution of this study is the empirical analysis of this relation on a sample of international commercial banks, supplemented by ranking and deciles comparisons. Our findings show that no definitive relationship exists, neither positive nor negative, between CSR disclosure and financial performance in commercial banks.

Keywords: Corporate Social Responsibility; Corporate Social Responsibility Disclosure; Financial Performance; Banking Industry; Commercial Banks

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1: Introduction

The nature of the relationship between corporate social performance disclosure and financial performance has been the subject of substantial academic research for many years. Empirical evidence has established that this relationship is complex and incoherent (Adrem, 1999; Cormier et al., 2005; Neu et al., 1998), and the investigation process is theoretically intractable and methodologically subjective. Coinciding with recent corporate disasters, CSR disclosure (CSR D) has received increasing attention as a complementary to financial statements for evaluating financial performance. General public now has high expectations of the private sector for responsible behavior. Consumers expect goods and services to reflect socially and environmentally responsible business behavior at competitive prices. Shareholders search for enhanced financial performance that integrates social and environmental considerations. A better understanding of the CSR D and FP link is invaluable to managers, stockholders, and stakeholders of the corporation because social issue of today can evolve into financial issue of tomorrow.

The primary focus of this paper is to extend earlier research on the relationship between corporate social responsibility disclosure and financial performance. Previous studies are plagued by various measurement issues that have not yet been resolved, and consequent evidence has presented contradictory conclusions. Commercial banks are the subjects of this research as motivated by their huge importance to the economy, their voluminous interactions with the general public, and in particular, their presence in the financial system in which the recent global recession had originated. This paper attempts to mitigate some of the measurement problems of earlier research by introducing a more simple yet comprehensive CSR disclosure measure on the foundation of previous CSR concept, and explores for additional insight into the argument by analyzing the form of CSR D and FP association in the context of the banking industry under different macroeconomic conditions. So far, the number of studies related to CSR disclosure and

financial performance in the banking industry after financial crisis 2008 is limited. This paper is believed to make a unique contribution to the debate on CSR-D-FP by providing empirical evidence from the international commercial banking industry.

Our results indicate that CSR-D and FP share a neutral relationship across macroeconomic conditions. Banks exhibit positive or negative CSR-D-FP link irregularly and no consistent pattern can be observed. These findings suggest that corporate social responsibility disclosure in bank publications have no definitive impact on its financial performance. Congruent to some earlier empirical evidence, this form of relationship which is captured by our measure of CSR-D can only be explained by not one but a combination of theories.

The rest of the paper proceeds as follows. Section 2 provides a brief literature review. Section 3 discusses the background for the development of our framework. Section 4 presents our theoretical framework and hypothesis development. Section 5 describes the data sources and methodology used. Section 6 displays and analyzes the empirical results. Section 7 presents our conclusion.

2: Literature Review

2.1 Corporate Social Responsibility (CSR)

Despite a vast and growing body of research on corporate social responsibility (CSR), there have been ongoing debates on its key elements and meanings. Wood (1991a) describes CSR as the construction of three major components. The first component is the level of corporate social responsibility legitimate within society and public within the organization. The second component is the processes of corporate social responsiveness which includes environmental assessment and stakeholder management. The third component is the outcomes of corporate social behaviour which includes charity support and community development. McWilliams and Siegel (2001) suggests CSR as “actions that appear to further some social good, beyond the interests of the firm and that which is required by law,” (p. 17). Others, such as Bakker et al. (2005), argue that CSR indicates “societal expectations of corporate behaviour...that is alleged by a stakeholder to be expected by society or morally required and is therefore justifiably demanded of a business”.

In either academic or actual practice, CSR may be interpreted in terms of societal or stakeholder expectations. Different social groups or stakeholders may place different expectations on business at different periods. These expectations may also differ according to different sectors of the economy the activities of the business operate in. Issue of whether social responsibilities should be addressed through instruments of public policy or through some form of voluntary, ethical requirements remains ambiguous. This lack of consensus over CSR reflects the complexity and evolving nature of CSR itself across place and time. Consequently, it should come as no surprise that there exists no universally accepted definition of CSR.

2.2 Measurement of CSR

Content analysis and reputation index are two generally accepted methods of measuring CSR (Cochran and Wood, 1984). Each has its strengths and weaknesses, and can by no means be considered fully adequate measure of CSR. Great care must be exercised and adjustment may be required when these measures are used for comparing social responsibilities of firms in the same industry or from different sectors.

Content analysis measures, either qualitatively or quantitatively, the extent of the reporting of particular variables in a broad array of firm publications, which usually include annual report, sustainability report, and corporate websites. The variables under analysis represent CSR activities, and the evaluation of these variables is fairly mechanical and objective. The same evaluation can be applied easily on a large sample of firms. However, the choice of these variables can be subjective and the interpretation of them shows no true indication of what the firms are actually doing.

Reputation index rates firms based on the foundation of one or more dimensions of social performance as perceived by knowledgeable observers. The same criteria apply consistently to each firm. However, the resulting ranking is highly subjective as it may vary significantly from observer to observer.

Past studies have utilized a variety of sources to assess corporate social responsibility of firms. Carmelo Reverte (2008) used CSR disclosure ratings from the Observatory on corporate social responsibility (OCSR) in his research in explaining CSR disclosure practices of Spanish listed firms. Barnea and Rubin (2006) considered Broad Market Social Index (BMSI) from KLD in their search for relation between firms' CSR ratings and their ownership and capital structure. Other measures which appear in CSR related academic papers include Fortune reputation survey, Domini 400 Social Index, and Dow Jones Sustainability Group Index. One problem with these metrics is that they do not cover enough firms to provide a reliable measure (Simpson and Kohers, 2002). For agency ratings, their methodology of assessment is not publicly available and their data used is to a large extent based on proprietary information. Recognizing these biases,

Scholtens (2008) as well as other researchers built their own “appropriate” CSR measures in their research framework. This results in a major contribution to why there exists inconsistencies among many CSR empirical findings.

2.3 Corporate social Responsibility and Financial Performance (CSR-FP)

Academic research has examined the relationship between CSR and financial performance to determine the sign of the relationship and the direction of causation (Waddock and Graves, 1997). Griffin and Mahon (1997) summarized their findings of numerous articles they reviewed and came to the conclusion that no definitive consensus exists on the empirical CSP and financial performance association. Other empirical evidence suggests conflicting results about the direction of CSP and FP linkage (i.e. Alexander and Buchholz, 1982; Aupperle, Carroll and Hatfield, 1985; Ullman, 1985). However, additional studies have found a positive relationship (i.e. Bowman, 1978; Preston, 1978; Anderson and Frankle, 1980). Waddock and Graves (1997) found a positive association between CSP and return on asset, return on equity, and return on sales of firms, and tested such association to be bidirectional. This is inconsistent to findings from other prior studies which have identified a negative relationship (i.e. Ingram and Frazier, 1983; Freedman and Jaggi, 1982). In his research, Aupperle supported the view that the cost of being socially responsible forces the firm into an unfavourable financial position relative to firms that are not.

2.4 Corporate Social Responsibility Disclosure

Corporate disclosure comprises of mandatory and voluntary reporting. Mandatory reporting discloses information required by law or code of practice (Gray, Javad, Power & Sinclair, 2001) such as GAAP-compliant financial statements. Voluntary reporting is not regulated, but it discloses information that is nonetheless useful to stakeholder’s decision-making process (Dawkins and Frass, 2008). CSR disclosure is a form of voluntary reporting in which it differs substantially from financial and operational disclosures. Gray et al. (1996) defined CSR disclosure as the “process of communicating

the social and environmental effects of organizations' economic actions to particular interest groups within society and to society at large". It documents the corporate social performance of a firm in a qualitatively and quantitatively manner.

2.5 Importance of CSR Disclosure

CSR disclosure is an instrument by which stakeholders use to evaluate corporate social performance. Over the years, CSR has become an issue of growing interest in the business world. Many publicly traded companies are voluntarily disclosing relevant information on governance, ethical practice, and social responsibility (Marino 1995; Stanton and Stanton 2002). More recently, coinciding with some of the major corporate scandals, CSR disclosure has been perceived as a tool of increasing transparency and credibility of a firm to society. Dawkins and Fraas (2008) identified that, if utilized strategically, CSR disclosure can be used by low CSP group to build or repair corporate reputation and by high CSP group to protect favourable CSP brand.

2.6 CSP Disclosure and Financial Performance

With increasing globalization and economic influence of financial markets and their intrinsic indifference of non-financial matters, CSR disclosure becomes a strong linkage, as perceived by academic, regulators, and corporate firms, between financial hyper-reality and general public (Thielemann, 2000; Mackintosh et al., 2000). A wide range of studies have investigated the relationship between CSR disclosure and financial outcomes. The financial outcomes examined include lower cost of debt capital (Botosan, 1997; Sengupta, 1998), better price-to-book ratios (Patel, Balic, & Bwakira, 2002), and perceptions of corporate governance (Black, Jang, Kim, & Mark, 2002). Sinclair and Power (2001) explored the relationship between CSR disclosure and the financial performance of the UK's largest companies, and found no convincing relationship between share returns and disclosure.

2.7 CSR Disclosure in Banking Industry

CSR disclosure has been the subject of substantial academic research; however, relatively little has been undertaken focusing on CSR disclosure by banks (e.g. Branco and Rodrigues, 2008; Douglas et al., 2004; Tarna, 1999). Banking is considered as one of the major contributing sectors behind economic stability and growth, and it is highly visible to public evaluation. It has a wide spectrum of stakeholders which include owners, borrowers, depositors, regulators, and managers (Yamak and Suer, 2005).

Branco and Rodrigues (2008) examined social responsibility disclosure (SRD) of Portuguese banks in 2004 and 2005. In their paper, they pointed out that Portuguese banks with higher visibility show greater concern than Portuguese banks with lower visibility to improve their corporate image through CSR disclosure.

Douglas et al. (2004) studied SRD for six Irish banks and four international financial institutions in 1998-2001 and on the web sites in 2002 of the six Irish banks. Their findings suggest that Irish financial institutions are well behind their international counterparts in terms of volume of SRD. None of the Irish banks made any environmental policy disclosure. Their findings also suggest that Irish banks disclose more social responsibility information on their web sites than in their annual reports.

2.8 CSR and CSR Disclosure

Neu et al. (1998) claimed that CSR disclosure could be viewed as a constructed image or symbolic impression of itself that a firm is conveying to the rest of the world. Gelb and Strawser (2001) proposed that the practice of informative disclosure is an act of social responsible activity. Their findings suggest a positive relationship between disclosure level and CSR. In other words, firms that engage in CSR activities provide more informative and/or extensive disclosures than do other firms that engage in less CSR activities. The rationale behind is that, when a firm is undertaking social responsible activities, it has incentives to provide extensive and informative disclosure about the activities to impress their stakeholders.

3: Background

The banking industry is considered the backbone of an economy. It provides necessity in nature to the society and whose policies and decisions can largely affect public interest (Miles, 1987). Banks manage financial risks, monitor borrowers and organize payment system (Greenbaum and Thakor, 2007), which helps to improve market efficiency. Numerous studies have assessed how banks affect the economy. Levine (2004) and Scholtens (2006) suggest that the banking system is playing an important role in economics and sustainable development.

The role of banks makes them highly influential to the society. Socially responsible bank behaviour is becoming a well-established notion in financial service (Scholtens, 2008). Investors raised their awareness towards the importance of transparency of banks, as well as the threat of environmental and social risk. Instead of merely focus on maximizing the benefit of stakeholders, banks are expected to care the well being of the whole society when they make their decisions, as impact of a wrong decision can be disastrous to the society .

As mentioned in previous part of the paper, a firm would use CSR disclosure as a tool to construct public image (Neu et al., 1998). CSR disclosure is the most direct way for a company to let the public knows about their contribution to the well-being of the society. Previous study suggests there is positive relationship between CSP and CSR disclosure (Gelb and Strawser, 2001). This implies that a link between CSR disclosure and financial performance should exist.

A number of research focuses on the relationship between CSR disclosure and financial performance. The results tend to be conflicting with each other. Garriga and Melé (2004) categorize CSR into four broad theories: economic or instrumental theories, political theories, integrative theories, and ethical theories. The most representative theories out of the four categories are the legitimacy theory (LT), agency theory (AT/positive accounting theory) and stakeholder theory (ST). These three theories are

chosen by notable amount of scholars to construct their theoretical framework for their study on CSR and FP (e.g. Belkaoui and Karpik, 1989; Cowen et al., 1987; Ismail and Chandler, 2005; Roberts, 1992; Ullmann, 1985).

3.1 Legitimacy Theory

Legitimacy theory (LT) explains a company's CSR activities and disclosure by the firm's norms, values, customs and attitudes (Hibbitt, 2004, p. 254). Compare to other theories, LT provides a comprehensive view on CSR disclosure as it explicitly recognizes that firms are bounded by social contract in which they agree to perform in order to receive economic benefit in return and guarantees for their continued existence (Guthrie and Parker, 1989; Brown and Deegan 1998). Companies are supposed to have activities that are congruent with social values and to communicate that their activities are congruent with such values (Buhr, 1998, p.164). LT is particularly useful as an explanation when the disclosure is intended to close a particular legitimacy gap (Branco and Rodrigues, 2008). Several research suggest that companies often change their SRD practices when particular incidents such as an environmental disaster (an oil spill or gas explosion) occurred that puts the companies in the spotlight (i.e., Patten, 1992; Walden and Schwartz, 1997; Deegan et al., 2000).

3.2 Economic Agency Theory

This theory becomes a popular rationale for CSR disclosure since its emergence as an explanatory model for corporate financial reporting (Watts and Zimmerman, 1986; Belkaoui and Zimmerman 1989). The theory is developed based on Adam Smith's classical school of thought. It views the firm as a nexus of contracts between various economic agents who act opportunistically within efficient markets (Reverte, 2008). Gray et al. (1996) offered the idea that managers use company's information to satisfy or manipulate influential stakeholders in order to gain their support which is required for survival. Cowen et al. (1987, p. 113) suggested that consumer-oriented firms are expected to concern more about their corporate images, which in turn would ultimately improve

their turnover. However, Cormier et al. (2005) pointed out that agency theory tends to focus only on firm's monetary or wealth considerations. In fact, many potential users of CSR information may not act in these markets at all (e.g., pressure groups such as Greenpeace) (Reverte, 2008). Yamak and Suer (2005) suggests that the application of principle-agent theory in financial industry is not adequate to explain their social responsibility practices because the banking sector has larger number of major stakeholders and subjected to heavier regulations.

3.3 Stakeholder Theory

This theory implies that a company has responsibilities not only to their shareholders but also to all stakeholders (Garriga & Melé, 2004). Managers' perceptions of three key stakeholder attributes including power to influence the company, legitimacy of the relationship with the company, and urgency of the claim on the company would significantly affect the degree to which managers give priority to competing stakeholder claims (Mitchell et al., 1997). Compare to LT, ST suggests that firms tend to focus only on their stakeholders, instead of the whole society. Deegan (2002, p. 295) states that “both theories conceptualize the organization as part of a broader social system wherein the organization impacts, and is impacted by, other groups within society”.

4: Theoretical Framework and Hypothesis Development

Theoretical Framework

Legitimacy Theory, Agency Theory and Stakeholder Theory are the three most widely used theories for developing theoretical framework to investigate the relationship between CSR disclosure and financial performance (e.g. Belkaoui and Karpik, 1989; Cowen et al., 1987; Ismail and Chandler, 2005; Roberts, 1992; Ullmann, 1985). Studies on this topic provided mixed results and suggested different explanations for the relationship between disclosure and financial performance. Following previous papers' approach, Legitimacy Theory, Agency Theory and Stakeholder Theory are used in this paper to provide theoretical foundation for the investigation.

Neo-Classical & Agency Theory – Negative Association

Some previous research suggests a negative relationship exists between CSP and financial performance. The relationship is consistent with the neoclassical economist's argument that the increase of firm's social activities reduces firm's profit and shareholder wealth (e.g. Waddock and Graves, 1997; Preston and O'Bannon, 1997). Aupperle et al. (1985) argue that firms perform responsibly would incur extra cost compare to their rivals which incurs them a competitive disadvantage. Meanwhile, Agency Theory suggests that managers would only interest in activities that can increase company's profit. Putting both arguments together would reach to the conclusion that a firm would spend less on CSP to increase their profit. This argument can also apply to the relationship between CSR disclosure and financial performance, as firms have to incur extra cost to make higher quality disclosure. As a result, a negative relationship between CSRD and FP is expected.

Public Visibility, Quality of Management & Availability of Economical Resources – Positive Association

Bansal and Clelland (2004) and Bowen (2000) have shown that the media is influential on corporate environmental responses. Size is a factor in Legitimacy Theory (Patten, 1991) and in Agency Theory (Belkaoui and Karpik, 1989) to test hypotheses related to public visibility. Therefore, public visibility is associated usually with size, although other factors may also be relevant. Large and profitable firms tend to have higher public visibility and receive relatively higher level of demand for their CSR disclosure as a result.

Belkaoui and Karpik (1989) explain that the positive relationship between social disclosure policy and profitability by management's knowledge. A management that has the knowledge to make a company profitable also has the knowledge and understanding of social responsibility, which leads to more social and environmental disclosure. As a contrast, in a corporation with less economical resources, management will probably focus less on the production of social and environmental disclosures (Roberts, 1992; Ullmann, 1985).

Public visibility, quality of management and the availability of economical resources provide the supports to the argument that positive relationship exists between CSR disclosure and firm's financial performance.

Both positive and negative side provided solid and sound reasons to support their argument. Because of that, the theoretical explanations provide uncertain answer for the relationship between CSR disclosure and profitability. Neu et al. (1998) argues that from a LT perspective, profitability can either be positively or negatively related to CSR disclosure. Adrem (1999) and Cormier et al. (2005) also argue that disclosures are complex phenomenon that cannot be explained by a single theory.

As contradicting answers are suggested by different theoretical explanations, and no one seems to dominate the others, instead of hypotheses there is positive or negative relationship between CSR disclosure and financial performance, the hypothesis of this study is as follows:

Ho: There is no relationship between CSR disclosure and financial performance.

H1: There is relationship between CSR disclosure and financial performance.

5: Data and Methodology

5.1 Dataset

A list of over 100 publicly traded commercial banks¹ is extracted from various issues of Global Finance's Best Banks Rankings. The Global Finance banks are selected based on total asset size and credit quality, and through a comparison process which makes use of a number of ratings from Fitch Ratings, Standard Poor's, and Moody's Investors Service. Similar to Scholtens (2008)'s intention of imposing size and quality on his sample banks, we use Global Finance's selection criteria to provide a common background for a meaningful comparison on the banks we analyse. The list includes banks that are reputable either domestically or internationally as well as banks that have been bought out or merged in recent years. A sample of 57 commercial banks is created by filtering this list for financial institutions that disclose corporate social responsibility activities in their firm publications. These sample banks are different in size and distributed globally with a majority from Europe and North America. Table 1 and 2 provide a summary of the characteristics of these banks.

ESG disclosure scores of the sample banks from 2006 to 2009 are obtained from Bloomberg ESG database, which contains ESG data collected from company-source filings of over 3,500 companies in 52 countries. Bloomberg ESG disclosure scores are based on the degree of a company's ESG disclosures to a set of data points collected by Bloomberg in each area of environment, social, and governance. Each data point is weighted in terms of importance and relevance for the particular industry sector. The

¹ A type of bank which accepts deposits, makes business loans, and offers related services. It provides a variety of deposit accounts, such as checking accounts, savings accounts, and money market accounts, to individuals.

resulting score ranges from 0 for firms that do not disclose ESG data to 100 for firms that disclose all ESG data recognized by Bloomberg.

5.2 CSR Disclosure Measure

In our model, we interpret CSR as the firm's responsibility for the impact of its activities to general public. This responsibility is divided into three broad categories: environmental, social, and governance. By the same definition, we divide CSR disclosure into three disclosure components in respective categories. We then create an aggregate CSR disclosure score for the banking sector as a weighted average of the ESG disclosure scores collected from Bloomberg, with 20% on environment, 45% on social, and 35% on governance. Reasonable adjustment is made for commercial banks with one or more missing ESG disclosure. Approximation for missing data is performed by averaging and projecting. For example, when 2007 data for a bank is missing, the missing data is approximated by taking the average of the bank's 2006 and 2008 scores. If 2006 to 2008 scores for a bank are available but the 2009 score is missing, the 2009 score is approximated by projecting the trend of the scores from 2006-2008.

Environment disclosure score has the lowest weighting because banks' operations have a low direct impact to environment. Their responsibility to environment relates to their consumption and reuse of resources, such as paper and energy and waste disposal, as well as their lending or investing policy on businesses whose operations might have a direct impact to environment. Social disclosure has the highest weighting because banks have a great diversity of individuals and groups as stakeholders, and they have a great variety of social responsibility issues to address.

Unlike other CSR disclosure ratings that are often subject to bias and unreliability across industry, the aggregate rating procedure which makes use of ESG disclosure scores is aimed to be simple yet comprehensive, and the aggregate score is tailored for comparing disclosure of banks from different regions and countries. This aggregate

disclosure score and the three disclosure score components are used in this empirical study.

5.3 Financial Performance Measure

Two widely recognized accounting ratios² are employed as proxies for financial performance in the banking sector. Return on asset measures how much profit the bank assets can generate. This ratio is free from the effects of bias that can result from differences in capital structure amongst banks. Return on equity measures how much profit the bank can generate from shareholder investment. It is best use to compare companies in the same industry. Annual share price return is also employed to provide a non-accounting measure of bank performance. It reflects the overall market evaluation of each bank in a year.

5.4 Regression Methodology

Building on Gelb and Strawser (2001)'s finding that there is a positive relationship between disclosure level and corporate social responsibility, we adopt the regression approach used in Simpson and Kohers (2008)'s papers with slight modifications. We replace their CSR measure with our own version of CSRD measure. The financial performance measures of each bank are regressed upon corresponding aggregate CSR disclosure score and a set of control variables. This econometric specification attempts to find correlation between CSR disclosure and financial performance of the sample banks, if any, while holding other variables that could impact the financial performance constant.

$$FP_t = \beta_1 D_t + \sum_{i=2}^6 \beta_i CV_{it} + \varepsilon_t,$$

where

FP_t	=	ROA, ROE, or Annual stock return
D_t	=	aggregate disclosure score
CV_t	=	natural logarithm of total asset, loan ratio, capital ratio, natural logarithm of total revenue, or profit margin

² These ratios are used in prior CSR studies by Waddock and Graves (1997) in “The Corporate Social Performance – Financial Performance Link” and by Simpson and Kohers (2002) in “The Link Between Corporate Social and Financial Performance: Evidence from the Banking Industry”.

