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ESG, Derivatives and Islamic Financial Sustainability

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Abstract

Sustainability is a pressing urgency for both current and future generations. To stimulate long-term environmental, social and governance (ESG) balances, it is essential to avoid hurting the environment or depleting natural resources. Additionally, effective transition to a more sustainable economic system such as in clean energy and reducing pollution is pertinent in achieving the objectives of SDGs. At the corporate level, a firm's ability to withstand economic, political and social challenges is dependent on their ability to properly manage ecological, governance and business risks. In line with this narrative, this study examines ESG and financial sustainability from the perspective of risk management. A sample of Shari'ah compliant firms in Malaysia is utilized to provide evidence on the consequence of risk management to support financial sustainability and value creation of firms. © 2024 selection and editorial matter, Mohd Ma'Sum Billah, Rusni Hassan, Razali Haron and Nor Razinah Mohd Zain; individual chapters, the contributors.

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