

Anti-corruption Disclosures Reporting Practices for Achieving Good Governance: Evidence from Bangladesh

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Abstract

Purpose

Anti-corruption disclosure (ACD) is increasingly important for evaluating how firms demonstrate openness, integrity, and responsibility to stakeholders and society in their efforts to combat this widespread issue. Accordingly, the study's objective is to examine the level and extent of ACD reporting practices in the corporate annual reports of companies operating in the banking, cement, and ceramic industries listed on the Dhaka Stock Exchange (DSE), Bangladesh. Additionally, this study aims to determine the impact of the companies' ACD reporting practices on their financial performance.

Materials and Methods

The authors purposefully selected thirty-six banks from the banking industry, seven companies from the cement industry, and five from the ceramic industry to complete this study. The contents and thematic analysis have been used in this study. The authors developed the "Anti-corruption Disclosures Index as per Global Reporting Initiatives (ACDIGRI)." It is divided into three main sections: "Operations Assessed for Corruption Risks," "Communications and Training about Anti-Corruption Policies and Procedures," and "Confirmed Corruption Incidents and Actions Taken." Together, these three parts make up eleven items. A regression model has been used to measure the association between the volume of anti-corruption disclosure reporting practices and the companies' financial performance.

Findings

The results of the study revealed that the firms in Bangladesh do not comply with international norms for ACD reporting practices. However, there is no specific guideline for doing so. As a result, there are noticeable differences in the caliber and volume of reports among various organizations. Additionally, research revealed a positive correlation between the volume and extent of corporate ACD practices and firms' financial performance, albeit not statistically significant. Although corporate ACD reporting processes have greatly improved internationally, the primary factor contributing to Bangladesh's deficiency in these practices is the lack of a legislative framework governing them. Consequently, organizations are making preparations in accordance with their level of willingness.

Implication

The study's findings proposed an ACD reporting framework for concerned authorities and policymakers to enhance good governance, accountability, and transparency, as these are regarded as fundamental issues for achieving the Sustainable Development Goals (SDGs) in a timely manner.

Keywords: Anti-corruption disclosure, good governance, transparency, firm performance

DOI: 10.7176/RJFA/16-7-02

Publication date: August 31st 2025

1. Introduction

People widely recognize corruption as a significant issue, especially in developing countries like Bangladesh. It is considered a major factor that obstructs economic growth and poses a significant hindrance to achieving sustainable development (Aldaz Odriozola and Alvarez Etxeberria, 2021; Masud et al., 2022). Corruption exerts a detrimental influence on investment, economic development, productivity, growth potential, and financial, social, and environmental performance. Research demonstrates that corruption significantly hinders the implementation of sustainable development initiatives and the achievement of the SDGs proclaimed by the United Nations. Therefore, the International Monetary Fund (IMF), the World Bank, and Transparency International (TI) collaborate to address corruption at both the national and company levels (Aidt, 2011; Ajie and Wokekoro, 2012; Chang and Hao, 2017).

Recently, there has been a suggestion to elevate Bangladesh, Nepal, and the Lao People's Democratic Republic from the status of least developed to emerging countries. This suggestion is predicated on meeting the three essential requirements for leaving the LDC category (Uddin et al., 2022; UN, 2021; CDP, 2021). Bangladesh has made significant strides in socioeconomic development, particularly in the areas of notable macroeconomic

leaders, continuous GDP growth, per capita income growth, poverty alleviation, continued overseas employment and remittances, power generation development, self-sufficiency in food production and food safety, significant poverty eradication, reduction of inequality, national savings enrichment, advancement of the social safety network, increased access to education, gender justice, increased access to pure drinking water, revolutionary changes in communication technology, information technology, high tech park, a revolution in mobile banking, internet expansion, and e-governance, among other areas (Uddin et al., 2022, Uddin et al., 2024).

Bangladesh's development progress has been examined alongside that of Hong Kong, Singapore, South Korea, and Taiwan by several development partners and institutions, including the World Bank, IMF, ADB, the United Nations, and JICA. Bangladesh has been called Asia's emerging tiger (Khondker, 2021; Haque, 2011). Bangladesh's economy has effectively transitioned from a condition of severe poverty to one of rapid growth and prosperity during the last fifty years (Barai, 2020; Uddin et al., 2024). Bangladesh had the 10th lowest per capita GDP in 1972 and was one of the five countries with the lowest per capita income. Because of its stable macroeconomic circumstances, strong ready-made clothing exports, and demographic dividend, Bangladesh's economy is now expanding at the fastest rate.

At the same time, Bangladesh has faced criticism for its increasing corruption, poor governance, limited accountability, and lack of transparency. Although Bangladesh has made significant progress over the past decades, the widespread corruption that hinders accountability and transparency continues to raise concerns and draw criticism. Bangladesh aims to achieve the SDGs by 2030 after successfully completing the MDGs. However, corruption often hampers progress toward the SDGs. Organizations in industrialized countries frequently provide more information about anti-corruption efforts.