Given that CSR disclosure score is composed of ESG disclosure scores, we develop a similar econometric model to investigate the correlation between individual ESG disclosures and financial performance of the commercial banks, and the extent of such correlation, if any, while holding the same set of control variables constant.

$$FP_t = \beta_1 E_t + \beta_2 S_t + \beta_3 G_t + \sum_{i=4}^8 \beta_i CV_{it} + \varepsilon_t,$$

where

FP_t	=	ROA, ROE, or Annual stock return
E_t	=	environment disclosure score
S_t	=	social disclosure score
G_t	=	governance disclosure score
CV_t	=	natural logarithm of total asset, loan ratio, capital ratio, natural logarithm of total revenue, or profit margin

To explore further for pattern of such correlation under different economic environments, we perform the regression tests on a number of time period permutations allowed by the sample data. Lastly, we follow Waddock and Graves (1997)'s approach by introducing lagged independent variables to the regression models to test whether CSRD can explain future financial performance in the banking sector.

The following control variables are selected based on prior research findings:

Size (Total Assets) indicates the bank's capability of generating economic benefit

Loan Ratio (Average total loans to average total assets)

Loans represent the largest portion of assets for most commercial banks. Interests from these loans, if collectible, are one of the main contributing cash inflows to net income.

Capital Ratio (Equity capital to average total assets)

In general, a bank with high capital ratio is protected against operating losses more than a bank with low capital ratio. However, the cost of this protection means less capital to invest on potentially profitable activities

Profitability (Profit margin)

Total revenue is the income the bank receives from its business activities. It is used as an indication of earnings quality. Profit margin indicates the degree of financial success the bank is generating. On the other hand, it shows how efficient the bank incurs profit or expenditure from its operations.

Although both natural logarithm of total assets and total revenue are two highly correlated control variables, they are included in the regression model to reflect different financial indicators investors used to evaluate performance of a firm. Both forms of regressions, with and without total revenue as control variable, are tested, and their resulting statistics share minute differences.

5.5 Ranking and Deciles Comparison

The framework that created by Scholtens (2008) to assess CSP with international banks is used as a guide to construct the ranking and deciles comparison. The CSR disclosure score, the disclosure score of each ESG category and financial performance (ROA, ROE, and annual stock return) of each bank is ranked annually (2006-2009) to provide meaningful reference for the regression results. Banks without complete ESG disclosure score are excluded from the ranking. Relationship between CSR disclosure and each financial performance measure is examined by comparing their respective deciles in the ranking.

Using deciles to compare CSR disclosure and financial performance is a new approach that no previous study had employed. The main advantage of this approach is that, the level of positive or negative relationship of CSR disclosure and financial performance measured by a scale from 0-90. The absolute value of the difference between the percentiles of each bank's CSR and FP is calculated to measure the strength of relationship. When a bank's disclosure score and financial performance (e.g. ROA) are ranked at the same percentile (e.g. 80th – 90th percentile), the ranking of the bank in disclosure and ROA are similar. If large proportion of the sample gives this result, it suggests that within the banking industry, if a bank has a relatively high CSR disclosure score, it has a relatively good financial performance. In contrast, when a bank's disclosure score are at a low percentile (10th percentile) and its ROA is at a high percentile (90th percentile), its ranking in disclosure is low and its ranking in ROA is high. If large number of banks shares this characteristic, then a relatively low disclosure score within the banking industry would imply high profitability. The aggregate result of every bank is used to compare with the results from regression.

6: Empirical Results

6.1 Regression Analysis

Table 3 presents descriptive statistics on dependent variables used in the cross-sectional regression models. In Panel A, we find that ROA, ROE, and stock return have no relation to CSR disclosure in each period tested. In 2008, stock return is significantly related to CSR disclosure but the strength of this relation is negligible. In Panel B, we find different patterns of relations between dependent financial variables and ESG disclosures of commercial banks. Environment disclosure is negatively correlated to ROE and ROA, but it holds no relation to annual stock return. Social disclosure is positively correlated to ROE, ROA, and annual stock return while governance disclosure is negatively correlated to these variables. In all regressions, each correlation is weak and does not show consistent significance in all periods.

Table 4 presents statistics from running the regression models on every 2-year timeframe. While considering 2006 to 07 as normal years and 2008 to 09 as bad years, we find that CSR disclosure has no impact on financial performance of commercial banks in various economic states in Panel A. However, we find that ESG disclosures impact financial dependent variables differently at each economic state in Panel B. Both environment and governance disclosures are negatively correlated to ROA and ROE while social disclosure is positively correlated to these measures. Environment disclosure holds significant relationship to ROA in all economic states and to ROE only when the economy is on the decline. In contrast, social and governance disclosures hold significant relationship to ROE in all economic states and to ROA only when the economy is on the decline. Interestingly, ESG disclosures have significant correlation to stock return during good economic times.

In Table 5 & 6, we repeat the regression models on every 3-year timeframe and on the whole sample. We again find that CSR disclosure has no impact on financial performance of commercial banks. We also find that the same correlations hold between ESG disclosures and financial variables, but the extent of each association shows significant patterns. Similar findings are shown in Table 5, which presents the results of regression models with lagged variables.

In contrast to Simpson and Kohers (2008)'s finding of positive relationship between corporate social and financial performance, our finding shows a neutral relationship between corporate social disclosure and financial performance.

6.2 Ranking and Deciles Analysis

Table 8-11 provides the ranking of the banks' CSR disclosure and financial performance from 2006 to 2009. UBS AG achieved the highest 4-years average CSR disclosure score among the sample. In average, European banks outperformed banks from other continents, as fourteen European banks are found in the top 20 of the ranking. The ranking of Environmental, Social and Governance disclosure can be found in Appendix. Table 10-14 illustrates the comparisons between the relative CSR disclosure performance and the relative financial performance of each bank in 2006-2009. From Table 10-14 it can be observed that the results vary between banks. Some banks have similar rankings for their CSR disclosure and financial performance (e.g. Banco Bilbao Vizcaya Argentaria SA and Danske Bank A/S). In contrast, no regular pattern can be found for most of the banks in the sample. This suggests that there is no stable relationship between commercial banks CSR disclosure and financial performance.

One interesting finding from the result is that, during any particular year, the number of banks that showed positive relationship between their disclosure ranking and financial performance ranking (e.g. low disclosure ranking and low stock return ranking) is higher than the number of banks that showed negative relationship between their disclosure ranking and financial performance ranking (e.g. low disclosure ranking and high ROE ranking). In average, 13.583 banks in the sample has absolute percentiles difference of 0 and 10 in a year compare to only 11.583 has absolute percentiles

difference between 60 and 90. Another interesting finding is that, the number of banks that has absolute difference between 60 and 90 in bad years (2008 and 2009) is higher than in normal years (2006-2007). In 2008 and 2009 the average number of banks that has absolute percentiles different between 60 and 90 is 12.333, compare to 10.833 in 2006 and 2007. Table 12-15 summarized the comparisons between the disclosure of each ESG component and the financial performance for each bank. The result of each ESG disclosure is found to be similar to the result of the total CSR disclosure score.

7: Conclusion and Discussion

The evidence provided in this paper indicates that the relationship between CSR disclosure and financial performance of commercial banks is neutral. A number of regressions are performed on this argument and all results agree that proposed relationship is not statistically significant. The ranking comparison of CSR disclosure and financial performance for each bank further supports our finding. This conclusion complies with the fact that different theoretical explanations have been proposed to support negative or positive relationship between CSR disclosure and financial performance, but none of them is considered more persuasive than the others. As Adrem (1999) and Cormier et al. (2005) pointed out, disclosures are complex phenomenon that cannot be explained by a single theory. Furthermore, we show that the direction and strength of correlation between individual ESG disclosures and bank performance vary in different time periods. This result suggests that the impact of separate ESG components on financial performance would vary due to economic condition and other macro factors. This provides another potential explanation for the neutral relationship between CSR disclosure and financial performance of commercial banks.

In addition, previous study suggests that there is a positive relationship between CSP and CSR disclosure (Gelb and Strawser, 2001). Our result, which shows that the relationship between CSR disclosure and financial performance is neutral for commercial banks, and Simpson & Kohers (2002)'s claim that the link between social and financial performance is positive in the banking industry indicate the positive relationship between CSP and CSR disclosure does not hold for commercial banks.

8: Limitation and Further Research

A number of limitations are identified in this analysis. First, the sample of banks is subject to selection bias. Banks that did not disclose CSR in their publications are removed from the sample, but this does not indicate that they do not engage in any CSR activity. Second, the Bloomberg ESG disclosure rating system is a form of content analysis which assigns score to firms based on a predetermined set of CSR activities. However, the score is indifferent to the extent of the quality of these CSR activities are performed. Perhaps data insufficiency is a major concern in this investigation. A longer period of ESG data coverage on the sample would yield more convincing outcome. One research extension to this paper is to investigate whether a “virtuous circle”, or simply a bidirectional association, exists between CSRD and FP in the banking sector. Another valuable extension for further research is to perform the same procedures used in this paper on a different industry, and compare and contrast the results with those from the banking industry.

Table 1
List of Commercial Banks in the Sample

<u>Ticker</u>	<u>Bank</u>	<u>Country</u>
8306 JP Equity	Mitsubishi UFJ Financial Group Inc	JAPAN
8316 JT Equity	Sumitomo Mitsui Financial Group Inc	JAPAN
8355 JP Equity	Shizuoka Bank Ltd/The	JAPAN
8411 JP Equity	Mizuho Financial Group Inc	JAPAN
8601 JT Equity	Daiwa Securities Group Inc	JAPAN
ACA FP Equity	Credit Agricole SA	FRANCE
ALV GY Equity	Allianz SE	GERMANY
ANZ AU Equity	Australia & New Zealand Banking Group Ltd	AUSTRALIA
BAC US Equity	Bank of America Corp	U.S.A
BARC LN Equity	Barclays PLC	UK
BBDC3 BZ Equity	Banco Bradesco SA	BRAZIL
BBVA SM Equity	Banco Bilbao Vizcaya Argentaria SA	SPAIN
BES PL Equity	Banco Espirito Santo SA	PORTUGAL
BK US Equity	Bank of New York Mellon Corp/The	U.S.A
BMO CN Equity	Bank of Montreal	CANADA
BNP FP Equity	BNP Paribas	FRANCE
BNS CN Equity	Bank of Nova Scotia	CANADA
C US Equity	Citigroup Inc	U.S.A
CBA AU Equity	Commonwealth Bank of Australia	AUSTRALIA
CBK GY Equity	Commerzbank AG	GERMANY
CM CN Equity	Canadian Imperial Bank of Commerce	CANADA
CSGN VX Equity	Credit Suisse Group AG	SWITZERLAND
DANSKE DC Equity	Danske Bank A/S	DENMARK
DBK GR Equity	Deutsche Bank AG	GERMANY
DBS SP Equity	DBS Group Holdings Ltd	SINGAPORE
DEXB BB Equity	Dexia SA	BELGIUM
GLE FP Equity	Societe Generale	FRANCE
HBOS LN Equity	HBOS PLC	UK
HSBA LN Equity	HSBC Holdings PLC	UK
INGA NA Equity	ING Groep NV	THE NEDERLANDS
ISP IM Equity	Intesa Sanpaolo SpA	ITALY
ITUB4 BZ Equity	Itau Unibanco Holding SA	BRAZIL
JPM US Equity	JPMorgan Chase & Co	U.S.A
KBC BB Equity	KBC Groep NV	BELGIUM

<u>Country</u>	<u>#</u>
AUSTRALIA	4
BEGIUM	2
BRAZIL	2
CANADA	6
DENAMRK	1
FINLAND	1
FRANCE	4
GERMANY	3
ITALY	2
JAPAN	5
PORTUGAL	1
SINGAPORE	2
SPAIN	2
SWEDEN	2
SWITZERLAND	2
THE NEDERLANDS	1
U.S.A	11
UK	6

<u>Region</u>	<u>#</u>
Asia Pacific	11
Europe	27
North America	17
South America	2

KEY US Equity	KeyCrop	U.S.A
KN FP Equity	Natixis	FRANCE
LLOY LN Equity	Lloyds Banking Group PLC	UK
NA CN Equity	National Bank of Canada	CANADA
NAB AU Equity	National Australia Bank Ltd	AUSTRALIA
NDA SS Equity	Nordea Bank AB	SWEDEN
PNC US Equity	PNC Financial Services Group Inc	U.S.A
POH1S FH Equity	Pohjola Bank PLC	FINLAND
RBS LN Equity	Royal Bank of Scotland Group PLC	UK
RY CN Equity	Royal Bank of Canada	CANADA
SAN SM Equity	Banco Santander SA	SPAIN
SEBA SS Equity	Skandinaviska Enskilda Banken AB	SWEDEN
STAN LN Equity	Standard Chartered PLC	UK
STI US Equity	SunTrust Banks Inc	U.S.A
STT UN Equity	State Street Corp	U.S.A
TD CN Equity	Toronto-Dominion Bank	CANADA
UBSN VX Equity	UBS AG	SWITZERLAND
UCG IM Equity	UniCredit SpA	ITALY
UOB SP Equity	United Overseas Bank Ltd	SINGAPORE
USB US Equity	US Bancorp	U.S.A
WB US Equity	Wachovia Corp	U.S.A
WBC AU Equity	Westpac Banking Corp	AUSTRALIA
WFC US Equity	Wells Fargo & Co	U.S.A

Table 2
Key Characteristics of the Banks in the Sample (Year-end 2009)

Bank	Country	Total Asset (\$ mln)	ROA	BIS Tier 1 Capital Ratio (%)	Profit Margin (%)
Mitsubishi UFJ Financial Group Inc	JAPAN	1512100	-0.1384	7.76	-8.1756
Sumitomo Mitsui Financial Group Inc	JAPAN	910272.5	-0.3317	8.22	-17.4543
Shizuoka Bank Ltd/The	JAPAN	69350.48	0.1429	13.76	7.7087
Mizuho Financial Group Inc	JAPAN	1162000	-0.396	6.37	-35.437
Daiwa Securities Group Inc	JAPAN	107909.7	-0.5401	-	-23.9122
Credit Agricole SA	FRANCE	1557342	0.0701	9.5	4.8943
Allianz SE	GERMANY	584045	0.5582	-	4.7843
Australia & New Zealand Banking Group Ltd	AUSTRALIA	287892.6	0.6144	10.6	26.3073
Bank of America Corp	U.S.A	1551400	-0.1091	10.4	5.1241
Barclays PLC	UK	1553800	0.5474	13	30.645
Banco Bradesco SA	BRAZIL	202776.4	1.6681	17.75	10.8868
Banco Bilbao Vizcaya Argentaria SA	SPAIN	535065	0.7813	9.4	18.5242
Banco Espirito Santo SA	PORTUGAL	82297.2	0.6631	8	22.0411
Bank of New York Mellon Corp/The	U.S.A	148087.4	-0.6075	12.1	-14.0887
Bank of Montreal	CANADA	243813.9	0.4144	12.24	16.1515
BNP Paribas	FRANCE	2057698	0.2663	10.1	12.935
Bank of Nova Scotia	CANADA	311636	0.6694	10.7	24.5348
Citigroup Inc	U.S.A	1295500	-0.2486	11.67	-1.4943
Commonwealth Bank of Australia	AUSTRALIA	356548.3	0.8526	8.07	28.6503
Commerzbank AG	GERMANY	844103	-0.6176	10.5	-37.1003
Canadian Imperial Bank of Commerce	CANADA	210853.7	0.2934	12.1	11.8251
Credit Suisse Group AG	SWITZERLAND	695580.7	0.6108	16.3	20.2836
Danske Bank A/S	DENMARK	416441.3	0.052	14.1	2.7302

Bank	Country	Total Asset (\$ mln)	ROA	BIS Tier 1 Capital Ratio (%)	Profit Margin (%)
Deutsche Bank AG	GERMANY	1500664	0.2686	12.6	16.213
DBS Group Holdings Ltd	SINGAPORE	128472.9	0.7921	13.1	29.6485
Dexia SA	BELGIUM	577630	0.1644	12.3	15.7739
Societe Generale	FRANCE	1023701	0.063	10.7	2.704
HBOS PLC	UK	810366.8	-1.4016	9.6	-26.6171
HSBC Holdings PLC	UK	1649900	0.2275	10.8	7.3201
ING Groep NV	THE NEDERLANDS	1163643	-0.0749	10.23	-0.7784
Intesa Sanpaolo SpA	ITALY	624844	0.4449	8.4	15.0386
Itau Unibanco Holding SA	BRAZIL	243654.3	1.6223	13.8	14.5828
JPMorgan Chase & Co	U.S.A	1417900	0.4415	11.1	11.6773
KBC Groep NV	BELGIUM	324231	-0.7258	9.2	-38.9266
KeyCrop	U.S.A	65094.55	-1.6308	12.75	-30.2378
Natixis	FRANCE	449218	-0.3397	9.7	-32.7702
Lloyds Banking Group PLC	UK	1157500	0.3864	9.6	11.4015
National Bank of Canada	CANADA	82935.81	0.6081	10.7	20.673
National Australia Bank Ltd	AUSTRALIA	394803.8	0.3742	8.96	14.0944
Nordea Bank AB	SWEDEN	507544	0.4715	10.2	23.6122
PNC Financial Services Group Inc	U.S.A	188307.2	0.7341	11.4	15.5573
Pohjola Bank PLC	FINLAND	35510	0.5709	11.8	20.5945
Royal Bank of Scotland Group PLC	UK	1911600	-0.176	14.1	-7.2398
Royal Bank of Canada	CANADA	411100.8	0.5258	13	15.7489
Banco Santander SA	SPAIN	1110530	0.828	10.1	20.899
Skandinaviska Enskilda Banken AB	SWEDEN	225064.7	0.0462	12.78	2.2627
Standard Chartered PLC	UK	304691.2	0.7351	11.5	21.7559
SunTrust Banks Inc	U.S.A	121530.1	-1.0022	12.96	-19.3912
State Street Corp	U.S.A	110212.8	-1.169	17.7	-19.2037

Bank	Country	Total Asset (\$ mln)	ROA	BIS Tier 1 Capital Ratio (%)	Profit Margin (%)
Toronto-Dominion Bank	CANADA	349735.9	0.5271	11.3	17.4692
UBS AG	SWITZERLAND	904041.1	-0.1631	15.4	-6.1577
UniCredit SpA	ITALY	928759.7	0.1724	8.63	5.7335
United Overseas Bank Ltd	SINGAPORE	92179.93	0.9731	14	35.2495
US Bancorp	U.S.A	196204.7	0.7227	9.6	12.9189
Wachovia Corp	U.S.A	536855.3	0.8472	7.35	20.0846
Westpac Banking Corp	AUSTRALIA	355854	0.6696	8.1	20.8684
Wells Fargo & Co	U.S.A	867801.3	0.6259	9.25	13.841

Table 3

CSR Disclosures and Financial Performance Measures – ROA, ROE, and annual stock return

The sample is a list of commercial banks with ESG disclosure scores that are reported on Bloomberg ESG database during the years of 2006 to 2009. In Panel A, the cross-sectional regressions are run only for D Score; while in Panel B, the cross-sectional regressions are run for ESG disclosure scores. In both cases, the regressions are run annually with variables over the same sample period. The dependent variable is either *ROE*, *ROA*, or *annual stock return*. *ROE* is the ratio of net operating income to average total equity. *ROA* is the ratio of net operating income to average total assets. *Annual stock return* is the natural logarithm of the ratio of stock price in end of year to beginning of year. The independent variable is either *D score* or *ESG scores*. *D score*, the aggregate CSR disclosure score, is the weighted average of Bloomberg ESG disclosure scores with 20% to environment, 45% to social, and 35% to governance. *ESG scores* from Bloomberg are scores given respectively to a bank's disclosures in the areas of environment, social, and governance. This score assignment process is based on content analysis on the bank's publications. The set of control variables are *size*, *loan ratio*, *capital ratio*, *total revenue*, and *profit margin*. *Size* is the natural logarithm of average total assets. *Loan ratio* is the ratio of average total loans to average total assets. *Capital ratio* is the ratio of equity capital to average total assets. Natural logarithmic transformation is taken to normalize *total revenue*. *Profit margin* is the ratio of net profit to revenue. The t-statistics are reported in parentheses. Significance at the 1% (*), 5% (**), and 10% (***) levels is provided.

