International Research Journal of Multidisciplinary Scope (IRJMS), 2025; 6(4):273-283

Original Article | ISSN (O): 2582-631X DOI: 10.47857/irjms.2025.v06i04.05479

Do Sustainability Efforts Pay Off? The Impact on Shareholders' Wealth in Jordan's Non-Financial Sector

Ahmad Ibrahim Karajeh*

Faculty of Business Administration, Ajloun National University, Jordan. *Corresponding Author's Email: ahmad_kar1987@yahoo.com

Abstract

This study examines whether sustainable practices enhance shareholders' wealth in Jordanian non-financial companies. Using a sample of 78 listed firms, the research analyzes the relationship between sustainable practices and shareholders' wealth, measured through earnings persistence, market value, and return on equity. Sustainable practices were categorized into three types: social, environmental, and economic information, based on 38 items. The findings suggest that companies with lower market value tend to engage in more sustainable practices, which can guide stakeholders in decision-making and promote ethical corporate behavior. Additionally, firms that disclose more extensive sustainability information aim to improve earnings persistence and return on equity, though not all proxies, such as earnings persistence, showed a direct relationship with sustainable practices. The overall level of sustainability disclosure remains relatively low, likely due to the absence of legal enforcement or unified disclosure standards. Despite this, the study highlights the ethical implications of sustainability disclosure and its role in influencing investors' perceptions and decision-making processes. By integrating multiple financial proxies and expanding the scope of sustainability dimensions, this research provides a more comprehensive understanding of how ethical corporate behavior intersects with shareholder value. The study contributes to the growing literature on sustainability and corporate performance, particularly in emerging markets, and offers recommendations for policymakers to enhance sustainability disclosure frameworks that align corporate conduct with broader societal expectations.

Keywords: Earnings Persistence, Market Value, Return on Equity, Shareholders' Wealth, Sustainability Practices.

Introduction

Shareholders' wealth within a corporate business depends significantly on performance evaluation, which plays a pivotal role in assisting a broad spectrum of stakeholders, including external capital providers, employees, suppliers, communities, customers, and regulatory bodies, in making informed decisions. Performance evaluations and shareholders' wealth, as a construct, are intrinsically interconnected with themselves (1, 2), indicating that increases in shareholders' wealth are related with high capacity to achieve future profit potential. In a similar, a firm exhibits heightened shareholders' wealth when its earnings display a persistent pattern (3,4). Nevertheless, the primary aim of financial reporting is not only to furnish stakeholders with comprehensive information about a firm's financial performance, but also to show the extent of the contribution of the company to the society and environment. Besides the financial data disclosed in a company's financial report, sustainable practices information is currently wielded by shareholders, legal bodies and government, financial analysts, and others to facilitate their work and decisions (3, 4). Despite the absence of legal mandates governing the disclosure of sustainable practices information, companies often find themselves morally bound to furnish sustainable practices information with the intent of instilling confidence in legal bodies regarding the environmental conservation, signaling that management operates in the best interests of the region's economy, and enhancing their reputation by demonstrating a contribution to socially (3, 5-13). These advantages empower companies to underscore their commitment to addressing economic, social, and environmental needs, including the pursuit of robust shareholders' wealth (reflective of overall company performance). In light of the ethical imperative surrounding the provision of additional information, this study endeavors to scrutinize the intricate relationship between shareholders' wealth and sustainable practices including economic, social, and environmental practices. Many studies in the existing literature have delved

(Received 06th May 2025; Accepted 22nd September 2025; Published 22nd October 2025)

into diverse facets of sustainable practices information, a predominant focus has rested on exploring the nexus between sustainable practices and firm-specific characteristics (14-19). Furthermore, several empirical investigations, including those conducted in the Jordan context, have illuminated the influence of sustainable practices on corporate performance profitability (20-22). Nevertheless, empirical inquiries examining the influence of sustainable practices on shareholders' wealth among non- financial companies remain relatively limited, thus this paper addresses this gap in the literature.