1.1. Anti-Corruption Disclosure

The economic and societal ramifications of corruption are extensive. Corruption has a significant impact on many aspects of modern life. According to research, corruption negatively affects economic development, investment, productivity, and the caliber of public institutions. The limited effectiveness of anti-corruption initiatives demonstrates the value of developing a more thorough understanding of corruption and researching effective methods for controlling it. There are no easy answers when it comes to dealing with corruption. Since the effectiveness of corporate reporting procedures is crucial in discouraging fraudulent activity, ESG disclosure may help combat corruption. Investors, shareholders, government agencies, and regulators all benefit from ESG disclosure. Public opinion and the community strongly associate the need for a sustainability report with its legitimacy and openness. Bribery and anti-corruption measures were almost nonexistent in the organizations under investigation, according to two well-known sustainability reports, one released by Transparency International in 2009 and the other by KPMG in 2005. Companies say they fight bribery and corruption, but they don't explain how (Previtali and Cerchiello, 2023).

Every country must combat corruption. SDG Target 16 asserts that ACDs serve as a valuable tool in preventing corruption, as they demonstrate a company's commitment to combating it. The disclosure helps managers convey their direct responsibility to stakeholders and society, increases public awareness, and enhances corporate accountability. The disclosure improves thorough risk evaluations and an efficient anti-corruption approach. Investors need narrative reports to assess the company since nonfinancial data is more difficult to distort than financial data. Anti-corruption disclosure enhances the company's reputation and image (Utami and Barokah, 2024).

Under the social category of its sustainability reporting framework, the Global Reporting Initiative (GRI) incorporates measures to prevent corruption. According to the 2014 standards, anti-corruption policies and procedures that are created from the organization's training program should be included in the sustainability report, as should the total number of activities used to evaluate the risks associated with corruption. Organizations are required to disclose cases of corruption and the actions involved. Sustainability reporting standards often incorporate the three pillars of economic, environmental, and social considerations. This research provides a comprehensive analysis of an organization's economic, social, and environmental impacts. Strong corporate governance is given top priority in the standards to reduce the danger of money laundering, corruption, and financial statement fraud. Efficient corporate governance may lessen such immoral actions (Issa and Alleyne, 2018). Businesses are under increasing pressure to make their anti-corruption initiatives public.

Accordingly, the following questions are raised:

- i. What is the current state of corporate ACD reporting procedures among the DSE-listed firms?
- ii. What effect does the level of corporate ACD reporting procedures have on firms' financial performance?
- iii. What are the reasons for the subpar performance, if any, of corporate ACD in Bangladesh?
- iv. What tactics could we employ to improve the current situation?

2. Literature Review and Hypotheses Development

2.1. Corporate Anti-Corruption Disclosure in Global Aspect

The level of anti-corruption openness in yearly reports that exhibit organizational commitment was assessed by Joseph et al. (2016). The forty items in the index are taken from papers and publications published by different organizations. Annual reports, CSR and sustainability reports, literature, and GRI reporting indicators were used to gather the study's input data. Thirty-four candidates were chosen from the Indonesia Sustainability Reporting Award, and twenty-four were chosen from the ACCA Malaysia Sustainability Reporting Awards (MaSRA). Information on the anti-corruption procedures (ACP) of both nations is still in its infancy. The results of the study showed that whistleblower procedures and anti-corruption laws were the topics most often brought up. Sari et al. (2021) investigated if pressure has an impact on anti-corruption reporting by ASEAN companies. Sari et al. (2021) assessed the anti-corruption statements of 117 companies using metrics from the Global Reporting Initiative version 4.0. The average anti-corruption disclosures in the Philippines (149 words) and Thailand (434 words) vary greatly. Although international organizations have sought to combat corruption, the four governments under study disclose anti-spoiling in various ways, and membership in the UN Global Compact has little impact on anti-corruption reporting. Such an outcome implies that a company's anti-corruption disclosure is not assured by participation in the worldwide initiative. The four jurisdictions under examination reveal anti-spoiling in diverse ways, despite the efforts of international organizations to combat corruption. Issa and Alleyne (2018) assessed the anti-corruption transparency of Gulf sustainability reports. This research uses a common approach to examine corporate sustainability reporting. In 2014, the study examined 66 GCC businesses. The region's anti-corruption revelations have not increased enough, according to the poll. Whistleblower information is reportedly lower than the region's behavior rules. Companies in the United Arab Emirates and Qatar provide more thorough reports on their internal anti-corruption initiatives. Gunawan and Joseph (2017) investigated the anti-corruption tactics of Indonesian CSR winners using institutional theory. This research illustrated how normative and mimetic isomorphism affect an organization's anti-corruption measures. If CSR best practices prioritize anti-corruption measures, we will gain a deeper understanding of their necessity. The company's credibility and dependability would increase. Anti-corruption practices are used by Indonesian CSR-based businesses in all aspects of their business operations, not simply charitable giving, sponsorship, donations, and community involvement.