Panel A: Relation between financial performance and aggregate CSR disclosure score

Each Year	ROE _t				ROA _t				Annual Stock Return _t			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
D Score_t	-0.001 [-0.01]	0.017 [0.205]	0.000 [0.003]	0.006 [0.062]	-0.007 [-1.017]	-0.004 [-0.505]	0.000 [-0.335]	-0.004 [-0.74]	-0.001 [-0.66]	0.003 [0.974]	0.000 [-1.547***]	0.005 [0.878]
Total Asset_t	-2.327 [-1.952**]	-5.564 [-3.413*]	-3.049 [-1.629**]	-2.025 [-1.751**]	-0.547 [-4.393*]	-0.561 [-3.89*]	-0.256 [-2.844*]	-0.142 [-1.897**]	-0.037 [-1.075]	-0.136 [-2.429*]	0.065 [0.815]	0.017 [0.227]
Loan Ratio_t	-0.042 [-1.1]	-0.021 [-0.388]	0.048 [0.779]	-0.075 [-1.586***]	0.002 [0.523]	0.004 [0.865]	0.001 [0.411]	0.000 [0.074]	0.000 [-0.345]	-0.002 [-0.889]	-0.002 [-0.577]	-0.001 [-0.237]
Capital Ratio_t	-0.074 [-2.096**]	-0.104 [-2.248**]	0.002 [0.033]	0.046 [0.966]	-0.003 [-0.881]	-0.003 [-0.73]	0.000 [-0.116]	0.002 [0.715]	0.002 [1.669**]	-0.002 [-1.174]	-0.001 [-0.261]	0.002 [0.629]
Total Revenue_t	4.545 [3.203*]	7.765 [3.866*]	3.552 [1.541***]	2.711 [1.961**]	0.725 [4.89*]	0.718 [4.037*]	0.321 [2.892*]	0.198 [2.222**]	0.064 [1.549***]	0.133 [1.926**]	-0.169 [-1.716**]	-0.027 [-0.295]
Profit Margin_t	0.274 [3.412*]	0.517 [5.071*]	0.466 [13.416*]	0.670 [15.214*]	0.032 [3.782*]	0.027 [2.951*]	0.016 [9.699*]	0.025 [8.771*]	0.001 [0.469]	0.013 [3.677*]	0.010 [6.688*]	0.013 [4.392*]
No. of Obs	51	55	55	51	51	55	55	51	51	55	55	51
R-Squared	0.7051	0.5857	0.8002	0.8547	0.5242	0.4037	0.6885	0.7030	0.2914	0.3076	0.5922	0.3348

Table 3 Continued - Panel B: Relation between financial performance measures and ESG disclosure scores

Each Year	ROE _t				ROA _t				Annual Stock Return _t			
	2006	2007	2008	2009	2006	2007	2008	2009	2006	2007	2008	2009
E Score_t	0.0237 [0.442]	-0.0597 [-1.028]	-0.1389 [-1.331***]	-0.0138 [-0.192]	-0.0084 [-1.492***]	-0.0109 [-1.941**]	-0.0060 [-1.165]	-0.0009 [-0.213]	-0.0016 [-1.018]	-0.0016 [-0.71]	0.0000 [0.003]	0.0017 [0.359]
S Score_t	0.0553 [1.075]	0.1577 [2.831*]	0.1568 [1.552***]	0.0464 [0.758]	-0.0018 [-0.339]	0.0086 [1.592***]	0.0051 [1.015]	0.0023 [0.602]	0.0013 [0.855]	0.0045 [2.124**]	-0.0067 [-1.519***]	0.0051 [1.261***]
G Score_t	-0.0557 [-1.238***]	-0.1546 [-2.902*]	-0.1016 [-0.988]	-0.0618 [-1.038]	0.0021 [0.433]	-0.0077 [-1.487***]	-0.0015 [-0.298]	-0.0092 [-2.486*]	-0.0021 [-1.602**]	-0.0017 [-0.83]	-0.0011 [-0.253]	-0.0039 [-0.988]
Total Asset_t	-2.3642 [-2.012**]	-4.6213 [-3.17*]	-2.7677 [-1.482***]	-1.8179 [-1.556***]	-0.5522 [-4.466*]	-0.5137 [-3.643*]	-0.2555 [-2.777*]	-0.1185 [-1.641**]	-0.0344 [-1.013]	-0.1191 [-2.145**]	0.0592 [0.723]	0.0338 [0.441]
Loan Ratio_t	-0.0383 [-1.025]	-0.0110 [-0.231]	0.0604 [0.876]	-0.0641 [-1.325***]	0.0017 [0.435]	0.0041 [0.88]	0.0012 [0.351]	0.0016 [0.534]	-0.0005 [-0.435]	-0.0016 [-0.908]	-0.0045 [-1.497***]	0.0003 [0.1]
Capital Ratio_t	-0.0828 [-2.346**]	-0.0934 [-2.258**]	0.0017 [0.025]	0.0486 [1.019]	-0.0027 [-0.737]	-0.0015 [-0.382]	-0.0006 [-0.185]	0.0026 [0.885]	0.0016 [1.547***]	-0.0017 [-1.072]	-0.0005 [-0.172]	0.0023 [0.744]
Total Revenue_t	4.4458 [3.166*]	6.8310 [3.837*]	3.4488 [1.476***]	2.5647 [1.845**]	0.7408 [5.013*]	0.6792 [3.945**]	0.3282 [2.853*]	0.1810 [2.106**]	0.0640 [1.579***]	0.1177 [1.736**]	-0.1194 [-1.165]	-0.0400 [-0.437]
Profit Margin_t	0.3360 [3.855*]	0.5252 [5.779*]	0.4664 [13.226*]	0.6695 [14.453*]	0.0261 [2.846*]	0.0251 [2.852*]	0.0160 [9.241*]	0.0252 [8.793*]	0.0017 [0.67]	0.0129 [3.716*]	0.0101 [6.558*]	0.0132 [4.331*]
No. of Obs	51	55	55	51	51	55	55	51	51	55	55	51
R-Squared	0.7236	0.6913	0.8151	0.8600	0.5477	0.4690	0.6980	0.7374	0.3391	0.3656	0.6024	0.3740

Table 4

CSR Disclosures and Financial Performance Measures – ROA, ROE, and annual stock return

The sample is a list of commercial banks with ESG disclosure scores that are reported on Bloomberg ESG database during the years of 2006 to 2009. In Panel A, the cross-sectional regressions are run only for D Score; while in Panel B, the cross-sectional regressions are run for ESG disclosure scores. In both cases, the regressions are run in every two-year timeframe with variables over the same sample period. The dependent variable is either *ROE*, *ROA*, or *annual stock return*. *ROE* is the ratio of net operating income to average total equity. *ROA* is the ratio of net operating income to average total assets. *Annual stock return* is the natural logarithm of the ratio of stock price in end of year to beginning of year. The independent variable is either *D score* or *ESG scores*. *D score*, the aggregate CSR disclosure score, is the weighted average of Bloomberg ESG disclosure scores with 20% to environment, 45% to social, and 35% to governance. *ESG scores* from Bloomberg are scores given respectively to a bank's disclosures in the areas of environment, social, and governance. This score assignment process is based on content analysis on the bank's publications. The set of control variables are *size*, *loan ratio*, *capital ratio*, *total revenue*, and *profit margin*. *Size* is the natural logarithm of average total assets. *Loan ratio* is the ratio of average total loans to average total assets. *Capital ratio* is the ratio of equity capital to average total assets. Natural logarithmic transformation is taken to normalize *total revenue*. *Profit margin* is the ratio of net profit to revenue. The t-statistics are reported in parentheses. Significance at the 1% (*), 5%(**), and 10%(***) levels is provided.

Panel A: Relation between financial performance and aggregate CSR disclosure score

	ROE _t			ROA _t			Annual Stock Return _t		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
<i>Every 2 Years</i>									
D Score_t	0.005 [0.092]	0.000 [-0.133]	0.000 [-0.1]	-0.006 [-1.238***]	0.000 [-0.687]	0.000 [-0.425]	0.000 [-0.041]	0.000 [-2.472*]	0.000 [-2.047**]
Total Asset	-3.892 [-3.772*]	-3.985 [-3.181*]	-3.066 [-2.897*]	-0.554 [-6.041*]	-0.351 [-4.421*]	-0.229 [-4.138*]	-0.086 [-2.005**]	-0.012 [-0.181]	0.177 [1.874**]
Loan Ratio	-0.036 [-1.08]	0.014 [0.359]	0.006 [0.164]	0.003 [0.897]	0.003 [1.411***]	0.002 [0.952]	-0.002 [-1.134]	-0.003 [-1.516***]	-0.002 [-0.631]
Capital Ratio	-0.083 [-2.772*]	-0.030 [-0.705]	0.022 [0.523]	-0.003 [-1.146]	-0.001 [-0.336]	0.000 [0.062]	0.000 [0.198]	0.001 [0.481]	0.002 [0.505]
Total Revenue	6.005 [4.804*]	5.265 [3.394*]	3.837 [2.929*]	0.723 [6.517*]	0.442 [4.498*]	0.296 [4.317*]	0.096 [1.838**]	-0.044 [-0.523]	-0.259 [-2.219**]
Profit Margin	0.432 [6.522*]	0.494 [18.917*]	0.506 [19.498*]	0.030 [5.129*]	0.018 [11.001*]	0.018 [13.017*]	0.010 [3.542*]	0.015 [10.288*]	0.013 [5.645*]
No. of Obs	106	110	106	106	110	106	106	110	106
R-Squared	0.5947	0.7845	0.8000	0.4628	0.5903	0.6708	0.1186	0.5488	0.2776

Table 4 Continued - Panel B: Relation between financial performance measures and ESG disclosure scores

Every 2 Years	ROE _t			ROA _t			Annual Stock Return _t		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
E Score_t	-0.028 [-0.685]	-0.105 [-1.776**]	-0.107 [-1.707**]	-0.010 [-2.488*]	-0.009 [-2.463*]	-0.005 [-1.465***]	-0.003 [-1.685**]	-0.002 [-0.506]	-0.004 [-0.62]
S Score_t	0.124 [3.19*]	0.144 [2.565*]	0.111 [1.887**]	0.004 [1.011]	0.007 [2.024**]	0.004 [1.385***]	0.004 [2.408*]	-0.002 [-0.522]	-0.001 [-0.175]
G Score_t	-0.118 [-3.309*]	-0.146 [-2.599*]	-0.082 [-1.399***]	-0.003 [-0.89]	-0.005 [-1.464***]	-0.005 [-1.729**]	-0.003 [-2.166**]	-0.003 [-0.917]	-0.003 [-0.519]
Total Asset	-3.516 [-3.681*]	-3.388 [-2.795*]	-2.718 [-2.557*]	-0.547 [-6.043*]	-0.333 [-4.24*]	-0.207 [-3.696*]	-0.073 [-1.772**]	-0.005 [-0.071]	0.195 [1.963**]
Loan Ratio	-0.031 [-1.006]	0.022 [0.561]	0.012 [0.277]	0.002 [0.822]	0.003 [1.052]	0.002 [0.783]	-0.002 [-1.216***]	-0.005 [-1.98**]	-0.004 [-1.069]
Capital Ratio	-0.089 [-3.177*]	-0.021 [-0.521]	0.023 [0.548]	-0.003 [-0.97]	0.000 [-0.146]	0.000 [0.186]	0.000 [0.21]	0.001 [0.405]	0.002 [0.451]
Total Revenue	5.598 [4.841*]	4.880 [3.247*]	3.658 [2.817*]	0.726 [6.623*]	0.447 [4.595*]	0.290 [4.242*]	0.087 [1.741**]	-0.022 [-0.252]	-0.246 [-2.033**]
Profit Margin	0.475 [7.495*]	0.497 [19.738*]	0.503 [19.289*]	0.028 [4.655*]	0.018 [11.116*]	0.018 [12.893*]	0.010 [3.705*]	0.015 [9.957*]	0.013 [5.273*]
No. of Obs	106	110	106	106	110	106	106	110	106
R-Squared	0.6620	0.8090	0.8119	0.4902	0.6199	0.6881	0.1985	0.5318	0.2562

Table 5

CSR Disclosures and Financial Performance Measures – ROA, ROE, and annual stock return

The sample is a list of commercial banks with ESG disclosure scores that are reported on Bloomberg ESG database during the years of 2006 to 2009. In Panel A, the cross-sectional regressions are run only for D Score; while in Panel B, the cross-sectional regressions are run for ESG disclosure scores. In both cases, the regressions are run in every three-year timeframe with variables over the same sample period. The dependent variable is either *ROE*, *ROA*, or *annual stock return*. *ROE* is the ratio of net operating income to average total equity. *ROA* is the ratio of net operating income to average total assets. *Annual stock return* is the natural logarithm of the ratio of stock price in end of year to beginning of year. The independent variable is either *D score* or *ESG scores*. *D score*, the aggregate CSR disclosure score, is the weighted average of Bloomberg ESG disclosure scores with 20% to environment, 45% to social, and 35% to governance. *ESG scores* from Bloomberg are scores given respectively to a bank's disclosures in the areas of environment, social, and governance. This score assignment process is based on content analysis on the bank's publications. The set of control variables are *size*, *loan ratio*, *capital ratio*, *total revenue*, and *profit margin*. *Size* is the natural logarithm of average total assets. *Loan ratio* is the ratio of average total loans to average total assets. *Capital ratio* is the ratio of equity capital to average total assets. Natural logarithmic transformation is taken to normalize *total revenue*. *Profit margin* is the ratio of net profit to revenue. The t-statistics are reported in parentheses. Significance at the 1% (*), 5%(**), and 10%(***) levels is provided.

Panel A: Relation between financial performance and aggregate CSR disclosure score

	ROE _t		ROA _t		Annual Stock Return _t	
	2006-08	2007-09	2006-08	2007-09	2006-08	2007-09
<i>Every 3 Years</i>						
D Score_t	0.0000 [-0.291]	0.0000 [-0.156]	0.0000 [-0.853]	0.0000 [-0.681]	0.0000 [-2.968*]	0.0000 [-2.424*]
Total Asset_t	-3.8441 [-3.995*]	-3.6229 [-4.136*]	-0.3994 [-6.024*]	-0.2984 [-5.38*]	-0.0387 [-0.678]	0.1123 [1.622**]
Loan Ratio_t	-0.0211 [-0.722]	-0.0083 [-0.279]	0.0038 [1.895**]	0.0029 [1.567***]	-0.0037 [-2.139**]	-0.0024 [-1.018]
Capital Ratio_t	-0.0331 [-1.047]	-0.0079 [-0.246]	-0.0014 [-0.654]	0.0001 [0.042]	0.0022 [1.191]	0.0010 [0.387]
Total Revenue_t	5.3790 [4.512*]	4.7968 [4.428*]	0.5102 [6.213*]	0.3798 [5.537*]	0.0025 [0.035]	-0.1739 [-2.031**]
Profit Margin_t	0.5100 [22.249*]	0.5201 [23.614*]	0.0197 [12.459*]	0.0193 [13.804*]	0.0167 [12.283*]	0.0127 [7.316*]
No. of Obs	161	161	161	161	161	161
R-Squared	0.7682	0.7950	0.5665	0.6164	0.5146	0.2852

Table 5 Continued - Panel B: Relation between financial performance measures and ESG disclosure scores

	ROE _t		ROA _t		Annual Stock Return _t	
	2006-08	2007-09	2006-08	2007-09	2006-08	2007-09
<i>Every 3 Years</i>						
E Score_t	-0.0713 [-1.598***]	-0.0882 [-1.912**]	-0.0100 [-3.197*]	-0.0071 [-2.402*]	-0.0038 [-1.353***]	-0.0029 [-0.75]
S Score_t	0.1192 [2.766*]	0.1235 [2.872*]	0.0045 [1.496***]	0.0061 [2.202**]	0.0001 [0.055]	0.0011 [0.312]
G Score_t	-0.1310 [-3.227*]	-0.1137 [-2.661*]	-0.0031 [-1.077]	-0.0064 [-2.346**]	-0.0050 [-1.979**]	-0.0025 [-0.688]
Total Asset_t	-3.3243 [-3.553*]	-3.1416 [-3.642*]	-0.3933 [-5.984*]	-0.2688 [-4.869*]	-0.0212 [-0.361]	0.1255 [1.732**]
Loan Ratio_t	-0.0114 [-0.383]	0.0020 [0.063]	0.0023 [1.104]	0.0026 [1.295***]	-0.0050 [-2.681*]	-0.0033 [-1.256***]
Capital Ratio_t	-0.0336 [-1.11]	-0.0027 [-0.086]	-0.0011 [-0.539]	0.0006 [0.292]	0.0021 [1.126]	0.0008 [0.31]
Total Revenue_t	5.0313 [4.347*]	4.4510 [4.232*]	0.5368 [6.601*]	0.3704 [5.502*]	0.0184 [0.253]	-0.1709 [-1.933**]
Profit Margin_t	0.5129 [23.114*]	0.5198 [24.199*]	0.0193 [12.353*]	0.0192 [13.932*]	0.0167 [12.016*]	0.0126 [6.979*]
No. of Obs	161	161	161	161	161	161
R-Squared	0.7911	0.8133	0.5936	0.6431	0.5084	0.2643

Table 6

CSR Disclosures and Financial Performance Measures – ROA, ROE, and annual stock return

The sample is a list of commercial banks with ESG disclosure scores that are reported on Bloomberg ESG database during the years of 2006 to 2009. The regressions are run on all sample data with variables over the entire sample period. The dependent variable is either *ROE*, *ROA*, or *annual stock return*. *ROE* is the ratio of net operating income to average total equity. *ROA* is the ratio of net operating income to average total assets. *Annual stock return* is the natural logarithm of the ratio of stock price in end of year to beginning of year. The independent variable is either *D score* or *ESG scores*. *D score*, the aggregate CSR disclosure score, is the weighted average of Bloomberg ESG disclosure scores with 20% to environment, 45% to social, and 35% to governance. *ESG scores* from Bloomberg are scores given respectively to a bank's disclosures in the areas of environment, social, and governance. This score assignment process is based on content analysis on the bank's publications. The set of control variables are *size*, *loan ratio*, *capital ratio*, *total revenue*, and *profit margin*. *Size* is the natural logarithm of average total assets. *Loan ratio* is the ratio of average total loans to average total assets. *Capital ratio* is the ratio of equity capital to average total assets. Natural logarithmic transformation is taken to normalize *total revenue*. *Profit margin* is the ratio of net profit to revenue. The t-statistics are reported in parentheses. Significance at the 1% (*), 5%(**), and 10%(***) levels is provided.

Panel A: Financial performance and aggregate CSR disclosure score

	ROE _t	ROA _t	Annual Stock Return _t
<i>Every 4 Years</i>	2006-09	2006-09	2006-09
D Score_t	0.0000 [-0.273]	0.0000 [-0.829]	0.0000 [-2.878*]
Total Asset_t	-3.7056 [-4.94*]	-0.3452 [-6.736*]	0.0648 [1.17]
Loan Ratio_t	-0.0321 [-1.293***]	0.0032 [1.886**]	-0.0028 [-1.527***]
Capital Ratio_t	-0.0157 [-0.591]	-0.0003 [-0.191]	0.0016 [0.838]
Total Revenue_t	5.1151 [5.511*]	0.4413 [6.96*]	-0.1086 [-1.584***]
Profit Margin_t	0.5351 [26.849*]	0.0206 [15.134*]	0.0136 [9.272*]
No. of Obs	212	212	212
R-Squared	0.7881	0.6000	0.3090

Panel B: Financial performance measures and ESG disclosure scores

	ROE _t	ROA _t	Annual Stock Return _t
<i>Every 4 Years</i>	2006-09	2006-09	2006-09
E Score_t	-0.0640 [-1.674**]	-0.0082 -3.0783	-0.0030 -1.0197
S Score_t	0.1089 [3.021*]	0.0043 [1.73**]	0.0014 [0.488]
G Score_t	-0.1130 [-3.296*]	-0.0045 [-1.902**]	-0.0036 [-1.351***]
Total Asset_t	-3.2318 [-4.376*]	-0.3228 [-6.299*]	0.0829 [1.438***]
Loan Ratio_t	-0.0208 [-0.81]	0.0021 [1.201***]	-0.0036 [-1.785**]
Capital Ratio_t	-0.0158 [-0.613]	0.0000 [-0.008]	0.0015 [0.756]
Total Revenue_t	4.7611 [5.274*]	0.4458 [7.116*]	-0.1081 [-1.535***]
Profit Margin_t	0.5352 [27.464*]	0.0202 [14.91*]	0.0135 [8.887*]
No. of Obs	212	212	212
R-Squared	0.8058	0.6217	0.2925

Table 7

CSR Disclosures and Financial Performance Measures – ROA, ROE, and annual stock return

The sample is a list of commercial banks with ESG disclosure scores that are reported on Bloomberg ESG database during the years of 2006 to 2009. In Panel A, the cross-sectional regressions are run only for D Score; while in Panel B, the cross-sectional regressions are run for ESG disclosure scores. In both cases, the regressions are run with independent variables lagged one year behind dependent variables. The dependent variable is either *ROE*, *ROA*, or *annual stock return*. *ROE* is the ratio of net operating income to average total equity. *ROA* is the ratio of net operating income to average total assets. *Annual stock return* is the natural logarithm of the ratio of stock price in end of year to beginning of year. The independent variable is either *D score* or *ESG scores*. *D score*, the aggregate CSR disclosure score, is the weighted average of Bloomberg ESG disclosure scores with 20% to environment, 45% to social, and 35% to governance. *ESG scores* from Bloomberg are scores given respectively to a bank's disclosures in the areas of environment, social, and governance. This score assignment process is based on content analysis on the bank's publications. The set of control variables are *size*, *loan ratio*, *capital ratio*, *total revenue*, and *profit margin*. *Size* is the natural logarithm of average total assets. *Loan ratio* is the ratio of average total loans to average total assets. *Capital ratio* is the ratio of equity capital to average total assets. Natural logarithmic transformation is taken to normalize *total revenue*. *Profit margin* is the ratio of net profit to revenue. The t-statistics are reported in parentheses. Significance at the 1% (*), 5% (**), and 10% (***) levels is provided.