Furthermore, a significant portion of prior studies have predominantly employed corporate earnings and performance (23), while using other measurements, such as earnings persistence can serve as valid measures of shareholder wealth. In contrast, our present study has another contribution by integrating persistence, market value and return on equity as additional dimensions for evaluating shareholders wealth to reflect a full and clear image about real position (10).

Agency theory, a fundamental framework in corporate governance, centers on the relationship between owners and managers. This framework assumes that managers act in the best interests of shareholders in increasing their wealth and their market share and price. Such issues materialize when conflicts of interest arise between the goals of owners and management, and varying risk tolerances exist between management and owners (24).

Ethical aspects are one of the most way in mitigating "agency problems." The provision of sustainable practices information by companies can be viewed as an ethical practice that signifies a commitment to satisfying owners' needs, including enhancing their wealth (25). This, in turn, alleviates pressure on management from shareholders (26). Recognizing the ethical practices from corporate management, such as practices toward sociality, environment and economic, in fostering strong relationships with shareholders is of paramount importance (27).

Furthermore, the impact of sustainable practices extends beyond shareholder relationships and extends to stakeholders such as customers, employees, stockholders, suppliers, government entities, and others (28). Enhanced information availability aids all information users in making informed decisions (29). Stakeholder theory posits that effective managers entail good relationships with information users, which, in turn, enhances corporate performance. Therefore, such strong information users' relationships have a direct and positive impact on corporate performance and shareholders wealth (30).

To get more explain, the Resource-Based View suggests that strategic resources such as sustainable practices enhance a firm's performance for long term. Furthermore, legitimacy theory emphasizes that adopting sustainable practices helps the corporate management gain the social satisfaction and builds trust with current and future investors which can positively impact on stock reputation and shareholders wealth (8, 32).

Several researches in MENA region including Bahrain, Kuwait, Oman, Qatar, Saudi Arabia, and the United Arab Emirates, as well as Egypt, and Morocco have investigated the nexus sustainable information and financial performance; they assert that there is a significantly positive relationship between Environmental, social and governance information with firm value (31, 32). However, the majority use only one proxy such as earnings quality or return on assets for measuring performance, as noted (33). Nevertheless, performance alone may not provide a view of shareholders wealth, as a company with evaluating assets may not necessarily exhibit signs of increasing profitability but increasing shareholders wealth. Furthermore, prior studies have often focused on specific types of sustainable practices, such as corporate social responsibility or environmental disclosure, but this paper focus in three aspects.

Based on the above considerations, our study aims to comprehensively investigate the relationship between three aspects of sustainable practices and shareholders wealth. In doing so, we consider multiple dimensions of shareholders wealth, including persistence and return on equity to offer a more nuanced perspective. Additionally, we explore a wider range of sustainable practices beyond CSR and environmental disclosure to provide a more comprehensive understanding of how these factors affect.

Theoretical Framework and Hypotheses

Sustainable practices encompass two distinct forms. First, there is practices used by management to distract the stakeholders in some issues such as earnings management, where managers manipulate discretionary accruals in the firm's earnings without materially affecting actual corporate activities, as seen in adjustments to accrual estimates, which can negatively impact reported earnings without affecting future cash flows (10, 23). On the other hand, real earnings manipulation, often considered unethical, involves altering corporate actions to influence the firm's economic reality. For instance, reducing discretionary expenses like training and advertising to boost earnings (24) falls under this category. This form is not preferred.

The second form of sustainable practices is the correct form of sustainable practices which enhancing by sociality and regulatory bodies. This form shows that positively impact a shareholder's wealth in several ways by fostering long-term profitability, reducing risks, and enhancing its reputation (10). One of these cases reflects the company's responsibility toward environment and sociality. Sustainable practices, such as energy efficiency, waste reduction, and resource conservation, help reduce operating costs over time. In other words, investing in renewable energy sources or sustainable supply chains can decrease dependency on fluctuating fossil fuel prices, leading to lower long-term costs. These savings can increase retained earnings, ultimately contributing to equity wealth growth.