2.2. Impacts of Anti-Corruption Disclosure on Firms Performance

Research by Nobanee et al. (2020) looked at the relationship between the disclosure of anti-corruption measures and the financial performance of conventional and Islamic institutions that are publicly listed on the Abu Dhabi Securities Exchange and Dubai Financial Market. Both conventional and Islamic institutions have insufficient anti-corruption disclosure, according to the report. There is no statistically significant difference between conventional and Islamic institutions' levels of anti-corruption disclosure. Anti-corruption disclosure hurts all institutions, not just conventional ones, according to two-step GMM modeling applied to dynamic panel data. Nonetheless, the examination of dynamic panel data indicates that Islamic institutions are not substantially impacted by anti-corruption disclosure. Faisal et al. (2022) investigated the content and variables affecting corporate social responsibility (CSR)-related anti-corruption disclosures (ACDs) in publicly traded Indonesian companies. In their study, they drew on ideas of legitimacy and institutions. The results showed that, at 44.9%, the level of openness about anti-corruption initiatives is somewhat acceptable. Whistleblowing reports are the most prevalent. ACD is significantly impacted by a company's size and the industry to which it belongs. Surprisingly, the findings suggest that ACD is negatively impacted by government ownership. The effect of anti-corruption disclosure on the financial stability and profitability of African extractive industries was examined by Asare et al. in 2021. It also evaluates how profitability and financial stability converge. According to empirical research, firms' financial stability is adversely affected when corruption is disclosed. The main factors contributing to the loss in financial stability are the disclosures of corruption analysis and training. The effect on profitability is minimal unless a corruption reaction is revealed, which also leads to a decline in profitability. Strong statistical evidence suggests that the financial stability and profitability of extractive industries tend to converge. The scope of anti-corruption information disclosure (AAID) and its relationship to the performance of government-linked corporations (GLCs) in Malaysia between 2015 and 2017 were investigated by Adnan et al. (2022). AAID is defined in this study using components of policy, organization, reporting, and risk assessment; corporate success is shown by return on assets (ROA) and sales growth (ROS). The results show that AAID significantly affected the ROA but had no discernible effect on the ROS. Additionally, the incidence of AAID among Malaysian government-linked enterprises (GLCs) was rather high, indicating that GLCs in the country do not disclose AAID information in an open manner.

2.3. Corporate Anti-Corruption Disclosure Practices in Bangladesh

Masud et al. (2022) examined the many factors that motivate anti-corruption disclosure (ACD) in businesses in a low-corruption nation. This research analyzes anti-corruption disclosure using an institutional and legitimacy

theoretical framework. The authors gathered 97 distinct keywords related to ACD. The regression study reveals that CSR, PCSR, financial constraints, globalization of reporting, and media presence positively influence firm-level aberrant cash flows (ACD). Cash holdings exhibit statistically significant and negative correlations. From the standpoint of a developing country, this research provides new statistics on CSR spending, philanthropic CSR, financial reserves, and media exposure. Mazumder (2024) measured the anti-corruption disclosure (ACD) of Bangladeshi banks as a crucial sign of their dedication to fighting corruption. The report asserts that board members play a crucial role in fostering corporate openness and accountability. ACD rose steadily between 2014 and 2022. More female directors with ACD are associated with larger boards. According to the report, to greatly improve gender diversity on the board and ACD, there should be at least three female directors. It's unclear how board independence and ACD are related.

The impact of financial management accountability and corporate corruption responsibility (CCR) on corruption control was examined by Masud et al. in 2024. According to the hierarchical regression analysis, financial firms that follow Sharia law have a significant and negative relationship with CCR, while the Big Four have a positive and significant relationship. Additionally, the total impact of the Big 4 on the correlation between Sharia principles and CCR is statistically insignificant and negative. According to the findings, compared to traditional financial institutions, Islamic financial companies in Bangladesh provide less information on corruption.