Panel A: Relation between financial performance and aggregate CSR disclosure score

<i>Lagged</i>	ROE _t			ROA _t			Annual Stock Return _t		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
D Score _{t-1}	0.0489 [0.506]	0.2158 [0.819]	0.0000 [0.003]	-0.0003 [-0.039]	0.0131 [1.307***]	0.0000 [-0.206]	0.0035 [1.171]	-0.0051 [-0.689]	0.0000 [0.248]
Total Asset _{t-1}	-4.0343 [-2.266**]	0.8132 [0.161]	-6.1261 [-2.323**]	-0.5429 [-4.018*]	-0.2052 [-1.07]	-0.2890 [-2.445*]	-0.1266 [-2.292**]	-0.0072 [-0.051]	-0.1250 [-1.517***]
Loan Ratio _{t-1}	0.1288 [2.278**]	0.0692 [0.411]	0.0394 [0.438]	0.0099 [2.304**]	-0.0003 [-0.041]	0.0029 [0.715]	0.0014 [0.795]	-0.0010 [-0.223]	-0.0018 [-0.624]
Capital Ratio _{t-1}	-0.0802 [-1.516***]	-0.1188 [-0.831]	-0.1248 [-1.231***]	-0.0020 [-0.498]	-0.0049 [-0.901]	-0.0041 [-0.899]	-0.0011 [-0.67]	-0.0064 [-1.606**]	-0.0043 [-1.35***]
Total Revenue _{t-1}	5.8184 [2.745*]	-3.3626 [-0.541]	8.3481 [2.547*]	0.6855 [4.262*]	0.1577 [0.667]	0.3902 [2.656*]	0.1171 [1.78**]	-0.0557 [-0.321]	0.2019 [1.971**]
Profit Margin _{t-1}	0.1344 [1.118]	0.6441 [2.044**]	0.0953 [1.658**]	0.0137 [1.503***]	0.0336 [2.807*]	0.0071 [2.771*]	0.0067 [1.81**]	0.0049 [0.555]	0.0034 [1.904**]
No. of Obs	51	53	54	51	53	54	51	53	54
R-Squared	0.4813	0.1971	0.1894	0.4226	0.2218	0.2710	0.1980	0.3323	0.1766

Table 7 Continued - Panel B: Relation between financial performance measures and ESG disclosure scores

<i>Lagged</i>	ROE _t			ROA _t			Annual Stock Return _t		
	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09	2006-07	2007-08	2008-09
E Score _{t-1}	-0.0728 [-1.008]	-0.1956 [-0.965]	-0.2162 [-1.435***]	-0.0132 [-2.265**]	-0.0079 [-1.033]	-0.0075 [-1.105]	-0.0041 [-1.723**]	-0.0010 [-0.165]	-0.0006 [-0.129]
S Score _{t-1}	0.2288 [3.307*]	0.3417 [1.756**]	0.1658 [1.117]	0.0120 [2.152**]	0.0160 [2.177**]	0.0067 [0.992]	0.0067 [2.93*]	-0.0028 [-0.508]	0.0075 [1.641**]
G Score _{t-1}	-0.1489 [-2.457*]	-0.0352 [-0.189]	0.0984 [0.636]	-0.0052 [-1.071]	-0.0011 [-0.158]	-0.0040 [-0.57]	-0.0016 [-0.803]	-0.0007 [-0.122]	-0.0013 [-0.282]
Total Asset _{t-1}	-3.9099 [-2.473*]	1.7118 [0.336]	-6.5719 [-2.466*]	-0.5335 [-4.182*]	-0.1628 [-0.845]	-0.2819 [-2.341**]	-0.1211 [-2.315**]	-0.0124 [-0.085]	-0.1108 [-1.349***]
Loan Ratio _{t-1}	0.1245 [2.473*]	0.0586 [0.352]	0.0408 [0.41]	0.0090 [2.223**]	-0.0010 [-0.155]	0.0030 [0.667]	0.0010 [0.622]	-0.0010 [-0.2]	0.0007 [0.219]
Capital Ratio _{t-1}	-0.1011 [-2.13**]	-0.1002 [-0.693]	-0.1392 [-1.359***]	-0.0025 [-0.665]	-0.0042 [-0.767]	-0.0042 [-0.898]	-0.0014 [-0.917]	-0.0062 [-1.506***]	-0.0050 [-1.585***]
Total Revenue _{t-1}	5.7123 [3.023*]	-4.0922 [-0.658]	8.6204 [2.547*]	0.6962 [4.566*]	0.1287 [0.547]	0.3979 [2.602*]	0.1186 [1.898**]	-0.0524 [-0.294]	0.1554 [1.49***]
Profit Margin _{t-1}	0.2484 [2.119**]	0.6129 [1.929**]	0.0851 [1.483***]	0.0135 [1.431***]	0.0326 [2.712*]	0.0069 [2.678*]	0.0076 [1.959**]	0.0045 [0.498]	0.0036 [2.015**]
No. of Obs	51	53	54	51	53	54	51	53	54
R-Squared	0.6056	0.2358	0.2304	0.5037	0.2679	0.2970	0.3072	0.3334	0.2398

Table 1

CSRD Ranking for Group of Major International Commercial Banks in 2006-2009

2006		2007		2008	
<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
1 UBS AG	54.589305	1 Toronto-Dominion Bank	60.03571	1 Royal Bank of Scotland Group PLC	58.732145
2 State Street Corp	54.28571	2 HSBC Holdings PLC	55.14285	2 UBS AG	56.839305
3 Australia & New Zealand Banking Group Ltd	53.906445	3 Barclays PLC	52.267865	3 Societe Generale	55.44643
4 HSBC Holdings PLC	51.92858	4 Banco Bilbao Vizcaya Argentaria SA	52.08929	4 HSBC Holdings PLC	55.32141
5 Barclays PLC	51.017875	5 UBS AG	51.982165	5 BNP Paribas	54.982155
6 Royal Bank of Scotland Group PLC	50.910725	6 State Street Corp	51.910715	6 State Street Corp	54.53572
7 Daiwa Securities Group Inc	49.535715	7 Credit Agricole SA	51.85713	7 Barclays PLC	53.803595
8 Banco Bilbao Vizcaya Argentaria SA	48.875005	8 Royal Bank of Scotland Group PLC	50.910725	8 Banco Bilbao Vizcaya Argentaria SA	51.01787
9 Westpac Banking Corp	48.55357	9 Australia & New Zealand Banking Group Ltd	49.103475	9 Daiwa Securities Group Inc	50.41069
10 Deutsche Bank AG	47.482165	10 HBOS PLC	47.535735	10 ING Groep NV	49.91073
11 BNP Paribas	45.87501	11 Deutsche Bank AG	46.946445	11 Credit Agricole SA	49.44641
12 Banco Santander SA	45.124985	12 Banco Santander SA	46.62497	12 Deutsche Bank AG	48.017885
13 National Australia Bank Ltd	44.660715	13 Dexia SA	46.32142	13 Banco Santander SA	46.62497
14 Wells Fargo & Co	44.12501	14 Westpac Banking Corp	46.160725	14 Westpac Banking Corp	46.053585
15 Mizuho Financial Group Inc	43.22019	15 BNP Paribas	45.87501	15 Dexia SA	45.73211
16 Credit Agricole SA	42.64285	16 National Australia Bank Ltd	45.76787	16 Standard Chartered PLC	45.44643
17 KBC Groep NV	42.357125	17 Standard Chartered PLC	45.44643	17 Australia & New Zealand Banking Group Ltd	44.76783
18 HBOS PLC	41.82145	18 Daiwa Securities Group Inc	44.946405	18 Toronto-Dominion Bank	43.94642
19 Dexia SA	41.5083	19 Societe Generale	44.16072	19 Natixis	43.67858
20 ING Groep NV	39.535745	20 Banco Bradesco SA	43.23212	20 Mizuho Financial Group Inc	42.96428

<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
21 Natixis	38.75	21 Wells Fargo & Co	42.071445	21 National Australia Bank Ltd	42.285725
22 Toronto-Dominion Bank	38.51785	22 Mizuho Financial Group Inc	41.964305	22 Banco Bradesco SA	42.10717
23 Standard Chartered PLC	38.34986	23 Banco Espirito Santo SA	41.964285	23 UniCredit SpA	41.875005
24 JPMorgan Chase & Co	36.95507	24 KBC Groep NV	41.178565	24 Citigroup Inc	40.30358
25 Credit Suisse Group AG	36.464295	25 Royal Bank of Canada	40.607135	25 KBC Groep NV	40.00001
26 Commerzbank AG	36.071425	26 Bank of Montreal	40.482125	26 Canadian Imperial Bank of Commerce	39.28572
27 Skandinaviska Enskilda Banken AB	35.975025	27 US Bancorp	40.33929	27 Bank of Montreal	38.48212
28 Banco Bradesco SA	35.12502	28 ING Groep NV	40.250015	28 Commerzbank AG	38.214285
29 Citigroup Inc	34.482145	29 JPMorgan Chase & Co	39.392875	29 Danske Bank A/S	37.76787
30 Royal Bank of Canada	33.99999	30 Natixis	38.55361	30 Itau Unibanco Holding SA	37.67859
31 Bank of America Corp	33.69643	31 Commerzbank AG	38.214285	31 Banco Espirito Santo SA	37.42856
32 Bank of Montreal	33.55356	32 Danske Bank A/S	37.87498	32 National Bank of Canada	37.392885
33 Allianz SE	32.107145	33 UniCredit SpA	36.85715	33 JPMorgan Chase & Co	37.053575
34 National Bank of Canada	31.49406	34 Bank of America Corp	36.39286	34 Credit Suisse Group AG	36.25
35 Shizuoka Bank Ltd/The	31.2264	35 Citigroup Inc	36.357165	35 Royal Bank of Canada	36.25
36 Pohjola Bank PLC	30.910725	36 Skandinaviska Enskilda Banken AB	36.232165	36 Commonwealth Bank of Australia	35.92858
37 Mitsubishi UFJ Financial Group Inc	29.39287	37 Mitsubishi UFJ Financial Group Inc	35.946405	37 Skandinaviska Enskilda Banken AB	35.51786
38 Danske Bank A/S	28.03574	38 Credit Suisse Group AG	35.928595	38 Bank of Nova Scotia	33
39 Itau Unibanco Holding SA	27.92501	39 Allianz SE	32.107145	39 Pohjola Bank PLC	32.41071
40 Bank of Nova Scotia	25.053575	40 Pohjola Bank PLC	30.910725	40 Allianz SE	31.750005
41 UniCredit SpA	23.85716	41 National Bank of Canada	30.53569	41 Nordea Bank AB	31.37503
42 Nordea Bank AB	23.47857	42 Itau Unibanco Holding SA	30.26787	42 Mitsubishi UFJ Financial Group Inc	31.196425
43 Societe Generale	23.41071	43 Shizuoka Bank Ltd/The	29.29719	43 Bank of New York Mellon Corp/The	27.714275
44 Commonwealth Bank of Australia	22.321405	44 Nordea Bank AB	29.17856	44 Shizuoka Bank Ltd/The	27.696435
45 Bank of New York Mellon Corp/The	21.337485	45 Bank of Nova Scotia	24.678585	45 Bank of America Corp	27.04461227
46 Banco Espirito Santo SA	20.592735	46 Bank of New York Mellon Corp/The	24.392855	46 Wells Fargo & Co	26.32143
47 KeyCrop	19.999995	47 Commonwealth Bank of Australia	22.321405	47 DBS Group Holdings Ltd	19.57143

<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
48 PNC Financial Services Group Inc	17.74986	48 KeyCrop	19.999995	48 US Bancorp	17.85715
49 Canadian Imperial Bank of Commerce	17.053605	49 PNC Financial Services Group Inc	17.749995	49 KeyCrop	17.749995
50 US Bancorp	16.25001	50 Canadian Imperial Bank of Commerce	17.053605	50 PNC Financial Services Group Inc	17.749995
51 DBS Group Holdings Ltd	16.25001	51 DBS Group Holdings Ltd	16.25001	51 HBOS PLC	11.89287

2009		AVERAGE	
<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
1 Daiwa Securities Group Inc	57.446405	1 UBS AG	54.47025833
2 State Street Corp	56.410705	2 State Street Corp	54.2857125
3 UBS AG	54.47025833	3 HSBC Holdings PLC	53.4107075
4 Barclays PLC	52.732155	4 Royal Bank of Scotland Group PLC	53.133935
5 Royal Bank of Scotland Group PLC	51.982145	5 Barclays PLC	52.4553725
6 Banco Bilbao Vizcaya Argentaria SA	51.964265	6 Banco Bilbao Vizcaya Argentaria SA	50.9866075
7 ING Groep NV	51.69642	7 Daiwa Securities Group Inc	50.58480375
8 HSBC Holdings PLC	51.24999	8 BNP Paribas	48.910725
9 BNP Paribas	48.910725	9 Credit Agricole SA	47.98213
10 Credit Agricole SA	47.98213	10 Deutsche Bank AG	47.482165
11 Deutsche Bank AG	47.482165	11 Toronto-Dominion Bank	46.24552875
12 Banco Santander SA	46.124975	12 Banco Santander SA	46.124975
13 Natixis	45.98214	13 Australia & New Zealand Banking Group Ltd	45.6006825
14 Commonwealth Bank of Australia	45.607145	14 ING Groep NV	45.3482275
15 Dexia SA	45.42857	15 Westpac Banking Corp	45.17857625
16 Mizuho Financial Group Inc	44.73214	16 Dexia SA	44.7476
17 Toronto-Dominion Bank	42.482135	17 Mizuho Financial Group Inc	43.22022875
18 JPMorgan Chase & Co	42.250015	18 Natixis	41.7410825

<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
19 KBC Groep NV	41.17856667	19 KBC Groep NV	41.17856667
20 Societe Generale	41.00595333	20 Societe Generale	41.00595333
21 Banco Bradesco SA	40.15477	21 Standard Chartered PLC	40.832995
22 Westpac Banking Corp	39.946425	22 National Australia Bank Ltd	40.41071625
23 Citigroup Inc	39.839265	23 Banco Bradesco SA	40.15477
24 Allianz SE	39.82145	24 JPMorgan Chase & Co	38.91288375
25 Banco Espirito Santo SA	39.604309	25 Citigroup Inc	37.74553875
26 Bank of New York Mellon Corp/The	39.50003	26 Wells Fargo & Co	37.50596167
27 Pohjola Bank PLC	37.660725	27 Commerzbank AG	37.49999833
28 Wells Fargo & Co	37.50596167	28 Royal Bank of Canada	36.952375
29 Commerzbank AG	37.49999833	29 Bank of Montreal	36.78569625
30 Royal Bank of Canada	36.952375	30 Credit Suisse Group AG	36.21429667
31 Skandinaviska Enskilda Banken AB	36.300015	31 Skandinaviska Enskilda Banken AB	36.00626625
32 Credit Suisse Group AG	36.21429667	32 Banco Espirito Santo SA	34.89747225
33 National Bank of Canada	35.12499	33 Danske Bank A/S	34.55953
34 Bank of Montreal	34.62498	34 UniCredit SpA	34.19643833
35 Australia & New Zealand Banking Group Ltd	34.62498	35 Allianz SE	33.94643625
36 Danske Bank A/S	34.55953	36 HBOS PLC	33.75001833
37 UniCredit SpA	34.19643833	37 National Bank of Canada	33.63690625
38 Standard Chartered PLC	34.08926	38 Pohjola Bank PLC	32.97322125
39 HBOS PLC	33.75001833	39 Bank of America Corp	31.74709755
40 Nordea Bank AB	30.08928	40 Commonwealth Bank of Australia	31.54463375
41 Bank of America Corp	29.85448795	41 Itau Unibanco Holding SA	30.28036375
42 Canadian Imperial Bank of Commerce	28.96425	42 Mitsubishi UFJ Financial Group Inc	29.40178375
43 National Australia Bank Ltd	28.928555	43 Shizuoka Bank Ltd/The	28.6487525
44 Bank of Nova Scotia	27.57738667	44 Nordea Bank AB	28.53036

<u>Bank</u>	<u>Score</u>	<u>Bank</u>	<u>Score</u>
45 Shizuoka Bank Ltd/The	26.374985	45 Bank of New York Mellon Corp/The	28.23616125
46 Itau Unibanco Holding SA	25.249985	46 Bank of Nova Scotia	27.57738667
47 Mitsubishi UFJ Financial Group Inc	21.071435	47 Canadian Imperial Bank of Commerce	25.589295
48 US Bancorp	20.982145	48 US Bancorp	23.85714875
49 DBS Group Holdings Ltd	19.57143	49 KeyCrop	18.874995
50 KeyCrop	17.749995	50 DBS Group Holdings Ltd	17.91072
51 PNC Financial Services Group Inc	17.749995	51 PNC Financial Services Group Inc	17.74996125

Table 2

ROA Ranking for Group of Major International Commercial Banks in 2006-2009

2006		2007		2008	
<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>
1 Bank of New York Mellon Corp/The	2.7732	1 Itau Unibanco Holding SA	3.3588	1 Banco Bradesco SA	1.9156
2 PNC Financial Services Group Inc	2.6773	2 Banco Bradesco SA	2.6403	2 Itau Unibanco Holding SA	1.6825
3 Itau Unibanco Holding SA	2.3877	3 US Bancorp	1.8667	3 State Street Corp	1.1317
4 US Bancorp	2.1941	4 Wells Fargo & Co	1.5239	4 US Bancorp	1.1213
5 Banco Bradesco SA	2.1315	5 Bank of New York Mellon Corp/The	1.3554	5 Commonwealth Bank of Australia	1.0328
6 Wells Fargo & Co	1.7602	6 Banco Bilbao Vizcaya Argentaria SA	1.341	6 Banco Bilbao Vizcaya Argentaria SA	0.9613
7 Bank of America Corp	1.5345	7 PNC Financial Services Group Inc	1.2187	7 Westpac Banking Corp	0.9443
8 Citigroup Inc	1.2713	8 Australia & New Zealand Banking Group Ltd	1.1391	8 Banco Santander SA	0.9046
9 Toronto-Dominion Bank	1.2085	9 Commonwealth Bank of Australia	1.1047	9 Standard Chartered PLC	0.8103
10 DBS Group Holdings Ltd	1.1934	10 DBS Group Holdings Ltd	1.0572	10 DBS Group Holdings Ltd	0.7869
11 Banco Bilbao Vizcaya Argentaria SA	1.1776	11 JPMorgan Chase & Co	1.0547	11 Toronto-Dominion Bank	0.766
12 Australia & New Zealand Banking Group Ltd	1.1521	12 Banco Santander SA	1.0374	12 Australia & New Zealand Banking Group Ltd	0.7585
13 KeyCrop	1.1377	13 Westpac Banking Corp	1.0192	13 National Australia Bank Ltd	0.7348

Bank	ROA	Bank	ROA	Bank	ROA
14 JPMorgan Chase & Co	1.1323	14 Bank of Nova Scotia	1.0105	14 Royal Bank of Canada	0.6727
15 Commonwealth Bank of Australia	1.1119	15 State Street Corp	1.0092	15 Bank of Nova Scotia	0.66
16 Westpac Banking Corp	1.0855	16 Canadian Imperial Bank of Commerce	0.9772	16 Bank of New York Mellon Corp/The	0.648
17 State Street Corp	1.0773	17 Toronto-Dominion Bank	0.9759	17 Nordea Bank AB	0.6189
18 KBC Groep NV	1.0534	18 KeyCrop	0.9645	18 National Bank of Canada	0.6138
19 Daiwa Securities Group Inc	1.0261	19 KBC Groep NV	0.9636	19 Banco Espirito Santo SA	0.5605
20 Bank of Nova Scotia	1.0242	20 Banco Espirito Santo SA	0.9523	20 Bank of Montreal	0.4869
21 Standard Chartered PLC	0.9365	21 Royal Bank of Canada	0.9505	21 Skandinaviska Enskilda Banken AB	0.4136
22 Nordea Bank AB	0.9354	22 Standard Chartered PLC	0.9441	22 PNC Financial Services Group Inc	0.4005
23 HSBC Holdings PLC	0.9337	23 Bank of America Corp	0.9321	23 Shizuoka Bank Ltd/The	0.39
24 Royal Bank of Canada	0.9278	24 HSBC Holdings PLC	0.9036	24 UniCredit SpA	0.3881
25 Banco Santander SA	0.9247	25 National Australia Bank Ltd	0.8646	25 Mitsubishi UFJ Financial Group Inc	0.3313
26 National Australia Bank Ltd	0.9121	26 Nordea Bank AB	0.8482	26 Pohjola Bank PLC	0.3015
27 Credit Suisse Group AG	0.873	27 Pohjola Bank PLC	0.838	27 Daiwa Securities Group Inc	0.2926
28 Canadian Imperial Bank of Commerce	0.8604	28 Allianz SE	0.7535	28 Barclays PLC	0.2672
29 Bank of Montreal	0.8579	29 ING Groep NV	0.728	29 JPMorgan Chase & Co	0.2639
30 Banco Espirito Santo SA	0.7694	30 UniCredit SpA	0.6397	30 Wells Fargo & Co	0.2513
31 Pohjola Bank PLC	0.7691	31 Skandinaviska Enskilda Banken AB	0.6365	31 HSBC Holdings PLC	0.2272
32 National Bank of Canada	0.7563	32 Daiwa Securities Group Inc	0.6327	32 Mizuho Financial Group Inc	0.1914
33 Royal Bank of Scotland Group PLC	0.7294	33 HBOS PLC	0.63	33 Societe Generale	0.1826
34 Allianz SE	0.6875	34 Bank of Montreal	0.6083	34 BNP Paribas	0.1603
35 UniCredit SpA	0.6766	35 Credit Suisse Group AG	0.5931	35 Bank of America Corp	0.1447
36 HBOS PLC	0.6745	36 Royal Bank of Scotland Group PLC	0.5385	36 Credit Agricole SA	0.0668
37 Skandinaviska Enskilda Banken AB	0.6592	37 BNP Paribas	0.499	37 Danske Bank A/S	0.0293
38 ING Groep NV	0.645	38 Danske Bank A/S	0.4866	38 Commerzbank AG	0.0005
39 Societe Generale	0.5827	39 Mitsubishi UFJ Financial Group Inc	0.4662	39 ING Groep NV	-0.0551
40 UBS AG	0.5503	40 National Bank of Canada	0.4524	40 Deutsche Bank AG	-0.1816

<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>
41 BNP Paribas	0.5416	41 Shizuoka Bank Ltd/The	0.4342	41 Allianz SE	-0.2424
42 Danske Bank A/S	0.5243	42 Dexia SA	0.4325	42 Natixis	-0.5204
43 Dexia SA	0.5114	43 Mizuho Financial Group Inc	0.4013	43 Dexia SA	-0.5298
44 Mitsubishi UFJ Financial Group Inc	0.5049	44 Barclays PLC	0.3972	44 Canadian Imperial Bank of Commerce	-0.6261
45 Barclays PLC	0.4759	45 Deutsche Bank AG	0.3592	45 Credit Suisse Group AG	-0.6494
46 Deutsche Bank AG	0.4712	46 Commerzbank AG	0.313	46 KBC Groep NV	-0.6988
47 Credit Agricole SA	0.4236	47 Credit Agricole SA	0.3023	47 UBS AG	-0.9927
48 Mizuho Financial Group Inc	0.4213	48 Natixis	0.225	48 HBOS PLC	-1.1051
49 Shizuoka Bank Ltd/The	0.3866	49 Citigroup Inc	0.1759	49 Royal Bank of Scotland Group PLC	-1.1458
50 Commerzbank AG	0.3046	50 Societe Generale	0.0934	50 Citigroup Inc	-1.4259
51 Natixis	0.3009	51 UBS AG	0.2246	51 KeyCrop	-1.4875

2009		AVERAGE	
<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>
1 Banco Bradesco SA	1.6681	1 Itau Unibanco Holding SA	2.262825
2 Itau Unibanco Holding SA	1.6223	2 Banco Bradesco SA	2.088875
3 Commonwealth Bank of Australia	0.8526	3 US Bancorp	1.4762
4 Banco Santander SA	0.828	4 PNC Financial Services Group Inc	1.25765
5 DBS Group Holdings Ltd	0.7921	5 Banco Bilbao Vizcaya Argentaria SA	1.0653
6 Banco Bilbao Vizcaya Argentaria SA	0.7813	6 Bank of New York Mellon Corp/The	1.042275
7 Standard Chartered PLC	0.7351	7 Wells Fargo & Co	1.040325
8 PNC Financial Services Group Inc	0.7341	8 Commonwealth Bank of Australia	1.0255
9 US Bancorp	0.7227	9 DBS Group Holdings Ltd	0.9574
10 Westpac Banking Corp	0.6696	10 Westpac Banking Corp	0.92965
11 Bank of Nova Scotia	0.6694	11 Banco Santander SA	0.923675
12 Banco Espirito Santo SA	0.6631	12 Australia & New Zealand Banking Group Ltd	0.916025

