

# Investor Investment Behaviour in Socially Responsible Investment (SRI) Sukuk: Issue-Contingent Model Perspective Behavior

**Mohamad Rozain Abbas<sup>1</sup>**

Pintar Nova Intelek, Taman Sri Pulai, 81300 Johor Bahru, Johor, Malaysia.

**Norli Ali<sup>2</sup>**

Faculty of Accountancy, Universiti Teknologi MARA, Shah Alam, Selangor, Malaysia.

**Nurhazrina Mat Rahim<sup>3</sup>**

Faculty of Accountancy, Universiti Teknologi MARA, Cawangan Selangor, Kampus Puncak Alam, Selangor, Malaysia

---

The Socially Responsible Investment (SRI) Sukuk, a Shariah-compliant financial instrument, directs funds towards addressing social and environmental issues such as waqf assets, poverty, and microfinance development. Despite its potential, SRI Sukuk issuance remains low compared to conventional socially responsible investments (SRI). This study investigates the factors influencing investment in SRI Sukuk, focusing on moral intensity, organizational factors and intention of the Issue Contingent Model (ICM). A survey of 88 fund managers analysed using Partial Least Squares Structural Equation Modelling (PLS-SEM) reveals that organisational factors directly affect SRI Sukuk investment behaviour. Moreover, both moral intensity and organisational factors influence investment indirectly through intention. The findings emphasise the need for greater awareness and promotion of SRI Sukuk, particularly by governments in collaboration with Islamic scholars, to enhance demand. Highlighting the role of SRI Sukuk in funding socially responsible projects can strengthen moral intensity, stimulating greater investment interest. The study suggests that addressing these factors can help increase SRI Sukuk issuance, contributing to broader social and environmental benefits.

**Keywords:** SRI Sukuk; Issue-Contingent Model; Moral Intensity; *Organisational* Factors; Malaysia.

---

<sup>1</sup> Email [mohamadrozain@gmail.com](mailto:mohamadrozain@gmail.com)

<sup>2</sup> Email [norli170@uitm.edu.my](mailto:norli170@uitm.edu.my)

<sup>3</sup> Corresponding Author email [hazrina@uitm.edu.my](mailto:hazrina@uitm.edu.my)

## INTRODUCTION

Amid growing global concerns about climate change and sustainability, investors are increasingly seeking opportunities that align with their ethical values and support responsible investment practices. The demand for Sustainable and Responsible Investment (SRI) instruments has surged, reflecting a broader shift towards financing projects that contribute positively to environmental, social, and governance (ESG) goals. In this context, Socially Responsible Investment (SRI) Sukuk, a Shariah-compliant financial instruments designed to fund projects with positive social and environmental impacts have gained significant attention. These instruments not only offer competitive financial returns but also resonate with investors who prioritize ethical and sustainable investment choices.

Socially Responsible Investment (SRI) Sukuk refers to an Islamic bond structured as a social impact bond, which adheres to Syariah standards (Alam et al., 2013; Azman & Ali, 2016; Wilson, 2008). Social impact meaning the aim of SRI Sukuk to promote ethical values and have a beneficial impact on society. It also aligns with the values of Maqasid Al-Syariah (Dusuki, 2005). The appeal of SRI Sukuk extends beyond financial considerations, as these instruments are perceived to embody the ethical and religious principles of Islamic finance. This alignment with investor values can strongly influence investment behavior, making moral and ethical considerations critical factors in decision-making. Central to this process is the concept of moral intensity, which refers to the perceived ethical significance of an investment decision. Higher moral intensity can profoundly affect how investors assess the ethical implications of their actions, shaping their willingness to invest in financial instruments that reflect their values.

The introduction of SRI Sukuk was necessitated by the requirement for enhancement in the Islamic financing product. The practice of Islamic finance has been criticised for not fully achieving its intended goals in its products (Piotrowski, 2020) which typically prioritise financial orientation over social orientation (Azman & Ali, 2016; Kassim & Abdullah, 2018; Mohammad & Shahwan, 2013; Owais & Mustafa, 2018; Radzi & Sakai, 2022). Hence, SRI Sukuk is designed to achieve societal objectives while strictly following Syariah standards.

The Securities Commission (SC) Malaysia introduced the SRI Sukuk framework in 2014 as a modified version of the existing Sukuk model (Azman et al., 2022; Foglie & Keshminder, 2022; Khalilurrahman & Mubarrak, 2022; Owais & Mustafa, 2018; Piotrowski, 2020). The SRI Sukuk will be exclusively utilised to finance any operation or transaction associated with qualifying SRI projects (Zain & Sori, 2020) which are green projects, social projects, and waqf projects (SC Malaysia, 2019). The first SRI Sukuk issuance to be approved under the new framework was issued by Khazanah Nasional Berhad which is known as Sukuk Ihsan (Azman & Ali, 2016; Kassim & Abdullah, 2018; Noordin et al., 2018; Owais & Mustafa, 2018; Piotrowski, 2020). This is followed by Tadau Energy which issued SRI Green Sukuk that focus on alternative energy source such as solar (Drum, 2019; Khalilurrahman & Mubarrak, 2022; Rahman et al., 2020a; Richardson, 2020). Subsequently, several environmentally friendly and socially responsible investments have been issued in Malaysia. In addition to Malaysia's issuance, the Islamic Development Bank, Indonesia, the GCC countries, and the African region also issued their own.

The SRI Sukuk holds significant potential in addressing a variety of sustainability challenges specifically social and environmental issues, such as the advancement of waqf assets, alleviation of poverty, reduction of unemployment, resolution of the refugee problem, and promotion of microfinance development (Azman & Ali, 2016; Dalhatu & Sharofiddin, 2021; Foglie & Keshminder, 2022; Khouildi & Kassim, 2018; Mahomed et al., 2021; Zain & Sori, 2020). Nevertheless, the issue of SRI Sukuk remains significantly smaller in comparison to conventional SRI. The conventional counterpart of SRI Sukuk was approximately USD 1.1 trillion (Harrison et al., 2022), while the total issuance of SRI Sukuk was approximately USD 6.103 billion in 2021 (Refinitiv, 2022).