The advantages of sustainable practices are also extent to enhanced reputation and brand value. companies that prioritize sustainability often improve their reputation among consumers, investors, and stakeholders (25, 34). This positive perception can lead to increased customer loyalty, higher sales, and better market positioning. As a company's brand value grows, its stock price may rise, and more investors may be attracted to it, leading to greater equity growth through additional capital investments and higher shareholder value (29). Furthermore, many governments offer incentives, tax breaks, or grants to companies that engage in sustainable practices. These financial benefits can positively affect a company's bottom line, improving company value and contributing to the growth of shareholders wealth (6).

Shareholder's wealth, a real amount involving several items along of corporate earnings, which the net outcomes show accounting figures of equity financing and the actual performance of the company (35). However, various elements such as share capital, additional paid-in capital, retained earnings and other comprehensive income. Unrealized changes excluded from net income are recorded as part of other comprehensive income. These include foreign currency translation differences, revaluation adjustments for certain financial assets, and updates to pension liabilities (36).

Additionally, net earnings, while an important indicator of a company's profitability, is not the sole or guaranteed way to increase equity. A company may use its retained earnings to buy back its own shares, which reduces the number of outstanding shares. While this may boost the share price-market value (37). Profits in other comprehensive income are also important, which unrealized profits in areas like foreign currency translation or marketable securities can positively impact accumulated other comprehensive income, a key component of equity. Even if net earnings are positive, these profits are not show in income statement (19).

Companies engaging in sustainable practices are expected to present financial statements that do faithfully represent the company's ability to persist earnings (38, 39), thus it signifies a company's capacity to sustain its earnings not only in the current period but also in subsequent periods (40). Consequently, earnings are deemed persistent when they are expected to endure into the future. Stakeholders attach significant importance to earnings persistence when making decisions, as it serves as a critical indicator of a company's performance and the strategies it employs to secure future earnings. Thus, well-governed companies prioritize contribute in sustainable practices as part of their ethical commitment to create a favorable image of their performance (25). This approach fosters positive relationships with stakeholders (28).

Prior researches in regional and developing countries mentioned that companies possess the capacity to furnish sustainable practices information that can shed light on their ability to sustain earnings in both the present and future periods. For instance, disclosures related to corporate sustainable practices can provide valuable insights (9, 10, 21, 22). Furthermore, existing sustainable practices offers a signal regarding the desirability of persistent earnings, particularly if a company demonstrates that its earnings are recurring.

The Financial Accounting Standards Board (2001) and some researchers have underscored the advantages of providing sustainable practices information within the context of stakeholder theory and legitimacy theory (19, 25, 28). They have emphasized that such information enhances a company's reputation and offers valuable insights to stakeholders, aiding in informed investment decisions. Furthermore, additional business information signals that management prioritizes stakeholders' interests, bolstering the perception of sound operational practices. As a result, companies that diligently prepare sustainable practices as part of their ethical conduct to serve stakeholders' interests are likely to enhancing shareholders wealth (5). Therefore, we posit the following hypothesis:

H: Companies engage sustainable practices to enhance shareholders wealth.

Data Collection and Sample

Sample

This study focused on a sample of non- financial firms listed on the main board of bursa, specifically excluding financial, insurance, investment, and service companies due to the inherent differences in certain financial statement elements (10). The distribution of this sample is presented in Table 1.