<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>
13 Wells Fargo & Co	0.6259	13 Toronto-Dominion Bank	0.869375
14 Australia & New Zealand Banking Group Ltd	0.6144	14 Standard Chartered PLC	0.8565
15 Credit Suisse Group AG	0.6108	15 Bank of Nova Scotia	0.841025
16 National Bank of Canada	0.6081	16 Royal Bank of Canada	0.7692
17 Pohjola Bank PLC	0.5709	17 Banco Espirito Santo SA	0.736325
18 Allianz SE	0.5582	18 JPMorgan Chase & Co	0.7231
19 Barclays PLC	0.5474	19 National Australia Bank Ltd	0.721425
20 Toronto-Dominion Bank	0.5271	20 Nordea Bank AB	0.7185
21 Royal Bank of Canada	0.5258	21 Bank of America Corp	0.62555
22 Nordea Bank AB	0.4715	22 Pohjola Bank PLC	0.619875
23 JPMorgan Chase & Co	0.4415	23 National Bank of Canada	0.60765
24 Bank of Montreal	0.4144	24 Bank of Montreal	0.591875
25 National Australia Bank Ltd	0.3742	25 HSBC Holdings PLC	0.573
26 Canadian Imperial Bank of Commerce	0.2934	26 State Street Corp	0.5123
27 Deutsche Bank AG	0.2686	27 UniCredit SpA	0.4692
28 BNP Paribas	0.2663	28 Allianz SE	0.4392
29 HSBC Holdings PLC	0.2275	29 Skandinaviska Enskilda Banken AB	0.438875
30 UniCredit SpA	0.1724	30 Barclays PLC	0.421925
31 Dexia SA	0.1644	31 Canadian Imperial Bank of Commerce	0.376225
32 Shizuoka Bank Ltd/The	0.1429	32 BNP Paribas	0.3668
33 Credit Agricole SA	0.0701	33 Credit Suisse Group AG	0.356875
34 Societe Generale	0.063	34 Daiwa Securities Group Inc	0.352825
35 Danske Bank A/S	0.052	35 Shizuoka Bank Ltd/The	0.338425
36 Skandinaviska Enskilda Banken AB	0.0462	36 ING Groep NV	0.31075
37 ING Groep NV	-0.0749	37 Mitsubishi UFJ Financial Group Inc	0.291
38 Bank of America Corp	-0.1091	38 Danske Bank A/S	0.27305
39 Mitsubishi UFJ Financial Group Inc	-0.1384	39 Societe Generale	0.230425

<u>Bank</u>	<u>ROA</u>	<u>Bank</u>	<u>ROA</u>
40 UBS AG	-0.1631	40 Deutsche Bank AG	0.22935
41 Royal Bank of Scotland Group PLC	-0.176	41 Credit Agricole SA	0.2157
42 Citigroup Inc	-0.2486	42 Mizuho Financial Group Inc	0.1545
43 Natixis	-0.3397	43 KBC Groep NV	0.1481
44 Mizuho Financial Group Inc	-0.396	44 Dexia SA	0.144625
45 Daiwa Securities Group Inc	-0.5401	45 Commerzbank AG	0.000125
46 Bank of New York Mellon Corp/The	-0.6075	46 Royal Bank of Scotland Group PLC	-0.013475
47 Commerzbank AG	-0.6176	47 Citigroup Inc	-0.056825
48 KBC Groep NV	-0.7258	48 Natixis	-0.08355
49 State Street Corp	-1.169	49 UBS AG	-0.207525
50 HBOS PLC	-1.4016	50 KeyCrop	-0.254025
51 KeyCrop	-1.6308	51 HBOS PLC	-0.30055

Table 3

ROE Ranking for Group of Major International Commercial Banks in 2006-2009

2006		2007		2008	
<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>
1 Canadian Imperial Bank of Commerce	27.4889	1 Itau Unibanco Holding SA	32.2598	1 Banco Bradesco SA	23.587
2 PNC Financial Services Group Inc	26.8199	2 Canadian Imperial Bank of Commerce	29.9256	2 Westpac Banking Corp	23.0622
3 Bank of New York Mellon Corp/The	26.7261	3 Banco Bradesco SA	29.1296	3 Itau Unibanco Holding SA	21.4874
4 Credit Suisse Group AG	26.4328	4 Banco Bilbao Vizcaya Argentaria SA	25.203	4 Commonwealth Bank of Australia	19.3377
5 Mizuho Financial Group Inc	26.3262	5 Royal Bank of Canada	24.8631	5 Banco Bilbao Vizcaya Argentaria SA	19.0444
6 UBS AG	26.1619	6 ING Groep NV	24.4879	6 Royal Bank of Canada	17.6414
7 Toronto-Dominion Bank	26.1227	7 Bank of Nova Scotia	23.4142	7 National Australia Bank Ltd	16.9658

Bank	ROE	Bank	ROE	Bank	ROE
8 Banco Bilbao Vizcaya Argentaria SA	25.004	8 Westpac Banking Corp	22.9264	8 Bank of Nova Scotia	16.873
9 Barclays PLC	24.5588	9 US Bancorp	21.1913	9 National Bank of Canada	16.5849
10 US Bancorp	23.3498	10 Australia & New Zealand Banking Group Ltd	20.6428	10 State Street Corp	16.1244
11 Royal Bank of Canada	23.21	11 Barclays PLC	20.5013	11 Banco Santander SA	15.7402
12 Banco Bradesco SA	22.9491	12 Commonwealth Bank of Australia	19.9701	12 Nordea Bank AB	15.3475
13 Nordea Bank AB	22.3089	13 Toronto-Dominion Bank	19.793	13 Toronto-Dominion Bank	14.8647
14 Westpac Banking Corp	22.1357	14 Nordea Bank AB	19.2904	14 US Bancorp	14.6974
15 Itau Unibanco Holding SA	22.027	15 KBC Groep NV	19.0845	15 Barclays PLC	14.6289
16 Bank of Nova Scotia	21.8878	16 Skandinaviska Enskilda Banken AB	18.958	16 Standard Chartered PLC	14.417
17 KBC Groep NV	20.9223	17 HBOS PLC	18.8191	17 Australia & New Zealand Banking Group Ltd	13.9997
18 ING Groep NV	20.5115	18 National Australia Bank Ltd	18.7958	18 Bank of Montreal	12.5909
19 Skandinaviska Enskilda Banken AB	20.36	19 Deutsche Bank AG	18.5496	19 Skandinaviska Enskilda Banken AB	12.5462
20 HBOS PLC	20.1972	20 Banco Santander SA	18.1112	20 DBS Group Holdings Ltd	9.6047
21 Societe Generale	20.0434	21 Credit Suisse Group AG	17.8833	21 Banco Espirito Santo SA	9.386
22 Australia & New Zealand Banking Group Ltd	19.976	22 Wells Fargo & Co	17.3886	22 Mizuho Financial Group Inc	8.5005
23 National Bank of Canada	19.802	23 Mizuho Financial Group Inc	16.7982	23 Mitsubishi UFJ Financial Group Inc	8.0096
24 Wells Fargo & Co	19.7653	24 Allianz SE	16.2184	24 UniCredit SpA	7.1201
25 Daiwa Securities Group Inc	19.429	25 BNP Paribas	16.2	25 BNP Paribas	6.7311
26 Deutsche Bank AG	19.3639	26 Dexia SA	16.1518	26 Societe Generale	6.3481
27 Commonwealth Bank of Australia	19.16	27 HSBC Holdings PLC	16.1032	27 PNC Financial Services Group Inc	5.3233
28 Bank of Montreal	19.0033	28 Royal Bank of Scotland Group PLC	15.6608	28 Daiwa Securities Group Inc	5.3052
29 Citigroup Inc	18.6572	29 Standard Chartered PLC	14.9215	29 Bank of New York Mellon Corp/The	5.1585
30 National Australia Bank Ltd	18.4477	30 Danske Bank A/S	14.8614	30 Pohjola Bank PLC	5.0157
31 Bank of America Corp	18.0681	31 Bank of Montreal	14.6183	31 HSBC Holdings PLC	5.002
32 Banco Santander SA	17.951	32 Banco Espirito Santo SA	13.7838	32 Shizuoka Bank Ltd/The	4.7287
33 Dexia SA	17.6045	33 State Street Corp	13.595	33 Wells Fargo & Co	4.1225
34 State Street Corp	16.242	34 Commerzbank AG	13.0541	34 JPMorgan Chase & Co	3.82

<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>
35 BNP Paribas	16.1986	35 JPMorgan Chase & Co	12.8572	35 Credit Agricole SA	2.4848
36 Danske Bank A/S	15.9881	36 UniCredit SpA	12.2743	36 Bank of America Corp	1.8144
37 Royal Bank of Scotland Group PLC	15.8891	37 National Bank of Canada	12.058	37 Danske Bank A/S	0.9988
38 Standard Chartered PLC	15.6823	38 KeyCrop	11.8972	38 Commerzbank AG	0.0229
39 HSBC Holdings PLC	15.6377	39 Mitsubishi UFJ Financial Group Inc	11.6773	39 ING Groep NV	-2.259
40 Allianz SE	15.6078	40 DBS Group Holdings Ltd	11.6749	40 Allianz SE	-6.0022
41 Credit Agricole SA	14.9635	41 PNC Financial Services Group Inc	11.4497	41 Deutsche Bank AG	-11.3215
42 UniCredit SpA	14.7894	42 Pohjola Bank PLC	11.3606	42 KBC Groep NV	-15.7429
43 KeyCrop	13.79	43 Bank of America Corp	10.7709	43 Natixis	-17.2581
44 Mitsubishi UFJ Financial Group Inc	13.4426	44 Daiwa Securities Group Inc	10.7667	44 Canadian Imperial Bank of Commerce	-19.4919
45 Banco Espirito Santo SA	13.0257	45 Credit Agricole SA	10.6746	45 KeyCrop	-19.9023
46 JPMorgan Chase & Co	12.9587	46 Bank of New York Mellon Corp/The	9.9873	46 Credit Suisse Group AG	-21.7693
47 DBS Group Holdings Ltd	12.7768	47 Natixis	6.4082	47 Citigroup Inc	-31.9023
48 Commerzbank AG	11.9088	48 Shizuoka Bank Ltd/The	5.0591	48 Dexia SA	-35.8482
49 Pohjola Bank PLC	10.0836	49 Societe Generale	3.3644	49 Royal Bank of Scotland Group PLC	-43.4358
50 Natixis	8.2596	50 Citigroup Inc	3.084	50 HBOS PLC	-46.0301
51 Shizuoka Bank Ltd/The	4.904	51 UBS AG	-12.1232	51 UBS AG	-61.3549

2009	
<u>Bank</u>	<u>ROE</u>
1 Barclays PLC	22.3923
2 Itau Unibanco Holding SA	21.3394
3 Banco Bradesco SA	21.0821
4 Credit Suisse Group AG	19.2612
5 Bank of Nova Scotia	16.8708
6 Commonwealth Bank of Australia	16.7065
7 National Bank of Canada	15.7068

AVERAGE	
<u>Bank</u>	<u>ROE</u>
1 Itau Unibanco Holding SA	24.2784
2 Banco Bradesco SA	24.18695
3 Banco Bilbao Vizcaya Argentaria SA	21.1432
4 Barclays PLC	20.520325
5 Westpac Banking Corp	20.33285
6 Bank of Nova Scotia	19.76145
7 Royal Bank of Canada	19.439675

<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>
8 Banco Bilbao Vizcaya Argentaria SA	15.3214	8 Commonwealth Bank of Australia	18.793575
9 Deutsche Bank AG	14.7676	9 Toronto-Dominion Bank	17.462325
10 Dexia SA	14.3283	10 Nordea Bank AB	17.1245
11 Banco Santander SA	14.166	11 US Bancorp	17.117475
12 Westpac Banking Corp	13.2071	12 Banco Santander SA	16.4921
13 Standard Chartered PLC	12.9507	13 Australia & New Zealand Banking Group Ltd	16.20225
14 Royal Bank of Canada	12.0442	14 National Bank of Canada	16.037925
15 Allianz SE	11.6371	15 National Australia Bank Ltd	15.48925
16 Nordea Bank AB	11.5512	16 Standard Chartered PLC	14.492875
17 BNP Paribas	10.5681	17 Bank of Montreal	14.020275
18 Banco Espirito Santo SA	10.4897	18 PNC Financial Services Group Inc	13.5064
19 PNC Financial Services Group Inc	10.4327	19 Skandinaviska Enskilda Banken AB	13.2705
20 Australia & New Zealand Banking Group Ltd	10.1905	20 Wells Fargo & Co	12.654625
21 Pohjola Bank PLC	9.9309	21 BNP Paribas	12.42445
22 Bank of Montreal	9.8686	22 Canadian Imperial Bank of Commerce	11.747775
23 Wells Fargo & Co	9.3421	23 Banco Espirito Santo SA	11.6713
24 US Bancorp	9.2314	24 DBS Group Holdings Ltd	10.788
25 DBS Group Holdings Ltd	9.0956	25 Credit Suisse Group AG	10.452
26 Toronto-Dominion Bank	9.0689	26 HSBC Holdings PLC	10.439725
27 Canadian Imperial Bank of Commerce	9.0685	27 Deutsche Bank AG	10.3399
28 National Australia Bank Ltd	7.7477	28 ING Groep NV	9.978875
29 JPMorgan Chase & Co	6.3582	29 Allianz SE	9.365275
30 HSBC Holdings PLC	5.016	30 UniCredit SpA	9.2881
31 UniCredit SpA	2.9686	31 Bank of New York Mellon Corp/The	9.208775
32 Credit Agricole SA	2.5806	32 Pohjola Bank PLC	9.0977
33 Shizuoka Bank Ltd/The	1.9486	33 JPMorgan Chase & Co	8.998525
34 Danske Bank A/S	1.7367	34 Danske Bank A/S	8.39625

<u>Bank</u>	<u>ROE</u>	<u>Bank</u>	<u>ROE</u>
35 Societe Generale	1.732	35 Societe Generale	7.871975
36 Skandinaviska Enskilda Banken AB	1.2178	36 Credit Agricole SA	7.675875
37 Bank of America Corp	-1.3214	37 State Street Corp	7.672675
38 ING Groep NV	-2.8249	38 Bank of America Corp	7.333
39 Mitsubishi UFJ Financial Group Inc	-3.9516	39 Mitsubishi UFJ Financial Group Inc	7.294475
40 Citigroup Inc	-4.2238	40 Daiwa Securities Group Inc	6.118075
41 Bank of New York Mellon Corp/The	-5.0368	41 Mizuho Financial Group Inc	5.504125
42 Royal Bank of Scotland Group PLC	-5.2805	42 Shizuoka Bank Ltd/The	4.1601
43 UBS AG	-7.4404	43 Dexia SA	3.0591
44 Natixis	-9.3609	44 KBC Groep NV	2.072075
45 Daiwa Securities Group Inc	-11.0286	45 Natixis	-2.9878
46 State Street Corp	-15.2707	46 Citigroup Inc	-3.596225
47 KBC Groep NV	-15.9756	47 KeyCrop	-3.80785
48 KeyCrop	-21.0163	48 Royal Bank of Scotland Group PLC	-4.2916
49 Mizuho Financial Group Inc	-29.6084	49 Commerzbank AG	-5.1674
50 Commerzbank AG	-45.6554	50 UBS AG	-13.68915
51 HBOS PLC	-55.1799	51 HBOS PLC	-15.548425

Table 4

Annual Stock Return Ranking for Group of Major International Commercial Banks in 2006-2009

2006		2007		2008	
<u>Bank</u>	<u>Return</u>	<u>Bank</u>	<u>Return</u>	<u>Bank</u>	<u>Return</u>
1 Natixis	0.5304	1 Banco Bradesco SA	0.3880	1 Shizuoka Bank Ltd/The	0.0665
2 Skandinaviska Enskilda Banken AB	0.4272	2 Itau Unibanco Holding SA	0.3334	2 Wells Fargo & Co	0.0130
3 Itau Unibanco Holding SA	0.4067	3 Commonwealth Bank of Australia	0.2622	3 US Bancorp	-0.2205
4 DBS Group Holdings Ltd	0.3828	4 Westpac Banking Corp	0.2337	4 PNC Financial Services Group Inc	-0.2784
5 Nordea Bank AB	0.3818	5 Standard Chartered PLC	0.2166	5 JPMorgan Chase & Co	-0.2908
6 Banco Bradesco SA	0.3629	6 Banco Espirito Santo SA	0.1955	6 Pohjola Bank PLC	-0.3586
7 Banco Espirito Santo SA	0.3512	7 State Street Corp	0.1758	7 Mitsubishi UFJ Financial Group Inc	-0.4108
8 Banco Santander SA	0.3418	8 Toronto-Dominion Bank	0.1660	8 Daiwa Securities Group Inc	-0.4147
9 Societe Generale	0.3334	9 Bank of New York Mellon Corp/The	0.1475	9 Mizuho Financial Group Inc	-0.5049
10 Deutsche Bank AG	0.3259	10 Bank of Nova Scotia	0.1274	10 Bank of New York Mellon Corp/The	-0.5090
11 BNP Paribas	0.3037	11 Banco Santander SA	0.1152	11 Canadian Imperial Bank of Commerce	-0.5296
12 Banco Bilbao Vizcaya Argentaria SA	0.2945	12 Pohjola Bank PLC	0.1149	12 Royal Bank of Canada	-0.5359
13 Allianz SE	0.2913	13 KBC Groep NV	0.0878	13 HSBC Holdings PLC	-0.5386
14 National Australia Bank Ltd	0.2862	14 Shizuoka Bank Ltd/The	0.0851	14 Itau Unibanco Holding SA	-0.5648
15 Barclays PLC	0.2837	15 Royal Bank of Canada	0.0721	15 Bank of Nova Scotia	-0.6049
16 Credit Suisse Group AG	0.2811	16 Australia & New Zealand Banking Group Ltd	0.0707	16 Toronto-Dominion Bank	-0.6558
17 Credit Agricole SA	0.2799	17 Nordea Bank AB	0.0563	17 Banco Bilbao Vizcaya Argentaria SA	-0.6923
18 KBC Groep NV	0.2704	18 Allianz SE	0.0456	18 State Street Corp	-0.6959
19 Standard Chartered PLC	0.2434	19 National Australia Bank Ltd	0.0195	19 National Bank of Canada	-0.7043
20 UniCredit SpA	0.2328	20 Commerzbank AG	-0.0149	20 Allianz SE	-0.7084
21 ING Groep NV	0.2327	21 Banco Bilbao Vizcaya Argentaria SA	-0.0173	21 Westpac Banking Corp	-0.7255
22 Canadian Imperial Bank of Commerce	0.2306	22 DBS Group Holdings Ltd	-0.0274	22 Banco Santander SA	-0.7436
23 Australia & New Zealand Banking Group Ltd	0.2300	23 Deutsche Bank AG	-0.0373	23 DBS Group Holdings Ltd	-0.7469
24 Danske Bank A/S	0.2229	24 Bank of Montreal	-0.0423	24 Banco Bradesco SA	-0.7477

<u>Bank</u>	<u>Return</u>	<u>Bank</u>	<u>Return</u>	<u>Bank</u>	<u>Return</u>
25 Royal Bank of Scotland Group PLC	0.2171	25 BNP Paribas	-0.0558	25 Bank of Montreal	-0.7823
26 UBS AG	0.2156	26 National Bank of Canada	-0.0675	26 Credit Suisse Group AG	-0.8020
27 Commonwealth Bank of Australia	0.2096	27 UniCredit SpA	-0.0794	27 National Australia Bank Ltd	-0.8081
28 Commerzbank AG	0.2048	28 HSBC Holdings PLC	-0.0964	28 Australia & New Zealand Banking Group Ltd	-0.8121
29 Bank of New York Mellon Corp/The	0.1915	29 JPMorgan Chase & Co	-0.0965	29 Nordea Bank AB	-0.8514
30 JPMorgan Chase & Co	0.1838	30 US Bancorp	-0.1307	30 Banco Espirito Santo SA	-0.8557
31 Royal Bank of Canada	0.1829	31 PNC Financial Services Group Inc	-0.1351	31 Standard Chartered PLC	-0.9127
32 US Bancorp	0.1783	32 Dexia SA	-0.1364	32 Commonwealth Bank of Australia	-0.9329
33 State Street Corp	0.1685	33 Danske Bank A/S	-0.1386	33 BNP Paribas	-0.9420
34 Pohjola Bank PLC	0.1663	34 Credit Suisse Group AG	-0.1520	34 KeyCrop	-0.9843
35 Dexia SA	0.1590	35 ING Groep NV	-0.1662	35 Societe Generale	-0.9872
36 PNC Financial Services Group Inc	0.1526	36 Wells Fargo & Co	-0.1688	36 Credit Agricole SA	-1.0217
37 Westpac Banking Corp	0.1293	37 Canadian Imperial Bank of Commerce	-0.1734	37 Bank of America Corp	-1.0580
38 Bank of America Corp	0.1258	38 Societe Generale	-0.2065	38 UBS AG	-1.0662
39 Citigroup Inc	0.1223	39 Skandinaviska Enskilda Banken AB	-0.2215	39 Skandinaviska Enskilda Banken AB	-1.1877
40 KeyCrop	0.1218	40 Daiwa Securities Group Inc	-0.2280	40 Deutsche Bank AG	-1.1912
41 HSBC Holdings PLC	0.1147	41 Credit Agricole SA	-0.2532	41 UniCredit SpA	-1.2030
42 Wells Fargo & Co	0.1086	42 Bank of America Corp	-0.2566	42 ING Groep NV	-1.3247
43 Toronto-Dominion Bank	0.1084	43 UBS AG	-0.2845	43 Danske Bank A/S	-1.4023
44 Bank of Nova Scotia	0.1005	44 Mitsubishi UFJ Financial Group Inc	-0.2966	44 Commerzbank AG	-1.4036
45 National Bank of Canada	0.0767	45 Barclays PLC	-0.3776	45 Citigroup Inc	-1.4609
46 Bank of Montreal	0.0310	46 Mizuho Financial Group Inc	-0.4133	46 Barclays PLC	-1.4705
47 Daiwa Securities Group Inc	-0.0352	47 Royal Bank of Scotland Group PLC	-0.4147	47 KBC Groep NV	-1.5422
48 Shizuoka Bank Ltd/The	-0.0563	48 Natixis	-0.4323	48 Dexia SA	-1.7355
49 Mitsubishi UFJ Financial Group Inc	-0.1296	49 KeyCrop	-0.4835	49 Natixis	-1.9759
50 Mizuho Financial Group Inc	-0.1301	50 Citigroup Inc	-0.6295	50 Royal Bank of Scotland Group PLC	-2.3112