2.4. Hypothesis Development

The link between ACD and the financial performance of conventional and Islamic institutions listed on the Abu Dhabi Securities Exchange and Dubai Financial Market was examined by Nobanee et al. (2020). All banks, including conventional and Islamic banks, have inadequate anti-corruption disclosure, according to the report. There is no statistically significant difference in anti-corruption disclosure between Islamic and conventional banks. The two-step GMM modeling and dynamic panel data analysis show that anti-corruption disclosure hurts all banks, even conventional ones. However, a dynamic panel data study reveals that anti-corruption disclosure does not significantly impact Islamic banks. The content and factors influencing CSR-related anti-corruption disclosures (ACDs) in publicly traded Indonesian companies were assessed by Faisal et al. in 2022. Institutional and legitimacy theories served as the study's compass. The level of anti-corruption transparency was good at 44.9%. Reports from whistleblowers predominate. ACD is influenced by industry and company size. ACD is surprisingly badly impacted by government ownership. Asare et al. (2021) investigated the impact of anti-corruption disclosure on the financial stability and profitability of African extractive industries. They also evaluate how financial stability and profitability converge. Profitability is negligible until the discovery of the corruption reaction reduces it. Financial stability and profitability are correlated in extractive industries, according to statistics. Adnan et al. (2022) assessed the effectiveness of Malaysian government-linked businesses (GLCs) in terms of anti-corruption information disclosure (AAID) between 2015 and 2017. This research demonstrates how sales growth (ROS) and return on assets (ROA) indicate company performance and defines AAID utilizing policy, structure, reporting, and risk assessment. ROA was significantly impacted by AAID, but not ROS. Furthermore, a significant prevalence of AAID was seen in Malaysian government-linked businesses (GLCs), indicating a lack of openness in AAID reports. Accordingly, this study proposes the following hypothesis:

H₁: Corporate anti-corruption disclosure reporting practices have a positive impact on EPS, NAPS, PCO, and TCI.

Corporate ACD has gained significant global popularity, prompting researchers worldwide to conduct extensive studies on its status, factors influencing it, and its impact on an organization's financial progress. Bangladesh has taken steps to tackle ACD, albeit limited to banks and financial institutions. Consequently, it is essential to ascertain the current state of ACD in Bangladesh on a significant scale. Thus, the objective of this study is to examine the ACD that companies in Bangladesh include in their annual reports. By guaranteeing transparency and accountability, especially in developing nations, the objective is to advance beneficial government.

- i. Identify the status, level, and degree to extent corporate ACD reporting practices of the companies listed on the Dhaka Stock Exchange (DSE) in their annual reports.
- ii. Detecting the impact of the degree of corporate ACD reporting practices on firms' financial performances.
- iii. Ascertain the reasons for the poor (if any) performance of corporate ACD reporting practices.

3. Materials and Methods

3.1. Data Set

Data from the corporate annual reports of companies listed on the Dhaka Stock Exchange (DSE) throughout the last ten years, from 2014–2015 to 2023–2024, was manually produced by the researcher. The firm's corporate annual reports were subjected to content analysis in this research. If the company appropriately discloses and records the pre-developed indexed items, they obtain a score of 1; if not, they receive a score of 0. The overall

percentage of anti-corruption disclosures falls between 0% and 100%. A score of 100% indicated that all anti-corruption disclosures were present, whilst a score of 0% indicated that none were.

3.2. Development of Anti-corruption Disclosures Index as per GRI (ACDIGRI)

The researchers developed the "Anti-corruption Disclosures Index as Per GRI (ACDIGRI)" based on Global Reporting Initiatives (GRI) and existing literature. The researchers divided the ACDIGRI into three primary sections: "operations assessed for corruption risks," "communications and training about anti-corruption policies and procedures," and "confirmed incidents of corruption and actions taken." When taken together, these three components comprise eleven items.

Table 1: Anti-corruption Disclosures Index as Per GRI (ACDIGRI)

A. Operations Assessed for Risks Related to Corruption		
A₁	The overall quantity and proportion of activities are analyzed for any risks associated with corruption.	
A₂	The risk assessment found significant risks associated with corruption.	
B. Communications and Training about Anti-corruption Policies and Procedures		
B₁	The overall number and proportion of governing body members, broken down by region, have been informed about the organization's anti-corruption policies and procedures.	
B₂	By area and employee type, the company has informed the total number and percentage of workers about its anti-corruption policies and processes.	
B₃	The overall number and percentage of business partners, broken down by area and business partner type, have been informed about the organization's anti-corruption policies and processes. Indicate whether any additional organizations or people have been informed about the organization's anti-corruption policies and processes.	
B₄	The overall number and proportion of governing body members who have received anti-corruption training are broken down by region in the report.	
B₅	The overall count and proportion of staff members who have undergone anti-corruption training, broken down by employee type and geographic area.	
C. Confirmed incidents of corruption and actions taken		
C₁	The total quantity and kind of confirmed corruption cases have been determined.	
C₂	The overall count of confirmed instances when workers were reprimanded or fired for corruption.	
C₃	The total number of verified cases in which contracts with business partners were terminated or not renewed as a result of corruption-related infractions	
C₄	Public legal lawsuits pertaining to corruption were brought against the organization or its personnel throughout the reporting period.	

Source: Developed by Researcher

3.3. Firm's Financial Indicator Parameters

The firm's financial indicator parameters were return on assets (ROA), return on equity (ROE), earnings per share (EPS), and dividend per share (DPS) in order to assess the link between the volume of ACD reporting methods and the firm's financial performance.