Table 1: Sample of Companies

Sector	Number of Companies	%
Chemical Industries	6 Companies	5.4%
Electrical Industries	4 Companies	3.6%
Engineering and Construction	7 Companies	6.3%
Food and Beverages	10 Companies	9.1%
Mining and Extraction Industries	15 Companies	13.7%
Paper and Cardboard Industries	3 Companies	2.5%
Pharmaceutical and Medical Industries	6 Companies	5.4%
Printing and Packaging	1 Company	1.0%
Textiles, Leathers and Clothing	3 Companies	2.5%
Tobacco and Cigarettes	2 Companies	1.7%
Commercial Services	11 Companies	10.0 %
Educational Services	6 Companies	5.4%
Health Care Services	4 Companies	3.6%
Hotels and Tourism	11 Companies	10.0%
Media	2 Companies	1.7%
Technology and Communications	2 Companies	1.7%
Transportation	12 Companies	11.0%
Utilities and Energy	6 Companies	5.4%
Total	111 Companies	100%

Methodology

In this study, sustainable practices were systematically classified into three fundamental categories (4, 5, 13, 20, 33): social practices; environmental practices; and economic practices. The selection of this checklist stemmed from its foundation in international trends, established reporting practices, comprehensive research studies, and authoritative international accounting and reporting surveys. Consistent with the approach employed by Sun, Salama (23), and this study adopted an unweight methodology for assessing the number of sustainable practices information items. Each item was evaluated on a dichotomous basis, receiving a score of "1" if revealed in the annual reports or "0" if not revealed. Subsequently, the total scores were calculated for each sampled firm to represent the cumulative information items disclosed.

Most prior researchers claimed that shareholders' wealth is considered high earnings if it accurately reflects the company’s current performance compared to its previous years. With that context, many studies have used return on equity as a proxy for the shareholders' wealth (35). Despite this proxy alone not guaranteeing equity wealth, the persistent is an important proxy for measuring shareholders' wealth which earnings with expected future cash flows should be persistent. In addition, market value also provides useful information about the situation of shareholders' wealth in current and future periods. Thus, this paper utilizes three factors to assess shareholders' wealth: return on equity, earnings persistence, and market value.

The paper investigated the hypotheses using two main variables: shareholders' wealth and sustainable practices. Several control variables may affect both sustainable practices and shareholders' wealth. Thus, the model incorporated these controls to reflect for the firm's characteristics, ensuring that they do not distort the relationship between sustainable practices and shareholders' wealth.

Firm size is a crucial factor in this model as it helps control for potential effects on shareholders' wealth (17, 30). In general, larger firms tend to disclose more information regarding sustainable practices due to their greater experience and established presence within their respective industries (9, 17, 22, 33).

Leverage is a significant factor that can influence shareholders' wealth. As highlighted by several researchers, managers often use borrowing to expand the business and minimize tax liabilities (41, 42). Therefore, the model in the paper used the financial leverage as control variable. Additionally, business type is important factor for reflecting the growth, as suggested by (Francis, Nanda (43, 44). Consequently, the model also incorporates the business type coefficient. Likewise, since company age reflects its market strength and success, it was included in the model to account for its impact on business performance.

To explain and investigate the relationship between sustainable practices (SP) and shareholders' wealth (SW), the model 1 was adopted:

$$SP_{it} = \beta_0 + \beta_1 (ROE)_{it} + \beta_2 (P)_{it} + \beta_3 (MV)_{it} + \beta_4 (SIZE)_{it} + \beta_5 (LEVA)_{it} + \beta_6 (BT)_{it} + \beta_7 (CA)_{it} + \varepsilon_{it} \quad [1]$$

Where,

SP_{it}: Sustainable practices for sample firm i at year t;

ROE_{it}: Return on equity for sample firm i at year t;

P_{it}: Persistence for sample firm i at year t;

MV_{it}: Market value for sample firm i at year t;

$SIZE_{it}$: Size for sample firm i at year t;

$LEVA_{it}$: Leverage for sample firm i at year t;

BT_{it}: : Business type for sample firm i at year t; and

CA_{it}: Company age for sample firm i at year t.

To employ this model, the necessary diagnostic tests including endogeneity, heteroskedasticity and multicollinearity were performed to ensure the validity of the data. The results of these tests were within the normal range and did not affect the main analysis of the study.