2009			AVERAGE		
	<u>Bank</u>	<u>Return</u>		<u>Bank</u>	<u>Return</u>
1	Natixis	1.0048	1	Itau Unibanco Holding SA	0.2139
2	Commonwealth Bank of Australia	0.8709	2	Banco Bradesco SA	0.1618
3	Danske Bank A/S	0.8100	3	Commonwealth Bank of Australia	0.1024
4	National Bank of Canada	0.7879	4	Westpac Banking Corp	0.0725
5	Standard Chartered PLC	0.7044	5	Royal Bank of Canada	0.0716
6	Bank of Montreal	0.6965	6	Standard Chartered PLC	0.0629
7	Itau Unibanco Holding SA	0.6801	7	Banco Santander SA	0.0615
8	Barclays PLC	0.6745	8	DBS Group Holdings Ltd	0.0538
9	Westpac Banking Corp	0.6523	9	Toronto-Dominion Bank	0.0414
10	Australia & New Zealand Banking Group Ltd	0.6508	10	Bank of Nova Scotia	0.0397
11	Banco Bradesco SA	0.6439	11	Australia & New Zealand Banking Group Ltd	0.0348
12	DBS Group Holdings Ltd	0.6066	12	Nordea Bank AB	0.0272
13	BNP Paribas	0.5961	13	National Bank of Canada	0.0232
14	Royal Bank of Canada	0.5672	14	JPMorgan Chase & Co	0.0203
15	Deutsche Bank AG	0.5500	15	National Australia Bank Ltd	0.0083
16	Toronto-Dominion Bank	0.5471	16	Banco Bilbao Vizcaya Argentaria SA	-0.0099
17	Credit Suisse Group AG	0.5361	17	Canadian Imperial Bank of Commerce	-0.0139
18	Bank of Nova Scotia	0.5359	18	Bank of Montreal	-0.0243
19	National Australia Bank Ltd	0.5355	19	BNP Paribas	-0.0245
20	Banco Santander SA	0.5327	20	Shizuoka Bank Ltd/The	-0.0341
21	Nordea Bank AB	0.5220	21	Credit Suisse Group AG	-0.0342
22	UniCredit SpA	0.4355	22	Wells Fargo & Co	-0.0382
23	Canadian Imperial Bank of Commerce	0.4170	23	Pohjola Bank PLC	-0.0421
24	Credit Agricole SA	0.3941	24	PNC Financial Services Group Inc	-0.0445
25	Banco Bilbao Vizcaya Argentaria SA	0.3754	25	Bank of New York Mellon Corp/The	-0.0474

Bank	Return		Bank	Return
26 Societe Generale	0.3625		26 Banco Espirito Santo SA	-0.0517
27 Skandinaviska Enskilda Banken AB	0.3587		27 Allianz SE	-0.0544
28 KBC Groep NV	0.3472		28 HSBC Holdings PLC	-0.0585
29 HSBC Holdings PLC	0.2865		29 US Bancorp	-0.0719
30 JPMorgan Chase & Co	0.2846		30 State Street Corp	-0.0735
31 Dexia SA	0.2653		31 Deutsche Bank AG	-0.0881
32 ING Groep NV	0.1989		32 Societe Generale	-0.1245
33 Allianz SE	0.1538		33 Danske Bank A/S	-0.1270
34 Banco Espirito Santo SA	0.1022		34 Credit Agricole SA	-0.1502
35 PNC Financial Services Group Inc	0.0829		35 UniCredit SpA	-0.1535
36 UBS AG	0.0711		36 Skandinaviska Enskilda Banken AB	-0.1558
37 State Street Corp	0.0577		37 Daiwa Securities Group Inc	-0.2044
38 Bank of America Corp	0.0497		38 KBC Groep NV	-0.2092
39 Bank of New York Mellon Corp/The	-0.0195		39 Natixis	-0.2182
40 Pohjola Bank PLC	-0.0911		40 Barclays PLC	-0.2225
41 Wells Fargo & Co	-0.1057		41 ING Groep NV	-0.2648
42 Commerzbank AG	-0.1074		42 Mitsubishi UFJ Financial Group Inc	-0.2652
43 US Bancorp	-0.1149		43 UBS AG	-0.2660
44 Daiwa Securities Group Inc	-0.1397		44 Bank of America Corp	-0.2848
45 Mitsubishi UFJ Financial Group Inc	-0.2239		45 Commerzbank AG	-0.3303
46 Shizuoka Bank Ltd/The	-0.2318		46 Dexia SA	-0.3619
47 KeyCrop	-0.4689		47 Mizuho Financial Group Inc	-0.4059
48 Royal Bank of Scotland Group PLC	-0.4763		48 KeyCrop	-0.4537
49 Mizuho Financial Group Inc	-0.5753		49 Citigroup Inc	-0.6842
50 Citigroup Inc	-0.7688		50 Royal Bank of Scotland Group PLC	-0.7463

Table 5

Deciles Comparison of CSR Disclosure and Financial Performance for Banks in Sample in 2006-2009

Table 12-15 provide a summary of the deciles comparison between CSR disclosure score and financial performance of each bank in the sample. The percentile of each bank's CSR disclosure score and individual ESG score is compared side by side with its respective ROA, ROE and annual stock return (SR). The strength of positive or negative relationship between two measures is captured by the absolute difference between the two percentiles. For example, in the left column of table 12, "Diff." is calculated by the absolute value of the difference between the CSR percentile and ROE percentile. Average of "Diff." is calculated for each year. An average value closes to 0 suggests that a positive relationship exists and vice versa.

2006										
Bank	CSR	ROE	Diff.	CSR	ROA	Diff.	Bank	CSR	SR	Diff.
8306 JP Equity	30	20	10	30	20	10	8306 JP Equity	30	10	20
8355 JP Equity	40	10	30	40	10	30	8355 JP Equity	40	10	30
8411 JP Equity	80	100	20	80	10	70	8411 JP Equity	80	10	70
8601 JT Equity	90	60	30	90	70	20	8601 JT Equity	90	10	80
ACA FP Equity	70	20	50	70	10	60	ACA FP Equity	70	70	0
ALV GY Equity	40	30	10	40	40	0	ALV GY Equity	40	80	40
ANZ AU Equity	100	60	40	100	80	20	ANZ AU Equity	100	60	40
BAC US Equity	40	40	0	40	90	50	BAC US Equity	40	30	10
BARC LN Equity	100	90	10	100	20	80	BARC LN Equity	100	80	20
BBDC3 BZ Equity	50	80	30	50	100	50	BBDC3 BZ Equity	50	90	40
BBVA SM Equity	90	90	0	90	80	10	BBVA SM Equity	90	80	10
BES PL Equity	10	20	10	10	50	40	BES PL Equity	10	90	80
BK US Equity	20	100	80	20	100	80	BK US Equity	20	50	30
BMO CN Equity	40	50	10	40	50	10	BMO CN Equity	40	10	30
BNP FP Equity	90	40	50	90	20	70	BNP FP Equity	90	80	10
BNS CN Equity	30	70	40	30	70	40	BNS CN Equity	30	20	10
C US Equity	50	50	0	50	90	40	C US Equity	50	30	20
CBA AU Equity	20	50	30	20	80	60	CBA AU Equity	20	50	30
CBK GY Equity	50	10	40	50	10	40	CBK GY Equity	50	50	0
CM CN Equity	10	100	90	10	50	40	CM CN Equity	10	60	50
CSGN VX Equity	60	100	40	60	50	10	CSGN VX Equity	60	70	10
DANSKE DC Equity	30	30	0	30	20	10	DANSKE DC Equity	30	60	30
DBK GR Equity	90	50	40	90	10	80	DBK GR Equity	90	90	0
DBS SP Equity	10	10	0	10	90	80	DBS SP Equity	10	100	90
DEXB BB Equity	70	40	30	70	20	50	DEXB BB Equity	70	40	30
GLE FP Equity	20	60	40	20	30	10	GLE FP Equity	20	90	70
HBOS LN Equity	70	70	0	70	30	40	HSBA LN Equity	100	20	80
HSBA LN Equity	100	30	70	100	60	40	INGA NA Equity	70	60	10
INGA NA Equity	70	70	0	70	30	40	ITUB4 BZ Equity	30	100	70
ITUB4 BZ Equity	30	80	50	30	100	70	JPM US Equity	60	40	20
JPM US Equity	60	10	50	60	80	20	KBC BB Equity	70	70	0
KBC BB Equity	70	70	0	70	70	0	KEY US Equity	10	30	20
KEY US Equity	10	20	10	10	80	70	KN FP Equity	60	100	40
KN FP Equity	60	10	50	60	10	50	NA CN Equity	40	20	20
NA CN Equity	40	60	20	40	40	0	NAB AU Equity	80	80	0
NAB AU Equity	80	50	30	80	50	30	NDA SS Equity	20	100	80

<u>Bank</u>	<u>CSR</u>	<u>ROE</u>	<u>Diff.</u>	<u>CSR</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>CSR</u>	<u>SR</u>	<u>Diff.</u>
NDA SS Equity	20	80	60	20	60	40	PNC US Equity	10	30	20
PNC US Equity	10	100	90	10	100	90	POH1S FH Equity	30	40	10
POH1S FH Equity	30	10	20	30	40	10	RBS LN Equity	100	60	40
RBS LN Equity	100	30	70	100	40	60	RY CN Equity	50	40	10
RY CN Equity	50	80	30	50	60	10	SAN SM Equity	80	90	10
SAN SM Equity	80	40	40	80	60	20	SEBA SS Equity	50	100	50
SEBA SS Equity	50	70	20	50	30	20	STAN LN Equity	60	70	10
STAN LN Equity	60	30	30	60	60	0	STT UN Equity	100	40	60
STT UN Equity	100	40	60	100	70	30	TD CN Equity	60	20	40
TD CN Equity	60	90	30	60	90	30	UBSN VX Equity	100	50	50
UBSN VX Equity	100	90	10	100	30	70	UCG IM Equity	20	70	50
UCG IM Equity	20	20	0	20	40	20	USB US Equity	10	40	30
USB US Equity	10	90	80	10	100	90	WBC AU Equity	90	30	60
WBC AU Equity	90	80	10	90	70	20	WFC US Equity	80	20	60
WFC US Equity	80	60	20	80	90	10				
AVG=			30.98	AVG=		38.04	AVG=			34

2007										
<u>Bank</u>	<u>CSR</u>	<u>ROE</u>	<u>Diff.</u>	<u>CSR</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>CSR</u>	<u>SR</u>	<u>Diff.</u>
8306 JP Equity	30	30	0	30	30	0	8306 JP Equity	30	20	10
8355 JP Equity	20	10	10	20	20	0	8355 JP Equity	20	80	60
8411 JP Equity	60	60	0	60	20	40	8411 JP Equity	60	10	50
8601 JT Equity	70	20	50	70	40	30	8601 JT Equity	70	30	40
ACA FP Equity	90	20	70	90	10	80	ACA FP Equity	90	20	70
ALV GY Equity	30	60	30	30	50	20	ALV GY Equity	30	70	40
ANZ AU Equity	90	90	0	90	90	0	ANZ AU Equity	90	70	20
BAC US Equity	40	20	20	40	60	20	BAC US Equity	40	20	20
BARC LN Equity	100	80	20	100	20	80	BARC LN Equity	100	20	80
BBDC3 BZ Equity	70	100	30	70	100	30	BBDC3 BZ Equity	70	100	30
BBVA SM Equity	100	100	0	100	90	10	BBVA SM Equity	100	60	40
BES PL Equity	60	40	20	60	70	10	BES PL Equity	60	90	30
BK US Equity	10	10	0	10	100	90	BK US Equity	10	90	80
BMO CN Equity	50	40	10	50	40	10	BMO CN Equity	50	60	10
BNP FP Equity	80	60	20	80	30	50	BNP FP Equity	80	60	20
BNS CN Equity	20	90	70	20	80	60	BNS CN Equity	20	90	70
C US Equity	40	10	30	40	10	30	C US Equity	40	10	30
CBA AU Equity	10	80	70	10	90	80	CBA AU Equity	10	100	90
CBK GY Equity	40	40	0	40	10	30	CBK GY Equity	40	70	30
CM CN Equity	10	100	90	10	70	60	CM CN Equity	10	30	20
CSGN VX Equity	30	60	30	30	40	10	CSGN VX Equity	30	40	10
DANSKE DC Equity	40	50	10	40	30	10	DANSKE DC Equity	40	40	0
DBK GR Equity	90	70	20	90	20	70	DBK GR Equity	90	60	30
DBS SP Equity	10	30	20	10	90	80	DBS SP Equity	10	60	50
DEXB BB Equity	80	50	30	80	20	60	DEXB BB Equity	80	40	40
GLE FP Equity	70	10	60	70	10	60	GLE FP Equity	70	30	40
HBOS LN Equity	90	70	20	90	40	50	HSBA LN Equity	100	50	50
HSBA LN Equity	100	50	50	100	60	40	INGA NA Equity	50	40	10
INGA NA Equity	50	90	40	50	50	0	ITUB4 BZ Equity	20	100	80

Bank	CSR	ROE	Diff.	CSR	ROA	Diff.	Bank	CSR	SR	Diff.
ITUB4 BZ Equity	20	100	80	20	100	80	JPM US Equity	50	50	0
JPM US Equity	50	40	10	50	80	30	KBC BB Equity	60	80	20
KBC BB Equity	60	80	20	60	70	10	KEY US Equity	10	10	0
KEY US Equity	10	30	20	10	70	60	KN FP Equity	50	10	40
KN FP Equity	50	10	40	50	10	40	NA CN Equity	20	50	30
NA CN Equity	20	30	10	20	30	10	NAB AU Equity	70	70	0
NAB AU Equity	70	70	0	70	60	10	NDA SS Equity	20	70	50
NDA SS Equity	20	80	60	20	50	30	PNC US Equity	10	40	30
PNC US Equity	10	20	10	10	90	80	POH1S FH Equity	30	80	50
POH1S FH Equity	30	20	10	30	50	20	RBS LN Equity	90	10	80
RBS LN Equity	90	50	40	90	30	60	RY CN Equity	60	80	20
RY CN Equity	60	100	40	60	60	0	SAN SM Equity	80	80	0
SAN SM Equity	80	70	10	80	80	0	SEBA SS Equity	30	30	0
SEBA SS Equity	30	70	40	30	40	10	STAN LN Equity	70	100	30
STAN LN Equity	70	50	20	70	60	10	STT UN Equity	100	90	10
STT UN Equity	100	40	60	100	80	20	TD CN Equity	100	90	10
TD CN Equity	100	80	20	100	70	30	UBSN VX Equity	100	20	80
UBSN VX Equity	100	10	90	100	10	90	UCG IM Equity	40	50	10
UCG IM Equity	40	30	10	40	50	10	USB US Equity	50	50	0
USB US Equity	50	90	40	50	100	50	WBC AU Equity	80	100	20
WBC AU Equity	80	90	10	80	80	0	WFC US Equity	60	30	30
WFC US Equity	60	60	0	60	100	40				
AVG=			28.63	AVG=		35.29	AVG=			33

2008										
Bank	CSR	ROE	Diff.	CSR	ROA	Diff.	Bank	CSR	SR	Diff.
8306 JP Equity	20	60	40	20	60	40	8306 JP Equity	20	90	70
8355 JP Equity	20	40	20	20	60	40	8355 JP Equity	20	100	80
8411 JP Equity	70	60	10	70	40	30	8411 JP Equity	70	90	20
8601 JT Equity	90	50	40	90	50	40	8601 JT Equity	90	90	0
ACA FP Equity	90	40	50	90	30	60	ACA FP Equity	90	30	60
ALV GY Equity	30	30	0	30	20	10	ALV GY Equity	30	70	40
ANZ AU Equity	70	70	0	70	80	10	ANZ AU Equity	70	50	20
BAC US Equity	20	30	10	20	40	20	BAC US Equity	20	30	10
BARC LN Equity	90	80	10	90	50	40	BARC LN Equity	90	10	80
BBDC3 BZ Equity	60	100	40	60	100	40	BBDC3 BZ Equity	60	60	0
BBVA SM Equity	90	100	10	90	90	0	BBVA SM Equity	90	70	20
BES PL Equity	40	60	20	40	70	30	BES PL Equity	40	50	10
BK US Equity	20	50	30	20	70	50	BK US Equity	20	90	70
BMO CN Equity	50	70	20	50	70	20	BMO CN Equity	50	60	10
BNP FP Equity	100	60	40	100	40	60	BNP FP Equity	100	40	60
BNS CN Equity	30	90	60	30	80	50	BNS CN Equity	30	80	50
C US Equity	60	10	50	60	10	50	C US Equity	60	20	40
CBA AU Equity	30	100	70	30	100	70	CBA AU Equity	30	40	10
CBK GY Equity	50	30	20	50	30	20	CBK GY Equity	50	20	30
CM CN Equity	50	20	30	50	20	30	CM CN Equity	50	80	30
CSGN VX Equity	40	10	30	40	20	20	CSGN VX Equity	40	60	20
DANSKE DC Equity	50	30	20	50	30	20	DANSKE DC Equity	50	20	30

<u>Bank</u>	<u>CSR</u>	<u>ROE</u>	<u>Diff.</u>	<u>CSR</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>CSR</u>	<u>SR</u>	<u>Diff.</u>
DBK GR Equity	80	20	60	80	30	50	DBK GR Equity	80	30	50
DBS SP Equity	10	70	60	10	90	80	DBS SP Equity	10	60	50
DEXB BB Equity	80	10	70	80	20	60	DEXB BB Equity	80	10	70
GLE FP Equity	100	50	50	100	40	60	GLE FP Equity	100	40	60
HBOS LN Equity	10	10	0	10	10	0	HSBA LN Equity	100	80	20
HSBA LN Equity	100	40	60	100	40	60	INGA NA Equity	90	20	70
INGA NA Equity	90	30	60	90	30	60	ITUB4 BZ Equity	50	80	30
ITUB4 BZ Equity	50	100	50	50	100	50	JPM US Equity	40	100	60
JPM US Equity	40	40	0	40	50	10	KBC BB Equity	60	10	50
KBC BB Equity	60	20	40	60	10	50	KEY US Equity	10	40	30
KEY US Equity	10	20	10	10	10	0	KN FP Equity	70	10	60
KN FP Equity	70	20	50	70	20	50	NA CN Equity	40	70	30
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	60	50	10
NAB AU Equity	60	90	30	60	80	20	NDA SS Equity	20	50	30
NDA SS Equity	20	80	60	20	70	50	PNC US Equity	10	100	90
PNC US Equity	10	50	40	10	60	50	POH1S FH Equity	30	90	60
POH1S FH Equity	30	50	20	30	50	20	RBS LN Equity	100	10	90
RBS LN Equity	100	10	90	100	10	90	RY CN Equity	40	80	40
RY CN Equity	40	90	50	40	80	40	SAN SM Equity	80	60	20
SAN SM Equity	80	80	0	80	90	10	SEBA SS Equity	30	30	0
SEBA SS Equity	30	70	40	30	60	30	STAN LN Equity	70	40	30
STAN LN Equity	70	70	0	70	90	20	STT UN Equity	100	70	30
STT UN Equity	100	90	10	100	100	0	TD CN Equity	70	70	0
TD CN Equity	70	80	10	70	80	10	UBSN VX Equity	100	30	70
UBSN VX Equity	100	10	90	100	10	90	UCG IM Equity	60	20	40
UCG IM Equity	60	60	0	60	60	0	USB US Equity	10	100	90
USB US Equity	10	80	70	10	100	90	WBC AU Equity	80	60	20
WBC AU Equity	80	100	20	80	90	10	WFC US Equity	10	100	90
WFC US Equity	10	40	30	10	50	40				
	AVG=		34.12		AVG=	36.86			AVG=	41

2009										
<u>Bank</u>	<u>CSR</u>	<u>ROE</u>	<u>Diff.</u>	<u>CSR</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>CSR</u>	<u>SR</u>	<u>Diff.</u>
8306 JP Equity	10	30	20	10	30	20	8306 JP Equity	10	20	10
8355 JP Equity	20	40	20	20	40	20	8355 JP Equity	20	10	10
8411 JP Equity	70	10	60	70	20	50	8411 JP Equity	70	10	60
8601 JT Equity	100	20	80	100	20	80	8601 JT Equity	100	20	80
ACA FP Equity	90	40	50	90	40	50	ACA FP Equity	90	60	30
ALV GY Equity	60	80	20	60	70	10	ALV GY Equity	60	40	20
ANZ AU Equity	40	70	30	40	80	40	ANZ AU Equity	40	90	50
BAC US Equity	20	30	10	20	30	10	BAC US Equity	20	30	10
BARC LN Equity	100	100	0	100	70	30	BARC LN Equity	100	90	10
BBDC3 BZ Equity	60	100	40	60	100	40	BBDC3 BZ Equity	60	80	20
BBVA SM Equity	100	90	10	100	90	10	BBVA SM Equity	100	60	40
BES PL Equity	60	70	10	60	80	20	BES PL Equity	60	40	20
BK US Equity	50	20	30	50	10	40	BK US Equity	50	30	20
BMO CN Equity	40	60	20	40	60	20	BMO CN Equity	40	90	50
BNP FP Equity	90	70	20	90	50	40	BNP FP Equity	90	80	10

<u>Bank</u>	<u>CSR</u>	<u>ROE</u>	<u>Diff.</u>	<u>CSR</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>CSR</u>	<u>SR</u>	<u>Diff.</u>
BNS CN Equity	20	100	80	20	80	60	BNS CN Equity	20	70	50
C US Equity	60	30	30	60	20	40	C US Equity	60	10	50
CBA AU Equity	80	90	10	80	100	20	CBA AU Equity	80	100	20
CBK GY Equity	50	10	40	50	10	40	CBK GY Equity	50	20	30
CM CN Equity	20	50	30	20	50	30	CM CN Equity	20	60	40
CSGN VX Equity	40	100	60	40	80	40	CSGN VX Equity	40	70	30
DANSKE DC Equity	30	40	10	30	40	10	DANSKE DC Equity	30	100	70
DBK GR Equity	90	90	0	90	50	40	DBK GR Equity	90	80	10
DBS SP Equity	10	60	50	10	100	90	DBS SP Equity	10	80	70
DEXB BB Equity	80	90	10	80	40	40	DEXB BB Equity	80	40	40
GLE FP Equity	70	40	30	70	40	30	GLE FP Equity	70	50	20
HBOS LN Equity	30	10	20	30	10	20	HSBA LN Equity	90	50	40
HSBA LN Equity	90	50	40	90	50	40	INGA NA Equity	90	40	50
INGA NA Equity	90	30	60	90	30	60	ITUB4 BZ Equity	10	90	80
ITUB4 BZ Equity	10	100	90	10	100	90	JPM US Equity	70	50	20
JPM US Equity	70	50	20	70	60	10	KBC BB Equity	70	50	20
KBC BB Equity	70	10	60	70	10	60	KEY US Equity	10	10	0
KEY US Equity	10	10	0	10	10	0	KN FP Equity	80	100	20
KN FP Equity	80	20	60	80	20	60	NA CN Equity	40	100	60
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	20	70	50
NAB AU Equity	20	50	30	20	60	40	NDA SS Equity	30	60	30
NDA SS Equity	30	70	40	30	60	30	PNC US Equity	10	40	30
PNC US Equity	10	70	60	10	90	80	POH1S FH Equity	50	30	20
POH1S FH Equity	50	60	10	50	70	20	RBS LN Equity	100	10	90
RBS LN Equity	100	20	80	100	20	80	RY CN Equity	50	80	30
RY CN Equity	50	80	30	50	60	10	SAN SM Equity	80	70	10
SAN SM Equity	80	80	0	80	100	20	SEBA SS Equity	40	50	10
SEBA SS Equity	40	30	10	40	30	10	STAN LN Equity	30	100	70
STAN LN Equity	30	80	50	30	90	60	STT UN Equity	100	30	70
STT UN Equity	100	10	90	100	10	90	TD CN Equity	70	70	0
TD CN Equity	70	50	20	70	70	0	UBSN VX Equity	100	30	70
UBSN VX Equity	100	20	80	100	30	70	UCG IM Equity	30	60	30
UCG IM Equity	30	40	10	30	50	20	USB US Equity	10	20	10
USB US Equity	10	60	50	10	90	80	WBC AU Equity	60	90	30
WBC AU Equity	60	80	20	60	90	30	WFC US Equity	50	20	30
WFC US Equity	50	60	10	50	80	30				
		AVG=	34.51		AVG=	38.43			AVG=	34.8