The dearth of SRI Sukuk issuances is concerning as it indicates a low demand for investment in SRI Sukuk, which is a demand-driven financial instrument (Bennett & Iqbal, 2013). Therefore, it is important to analyse the SRI Sukuk behaviour, which pertains to the investment decisions made by investors to invest in SRI Sukuk. Since investing in SRI Sukuk is seen as a morally commendable investment, the Issue Contingent Model (ICM) is anticipated to exert a substantial influence on the SRI Sukuk behaviour.

Moreover, there is scarcity of research that has been conducted on the factors that influence the investors' SRI Sukuk behaviour. Since investing in SRI Sukuk is seen as a morally commendable investment, the Issue Contingent Model (ICM) is anticipated to exert a substantial influence on the SRI Sukuk behaviour. But how do moral intensity and organizational factors influence investor decisions to invest in SRI Sukuk? Hence, this study aims at examining the role of moral intensity and organisational factors of ICM in influencing investors' SRI Sukuk behaviour. The study's findings would shed a light on the primary factor that motivates investors to invest in SRI Sukuk, potentially leading to an increase in the issuance of SRI Sukuk in Malaysia. This, in turn, would allow the funds raised to be used for socially sustainable initiatives.

The subsequent section addresses the hypotheses and the literature. The third section delineates the research design, which encompasses the instrument measurement and data analysis. The findings and discussion of the result are presented in Section four. The final section concludes the study by addressing its limitations and potential for future research.

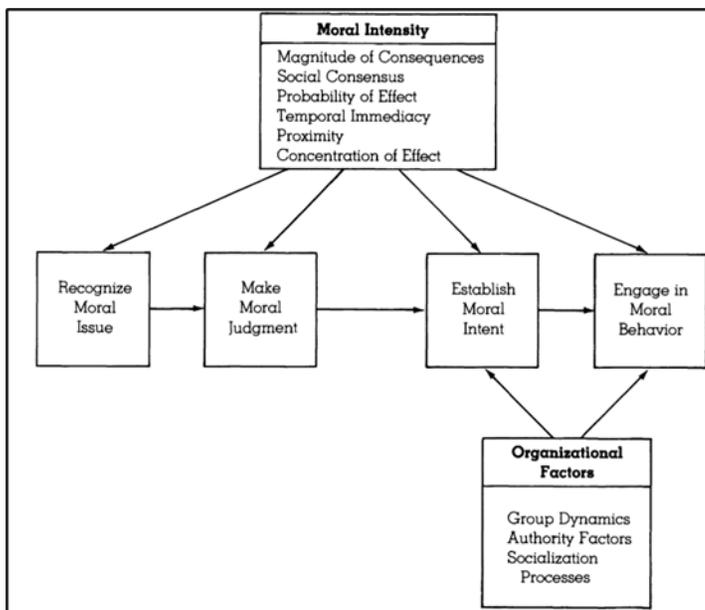
## **LITERATURE REVIEW**

There are many studies attempt at examining the factors that influence an individual's behaviour. However, Ajzen (1991) asserted that the complexity of human behaviour makes it difficult to study and investigate. Hence, investigating the actual investors behaviour is challenging (Buchan, 2005) as it could escalate the cost and consume a significant amount of time (O'Fallon & Butterfield, 2005). Consequently, the majority of previous research has focused on self-reporting techniques, mostly utilising surveys (e.g. Adam & Shauki, 2014; East, 1993; Talha et al., 2012, 2013; Warsame & Ileri, 2016). An example is a research conducted by East (1993) which aimed to validate the

Theory of Planned Behaviour (TPB) as a framework for predicting and explaining investor behaviour.

Similarly, in the context of explaining SRI Behaviour, the majority of studies had employed the Theory of Planned Behaviour (TPB) to rationalise an individual's actions (Hofmann et al., 2008, 2005; Joshi & Dangi, 2025; Kwakye et al., 2018). TPB suggests that the immediate determinant of a behaviour is the intention of the individual to execute it. Intention is a measure of the degree of effort and difficulty that an individual will exert in order to perform a behaviour (Ajzen, 1991). Consequently, three factors—attitude, subjective norm, and perceived behaviour control—influence the intention. Nevertheless, the TPB may not offer a comprehensive framework for elucidating the investment of investors in SRI Sukuk. This is because none of the factors were able to capture the involvement of moral decisions, which are relevant in deciding to invest in socially responsible investment such as SRI Sukuk. Hence, the integration of the Issue-Contingent Model (ICM) in elucidating investors' SRI Sukuk behaviour is crucial, since it quantifies moral conduct (Hofmann et al., 2008, 2005).

ICM is founded on Rest's (1986) model, which characterises the decision-making process as a four-stage phase. In the initial phase, the decision-makers deliberate about the moral issue. The decision maker, also known as the moral agent, will attempt to identify the issue at hand, focussing on two primary elements: the issue's implications and the existence of the moral agent's potential choices. Then, the moral agent will engage in a moral judgement which is sometimes referred to as moral reasoning. Subsequently, the moral agent will determine the moral intention and ultimately engage in moral behaviour (Hofmann et al., 2008). Based on ICM, there are two antecedents of these four phases, namely organisational factor and moral intensity (Hofmann et al., 2007, 2008, 2005; Talha et al., 2013). Figure 1 below shows the ICM.



**Figure 1: Issue- Contingent Model (Source: Jones, 1991)**

As shown in Figure 1 above, there are two variables for the ICM, namely organizational factors and moral intensity. Organisational factors refer to the specific conditions and circumstances in which choices are formulated and implemented (Hofmann et al., 2008). Three elements that compose organizational factors are group dynamic, authority factors and socialization process. The organizational factors are quite identical to subjective norms of TPB and affect the last two phases of ICM. Meanwhile, moral intensity affects all four phases of ICM (Ajzen, 1991). Moral intensity is concerned with how the moral issue itself shapes a person's actions (Jones, 1991). It differs from moral values which is concerned with how the individual principles and standards shapes a person's actions (Kinneging, 2020).