Table 2: Firm's Financial Indicator Parameters

Parameters	Descriptions	Reporting
Earnings Per Share (EPS)	How much money do companies provide their shareholders in exchange for their shares	In Tk.
Net Asset Value Per Share (NAPS)	By dividing a fund's total assets (after subtracting liabilities) by the number of shares in circulation, we may get the net asset value per share, or NAVPS.	In Tk.
Profit from Continuing Operations (PCO)	Income from continuing operations is the net profit or loss from a company's main business operations, less any profit from discontinued operations.	(million)
Total Comprehensive Income (TCI)	The net income (or loss) is added to any other comprehensive income (or loss) to get the total comprehensive income.	In Tk. (million)

3.4. Literature Search

To determine the current state, extent, and degree of ACD reporting practices for companies in their annual reports, the researcher conducted a literature search using general keywords in the Business Solution Ultimate, Science Direct, and Scopus databases.

3.5. Sample selection

We will conduct the research using a sample of 36 financial sector companies currently listed on the Dhaka Stock

Exchange (DSE) as of June 2024. The study population included the corporate annual reports of all thirty-six institutions.

3.5.1. Banks

Table 3: Name of the selected banks with DSE identification

Sl. No.	Name of the Bank	DSE Identification
1.	AB Bank PLC.	ABBL
2.	Al-Arafah Islami Bank PLC.	ALARABANK
3.	Bank Asia PLC.	BANKASIA
4.	BRAC Bank PLC.	BRACBANK
5.	The City Bank PLC.	CITYBANK
6.	Dhaka Bank PLC.	DHAKABANK
7.	Dutch-Bangla Bank PLC.	DUTCHBANGL
8.	Eastern Bank PLC.	EBL
9.	Export Import Bank of Bangladesh Ltd.	EXIMBANK
10.	First Security Islami Bank PLC.	FIRSTSBANK
11.	Global Islami Bank PLC.	GIB
12.	ICB Islamic Bank Limited	ICBIBANK
13.	IFIC Bank PLC.	IFIC
14.	Islami Bank Bangladesh PLC.	ISLAMIBANK
15.	Jamuna Bank PLC.	JAMUNABANK
16.	Mercantile Bank PLC.	MERCANBANK
17.	Midland Bank Limited	MIDLANDBNK
18.	Mutual Trust Bank PLC.	MTB
19.	National Bank Ltd.	NBL
20.	National Credit and Commerce Bank PLC.	NCCBANK
21.	NRB Bank Limited	NRBCBANK
22.	NRBC Bank PLC.	NRBCBANK
23.	One Bank PLC.	ONEBANKLTD
24.	Premier Bank PLC.	PREMIERBAN
25.	Prime Bank PLC.	PRIMEBANK
26.	Pubali Bank PLC.	PUBALIBANK
27.	Rupali Bank PLC.	RUPALIBANK
28.	South Bangla Agriculture & Commerce Bank PLC.	SBACBANK
29.	Shahjalal Islami Bank PLC.	SHAHJABANK
30.	Social Islami Bank PLC.	SIBL
31.	Southeast Bank PLC.	SOUTHEASTB
32.	Standard Bank PLC.	STANDBANKL
33.	Trust Bank Limited	TRUSTBANK
34.	United Commercial Bank PLC.	UCB
35.	Union Bank PLC.	UNIONBANK
36.	Uttara Bank PLC.	UTTARABANK

Source: Dhaka Stock Exchange (DSE)

3.5.2. Cement Sector

Table 4: Name of the companies from Cement Sector

Sl. No.	Name of the Cement Companies	DSE Identification
1.	Aramit Cement Limited	ARAMITCEM
2.	Confidence Cement Ltd.	CONFIDCEM
3.	Crown Cement PLC	CROWNCEMNT
4.	Heidelberg Cement Bangladesh Ltd.	HEIDELBCEM
5.	LafargeHolcim Bangladesh Limited	LHBL
6.	Meghna Cement Mills Ltd.	MEGHNACEM
7.	Premier Cement Mills PLC	PREMIERCEM

Source: Dhaka Stock Exchange (DSE)

3.5.3. Ceramic Sectors

Table 5: Name of the companies from Ceramic Sector

Sl. No.	Name of the Ceramic Companies	DSE Identification
1.	Fu-Wang Ceramic Industries Ltd.	FUWANGCER
2.	Monno Ceramic Industries Ltd.	MONNOCERA
3.	RAK Ceramics (Bangladesh) Limited	RAKCERAMIC
4.	Shinepukur Ceramics Limited	SPCERAMICS
5.	Standard Ceramic Industries Ltd.	STANCERAM

Source: Dhaka Stock Exchange (DSE)