Table 6

Deciles Comparison of Environmental Disclosure and Financial Performance for Banks in Sample in 2006-2009

2006										
Bank	E	ROE	Diff.	E	ROA	Diff.	Bank	E	SR	Diff.
8306 JP Equity	60	20	40	60	20	40	8306 JP Equity	60	10	50
8355 JP Equity	50	10	40	50	10	40	8355 JP Equity	50	10	40
8411 JP Equity	80	100	20	80	10	70	8411 JP Equity	80	10	70
8601 JT Equity	90	60	30	90	70	20	8601 JT Equity	90	10	80
ACA FP Equity	60	20	40	60	10	50	ACA FP Equity	60	70	10
ALV GY Equity	90	30	60	90	40	50	ALV GY Equity	90	80	10
ANZ AU Equity	80	60	20	80	80	0	ANZ AU Equity	80	60	20
BAC US Equity	40	40	0	40	90	50	BAC US Equity	40	30	10
BARC LN Equity	60	90	30	60	20	40	BARC LN Equity	60	80	20
BBDC3 BZ Equity	40	80	40	40	100	60	BBDC3 BZ Equity	40	90	50
BBVA SM Equity	100	90	10	100	80	20	BBVA SM Equity	100	80	20
BES PL Equity	20	20	0	20	50	30	BES PL Equity	20	90	70
BK US Equity	20	100	80	20	100	80	BK US Equity	20	50	30
BMO CN Equity	30	50	20	30	50	20	BMO CN Equity	30	10	20
BNP FP Equity	50	40	10	50	20	30	BNP FP Equity	50	80	30
BNS CN Equity	30	70	40	30	70	40	BNS CN Equity	30	20	10
C US Equity	100	50	50	100	90	10	C US Equity	100	30	70
CBA AU Equity	20	50	30	20	80	60	CBA AU Equity	20	50	30
CBK GY Equity	80	10	70	80	10	70	CBK GY Equity	80	50	30
CM CN Equity	70	100	30	70	50	20	CM CN Equity	70	60	10
CSGN VX Equity	80	100	20	80	50	30	CSGN VX Equity	80	70	10
DANSKE DC Equity	60	30	30	60	20	40	DANSKE DC Equity	60	60	0
DBK GR Equity	90	50	40	90	10	80	DBK GR Equity	90	90	0
DBS SP Equity	10	10	0	10	90	80	DBS SP Equity	10	100	90
DEXB BB Equity	70	40	30	70	20	50	DEXB BB Equity	70	40	30
GLE FP Equity	40	60	20	40	30	10	GLE FP Equity	40	90	50
HBOS LN Equity	80	70	10	80	30	50	HSBA LN Equity	100	20	80
HSBA LN Equity	100	30	70	100	60	40	INGA NA Equity	70	60	10
INGA NA Equity	70	70	0	70	30	40	ITUB4 BZ Equity	30	100	70
ITUB4 BZ Equity	30	80	50	30	100	70	JPM US Equity	50	40	10
JPM US Equity	50	10	40	50	80	30	KBC BB Equity	60	70	10
KBC BB Equity	60	70	10	60	70	10	KEY US Equity	10	30	20
KEY US Equity	10	20	10	10	80	70	KN FP Equity	40	100	60
KN FP Equity	40	10	30	40	10	30	NA CN Equity	20	20	0
NA CN Equity	20	60	40	20	40	20	NAB AU Equity	70	80	10
NAB AU Equity	70	50	20	70	50	20	NDA SS Equity	30	100	70
NDA SS Equity	30	80	50	30	60	30	PNC US Equity	10	30	20
PNC US Equity	10	100	90	10	100	90	POH1S FH Equity	10	40	30
POH1S FH Equity	10	10	0	10	40	30	RBS LN Equity	70	60	10
RBS LN Equity	70	30	40	70	40	30	RY CN Equity	40	40	0
RY CN Equity	40	80	40	40	60	20	SAN SM Equity	90	90	0
SAN SM Equity	90	40	50	90	60	30	SEBA SS Equity	90	100	10
SEBA SS Equity	90	70	20	90	30	60	STAN LN Equity	30	70	40

<u>Bank</u>	<u>E</u>	<u>ROE</u>	<u>Diff.</u>	<u>E</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>E</u>	<u>SR</u>	<u>Diff.</u>
HSBA LN Equity	100	40	60	100	40	60	INGA NA Equity	50	20	30
INGA NA Equity	50	30	20	50	30	20	ITUB4 BZ Equity	30	80	50
ITUB4 BZ Equity	30	100	70	30	100	70	JPM US Equity	60	100	40
JPM US Equity	60	40	20	60	50	10	KBC BB Equity	60	10	50
KBC BB Equity	60	20	40	60	10	50	KEY US Equity	10	40	30
KEY US Equity	10	20	10	10	10	0	KN FP Equity	60	10	50
KN FP Equity	60	20	40	60	20	40	NA CN Equity	30	70	40
NA CN Equity	30	90	60	30	70	40	NAB AU Equity	90	50	40
NAB AU Equity	90	90	0	90	80	10	NDA SS Equity	20	50	30
NDA SS Equity	20	80	60	20	70	50	PNC US Equity	10	100	90
PNC US Equity	10	50	40	10	60	50	POH1S FH Equity	10	90	80
POH1S FH Equity	10	50	40	10	50	40	RBS LN Equity	70	10	60
RBS LN Equity	70	10	60	70	10	60	RY CN Equity	30	80	50
RY CN Equity	30	90	60	30	80	50	SAN SM Equity	100	60	40
SAN SM Equity	100	80	20	100	90	10	SEBA SS Equity	70	30	40
SEBA SS Equity	70	70	0	70	60	10	STAN LN Equity	80	40	40
STAN LN Equity	80	70	10	80	90	10	STT UN Equity	100	70	30
STT UN Equity	100	90	10	100	100	0	TD CN Equity	80	70	10
TD CN Equity	80	80	0	80	80	0	UBSN VX Equity	100	30	70
UBSN VX Equity	100	10	90	100	10	90	UCG IM Equity	80	20	60
UCG IM Equity	80	60	20	80	60	20	USB US Equity	10	100	90
USB US Equity	10	80	70	10	100	90	WBC AU Equity	50	60	10
WBC AU Equity	50	100	50	50	90	40	WFC US Equity	10	100	90
WFC US Equity	10	40	30	10	50	40				
		AVG	36.8		AVG	37.2			AVG	
		=	6		=	5			=	40

2009										
<u>Bank</u>	<u>E</u>	<u>ROE</u>	<u>Diff.</u>	<u>E</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>E</u>	<u>SR</u>	<u>Diff.</u>
8306 JP Equity	40	30	10	40	30	10	8306 JP Equity	40	20	20
8355 JP Equity	40	40	0	40	40	0	8355 JP Equity	40	10	30
8411 JP Equity	60	10	50	60	20	40	8411 JP Equity	60	10	50
8601 JT Equity	100	20	80	100	20	80	8601 JT Equity	100	20	80
ACA FP Equity	60	40	20	60	40	20	ACA FP Equity	60	60	0
ALV GY Equity	90	80	10	90	70	20	ALV GY Equity	90	40	50
ANZ AU Equity	20	70	50	20	80	60	ANZ AU Equity	20	90	70
BAC US Equity	20	30	10	20	30	10	BAC US Equity	20	30	10
BARC LN Equity	50	100	50	50	70	20	BARC LN Equity	50	90	40
BBDC3 BZ Equity	40	100	60	40	100	60	BBDC3 BZ Equity	40	80	40
BBVA SM Equity	80	90	10	80	90	10	BBVA SM Equity	80	60	20
BES PL Equity	70	70	0	70	80	10	BES PL Equity	70	40	30
BK US Equity	80	20	60	80	10	70	BK US Equity	80	30	50
BMO CN Equity	20	60	40	20	60	40	BMO CN Equity	20	90	70
BNP FP Equity	50	70	20	50	50	0	BNP FP Equity	50	80	30
BNS CN Equity	30	100	70	30	80	50	BNS CN Equity	30	70	40
C US Equity	70	30	40	70	20	50	C US Equity	70	10	60
CBA AU Equity	30	90	60	30	100	70	CBA AU Equity	30	100	70

<u>Bank</u>	<u>E</u>	<u>ROE</u>	<u>Diff.</u>	<u>E</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>E</u>	<u>SR</u>	<u>Diff.</u>
CBK GY Equity	90	10	80	90	10	80	CBK GY Equity	90	20	70
CM CN Equity	10	50	40	10	50	40	CM CN Equity	10	60	50
CSGN VX Equity	70	100	30	70	80	10	CSGN VX Equity	70	70	0
DANSKE DC Equity	90	40	50	90	40	50	DANSKE DC Equity	90	100	10
DBK GR Equity	80	90	10	80	50	30	DBK GR Equity	80	80	0
DBS SP Equity	10	60	50	10	100	90	DBS SP Equity	10	80	70
DEXB BB Equity	60	90	30	60	40	20	DEXB BB Equity	60	40	20
GLE FP Equity	70	40	30	70	40	30	GLE FP Equity	70	50	20
HBOS LN Equity	50	10	40	50	10	40	HSBA LN Equity	90	50	40
HSBA LN Equity	90	50	40	90	50	40	INGA NA Equity	70	40	30
INGA NA Equity	70	30	40	70	30	40	ITUB4 BZ Equity	20	90	70
ITUB4 BZ Equity	20	100	80	20	100	80	JPM US Equity	90	50	40
JPM US Equity	90	50	40	90	60	30	KBC BB Equity	60	50	10
KBC BB Equity	60	10	50	60	10	50	KEY US Equity	10	10	0
KEY US Equity	10	10	0	10	10	0	KN FP Equity	80	100	20
KN FP Equity	80	20	60	80	20	60	NA CN Equity	40	100	60
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	60	70	10
NAB AU Equity	60	50	10	60	60	0	NDA SS Equity	10	60	50
NDA SS Equity	10	70	60	10	60	50	PNC US Equity	10	40	30
PNC US Equity	10	70	60	10	90	80	POH1S FH Equity	10	30	20
POH1S FH Equity	10	60	50	10	70	60	RBS LN Equity	80	10	70
RBS LN Equity	80	20	60	80	20	60	RY CN Equity	50	80	30
RY CN Equity	50	80	30	50	60	10	SAN SM Equity	90	70	20
SAN SM Equity	90	80	10	90	100	10	SEBA SS Equity	90	50	40
SEBA SS Equity	90	30	60	90	30	60	STAN LN Equity	10	100	90
STAN LN Equity	10	80	70	10	90	80	STT UN Equity	100	30	70
STT UN Equity	100	10	90	100	10	90	TD CN Equity	30	70	40
TD CN Equity	30	50	20	30	70	40	UBSN VX Equity	100	30	70
UBSN VX Equity	100	20	80	100	30	70	UCG IM Equity	50	60	10
UCG IM Equity	50	40	10	50	50	0	USB US Equity	30	20	10
USB US Equity	30	60	30	30	90	60	WBC AU Equity	40	90	50
WBC AU Equity	40	80	40	40	90	50	WFC US Equity	20	20	0
WFC US Equity	20	60	40	20	80	60				
		AVG=	40.78		AVG=	41.57			AVG=	37.6

Table 7

Deciles Comparison of Social Disclosure and Financial Performance for Banks in Sample in 2006-2009

2006										
Bank	S	ROE	Diff.	S	ROA	Diff.	Bank	S	SR	Diff.
8306 JP Equity	20	20	0	20	20	0	8306 JP Equity	20	10	10
8355 JP Equity	40	10	30	40	10	30	8355 JP Equity	40	10	30
8411 JP Equity	60	100	40	60	10	50	8411 JP Equity	60	10	50
8601 JT Equity	100	60	40	100	70	30	8601 JT Equity	100	10	90
ACA FP Equity	60	20	40	60	10	50	ACA FP Equity	60	70	10
ALV GY Equity	40	30	10	40	40	0	ALV GY Equity	40	80	40
ANZ AU Equity	100	60	40	100	80	20	ANZ AU Equity	100	60	40
BAC US Equity	30	40	10	30	90	60	BAC US Equity	30	30	0
BARC LN Equity	90	90	0	90	20	70	BARC LN Equity	90	80	10
BBDC3 BZ Equity	90	80	10	90	100	10	BBDC3 BZ Equity	90	90	0
BBVA SM Equity	90	90	0	90	80	10	BBVA SM Equity	90	80	10
BES PL Equity	20	20	0	20	50	30	BES PL Equity	20	90	70
BK US Equity	10	100	90	10	100	90	BK US Equity	10	50	40
BMO CN Equity	30	50	20	30	50	20	BMO CN Equity	30	10	20
BNP FP Equity	70	40	30	70	20	50	BNP FP Equity	70	80	10
BNS CN Equity	30	70	40	30	70	40	BNS CN Equity	30	20	10
C US Equity	20	50	30	20	90	70	C US Equity	20	30	10
CBA AU Equity	10	50	40	10	80	70	CBA AU Equity	10	50	40
CBK GY Equity	60	10	50	60	10	50	CBK GY Equity	60	50	10
CM CN Equity	20	100	80	20	50	30	CM CN Equity	20	60	40
CSGN VX Equity	30	100	70	30	50	20	CSGN VX Equity	30	70	40
DANSKE DC Equity	60	30	30	60	20	40	DANSKE DC Equity	60	60	0
DBK GR Equity	100	50	50	100	10	90	DBK GR Equity	100	90	10
DBS SP Equity	10	10	0	10	90	80	DBS SP Equity	10	100	90
DEXB BB Equity	60	40	20	60	20	40	DEXB BB Equity	60	40	20
GLE FP Equity	40	60	20	40	30	10	GLE FP Equity	40	90	50
HBOS LN Equity	90	70	20	90	30	60	HSBA LN Equity	90	20	70
HSBA LN Equity	90	30	60	90	60	30	INGA NA Equity	50	60	10
INGA NA Equity	50	70	20	50	30	20	ITUB4 BZ Equity	80	100	20
ITUB4 BZ Equity	80	80	0	80	100	20	JPM US Equity	30	40	10
JPM US Equity	30	10	20	30	80	50	KBC BB Equity	60	70	10
KBC BB Equity	60	70	10	60	70	10	KEY US Equity	10	30	20
KEY US Equity	10	20	10	10	80	70	KN FP Equity	60	100	40
KN FP Equity	60	10	50	60	10	50	NA CN Equity	50	20	30
NA CN Equity	50	60	10	50	40	10	NAB AU Equity	50	80	30
NAB AU Equity	50	50	0	50	50	0	NDA SS Equity	30	100	70
NDA SS Equity	30	80	50	30	60	30	PNC US Equity	10	30	20
PNC US Equity	10	100	90	10	100	90	POH1S FH Equity	40	40	0
POH1S FH Equity	40	10	30	40	40	0	RBS LN Equity	80	60	20
RBS LN Equity	80	30	50	80	40	40	RY CN Equity	70	40	30
RY CN Equity	70	80	10	70	60	10	SAN SM Equity	50	90	40
SAN SM Equity	50	40	10	50	60	10	SEBA SS Equity	50	100	50
SEBA SS Equity	50	70	20	50	30	20	STAN LN Equity	60	70	10

Bank	Σ	ROE	Diff.	Σ	ROA	Diff.	Bank	Σ	SR	Diff.
NDA SS Equity	30	80	50	30	50	20	PNC US Equity	10	40	30
PNC US Equity	10	20	10	10	90	80	POH1S FH Equity	30	80	50
POH1S FH Equity	30	20	10	30	50	20	RBS LN Equity	80	10	70
RBS LN Equity	80	50	30	80	30	50	RY CN Equity	70	80	10
RY CN Equity	70	100	30	70	60	10	SAN SM Equity	50	80	30
SAN SM Equity	50	70	20	50	80	30	SEBA SS Equity	40	30	10
SEBA SS Equity	40	70	30	40	40	0	STAN LN Equity	60	100	40
STAN LN Equity	60	50	10	60	60	0	STT UN Equity	70	90	20
STT UN Equity	70	40	30	70	80	10	TD CN Equity	100	90	10
TD CN Equity	100	80	20	100	70	30	UBSN VX Equity	80	20	60
UBSN VX Equity	80	10	70	80	10	70	UCG IM Equity	40	50	10
UCG IM Equity	40	30	10	40	50	10	USB US Equity	40	50	10
USB US Equity	40	90	50	40	100	60	WBC AU Equity	60	100	40
WBC AU Equity	60	90	30	60	80	20	WFC US Equity	80	30	50
WFC US Equity	80	60	20	80	100	20				
	AVG=	26.47		AVG=	33.92			AVG=	31	

2008										
Bank	Σ	ROE	Diff.	Σ	ROA	Diff.	Bank	Σ	SR	Diff.
8306 JP Equity	30	60	30	30	60	30	8306 JP Equity	30	90	60
8355 JP Equity	20	40	20	20	60	40	8355 JP Equity	20	100	80
8411 JP Equity	70	60	10	70	40	30	8411 JP Equity	70	90	20
8601 JT Equity	80	50	30	80	50	30	8601 JT Equity	80	90	10
ACA FP Equity	70	40	30	70	30	40	ACA FP Equity	70	30	40
ALV GY Equity	30	30	0	30	20	10	ALV GY Equity	30	70	40
ANZ AU Equity	70	70	0	70	80	10	ANZ AU Equity	70	50	20
BAC US Equity	20	30	10	20	40	20	BAC US Equity	20	30	10
BARC LN Equity	90	80	10	90	50	40	BARC LN Equity	90	10	80
BBDC3 BZ Equity	90	100	10	90	100	10	BBDC3 BZ Equity	90	60	30
BBVA SM Equity	90	100	10	90	90	0	BBVA SM Equity	90	70	20
BES PL Equity	50	60	10	50	70	20	BES PL Equity	50	50	0
BK US Equity	10	50	40	10	70	60	BK US Equity	10	90	80
BMO CN Equity	40	70	30	40	70	30	BMO CN Equity	40	60	20
BNP FP Equity	100	60	40	100	40	60	BNP FP Equity	100	40	60
BNS CN Equity	60	90	30	60	80	20	BNS CN Equity	60	80	20
C US Equity	30	10	20	30	10	20	C US Equity	30	20	10
CBA AU Equity	40	100	60	40	100	60	CBA AU Equity	40	40	0
CBK GY Equity	60	30	30	60	30	30	CBK GY Equity	60	20	40
CM CN Equity	80	20	60	80	20	60	CM CN Equity	80	80	0
CSGN VX Equity	20	10	10	20	20	0	CSGN VX Equity	20	60	40
DANSKE DC Equity	60	30	30	60	30	30	DANSKE DC Equity	60	20	40
DBK GR Equity	100	20	80	100	30	70	DBK GR Equity	100	30	70
DBS SP Equity	10	70	60	10	90	80	DBS SP Equity	10	60	50
DEXB BB Equity	50	10	40	50	20	30	DEXB BB Equity	50	10	40
GLE FP Equity	100	50	50	100	40	60	GLE FP Equity	100	40	60
HBOS LN Equity	10	10	0	10	10	0	HSBA LN Equity	80	80	0
HSBA LN Equity	80	40	40	80	40	40	INGA NA Equity	80	20	60
INGA NA Equity	80	30	50	80	30	50	ITUB4 BZ Equity	60	80	20

<u>Bank</u>	<u>S</u>	<u>ROE</u>	<u>Diff.</u>	<u>S</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>S</u>	<u>SR</u>	<u>Diff.</u>
ITUB4 BZ Equity	60	100	40	60	100	40	JPM US Equity	20	100	80
JPM US Equity	20	40	20	20	50	30	KBC BB Equity	60	10	50
KBC BB Equity	60	20	40	60	10	50	KEY US Equity	10	40	30
KEY US Equity	10	20	10	10	10	0	KN FP Equity	70	10	60
KN FP Equity	70	20	50	70	20	50	NA CN Equity	40	70	30
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	30	50	20
NAB AU Equity	30	90	60	30	80	50	NDA SS Equity	30	50	20
NDA SS Equity	30	80	50	30	70	40	PNC US Equity	10	100	90
PNC US Equity	10	50	40	10	60	50	POH1S FH Equity	40	90	50
POH1S FH Equity	40	50	10	40	50	10	RBS LN Equity	100	10	90
RBS LN Equity	100	10	90	100	10	90	RY CN Equity	80	80	0
RY CN Equity	80	90	10	80	80	0	SAN SM Equity	50	60	10
SAN SM Equity	50	80	30	50	90	40	SEBA SS Equity	40	30	10
SEBA SS Equity	40	70	30	40	60	20	STAN LN Equity	60	40	20
STAN LN Equity	60	70	10	60	90	30	STT UN Equity	90	70	20
STT UN Equity	90	90	0	90	100	10	TD CN Equity	30	70	40
TD CN Equity	30	80	50	30	80	50	UBSN VX Equity	90	30	60
UBSN VX Equity	90	10	80	90	10	80	UCG IM Equity	60	20	40
UCG IM Equity	60	60	0	60	60	0	USB US Equity	10	100	90
USB US Equity	10	80	70	10	100	90	WBC AU Equity	40	60	20
WBC AU Equity	40	100	60	40	90	50	WFC US Equity	20	100	80
WFC US Equity	20	40	20	20	50	30				
	AVG=	32.55		AVG=	35.69			AVG=	39	