There are six characteristics of moral intensity: (1) magnitude of consequences, (2) social consensus, (3) probability of effect, (4) temporal immediacy, (5) proximity, and (6) concentration of effect (Jones, 1991). As stated earlier, moral intensity influences all four phases of ICM. At the first phase of recognizing moral issues, moral intensity will influence an individual's consciousness of the implications of their choices. In the second phase, it affects judgement by altering the perceived severity of these consequences. Ajzen (1991) suggests that moral intensity in the third phase has a major impact on moral intent by influencing emotions and feelings, which in turn amplify cognitive and behavioural reactions. Ultimately, in the fourth phase, moral intensity is anticipated to impact behaviour by means of individual perceptions of comparable ethical dilemmas that one has personally encountered (Ajzen, 1991).

Researchers commonly employ moral intensity to elucidate ethical intention and action in various field including taxation (e.g., Al-Zaqeba & Al-Rashdan, 2020), accounting and auditing (e.g., Johari et al., 2019; Shawver & Miller, 2017; Svanberg & Öhman, 2019), whistleblowing (e.g., Latan et al., 2018, 2019; Namazi & Ebrahimi, 2017; Suryanto & Wekke, 2017; Valentine & Godkin, 2019), management (e.g., Ferguson et al., 2020), insurance (e.g., Tseng, 2019; Zhang et al., 2019), information technology (e.g., Zheng & Walter, 2020) and tourism (Lu et al., 2025). Therefore, it is interesting to examine SRI Sukuk behaviour by utilising moral intensity together with organisational factors in the framework. This is due to the fact that the issuance of SRI Sukuk is motivated by ethical considerations. The decision to engage in socially responsible investment is also influenced by the significance of the moral issue at hand. If an individual deems a moral issue to be of great importance, it increases the likelihood of their investment in SRI Sukuk.

Jones's (1991) ICM demonstrates that moral intensity is directly correlated with moral behaviour. Past studies by Hofmann et al. (2008) reported that moral intensity has a substantial impact on SRI behaviour and asserted that moral intensity is a suitable explanation for ethical behaviour. Similar findings are also reported in later studies by Talha et al. (2013) and Hong and Kang (2019). The previous studies indicate the importance of ICM in explaining SRI Sukuk behaviour. The more intense the moral issue for an individual, the higher probability that the individual will engage in moral behaviour.

In the context of SRI Sukuk investment, the proceeds from the investment in SRI Sukuk, which will be used for financing socially responsible projects, are deemed morally intense as there is a big magnitude of consequence of the investment. This is because many parties will get the benefit from such projects. In addition to moral

intensity, it is imperative to also examine the organisational factors as determinants of SRI Sukuk behaviour. This is because the surroundings of an individual (organisation) are expected to shape an individual behaviour. Previous study also asserted that organisational factors also have a direct influence on behavior (Jones, 1991).

Meanwhile, it is also suggested that moral intensity is directly connected to intention (Jones, 1991). There are mixed results reported, where studies by Hofmann et al. (2008), and Shah and Amjad (2017) reported a significant relation between moral intensity and intention while Bayer et al. (2019) found no significant influence of moral intensity towards intention. Hence, the relationship between moral intensity and intention is worth further investigation. Similarly, organizational factor also have a direct influence on intention (Jones, 1991).

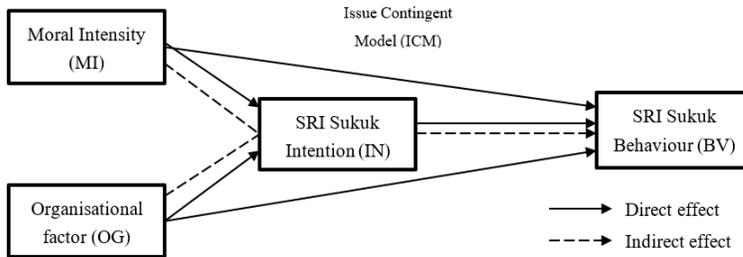
It is also interesting to recognize that intention could affect individual behavior (Ajzen, 1991), consistent with TPB. Past studies by Talha et al. (2013) reported that intention has a significant and positive effect on SRI behaviour. Based on the above arguments, it is expected that intention could mediate the relationship between moral intensity and organisational factor, and SRI Sukuk behaviour. Talha et al. (2013) discovered that intention is a significant factor in mediating the influence of the majority of moral intensity dimensions on perceived SRI behaviour. Previous study also reported that intention mediates the relationship between organisational factors and behavior (Salim, 2015).

Based on the above arguments, there are two ways that moral intensity and the organisational factors could influence SRI Sukuk behaviour, either directly or indirectly through SRI Sukuk intentions. Based on ICM, both moral intensity and organisational factors could have a direct impact on moral behavior (SRI Sukuk behaviour). Additionally, both variables could also affect moral intent (SRI Sukuk intention), which subsequently resulted in the performance of moral behaviour (SRI Sukuk behaviour). Hence, it is expected that moral intent (SRI Sukuk intention) could mediate the relationship between moral intensity and organisational factors, and moral behaviour (SRI Sukuk behaviour).

## **Research Framework**

Figure 2 below shows the research framework of this study:

Based on the above arguments, there are two ways that moral intensity and the organisational factors could influence SRI Sukuk behaviour, either directly or indirectly through SRI Sukuk intentions. Based on ICM, both moral intensity and organisational factors could have a direct impact on moral behavior (SRI Sukuk behaviour). Additionally, both variables could also affect moral intent (SRI Sukuk intention), which subsequently resulted in the performance of moral behaviour (SRI Sukuk behaviour). Hence, it is expected that moral intent (SRI Sukuk intention) could mediate the relationship between moral intensity and organisational factors, and moral behaviour (SRI Sukuk behaviour).