Results and Discussion

Descriptive Statistics

Table 2 provides a descriptive analysis overview of the sample firms used in the paper. It shows that the mean score of the total sustainable practices level (SP), was 27.37. in addition, the standard deviation was 4.715. The maximum level achieved was 39 scores, while the minimum level of SP was 21 out of the total. This suggests that all the sample firms mentioned information about sustainable practices, albeit to varying extents. The findings show that the level of SP types, where the mean of social, environmental and economic information was 11.90, 7.50, and 5.30, respectively. The slight difference may be attributed to the caring of the companies about their responsibility toward the society and environment. These percentages of information that were considered low ranged because they under 50% of the listed items (45). The low level of score could also be attributed to the fact that the legal bodies do not require the companies to disclose about the information and it may be there are no clear guidelines. However, the low level of SP information is consistent with the results in prior literature. Thus, the regulatory and governmental authorities must provide plans to improve SP to stabilize and strengthen the market in Jordan (46).

Table 2 also shows that the means of independent variables: persistence (P), return on equity (ROE) and share market value (MV) were 66%,12.2% and 200.34% respectively. The findings indicate that there are firms with a reasonable level of the proxies of the shareholders' wealth. The results show that there are good indicators regarding all proxies which explaining the ability of firms to achieve earnings and raising the market value. Finally, Table 2 displays that the descriptive analysis of control factors company type, size, leverage and company age.

Table 2: Descriptive Statistics for Dependent, Independent and Control Variables

Variable	Minimum	Maximum	Mean	Std. Deviation
Dependent V:				
SP	21.00	39.00	27.73	4.715
SR	06.00	14.00	11.90	2.663
ER	02.00	14.00	07.50	3.064
ECOR	01.00	11.00	05.30	4.134
Independent V:				
ROE	-1.067	3.497	0.122	0.433
P	0.396	0.978	0.660	0.132
MV	0.111	28.05	2.341	4.001
Control V:				
BT	1.000	18.00	2.883	5.043
SIZE	6.350	9.188	7.433	0.554
LEVA	0.022	0.998	0.322	0.187
CA	31.00	73.00	46.86	7.193

Correlation of Variables

Table 3 shows Pearson's test for the factors. The finding indicates that sustainable practices are not significantly related with earnings persistence (P). This suggests that earnings persistence does not have a significant impact on the adoption of sustainable practices.

The findings of Pearson test also indicates that sustainable practices (SP) were significantly and negatively correlated with the return on equity (ROE). The positive sign indicates that the relationship is complementary in nature (10, 46). This means that companies that having low return is more likely to disclose sustainable information. However, the findings also assets that there is a significant correlation existed between the sustainable practices and market share value, the findings provide initial evidences for supporting the hypotheses.

The findings in Table 3 also show that the controls factors, except for the firm size, are significantly connected with sustainable practices. In a similar context, the business type was positively associated with sustainable practices, while the financial leverage and company age were negatively related to sustainable practices. The results support one past study (34).

Table 3: Correlation for the Variables

Variable	SP	P	RPE	MV	BT	SIZE	LEVA	CA
Dep. V:								
SP	1							
Indep. V:								
P	.021	1					.	
ROE	-.126*	.075	1					
MV	-.173**	.031	.822**	1				
Control V:								
BT	.193**	-.060	.042	.074	1			
SIZE	-.080	-.017	.502**	.592**	.171**	1		
LEVA	-.152**	-.100	-.311**	-.197*	-.060	-.052	1	
CA	-.237**	-.019	.282**	.320**	-.085	.367**	.090	1

* Significant at the 0.05 level. ** Significant at the 0.01 level

Regression Test

Table 4 shows the outcomes of the regression test encompassing for all variables. The investigation into the association between sustainable practices and shareholders' wealth employed multiple regression models. As indicated by the results presented in Table 4, there exists a significant and negative relationship between sustainable practices (SP) and market value (MV). The estimated coefficient for market value was found to be negative and statistically significant ($p = 0.034$). This outcome underscores the notion that companies with low stock price provide more sustainable practices, the reason behind that it maybe they want to show that they do the best for their responsibility toward the sociality and environment, therefore it reflects in positive way the stock price. These results provide evidence in support of the hypothesis in case using market value as a proxy to measure shareholders' wealth.