2009										
<u>Bank</u>	<u>S</u>	<u>ROE</u>	<u>Diff.</u>	<u>S</u>	<u>ROA</u>	<u>Diff.</u>	<u>Bank</u>	<u>S</u>	<u>SR</u>	<u>Diff.</u>
8306 JP Equity	10	30	20	10	30	20	8306 JP Equity	10	20	10
8355 JP Equity	20	40	20	20	40	20	8355 JP Equity	20	10	10
8411 JP Equity	60	10	50	60	20	40	8411 JP Equity	60	10	50
8601 JT Equity	100	20	80	100	20	80	8601 JT Equity	100	20	80
ACA FP Equity	80	40	40	80	40	40	ACA FP Equity	80	60	20
ALV GY Equity	60	80	20	60	70	10	ALV GY Equity	60	40	20
ANZ AU Equity	30	70	40	30	80	50	ANZ AU Equity	30	90	60
BAC US Equity	20	30	10	20	30	10	BAC US Equity	20	30	10
BARC LN Equity	100	100	0	100	70	30	BARC LN Equity	100	90	10
BBDC3 BZ Equity	100	100	0	100	100	0	BBDC3 BZ Equity	100	80	20
BBVA SM Equity	100	90	10	100	90	10	BBVA SM Equity	100	60	40
BES PL Equity	50	70	20	50	80	30	BES PL Equity	50	40	10
BK US Equity	20	20	0	20	10	10	BK US Equity	20	30	10
BMO CN Equity	30	60	30	30	60	30	BMO CN Equity	30	90	60
BNP FP Equity	90	70	20	90	50	40	BNP FP Equity	90	80	10
BNS CN Equity	40	100	60	40	80	40	BNS CN Equity	40	70	30
C US Equity	40	30	10	40	20	20	C US Equity	40	10	30
CBA AU Equity	70	90	20	70	100	30	CBA AU Equity	70	100	30
CBK GY Equity	60	10	50	60	10	50	CBK GY Equity	60	20	40
CM CN Equity	70	50	20	70	50	20	CM CN Equity	70	60	10
CSGN VX Equity	20	100	80	20	80	60	CSGN VX Equity	20	70	50
DANSKE DC Equity	60	40	20	60	40	20	DANSKE DC Equity	60	100	40

Bank	S	ROE	Diff.	S	ROA	Diff.	Bank	S	SR	Diff.
DBK GR Equity	100	90	10	100	50	50	DBK GR Equity	100	80	20
DBS SP Equity	10	60	50	10	100	90	DBS SP Equity	10	80	70
DEXB BB Equity	70	90	20	70	40	30	DEXB BB Equity	70	40	30
GLE FP Equity	90	40	50	90	40	50	GLE FP Equity	90	50	40
HBOS LN Equity	50	10	40	50	10	40	HSBA LN Equity	80	50	30
HSBA LN Equity	80	50	30	80	50	30	INGA NA Equity	80	40	40
INGA NA Equity	80	30	50	80	30	50	ITUB4 BZ Equity	30	90	60
ITUB4 BZ Equity	30	100	70	30	100	70	JPM US Equity	40	50	10
JPM US Equity	40	50	10	40	60	20	KBC BB Equity	60	50	10
KBC BB Equity	60	10	50	60	10	50	KEY US Equity	10	10	0
KEY US Equity	10	10	0	10	10	0	KN FP Equity	60	100	40
KN FP Equity	60	20	40	60	20	40	NA CN Equity	40	100	60
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	10	70	60
NAB AU Equity	10	50	40	10	60	50	NDA SS Equity	10	60	50
NDA SS Equity	10	70	60	10	60	50	PNC US Equity	10	40	30
PNC US Equity	10	70	60	10	90	80	POH1S FH Equity	70	30	40
POH1S FH Equity	70	60	10	70	70	0	RBS LN Equity	80	10	70
RBS LN Equity	80	20	60	80	20	60	RY CN Equity	80	80	0
RY CN Equity	80	80	0	80	60	20	SAN SM Equity	50	70	20
SAN SM Equity	50	80	30	50	100	50	SEBA SS Equity	50	50	0
SEBA SS Equity	50	30	20	50	30	20	STAN LN Equity	30	100	70
STAN LN Equity	30	80	50	30	90	60	STT UN Equity	90	30	60
STT UN Equity	90	10	80	90	10	80	TD CN Equity	70	70	0
TD CN Equity	70	50	20	70	70	0	UBSN VX Equity	90	30	60
UBSN VX Equity	90	20	70	90	30	60	UCG IM Equity	40	60	20
UCG IM Equity	40	40	0	40	50	10	USB US Equity	10	20	10
USB US Equity	10	60	50	10	90	80	WBC AU Equity	20	90	70
WBC AU Equity	20	80	60	20	90	70	WFC US Equity	50	20	30
WFC US Equity	50	60	10	50	80	30				
	AVG=		33.53		AVG=	37.84			AVG=	33

Table 8

Deciles Comparison of Governance Disclosure and Financial Performance for Banks in Sample in 2006-2009

2006										
Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
8306 JP Equity	40	20	20	40	20	20	8306 JP Equity	40	10	30
8355 JP Equity	30	10	20	30	10	20	8355 JP Equity	30	10	20
8411 JP Equity	60	100	40	60	10	50	8411 JP Equity	60	10	50
8601 JT Equity	50	60	10	50	70	20	8601 JT Equity	50	10	40
ACA FP Equity	80	20	60	80	10	70	ACA FP Equity	80	70	10
ALV GY Equity	20	30	10	20	40	20	ALV GY Equity	20	80	60
ANZ AU Equity	100	60	40	100	80	20	ANZ AU Equity	100	60	40
BAC US Equity	80	40	40	80	90	10	BAC US Equity	80	30	50
BARC LN Equity	100	90	10	100	20	80	BARC LN Equity	100	80	20

Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
BBDC3 BZ Equity	10	80	70	10	100	90	BBDC3 BZ Equity	10	90	80
BBVA SM Equity	40	90	50	40	80	40	BBVA SM Equity	40	80	40
BES PL Equity	10	20	10	10	50	40	BES PL Equity	10	90	80
BK US Equity	40	100	60	40	100	60	BK US Equity	40	50	10
BMO CN Equity	80	50	30	80	50	30	BMO CN Equity	80	10	70
BNP FP Equity	90	40	50	90	20	70	BNP FP Equity	90	80	10
BNS CN Equity	30	70	40	30	70	40	BNS CN Equity	30	20	10
C US Equity	40	50	10	40	90	50	C US Equity	40	30	10
CBA AU Equity	70	50	20	70	80	10	CBA AU Equity	70	50	20
CBK GY Equity	20	10	10	20	10	10	CBK GY Equity	20	50	30
CM CN Equity	10	100	90	10	50	40	CM CN Equity	10	60	50
CSGN VX Equity	70	100	30	70	50	20	CSGN VX Equity	70	70	0
DANSKE DC Equity	10	30	20	10	20	10	DANSKE DC Equity	10	60	50
DBK GR Equity	30	50	20	30	10	20	DBK GR Equity	30	90	60
DBS SP Equity	50	10	40	50	90	40	DBS SP Equity	50	100	50
DEXB BB Equity	50	40	10	50	20	30	DEXB BB Equity	50	40	10
GLE FP Equity	10	60	50	10	30	20	GLE FP Equity	10	90	80
HBOS LN Equity	20	70	50	20	30	10	HSBA LN Equity	90	20	70
HSBA LN Equity	90	30	60	90	60	30	INGA NA Equity	50	60	10
INGA NA Equity	50	70	20	50	30	20	ITUB4 BZ Equity	10	100	90
ITUB4 BZ Equity	10	80	70	10	100	90	JPM US Equity	80	40	40
JPM US Equity	80	10	70	80	80	0	KBC BB Equity	70	70	0
KBC BB Equity	70	70	0	70	70	0	KEY US Equity	50	30	20
KEY US Equity	50	20	30	50	80	30	KN FP Equity	70	100	30
KN FP Equity	70	10	60	70	10	60	NA CN Equity	40	20	20
NA CN Equity	40	60	20	40	40	0	NAB AU Equity	90	80	10
NAB AU Equity	90	50	40	90	50	40	NDA SS Equity	20	100	80
NDA SS Equity	20	80	60	20	60	40	PNC US Equity	50	30	20
PNC US Equity	50	100	50	50	100	50	POH1S FH Equity	60	40	20
POH1S FH Equity	60	10	50	60	40	20	RBS LN Equity	100	60	40
RBS LN Equity	100	30	70	100	40	60	RY CN Equity	20	40	20
RY CN Equity	20	80	60	20	60	40	SAN SM Equity	80	90	10
SAN SM Equity	80	40	40	80	60	20	SEBA SS Equity	30	100	70
SEBA SS Equity	30	70	40	30	30	0	STAN LN Equity	50	70	20
STAN LN Equity	50	30	20	50	60	10	STT UN Equity	100	40	60
STT UN Equity	100	40	60	100	70	30	TD CN Equity	60	20	40
TD CN Equity	60	90	30	60	90	30	UBSN VX Equity	90	50	40
UBSN VX Equity	90	90	0	90	30	60	UCG IM Equity	30	70	40
UCG IM Equity	30	20	10	30	40	10	USB US Equity	50	40	10
USB US Equity	50	90	40	50	100	50	WBC AU Equity	100	30	70
WBC AU Equity	100	80	20	100	70	30	WFC US Equity	80	20	60
WFC US Equity	80	60	20	80	90	10				
		AVG=	36.27		AVG=	32.75			AVG=	37.4

2007											
Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.	
8306 JP Equity	20	30	10	20	30	10	8306 JP Equity	20	20	0	
8355 JP Equity	30	10	20	30	20	10	8355 JP Equity	30	80	50	
8411 JP Equity	40	60	20	40	20	20	8411 JP Equity	40	10	30	
8601 JT Equity	60	20	40	60	40	20	8601 JT Equity	60	30	30	
ACA FP Equity	90	20	70	90	10	80	ACA FP Equity	90	20	70	
ALV GY Equity	10	60	50	10	50	40	ALV GY Equity	10	70	60	
ANZ AU Equity	70	90	20	70	90	20	ANZ AU Equity	70	70	0	
BAC US Equity	70	20	50	70	60	10	BAC US Equity	70	20	50	
BARC LN Equity	100	80	20	100	20	80	BARC LN Equity	100	20	80	
BBDC3 BZ Equity	10	100	90	10	100	90	BBDC3 BZ Equity	10	100	90	
BBVA SM Equity	60	100	40	60	90	30	BBVA SM Equity	60	60	0	
BES PL Equity	30	40	10	30	70	40	BES PL Equity	30	90	60	
BK US Equity	40	10	30	40	100	60	BK US Equity	40	90	50	
BMO CN Equity	60	40	20	60	40	20	BMO CN Equity	60	60	0	
BNP FP Equity	80	60	20	80	30	50	BNP FP Equity	80	60	20	
BNS CN Equity	10	90	80	10	80	70	BNS CN Equity	10	90	80	
C US Equity	40	10	30	40	10	30	C US Equity	40	10	30	
CBA AU Equity	50	80	30	50	90	40	CBA AU Equity	50	100	50	
CBK GY Equity	10	40	30	10	10	0	CBK GY Equity	10	70	60	
CM CN Equity	10	100	90	10	70	60	CM CN Equity	10	30	20	
CSGN VX Equity	50	60	10	50	40	10	CSGN VX Equity	50	40	10	
DANSKE DC Equity	10	50	40	10	30	20	DANSKE DC Equity	10	40	30	
DBK GR Equity	20	70	50	20	20	0	DBK GR Equity	20	60	40	
DBS SP Equity	40	30	10	40	90	50	DBS SP Equity	40	60	20	
DEXB BB Equity	50	50	0	50	20	30	DEXB BB Equity	50	40	10	
GLE FP Equity	20	10	10	20	10	10	GLE FP Equity	20	30	10	
HBOS LN Equity	50	70	20	50	40	10	HSBA LN Equity	90	50	40	
HSBA LN Equity	90	50	40	90	60	30	INGA NA Equity	50	40	10	
INGA NA Equity	50	90	40	50	50	0	ITUB4 BZ Equity	10	100	90	
ITUB4 BZ Equity	10	100	90	10	100	90	JPM US Equity	70	50	20	
JPM US Equity	70	40	30	70	80	10	KBC BB Equity	50	80	30	
KBC BB Equity	50	80	30	50	70	20	KEY US Equity	40	10	30	
KEY US Equity	40	30	10	40	70	30	KN FP Equity	30	10	20	
KN FP Equity	30	10	20	30	10	20	NA CN Equity	30	50	20	
NA CN Equity	30	30	0	30	30	0	NAB AU Equity	80	70	10	
NAB AU Equity	80	70	10	80	60	20	NDA SS Equity	30	70	40	
NDA SS Equity	30	80	50	30	50	20	PNC US Equity	40	40	0	
PNC US Equity	40	20	20	40	90	50	POH1S FH Equity	50	80	30	
POH1S FH Equity	50	20	30	50	50	0	RBS LN Equity	100	10	90	
RBS LN Equity	100	50	50	100	30	70	RY CN Equity	30	80	50	
RY CN Equity	30	100	70	30	60	30	SAN SM Equity	60	80	20	
SAN SM Equity	60	70	10	60	80	20	SEBA SS Equity	20	30	10	
SEBA SS Equity	20	70	50	20	40	20	STAN LN Equity	60	100	40	
STAN LN Equity	60	50	10	60	60	0	STT UN Equity	80	90	10	
STT UN Equity	80	40	40	80	80	0	TD CN Equity	90	90	0	
TD CN Equity	90	80	10	90	70	20	UBSN VX Equity	80	20	60	
UBSN VX Equity	80	10	70	80	10	70	UCG IM Equity	30	50	20	

Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
UCG IM Equity	30	30	0	30	50	20	USB US Equity	60	50	10
USB US Equity	60	90	30	60	100	40	WBC AU Equity	100	100	0
WBC AU Equity	100	90	10	100	80	20	WFC US Equity	40	30	10
WFC US Equity	40	60	20	40	100	60				
			AVG= 32.35			AVG= 30.78				AVG= 32.2

2008										
Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
8306 JP Equity	30	60	30	30	60	30	8306 JP Equity	30	90	60
8355 JP Equity	20	40	20	20	60	40	8355 JP Equity	20	100	80
8411 JP Equity	30	60	30	30	40	10	8411 JP Equity	30	90	60
8601 JT Equity	70	50	20	70	50	20	8601 JT Equity	70	90	20
ACA FP Equity	100	40	60	100	30	70	ACA FP Equity	100	30	70
ALV GY Equity	10	30	20	10	20	10	ALV GY Equity	10	70	60
ANZ AU Equity	70	70	0	70	80	10	ANZ AU Equity	70	50	20
BAC US Equity	40	30	10	40	40	0	BAC US Equity	40	30	10
BARC LN Equity	90	80	10	90	50	40	BARC LN Equity	90	10	80
BBDC3 BZ Equity	20	100	80	20	100	80	BBDC3 BZ Equity	20	60	40
BBVA SM Equity	60	100	40	60	90	30	BBVA SM Equity	60	70	10
BES PL Equity	30	60	30	30	70	40	BES PL Equity	30	50	20
BK US Equity	40	50	10	40	70	30	BK US Equity	40	90	50
BMO CN Equity	60	70	10	60	70	10	BMO CN Equity	60	60	0
BNP FP Equity	90	60	30	90	40	50	BNP FP Equity	90	40	50
BNS CN Equity	10	90	80	10	80	70	BNS CN Equity	10	80	70
C US Equity	70	10	60	70	10	60	C US Equity	70	20	50
CBA AU Equity	50	100	50	50	100	50	CBA AU Equity	50	40	10
CBK GY Equity	10	30	20	10	30	20	CBK GY Equity	10	20	10
CM CN Equity	10	20	10	10	20	10	CM CN Equity	10	80	70
CSGN VX Equity	50	10	40	50	20	30	CSGN VX Equity	50	60	10
DANSKE DC Equity	10	30	20	10	30	20	DANSKE DC Equity	10	20	10
DBK GR Equity	20	20	0	20	30	10	DBK GR Equity	20	30	10
DBS SP Equity	40	70	30	40	90	50	DBS SP Equity	40	60	20
DEXB BB Equity	70	10	60	70	20	50	DEXB BB Equity	70	10	60
GLE FP Equity	20	50	30	20	40	20	GLE FP Equity	20	40	20
HBOS LN Equity	10	10	0	10	10	0	HBOS LN Equity	80	80	0
HSBA LN Equity	80	40	40	80	40	40	INGA NA Equity	80	20	60
INGA NA Equity	80	30	50	80	30	50	ITUB4 BZ Equity	30	80	50
ITUB4 BZ Equity	30	100	70	30	100	70	JPM US Equity	60	100	40
JPM US Equity	60	40	20	60	50	10	KBC BB Equity	30	10	20
KBC BB Equity	30	20	10	30	10	20	KEY US Equity	40	40	0
KEY US Equity	40	20	20	40	10	30	KN FP Equity	30	10	20
KN FP Equity	30	20	10	30	20	10	NA CN Equity	40	70	30
NA CN Equity	40	90	50	40	70	30	NAB AU Equity	60	50	10
NAB AU Equity	60	90	30	60	80	20	NDA SS Equity	40	50	10
NDA SS Equity	40	80	40	40	70	30	PNC US Equity	40	100	60
PNC US Equity	40	50	10	40	60	20	POH1S FH Equity	50	90	40
POH1S FH Equity	50	50	0	50	50	0	RBS LN Equity	100	10	90
RBS LN Equity	100	10	90	100	10	90	RY CN Equity	10	80	70

Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.	
RY CN Equity	10	90	80	10	80	70	SAN SM Equity	70	60	10	
SAN SM Equity	70	80	10	70	90	20	SEBA SS Equity	20	30	10	
SEBA SS Equity	20	70	50	20	60	40	STAN LN Equity	60	40	20	
STAN LN Equity	60	70	10	60	90	30	STT UN Equity	80	70	10	
STT UN Equity	80	90	10	80	100	20	TD CN Equity	90	70	20	
TD CN Equity	90	80	10	90	80	10	UBSN VX Equity	80	30	50	
UBSN VX Equity	80	10	70	80	10	70	UCG IM Equity	30	20	10	
UCG IM Equity	30	60	30	30	60	30	USB US Equity	40	100	60	
USB US Equity	40	80	40	40	100	60	WBC AU Equity	100	60	40	
WBC AU Equity	100	100	0	100	90	10	WFC US Equity	40	100	60	
WFC US Equity	40	40	0	40	50	10					
AVG=			30.39	AVG=			32.35	AVG=			35

2009										
Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
8306 JP Equity	10	30	20	10	30	20	8306 JP Equity	10	20	10
8355 JP Equity	30	40	10	30	40	10	8355 JP Equity	30	10	20
8411 JP Equity	80	10	70	80	20	60	8411 JP Equity	80	10	70
8601 JT Equity	80	20	60	80	20	60	8601 JT Equity	80	20	60
ACA FP Equity	90	40	50	90	40	50	ACA FP Equity	90	60	30
ALV GY Equity	20	80	60	20	70	50	ALV GY Equity	20	40	20
ANZ AU Equity	60	70	10	60	80	20	ANZ AU Equity	60	90	30
BAC US Equity	60	30	30	60	30	30	BAC US Equity	60	30	30
BARC LN Equity	100	100	0	100	70	30	BARC LN Equity	100	90	10
BBDC3 BZ Equity	10	100	90	10	100	90	BBDC3 BZ Equity	10	80	70
BBVA SM Equity	50	90	40	50	90	40	BBVA SM Equity	50	60	10
BES PL Equity	40	70	30	40	80	40	BES PL Equity	40	40	0
BK US Equity	90	20	70	90	10	80	BK US Equity	90	30	60
BMO CN Equity	60	60	0	60	60	0	BMO CN Equity	60	90	30
BNP FP Equity	90	70	20	90	50	40	BNP FP Equity	90	80	10
BNS CN Equity	20	100	80	20	80	60	BNS CN Equity	20	70	50
C US Equity	80	30	50	80	20	60	C US Equity	80	10	70
CBA AU Equity	90	90	0	90	100	10	CBA AU Equity	90	100	10
CBK GY Equity	20	10	10	20	10	10	CBK GY Equity	20	20	0
CM CN Equity	10	50	40	10	50	40	CM CN Equity	10	60	50
CSGN VX Equity	50	100	50	50	80	30	CSGN VX Equity	50	70	20
DANSKE DC Equity	10	40	30	10	40	30	DANSKE DC Equity	10	100	90
DBK GR Equity	30	90	60	30	50	20	DBK GR Equity	30	80	50
DBS SP Equity	40	60	20	40	100	60	DBS SP Equity	40	80	40
DEXB BB Equity	70	90	20	70	40	30	DEXB BB Equity	70	40	30
GLE FP Equity	10	40	30	10	40	30	GLE FP Equity	10	50	40
HBOS LN Equity	30	10	20	30	10	20	HSBA LN Equity	70	50	20
HSBA LN Equity	70	50	20	70	50	20	INGA NA Equity	100	40	60
INGA NA Equity	100	30	70	100	30	70	ITUB4 BZ Equity	10	90	80
ITUB4 BZ Equity	10	100	90	10	100	90	JPM US Equity	90	50	40
JPM US Equity	90	50	40	90	60	30	KBC BB Equity	40	50	10
KBC BB Equity	40	10	30	40	10	30	KEY US Equity	40	10	30

Bank	G	ROE	Diff.	G	ROA	Diff.	Bank	G	SR	Diff.
KEY US Equity	40	10	30	40	10	30	KN FP Equity	80	100	20
KN FP Equity	80	20	60	80	20	60	NA CN Equity	30	100	70
NA CN Equity	30	90	60	30	70	40	NAB AU Equity	70	70	0
NAB AU Equity	70	50	20	70	60	10	NDA SS Equity	80	60	20
NDA SS Equity	80	70	10	80	60	20	PNC US Equity	40	40	0
PNC US Equity	40	70	30	40	90	50	POH1S FH Equity	50	30	20
POH1S FH Equity	50	60	10	50	70	20	RBS LN Equity	100	10	90
RBS LN Equity	100	20	80	100	20	80	RY CN Equity	20	80	60
RY CN Equity	20	80	60	20	60	40	SAN SM Equity	80	70	10
SAN SM Equity	80	80	0	80	100	20	SEBA SS Equity	20	50	30
SEBA SS Equity	20	30	10	20	30	10	STAN LN Equity	60	100	40
STAN LN Equity	60	80	20	60	90	30	STT UN Equity	100	30	70
STT UN Equity	100	10	90	100	10	90	TD CN Equity	60	70	10
TD CN Equity	60	50	10	60	70	10	UBSN VX Equity	90	30	60
UBSN VX Equity	90	20	70	90	30	60	UCG IM Equity	30	60	30
UCG IM Equity	30	40	10	30	50	20	USB US Equity	50	20	30
USB US Equity	50	60	10	50	90	40	WBC AU Equity	100	90	10
WBC AU Equity	100	80	20	100	90	10	WFC US Equity	50	20	30
WFC US Equity	50	60	10	50	80	30				
		AVG=	35.88			AVG=			AVG=	35

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