**Figure 1: Research Framework**

The following hypothesis are formulated for the direct effect of moral intensity, organisational factor and SRI Sukuk Intention on SRI Sukuk behaviour:

- H1: Moral intensity (MI) has a significant positive effect on SRI Sukuk behaviour (BV).*
- H2: Organisational factor (OG) has a significant positive effect on SRI Sukuk behaviour (BV).*
- H3: SRI Sukuk intention (IN) has a significant positive effect on SRI Sukuk behaviour (BV).*

Additionally, for the indirect effect of moral intensity and organisational factor on SRI Sukuk behaviour through SRI Sukuk intention, the following hypothesis are formulated:

- H4: Moral intensity (MI) has a significant positive effect on SRI Sukuk intention (IN).*
- H5: Organisational factor (OG) has a significant positive effect on SRI Sukuk Intention (IN).*
- H6: SRI Sukuk intention (IN) mediates the relationship between moral intensity (MI) and SRI Sukuk behaviour (BV).*
- H7: SRI Sukuk intention (IN) mediates the relationship between organisational factor (OG) and SRI Sukuk behaviour (BV).*

In summary, prior studies largely focus on the Theory of Planned Behaviour (TPB) to explain investor and SRI behaviour. TPB does not capture the moral aspect inherent in SRI Sukuk decisions. The Issue-Contingent Model (ICM), including moral intensity and organisational considerations, gives a more acceptable ethical perspective, as both elements influence intention and behaviour across its four decision-making stages. Given the morally motivated character of SRI Sukuk, these elements are likely to affect investor behaviour directly and indirectly through intention. Accordingly, the proposed framework hypothesises direct effects of moral intensity, organisational factor, and intention on SRI Sukuk behaviour, as well as indirect effects through intention.

## METHODOLOGY

### Research Instrument

This study aims to analyse the impact of moral intensity and organisational factor of ICM on the behaviour of institutional investors in SRI Sukuk, and how this impact is mediated by intention. Therefore, data were collected from the fund managers of the institutional investors. This survey involves fund managers from both public and private institutional investors. It was expected that institutional investors would have a significant role in promoting SRI Sukuk operations. Furthermore, within the realm of socially responsible investing (SRI), institutional investors exhibit a higher likelihood of engaging in SRI investments as compared to retail investors. Malaysia was the leading contributor to Sukuk issuances in 2017, accounting for 46.4% of the total. This was followed by Indonesia with 9.9% and the UAE with 9.0% (Owais & Mustafa, 2018). Therefore, institutional investors in Malaysia were chosen. Furthermore, Malaysia has released a series of SRI Sukuk, totalling 12 issuances, prior to September 2023 (SC Malaysia, 2023).

Questionnaires have been utilised in this study as a data collection approach. 136 institutional investors who were identified were sent an email containing the survey URL and a soft copy of the survey. The distribution resulted in a total of 105 submissions. The final dataset of 88 responses was determined to be suitable for analysis. The questionnaire used for this study was organised by categorising it into four (4) sections, specifically Part A, B, C, and D. Part A consists of items or questions designed to assess the SRI Sukuk behaviour. Part B comprises items or questions designed to gather information about respondents' intention to invest in SRI Sukuk. Part C is implemented to enquire about factors pertaining to moral intensity and organisational factor. Part D has items pertaining to demographic characteristics.

The variables utilised in this investigation, together with their operationalisation and measurement, are summarised in Table 1.

**Table 1: Variables Operationalization and Measurement**

Variable	Definition	Measurement	Measurement Items	Number of Items	Reference
SRI Sukuk Behavior (BV)	Fund manager's screening approach and engagement activity in relation to SRI Sukuk.	Interval scale via Likert scale (5 points)	Investment decisions in SRI Sukuk.	5	Adam & Shauki (2014)
Moral Intensity (MI)	The moral intensity of fund managers about the investment of SRI Sukuk.	Interval scale via Likert scale (5 points)	Based on Singhapakdi et al. (1996) Moral Intensity Scale (MIS)	6	McLachlan & Gardner (2004)
Organisational factor (OG)	The environment in which decisions are made by fund managers.	Interval scale via Likert scale (5 points)	Organisation factors that influence investment decision.	3	(Singhapakdi et al., 1999)
SRI Sukuk Intention (IN)	The plan and propensity of fund managers to invest in SRI Sukuk	Interval scale via Likert scale (5 points)	Plan and propensity to invest in SRI Sukuk.	4	Adam & Shauki (2014)
Demographic characteristic	Age	Ratio scale	-	-	-
	Gender	Nominal scale (Male, Female)	-	-	-
	Religion	Nominal scale (Islam, Christianity, Hindu, Buddha, Others)	-	-	-
	Working Experience	Nominal scale (Less than one year, One year, Two years, Three years, Four years, Five years and above)	-	-	-
	Education Level	Ordinal scale (High School, Diploma, bachelor's degree, Master's Degree, Doctoral Degree)	-	-	-
	Managerial Level	Ordinal scale (Top management level, Middle management level, Low management level)	-	-	-

## Data Analysis

This study utilised Structural Equation Modelling (SEM) to analyse the data collected. Particularly, PLS- SEM is employed due to the flexibility and its ability in working with small sample size (Joseph F. Hair et al., 2019). To resolve common method bias issue, a full collinearity test has been conducted based on Kock and Lynn (2012). Two main procedures namely measurement model analysis and structural model analysis (Hair et al., 2017a; Henseler et al., 2009) was utilised. Table 2 demonstrates that the single source data is unbiased, as shown by a VIF value that is less than or equal to 3.3.

**Table 2: Full Collinearity Testing**

Variables	MI	OG	IN	BV
VIF	1.686	1.671	1.661	1.848

Note: *MI* is moral intensity, *OG* is organisational factor, *IN* is SRI Sukuk Intention and *BV* is SRI Sukuk Behaviour

SRI Sukuk intention serves as the mediator variable in this investigation. The relationship between the independent variables (moral intensity and organisational factor) and the dependent variables (SRI Sukuk behaviour) is expected to be mediated by SRI Sukuk intention. This study adheres to the recommendation made by Preacher and Hayes (2004, 2008) to analyse the indirect effect using bootstrapping. Bootstrapping is a statistical technique that provides high statistical power, making it suitable for small sample sizes and capable of estimating specific indirect effects (Hair et al., 2021; Hair et al., 2017a). A bias-corrected bootstrapping procedure was performed, following the recommendation of Memon et al. (2018).