Notably, the results also revealed that persistence (P) and return on equity (ROE), as indicated by regression analysis and Pearson correlation for persistence, did not exhibit a significant relationship with sustainable practices. Comparing with findings in MENA reign, researchers notes that ESG information is positively related with firm value using Tobin's Q (31), but this relationship is insignificant with the price to earnings ratio. However, it is important to note that the company-specific characteristics incorporated into the regression model were considered as control variables. In congruence with the findings of the relationship between sustainable practices and the financial leverage (LEVA) displayed a negative and significant association (16). Likewise, the results pertaining to business type (BT) indicated a positive correlation with sustainable practices.

In addition, the findings suggested that the connection between sustainable practices and a company's features, serving as control factors, were not statistically significant. These control factors encompassed company size and company age (CA). In line with the examination of the relationship between sustainable practices and firm performance (17). Nevertheless, the outcomes of the regression analysis, excluding shareholders wealth, indicated that a firm's control factors played a significant role in explaining sustainable practices information.

Table 4: Regression Test for the Variables

Variable Name	**Estimated Coefficient**	**t Value**
$SP_{it} = \beta_0 + \beta_1 (ROE)_{it} + \beta_2 (P)_{it} + \beta_3 (MV)_{it} + \beta_4 (SIZE)_{it} + \beta_5 (LEVA)_{it} + \beta_6 (BT)_{it} + \beta_7 (CA)_{it} + \varepsilon_{it}$		
Independent Variables		
P	%.1 ($p = 0.794$)	0.261
ROE	-%.14 ($p = 0.606$)	-0.516
MV	-%.4** ($p = 0.034$)	-2.143
Control Variables	%2.3 ($p = 0.180$)	1.345
SIZE	%-12.2*** ($p = 0.005$)	-2.809
LEVA	%.3*** ($p = 0.008$)	2.686
BT	%-.1($p = 0.133$)	-1.508
CA		
R Square	15.3%	
Adjusted R Square	12.7%	

* Significant at the 10%; **Significant at the 5%; *** Significant at the 1%

The Relationship between shareholders wealth and Sustainable Practices Types

Beside of the regression analysis presented in the previous tables regarding the connections between shareholders' wealth and sustainable practices information, the paper provides further evidence of the relationships between shareholders' wealth and different types of sustainable practices information in Table 5. The results show that return on equity (ROE) is positively significant and strongly connected to environmental information, as indicated by a beta value of approximately 88.8% in the regression tests. The paper study also investigates the effect of the market value on different types of sustainable practices using multiple regression tests. The findings reveal a negative connection between market value and environmental information. Furthermore, earnings persistence (P) shows no significant relationship with any of the three types of sustainable practices, as confirmed by both correlation and regression test. The proxies for shareholders' wealth are not related to social and economic information, as the p-value in the model exceeds 10%. These regression findings align with the prior results which concluded that there is no statistically significant relationship (10, 23).

Table 5: Regression Test for Independent and Three Types of SP

Variable Name	Social Practices Info.	Environmental Practices Info.	Economic Information
Independent V			
P	%-4.5 (t =-0.556)	%1.7 (0.306)	%9.2 (1.253)
ROE	%78 (t =1.469)	%88.8** (2.409)	%-45.4 (-0.935)
MV	%-5.8 (t = -1.310)	%-7.2** (-2.392)	%.5 (-0.118)
Control V			
SIZE	%33.5 (t = 1.129)	%14.2 (0.690)	%50.2* (1.835)
LEVA	%49.3 (t =-0.685)	%108** (2.170)	%23.7 (0.361)
BT	%10.*** (t = 4.12)	%-4.6*** (-2.746)	%-6.6*** (-2.966)
CA	%.20 (t = 0.149)	%-1.4 (-1.523)	%-.5 (-0.398)
R Square	13.4%	11.4%	8.0%
Adjusted R Square	9.6%	7.4%	4.0%

Note: * Significant at the 10%; **Significant at the 5%; *** Significant at the 1%.