3.6. Model Development

$$EPS = \beta_0 + \beta_1 \text{CACDRP}_1 + e_0$$

$$\text{NAPS} = \beta_0 + \beta_1 \text{CACDRP}_1 + e_0$$

$$\text{PCO} = \beta_0 + \beta_1 \text{CACDRP}_1 + e_0$$

$$\text{TCI} = \beta_0 + \beta_1 \text{CACDRP}_1 + e_0$$

Where,

CCAP = Corporate Anti-Corruption Disclosure Reporting Practices

EPS = Earnings per Share

NAPS = Net Asset Value Per Share

PCO = Profit from Continuing Operations

TCI = Total Comprehensive Income

e_0 = Error terms

4. Analysis and Discussion

4.1. Performance of Banks on Corporate ACD Practices

Table 6: Performance of Banks on Corporate ACD Practices

Sl. No.	Banks with DSE Identification	Performance in %
1.	ABBL	9.09
2.	ALARABANK	0
3.	BANKASIA	9.09
4.	BRACBANK	18.18
5.	CITYBANK	9.09
6.	DHAKABANK	9.09
7.	DUTCHBANGL	9.09
8.	EBL	18.18
9.	EXIMBANK	9.090
10.	FIRSTSBANK	0
11.	GIB	0
12.	ICBIBANK	0
13.	IFIC	9.09
14.	ISLAMIBANK	9.09
15.	JAMUNABANK	9.09
16.	MERCANBANK	9.09
17.	MIDLANDBNK	18.18
18.	MTB	45.45
19.	NBL	0
20.	NCCBANK	9.09
21.	NRBCBANK	9.09
22.	NRBCBANK	9.09
23.	ONEBANKLTD	9.09
24.	PREMIERBAN	9.09
25.	PRIMEBANK	18.18
26.	PUBALIBANK	18.18
27.	RUPALIBANK	27.27
28.	SBACBANK	18.18
29.	SHAHJABANK	18.18
30.	SIBL	27.27

Sl. No.	Banks with DSE Identification	Performance in %
31.	SOUTHEASTB	45.45
32.	STANDBANKL	45.45
33.	TRUSTBANK	27.27
34.	UCB	18.18
35.	UNIONBANK	18.18
36.	UTTARABANK	18.18

Source: Study Findings

The ACD performance of Banks listed on the DSE is shown in Table 6. It indicates that the banks' overall performance is disappointing, with values ranging from 0 to 45.45. In addition, 15 banks only received 09.09, which are also below the acceptable standard, and five of them score zero points, demonstrating the complete ignorance of ACD reporting in the annual reports. The highest rate in this category is 45.45, which is only reached by three institutions.

4.2. Performance of Cement Industry on Corporate ACD Practices

Table 7: Performance of Cement Industry on Corporate ACD Practices

Sl. No.	Cement Companies with DSE Identification	Performance (%)
1.	ARAMITCEM	0
2.	CONFIDCEM	0
3.	CROWNCEMNT	0
4.	HEIDELBCEM	18.18
5.	LHBL	0
6.	MEGHNACEM	9.09
7.	PREMIERCEM	9.09

Source: Study Findings

Table 7 displays the ACD performance of the cement industry listed on the DSE. With numbers ranging from 0 to 18.18, it shows that the cement industry's overall performance is poor. Furthermore, four cement businesses scored zero, indicating a total lack of knowledge regarding ACD reporting in the annual reports, while four other companies only obtained zero, which is also below the required norm. Only one organization has achieved the highest rating in this category, 18.18.

4.3. Performance of Ceramic Industry on Corporate ACD Practice

Table 8: Performance of Ceramic Industry on Corporate ACD Practice

Sl. No.	Ceramic Companies with DSE Identification	Performance (%)
1.	FUWANGCER	9.09
2.	MONNOCERA	9.09
3.	RAKCERAMIC	9.09
4.	SPCERAMICS	9.09
5.	STANCERAM	0

Source: Study Findings

Table 8 displays the ACD performance of the DSE-listed ceramics industry. It demonstrates how poorly the ceramics sector is doing overall. Additionally, the combined score of 09.09 for all ceramic enterprises showed a complete lack of knowledge of ACD reporting in the annual reports.

4.4. Result of Hypotheses Test

4.4.1. Descriptive Statistics

Table 8. Descriptive Statistics

Variable	Obs	Mean	Std. Dev.	Min	Max
CACDRP	48	14.394	16.004	0	90.909
EPS	48	1.483	4.757	-19.03	8.14
NAPS	48	27.16	19.155	-18.51	80.29
PCO	48	2112.274	1987.344	-842.28	6167
TCI	48	2110.01	1989.549	-842.28	6167

"CACDRP": The mean for ACD is 14.394 with a standard deviation of 16.004. The minimum value is 0 and the maximum value is 90.909. "EPS": The mean for eps is 1.483 with a standard deviation of 4.757. The minimum value is -19.03 and the maximum value is 8.14. "NAPS": The mean of naps is 27.16 with a standard deviation of 19.155. The minimum value is -18.51 and the maximum value is 80.29. "PCO": The mean is 2112.274 with a standard deviation of 1987.344. The minimum value is -842.28 and the maximum value is 6167. "TCI": The mean

is 2110.01 with a standard deviation of 1989.549. The minimum value is -842.28 and the maximum value is 6167.