## RESULTS AND DISCUSSION

### Sample Characteristics

Table 3 provides a concise overview of the data set's attributes, including age, gender, religion, education level, job experience, and managerial level. The data presented in the table indicates that the largest proportion of the participants fall within the age range of 30 to 40 years old, accounting for 45.45% of the total. Furthermore, the majority of the respondents, namely 53 individuals or 60.23%, identify as male. Additionally, a significant majority of the participants, amounting to 80.68%, identify themselves as Muslim. Out of the respondents, 80.68% possess a minimum of a bachelor's degree, while 75% have a minimum of 5 years of work experience. The majority of responses are primarily from middle management positions.

**Table 3: Sample Characteristics**

<b>Variables</b>	<b>Descriptions</b>	<b>N</b>	<b>%</b>
Age	Less than 30 years	15	17.05
	30 to 40 years	40	45.45
	More than 40 years	33	37.50
Gender	Male	53	60.23
	Female	35	39.77
Religion	Islam	71	80.68
	Christian	6	6.82
	Hindu	0	0.00
	Buddha	10	11.36
	Others	1	1.14
Education Level	High school	8	9.09
	Diploma	9	10.23
	Bachelor's Degree	50	56.82
	Master's Degree	21	23.86
	Doctoral Degree	0	0.00
Working Experience	Less than one year	0	0.00
	One year	4	4.55
	Two years	5	5.68
	Three years	2	2.27
	Four years	11	12.50
	Five years and above	66	75.00
Managerial Level	Low	20	22.73
	Middle	52	59.09
	Top	16	18.18

### Measurement Model Assessment

This study evaluated the effectiveness of the model created using the two-step method that Anderson and Gerbing (1998) recommended. The first phase was evaluating the measurement model to determine the validity and reliability of the instrument, using the procedures described by Hair et al. (2019) and Ramayah et al. (2018). Next, in order to verify the suggested hypotheses, the structural model was assessed.

This study assessed the convergent and discriminant validity of the measurement model. Convergent validity pertains to the extent to which two questions (items) assessing the same idea place significant emphasis on that specific aspect. Commonly used methods for assessing convergent validity include examining loadings, average variance extracted (AVE), and composite reliability (CR). Hair et al. (2017) suggested that the loading factor should not be below 0.5, the composite reliability (CR) should be at least 0.7, and the average variance extracted (AVE) should be equal to or higher than 0.5.

Table 4 presents the measurement data for the models. The table indicates that the AVE values are greater than 0.5, while the CR values surpass 0.7. The loadings exhibited good outcomes, as evidenced by just one loading that were below the criterion of 0.708 (Joseph F. Hair et al., 2019). As a result, the measurement is regarded as having both validity and reliability.

**Table 4: Measurement Model**

Construct	Item	Loading	CR	AVE
Moral Intensity (MI)	MI1	0.741	0.899	0.6
	MI2	0.796		
	MI3	0.835		
	MI4	0.752		
	MI5	0.667		
	MI6	0.840		
Organisational factor (OG)	OG1	0.870	0.879	0.708
	OG2	0.868		
	OG3	0.784		
SRI Sukuk Intention (IN)	IN1	0.878	0.870	0.693
	IN2	0.893		
	IN4	0.715		
SRI Sukuk Behavior (BV)	BV2	0.822	0.833	0.714
	BV4	0.867		

Note: *IN3*, *BV1* and *BV3* were deleted due to low loadings.

Discriminant validity is a quantitative measure used to determine the extent of conceptual distinction between two constructs. This study assesses the discriminant validity by applying the HTMT criteria, which were initially proposed by Henseler et al. (2015) and then amended by Franke and Sarstedt (2019). Based on stricter standards, the HTMT values should not above 0.85, whereas under more relaxed standards, they should not above 0.90. The HTMT values displayed in Table 5 are all below 0.90, showing that the respondents comprehended the distinction of the concept. The results of the two validity tests, specifically the tests for convergent and discriminant validity, demonstrate that the instruments used in this study are both valid and reliable.

**Table 5: Discriminant Validity Heterotrait-Monotrait Ratio (HTMT)**

	1	2	3	4
1. MI				
2. OG	0.628			
3. IN	0.716	0.640		
4. BV	0.701	0.874	0.874	

Note: *MI* is moral intensity, *OG* is organisational factor, *IN* is SRI Sukuk Intention and *BV* is SRI Sukuk Behaviour

### Structural Model Assessment

As recommended by Hair et al. (2017) and Cain et al. (2017), the multivariate skewness and kurtosis were investigated in the current study. It seems that the data acquired for the investigation did not exhibit multivariate normality, as evidenced by Mardia's multivariate skewness ( $\beta = 4.686$ ,  $p < 0.01$ ) and Mardia's multivariate kurtosis ( $\beta = 32.831$ ,  $p < 0.01$ ). This study used the 5,000-sample re-sample bootstrapping technique (Ramayah et al., 2018) to report the values of path coefficients, standard errors, t-values, and p-values for the structural model, as per Hair et al. (2019). Hahn and Ang (2017) argue that relying solely on p-values is inadequate for evaluating the relevance of a hypothesis. They contend that a more all-encompassing strategy,

encompassing many criteria such as p-values, confidence intervals, and impact sizes, should be embraced. The criteria used to assess the hypotheses of this study are specified in Table 6.