Conclusion

The paper utilized three proxies of shareholders' wealth to examine their relationship with sustainable practices. Sustainable practices information provides significant value in annual reports, as it reflects a company's commitment to social and environmental responsibility. However, to ensure the soundness of a firm's operations, greater disclosure of sustainable practices information is necessary. Providing such information to stakeholders represents ethical conduct by managers. Moreover, regulatory authorities encourage leading companies to enhance the quality of their annual reports by disclosing detailed information about their sustainable practices.

The contributions of the paper can be noted as follows: it measures sustainable practices, which are considered a key aspect of ethical conduct by managers. By doing so, the study enhances stakeholders' consciousness of the ethical behavior of managers, reflecting their intentions to support informed and sound decisions making. Additionally, the study adopts three proxies to measure shareholders' wealth (earnings persistence, market value and return on equity), where most previous studies used a single proxy. Those proxies provide a full picture of shareholders' wealth. Furthermore, the paper addresses a significant gap in the literature by offering empirical evidences on the influence of these proxies on sustainable practices in Jordanian listed companies.

The finding provides empirical evidence that firms with low return on equity (ROE) are more likely to engages in sustainable practices, indicating a negative relationship between shareholders' wealth (using ROE as a proxy) and sustainable practices. Additionally, while many previous studies relied on a single proxy to measure firm performance and shareholders' wealth, the findings of this study align with earlier research, revealing negative results that suggest firm performance positively influences sustainable practices. However, despite using earnings persistence (P) as a one of the proxies to measure shareholders' wealth, the paper found no significant relationship between persistence and sustainable practices or their various types.

These findings have practical implications for stakeholders, including managers, investors and policymakers. For corporate management, engaging in sustainability initiatives can positively enhance corporate reputation and fulfill ethical obligations to the society. In addition, sustainability disclosures in annual reports attract the attention of the investors and help them to assess a firm's ethical conduct and long-term stability. Finally, policymakers can implement measures to encourage comprehensive sustainability reporting, thereby strengthening corporate position and societal trust. It is important to emphasize that shareholders' wealth and sustainable practices are essential factors for understanding a company's performance and evaluating the ethics of its management. Accordingly, future research is expected to provide further evidence on refined measures and the relationships among these factors, as well as explore other influences on this relationship. Such studies could offer additional insights that may prove even more valuable for advancing knowledge in this area. Furthermore, it is expected that future studies cover other countries, which this study limited to Jordanian companies.

Abbreviations

BT: Business type, CA: Company age, LEVA: Leverage, MENA: Middle East and North Africa, MV: Market value, P: Persistence, ROE: Return on equity, SIZE: Company size, SP: Sustainable practices.

Acknowledgement

None.

Author Contributions

Ahmad Karajeh: Conceptualization, Methodology, Data collection, Data Analysis, Writing.

Conflict of Interest

The authors declare that they have no conflicts of interest related to this study.

Declaration of Artificial Intelligence (AI) Assistance

The authors declare no use of artificial intelligence (AI) for the write up of the manuscript.

Ethics Approval

None.

Funding

No funding was received from any sources for the conduct of this study.

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How to Cite: Karajeh AI. Do Sustainability Efforts Pay Off? The Impact on Shareholders' Wealth in Jordan's Non-Financial Sector. Int Res J Multidiscip Scope. 2025; 6(4):273-283.
doi: 10.47857/irjms.2025.v06i04.05479