4.4.2. Linear Regression (EPS= $\beta_0 + \beta_1 \text{CACDRP}_1 + e_0$)

Table 9: Linesr Regression Result

EPS	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
CACDRP	.052	.043	1.19	.238	-.035	.138	
Constant	.741	.924	0.80	.427	-1.118	2.6	
Mean dependent var	1.483		SD dependent var		4.757		
R-squared	0.030		Number of obs		48		
F-test	1.427		Prob > F		0.238		
Akaike crit. (AIC)	287.470		Bayesian crit. (BIC)		291.212		

*** $p < .01$, ** $p < .05$, * $p < .1$

Table 9 shows the relation between the EPS and CACDRP. The result shows that the acd and EPS are positively associated but this relation is not statistically significant. The table presents the results of a regression analysis. The dependent variable is "EPS," and the independent variable is "CACDRP." The coefficient for "CACDRP" is 0.052, indicating a positive relationship with "EPS." However, the coefficient is not statistically significant with a p-value of 0.238. The intercept, represented by "Constant," has a coefficient of 0.741, which is also not statistically significant.

The analysis shows that the independent variable "CACDRP " explains only about 3% of the variance in the dependent variable "EPS," as indicated by the low R-squared value of 0.030. The F-test, which tests the overall significance of the regression, has a value of 1.427 with a p-value of 0.238.

The mean of the dependent variable "EPS" is 1.483, with a standard deviation of 4.757. The Akaike information criterion (AIC) and Bayesian information criterion (BIC) values are provided as measures of model fit, with values of 287.470 and 291.212, respectively.

4.4.3. Linear Regression (NAPS= $\beta_0 + \beta_1 \text{CACDRP}_1 + e_0$)

Table 10: Linesr Regression Result

NAPS	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
CACDRP	.045	.176	0.26	.799	-.31	.4	
Constant	26.509	3.774	7.02	0	18.913	34.106	***
Mean dependent var	27.160		SD dependent var		19.155		
R-squared	0.001		Number of obs		48		
F-test	0.066		Prob > F		0.799		
Akaike crit. (AIC)	422.587		Bayesian crit. (BIC)		426.329		

*** $p < .01$, ** $p < .05$, * $p < .1$

Table 10 shows the relation between the naps and cacdrp. The result shows that the acd and naps are positively associated but this relation is not statistically significant.

4.4.4. Linear Regression (PCO= $\beta_0 + \beta_1 \text{CACDRP}_1 + e_0$)

Table 11: Linesr Regression Result

PCO	Coef.	St.Err.	t-value	p-value	[95%Conf	Interval]	Sig
CACDRP	7.341	18.277	0.40	.69	-29.448	44.13	
Constant	2006.603	391.132	5.13	0	1219.296	2793.91	***
Mean dependent var	2112.274		SD dependent var		1987.344		
R-squared	0.003		Number of obs		48		
F-test	0.161		Prob > F		0.690		
Akaike crit. (AIC)	868.117		Bayesian crit. (BIC)		871.859		

*** $p < .01$, ** $p < .05$, * $p < .1$

Table 11 shows the relation between the PCO and CACDRP. The result shows that the PCO and ACD are positively associated but this relation is not statistically significant.

4.4.5. Linear Regression (TCI= $\beta_0 + \beta_1 \text{CACDRP}_1 + e_0$)

Table 12: Linesr Regression Result

TCI	Coef.	St.Err.	t-value	p-value	[95% Conf	Interval]	Sig
CACDRP	7.47	18.296	0.41	.685	-29.357	44.298	
Constant	2002.483	391.543	5.11	0	1214.349	2790.618	***
Mean dependent var	2110.010		SD dependent var		1989.549		
R-squared	0.004		Number of obs		48		
F-test	0.167		Prob > F		0.685		
Akaike crit. (AIC)	868.218		Bayesian crit. (BIC)		871.960		

*** $p < .01$, ** $p < .05$, * $p < .1$

Table 12 shows the relation between the TCI and CACDRP. The result shows that the TCI and CACDRP are positively associated but this relation is not statistically significant.

4.4.6. One-way ANOVA

Table13: One-way ANOVA Result

Analysis of variance					
Source	SS	df	MS	F	Prob > F
Between groups	160.864646	5	32.1729293	1.50	0.2114
Within groups	902.82959	42	21.4959426		
Total	1063.69424	47	22.6317923		

Bartlett's equal-variances test: $\chi^2(4) = 29.6907$ Prob> $\chi^2 = 0.000$
 note: Bartlett's test performed on cells with positive variance:
 1 single-observation cells not used

This table 13 presents the results of an analysis of variance (ANOVA). "Between groups": The sum of squares (SS) is 160.864646, with 5 degrees of freedom (df). The mean square (MS) is 32.1729293. The F-value is 1.50, and the p-value (Prob > F) is 0.2114.