**Table 6: Hypotheses testing**

Hypothesis	Relationship	Std Beta	Std deviation	t-value	p-value	BCI LL	BCI UL	f <sup>2</sup>	R <sup>2</sup>
H1	MI - BV	0.105	0.145	0.726	0.234	-0.118	0.359	0.013	0.492
H2	OG - BV	0.376	0.122	3.067	0.001	0.168	0.572	0.187	
H3	IN - BV	0.350	0.126	2.765	0.003	0.120	0.539	0.142	
H4	MI - IN	0.457	0.106	4.299	0.000	0.275	0.622	0.259	0.409
H5	OG - IN	0.270	0.128	2.105	0.018	0.046	0.469	0.090	

Note: About 95% confidence interval was used with bootstrapping of 5,000. MI is moral intensity, OG is organisational factor, IN is SRI Sukuk Intention and BV is SRI Sukuk Behaviour

This study initially assessed the impact of moral intensity, organisational factor, and SRI Sukuk intention on SRI Sukuk behaviour. According to Table 6, the R<sup>2</sup> value for the SRI Sukuk intention construct is 0.492. This value suggests that the three predictors accounted for 49.2% of the variation in SRI Sukuk behaviour. The result indicated that there was no significant relationship between moral intensity ( $\beta = 0.105$ ,  $p = 0.234$ ) and SRI Sukuk behaviour. Therefore, H1 is not supported. This means that moral intensity does not have a major impact on the behaviour of fund managers in relation to SRI Sukuk. It is possible that fund managers make investing decisions based on client preferences. Hence, the investment decisions regarding SRI Sukuk will prioritise the preferences of the clients over the personal moral intensity of the fund management. However, the results align with a prior study conducted by Bayer et al. (2019), which argued that moral intensity has minimal influence on moral behaviour.

Furthermore, as shown in Table 6, organization factor ( $\beta = 0.376$ ,  $p = 0.001$ ) and SRI Sukuk intention ( $\beta = 0.350$ ,  $p = 0.003$ ) shows significant positive effects on SRI Sukuk behaviour. Hence, H2 and H3 are supported. The results indicated that the fund manager's organisational factor could influence the investment decision in SRI Sukuk. The organizational factor is consistent with TPB's subjective norms. This factor stresses the important role of significant others in influencing a person's behaviour. Hence, similar to the argument regarding moral intensity, significant others in this context could be the client itself. Client preference in investing in SRI Sukuk could significantly influence a fund manager to invest in SRI Sukuk.

Additionally, H3, which hypothesized that there is significant effect of fund manager's intention to invest in SRI Sukuk and the SRI Sukuk behaviour is also supported. Consequently, fund managers or investors that have a strong desire to invest in SRI Sukuk will have a greater likelihood of investing in SRI Sukuk. This finding aligns with prior research conducted by East (1993), Hofmann et al. (2005, 2008), Talha et al. (2012) and Adam and Shauki (2014). Hence, it is imperative for the government and policymakers to develop policies that encourage investors to have a strong inclination towards investing in SRI Sukuk, resulting in an increased demand for such investments.

Next, this study also attempts to examine the indirect effect of moral intensity and organisational factor on SRI Sukuk behaviour through SRI Sukuk intention. Therefore, the initial assessment focusses on the influence of moral intensity and organisational factors on the SRI Sukuk intention. According to Table 6, the  $R^2$  value for the SRI Sukuk intention construct is 0.409. This value suggests that the two predictors accounted for 40.9% of the variation in SRI Sukuk intention. Moral intensity ( $\beta = 0.457$ ,  $p < 0.001$ ) shows significant positive effects on SRI Sukuk intention. Hence, H4 is supported.

The result aligns with the research conducted by Talha et al. (2013) and Lin et al. (2018). Both studies found that moral intensity has a significant and positive impact on intention. Although the moral intensity of the fund manager has no significant direct effect on SRI Sukuk behaviour, the significant effect on the fund manager's intention could suggest that moral intensity indirectly plays a significant role in SRI Sukuk investment. Hence the mediation effect of SRI sukuk intention is worth investigating. Next, the organisation factor ( $\beta = 0.270$ ,  $p = 0.018$ ) also shows significant positive effects on SRI Sukuk intention. This suggests that the influence exerted by significant others, particularly clients, has a substantial impact on an intent of fund managers to invest in SRI Sukuk. Hence, H5 is also supported.

The findings reveal that organisational factors and SRI Sukuk intention significantly predict SRI Sukuk behaviour, while moral intensity shows no direct effect. However, moral intensity and organisational factors both significantly influence intention, indicating an indirect pathway to behaviour. These results highlight the importance of organisational influences and investor intention in shaping SRI Sukuk investment decisions.

## Assessment of Mediation Model

**Table 7: Mediation analysis**

Hypothesis	Relationship	Std Beta	Std deviation	t-value	p-value
H6	MI - IN - BV	0.160	0.073	2.177	0.015
H7	OG - IN - BV	0.094	0.057	1.668	0.048

Note: *MI* is moral intensity, *OG* is organisational factor, *IN* is SRI Sukuk Intention and *BV* is SRI Sukuk Behaviour

This study examined the indirect impacts of moral intensity and organisational factors on SRI Sukuk behaviour by assessing the mediating role of SRI Sukuk intention. The analysis of Table 7 shows that there is a significant indirect effect of moral intensity ( $\beta = 0.160$ ,  $t = 2.177$ ,  $p = 0.015$ ) and organisational factor ( $\beta = 0.094$ ,  $t = 1.476668$ ,  $p = 0.048$ ) on perceived SRI Sukuk behaviour. This study further validates that moral intensity has an indirect effect of 0.160, while the organisational element has an indirect effect of 0.094. This is supported by the fact that the confidence intervals for both effects do not straddle the value of 0.

Although there is no significant direct effect of a fund manager's moral intensity on fund manager behaviour in acquiring SRI Sukuk, the relationship is indirect through the fund managers' intention in acquiring SRI Sukuk. Therefore, the moral intensity of ICM is an important antecedent of the fund managers' demand of SRI Sukuk. The

idea of morally choosing an ethical investment in SRI, where the proceeds are known to be utilised for socially responsible projects, had shaped the fund manager's moral intensity. This subsequently translated into a higher intention to invest and actual investment in SRI Sukuk. Therefore, H6 is supported.

Lastly, the relationship between external pressure and the behaviour of fund managers towards SRI Sukuk is mediated by their intention to invest in SRI Sukuk. The SRI Sukuk intention influences the transformation of organisational factor of fund managers into their investment behaviour. Furthermore, this suggests that any measures aimed at modifying investment intention will also impact the implications of organisational behaviour on SRI Sukuk investing. Hence, H7 is also supported.

## CONCLUSION

Socially Responsible Investment (SRI) Sukuk is a Shariah-compliant version of conventional bond, whose proceeds will be utilised for social funding purposes. For instance, SRI Sukuk may assist with addressing sustainability-related social and environmental issues like waqf assets, poverty, unemployment, refugee issues, and microfinance development. With the impactful potential of SRI Sukuk, it would be beneficial for society if there was high issuance of SRI Sukuk. Nevertheless, the issues are still much smaller than traditional SRI. Since SRI Sukuk is issued based on demand, it is vital to understand the factors that could drive the investment in SRI Sukuk. Being known as a socially responsible investment, it is expected to be related to the moral and ethical judgement of an individual. As a result, this study attempts to examine the ICM's moral intensity and organisational factor, as well as moral intention to uncover the antecedents of SRI Sukuk behaviour.

This study aims to examine the direct and indirect effect (through intention) of moral intensity and organisational factors on investment in SRI Sukuk. 88 respondents who are among fund managers participated in the questionnaire survey, and PLS-SEM is used for data analysis. The result indicates that only organisational factors have a direct impact on SRI Sukuk behaviour. Additionally, both moral intensity and organisational factors could influence the investment in SRI Sukuk through SRI Sukuk intention. The result shed light on the role of ICM in flourishing the issuance of SRI Sukuk by increasing the demand of SRI Sukuk from fund managers.

Since organisational factors could affect SRI Sukuk behaviour (directly and indirectly), it is vital that the government, in collaboration with Islamic experts or scholars, create awareness among the community (potential clients) about the importance of SRI Sukuk in addressing sustainability-related issues. This could encourage their demand for investment in SRI Sukuk through fund managers. Additionally, government may offer targeted incentives to build an ecosystem that fosters both corporate adoption and heightened moral engagement among fund managers.

Although moral intensity exerts an indirect significant influence on SRI Sukuk behav-

our, it is important to regularly highlight and promote the SRI Sukuk as an important source of funding for socially responsible projects. This could in turn instill a good feeling about the consequence of investment in SRI Sukuk and strengthen their moral intensity. Consequently, it could spark their intention to invest in SRI Sukuk and demand for the instrument. This study is limited by its small sample size. It is highly recommended to do further research in the future with a larger number of participants to validate the current results.

## ACKNOWLEDGEMENT

The authors would like to express their gratitude and appreciation for the assistance provided by the Faculty of Accountancy, UiTM for Pembiayaan Yuran Penerbitan Artikel (PYPA) of this research.

## REFERENCES

- Adam, A. A., & Shauki, E. (2014). Socially responsible investment in Malaysia: Behavioural framework to evaluate investors' decision making process. *Journal of Cleaner Production*, 80, 224–240. <https://doi.org/10.1016/j.jclepro.2014.05.075>
- Ajzen, I. (1991). The theory of planned behavior. *Organizational Behavior and Human Decision Processes*, 50(2), 179–211. [https://doi.org/10.1016/0749-5978\(91\)90020-T](https://doi.org/10.1016/0749-5978(91)90020-T)
- Al-Zaqeba, M. A. A., & Al-Rashdan, M. T. (2020). Extension of the TPB in tax compliance behavior: The role of moral intensity and customs tax. *International Journal of Scientific and Technology Research*, 9(4), 227–232.
- Alam, N., Hassan, M. K., & Haque, M. A. (2013). Are Islamic bonds different from conventional bonds? International evidence from capital market tests. *Borsa Istanbul Review*, 13(3), 22–29. <https://doi.org/10.1016/j.bir.2013.10.006>
- Anderson, J. C., & Gerbing, D. W. (1998). Structural Equation Modeling in Practice: A Review and Recommended Two-Step Approach. *Psychological Bulletin*, 103(3), 411–423. <https://doi.org/10.1504/EJIM.2021.114662>
- Azman, S. M. M. S., & Ali, E. R. A. E. (2016). Potential role of social impact bond and socially responsible investment Sukuk as financial tools that can help address issues of poverty and socio-economic insecurity. *Intellectual Discourse*, 24(Special Issue), 343–364.
- Azman, S. M. M. S., Ismail, S., Haneef, M. A., & Ali, E. R. A. E. (2022). An empirical comparison of sustainable and responsible investment Sukuk, social impact bonds and conventional bonds. *International Journal of Islamic Finance*, 14 (3), 256–273. <https://doi.org/10.1108/IJIF-04-2021-0074>
- Bayer, S., Gimpel, H., & Sarikaya, S. (2019). Bank customers' decision-making process in choosing between ethical and conventional banking: a survey-based examination. *Journal of Business Economics*, 89(6), 655–697. <https://doi.org/10.1007/s11573-019-00934-5>
- Bennett, M. S., & Iqbal, Z. (2013). How socially responsible investing can help bridge the gap between Islamic and conventional financial markets. *International*