"Within groups": The sum of squares (SS) is 902.82959, with 42 degrees of freedom (df). The mean square (MS) is 21.4959426.

The ANOVA helps assess whether there are significant differences between the groups being compared. In this case, the between-groups analysis suggests that the variability between the groups is not statistically significant, as the p-value is greater than the typical significance level of 0.05.

Table 12 shows the relation between the eps and cacdrp. The result shows that the acd and eps are positively associated but this relation is not statistically significant.

One-way ANOVA

Table 14: One-way ANOVA Result

Analysis of variance					
Source	SS	df	MS	F	Prob > F
Between groups	1368.39542	5	273.679085	0.72	0.6093
Within groups	15877.1345	42	378.027012		
Total	17245.5299	47	366.926168		

Bartlett's equal-variances test: $\chi^2(4) = 8.6301$ Prob> $\chi^2 = 0.071$

note: Bartlett's test performed on cells with positive variance: 1 single-observation cells not used

One-way ANOVA

Table 15: One-way ANOVA Result

Analysis of variance					
Source	SS	df	MS	F	Prob > F
Between groups	20240802.4	5	4048160.48	1.03	0.4136
Within groups	165387377	42	3937794.68		
Total	185628179	47	3949535.72		

Bartlett's equal-variances test: $\chi^2(4) = 3.0921$ Prob> $\chi^2 = 0.543$

note: Bartlett's test performed on cells with positive variance:

1 single-observation cells not used

Table 16: One-way ANOVA Result

Analysis of variance					
Source	SS	df	MS	F	Prob > F
Between groups	20432473.8	5	4086494.76	1.04	0.4090
Within groups	165607822	42	3943043.37		
Total	186040296	47	3958304.16		

Bartlett's equal-variances test: $\chi^2(4) = 3.0920$ Prob> $\chi^2 = 0.543$

note: Bartlett's test performed on cells with positive variance:

1 single-observation cells not used

5. Conclusion and Policy Implication

5.1. Conclusion

Due to cases of fraud and financial mismanagement, Bangladesh's banking industry is currently under significant scrutiny and criticism, which has heightened the need for accountability and transparency. Poor management in the banking sector greatly affects Bangladesh's economy. This research aims to evaluate the current state of anti-corruption disclosure reporting procedures in the banking, cement, and ceramic industries. For this study, we selected a sample of 36 banking organizations, 7 cement companies, and 5 ceramic firms listed on the Dhaka Stock

Exchange (DSE). We thoroughly examined the corporate annual reports of these 48 companies. The analysis shows that Bangladeshi firms do not follow international standards for corporate ACD reporting policies. Companies in Bangladesh are free to address corruption in their annual reports, but there is no set format for doing so. As a result, organizations produce reports of varying quality and detail.

The corporate annual reports of the banking, cement, and ceramics sectors were analyzed, and the results showed that these businesses' performance in ACD reporting metrics was very poor since they did not follow worldwide standards. The banking sector has somewhat better anti-corruption disclosure reporting procedures than the cement, ceramics, and banking sectors, which were the three industries we looked at in our research. The state of the ceramics industry is dire. The majority of businesses don't disclose information on corruption in their yearly reports.

Globally, and especially in developed nations, corporate ACD reporting procedures have greatly improved. The main reason Bangladesh's ACD reporting procedures are inadequate is examined in this paper. The results of our investigation revealed the absence of a set legal framework for business anti-corruption reporting and disclosure requirements. Organizations are thus getting ready in accordance with their desire. It is crucial to quickly create a legislative framework that would enable the attainment of accountability, good governance, and organizational transparency to solve this problem.

5.2. Theoretical Contribution

First off, this study is the first attempt to evaluate the extent of ACD in Bangladesh at different organizational levels. Second, by investigating the effect of anti-corruption disclosure on businesses' financial performance in a growing market that has received little attention, our study added to the body of existing information. Third, it contributes to scholarship by releasing the "Corporate Anti-Corruption Disclosure Index," which takes into account several global projects.

5.3. Managerial Implication

First, by encouraging ethical governance via transparency and accountability, the study's findings will improve corporate ACD reporting practices. Second, this study provides a comprehensive and precise basis for an effective system to disclose information about corruption to the relevant authorities and regulators. By guaranteeing transparency and accountability, this study will strengthen anti-corruption efforts inside organizations and promote excellent governance. Third, the results of the study will help policymakers learn more about anti-corruption initiatives and create similar legislation. Four, this study will provide policymakers and regulatory bodies fresh knowledge from a developing country's perspective, enabling them to perceive ACD as a legitimate tool for the benefit of stakeholders and society.

Acknowledgement:

The researcher expresses gratitude to the Research Center of Gopalganj Science and Technology University, Gopalganj-8105, Bangladesh, for the financial support to perform the study.

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