- Journal of Islamic and Middle Eastern Finance and Management*, 6(3), 211–225. <https://doi.org/10.1108/IMEFM-Aug-2012-0078>
- Buchan, H. F. (2005). Ethical decision making in the public accounting profession: An extension of Ajzen's Theory of Planned Behavior. *Journal of Business Ethics*, 61(2), 165–181. <https://doi.org/10.1007/s10551-005-0277-2>
- Cain, M. K., Zhang, Z., & Yuan, K. H. (2017). Univariate and multivariate skewness and kurtosis for measuring nonnormality: Prevalence, influence and estimation. *Behavior Research Methods*, 49(5), 1716–1735. <https://doi.org/10.3758/s13428-016-0814-1>
- Dalhatu, S. S., & Sharofiddin, A. (2021). Social synergy Sukuk (Double-S Sukuk): A solution for pandemic crisis. *Turkish Journal of Islamic Economics*, 8 (Special Issue), 469–480. <https://doi.org/10.26414/A2372>
- Drum, P. (2019). *Green Sukuk: A new legacy for green sprouts?*
- Dusuki, A. W. (2005). *Corporate social responsibility of Islamic banks in Malaysia: A synthesis of Islamic and stakeholders' perspectives*. Loughborough University.
- East, R. (1993). Investment decisions and the theory of planned behaviour. *Journal of Economic Psychology*, 14(2), 337–375. [https://doi.org/10.1016/0167-4870\(93\)90006-7](https://doi.org/10.1016/0167-4870(93)90006-7)
- Ferguson, J., Brown, B., & Boyd, D. E. (2020). A conceptualization of corporate social (ir) responsibility and moral intensity in the supply chain. *Journal of Business and Industrial Marketing*, 35(3), 602–611. <https://doi.org/10.1108/JBIM-01-2019-0031>
- Foglie, A. D., & Keshminder, J. S. (2022). Challenges and opportunities of SRI Sukuk toward financial system sustainability : a bibliometric and systematic literature review. *International Journal of Emerging Markets*. <https://doi.org/10.1108/IJOEM-04-2022-0601>
- Franke, G., & Sarstedt, M. (2018). Heuristics versus statistics in discriminant validity testing: A comparison of four procedures. *Internet Research*, 29(3), 430–447. <https://doi.org/10.1108/IntR-12-2017-0515>
- Hahn, E. D., & Ang, S. H. (2017). From the editors: New directions in the reporting of statistical results in the Journal of World Business. *Journal of World Business*, 52(2), 125–126. <https://doi.org/10.1016/j.jwb.2016.12.003>
- Hair, Joseph F., Hult, G. T. M., Ringle, C. M., Sarstedt, M., Danks, N. P., & Ray, S. (2021). *Partial least squares structural equation modeling (PLS-SEM) using R* (1st ed.). Springer Cham. <https://doi.org/10.1007/978-3-030-80519-7>
- Hair, Joseph F., Risher, J., Sarstedt, M., & Ringle, C. M. (2019). When to use and how to report the results of PLS-SEM. *European Business Review*, 31(1), 2–24. <https://doi.org/10.1108/EBR-11-2018-0203>
- Hair, Joseph F., Hult, G. T. M., Ringle, C. M., & Sarstedt, M. (2017). *A primer on partial least squares structural equation modeling (PLS-SEM)* (2nd ed.). Sage Publications.

- Harrison, C., MacGeoch, M., & Michetti, C. (2022). *Sustainable debt global state of the market 2021*.
- Henseler, J., Ringle, C. M., & Sarstedt, M. (2015). A new criterion for assessing discriminant validity in variance-based structural equation modeling. *Journal of the Academy of Marketing Science*, 43(1), 115–135. <https://doi.org/10.1007/s11747-014-0403-8>
- Henseler, J., Ringle, C. M., & Sinkovics, R. R. (2009). The use of partial least squares path modeling in international marketing. *Advances in International Marketing*, 20, 277–319. [https://doi.org/10.1108/S1474-7979\(2009\)0000020014](https://doi.org/10.1108/S1474-7979(2009)0000020014)
- Hofmann, E., Hoelzl, E., & Kirchler, E. (2008). A comparison of models describing the impact of moral decision making on investment decisions. *Journal of Business Ethics*, 82(1), 171–187. <https://doi.org/10.1007/s10551-007-9570-6>
- Hofmann, E., Hoelzl, E., & Kirchler, E. (2005). Ethical investment: How do moral considerations influence investment behaviour? *30th Annual Colloquium of the International Association for Economic Psychology*, 21–24.
- Hofmann, E., Meier-Pesti, K., & Kirchler, E. (2007). The decision process for ethical investment. *Journal of Financial Services Marketing*, 12(1), 4–16. <https://doi.org/10.1057/palgrave.fsm.4760057>
- Johari, R. J., Sanusi, Z. M., & Zarefar, A. (2019). Auditor's ethical judgments: The influence of moral intensity, ethical orientation and client importance. *International Journal of Financial Research*, 10(3), 77–87. <https://doi.org/10.5430/ijfr.v10n3p77>
- Jones, T. M. (1991). Ethical Decision Making by Individuals in Organizations : An Issue-Contingent Model. *The Academy of Management Review*, 16(2), 366–395.
- Joshi, H. T., & Dangi, M. (2025). Are Retail Investors in Emerging Economies SRI Ready? *Management and Labour Studies*, 49(2), 256–274. <https://doi.org/10.1177/0258042X231196666>
- Kassim, S., & Abdullah, A. (2018). Pushing the frontiers of Islamic finance through socially responsible investment Sukuk. *Al-Shajarah: Journal of Islamic Thought and Civilization, Special Issue*, 187–213.
- Khalilurrahman, & Mubarrak, H. (2022). Retail green sukuk in indonesia: toward a Maqashid approach. *Jurnal Ekonomi Dan Keuangan Islam*, 11(1), 208–228. <https://doi.org/10.22373/share.v11i1.12460>
- Khouildi, M. Y., & Kassim, S. H. (2018). An innovative financing instrument to promote the development of Islamic microfinance through socially responsible investment Sukuk. *Journal of Islamic Monetary Economics and Finance*, 4(2), 237–250. <https://doi.org/10.21098/jimf.v4i2.935>
- Kinneging, A. (2020). *Defining moral values*.
- Kock, N., & Lynn, G. S. (2012). Lateral Collinearity and Misleading Results in Variance-Based SEM: An Illustration and Recommendations. *Journal of the*

- Association for Information Systems*, 13(7), 546–580. [https://doi.org/10.1016/s0193-953x\(18\)30902-x](https://doi.org/10.1016/s0193-953x(18)30902-x)
- Kwakye, T. O., Welbeck, E. E., Owusu, G. M. Y., & Anokye, F. K. (2018). Determinants of intention to engage in sustainability accounting & reporting (SAR): the perspective of professional accountants. *International Journal of Corporate Social Responsibility*, 3(11). <https://doi.org/10.1186/s40991-018-0035-2>
- Latan, H., Chiappetta Jabbour, C. J., & Lopes de Sousa Jabbour, A. B. (2019). Ethical awareness, ethical judgment and whistleblowing: A moderated mediation analysis. *Journal of Business Ethics*, 155(1), 289–304. <https://doi.org/10.1007/s10551-017-3534-2>
- Latan, H., Ringle, C. M., & Jabbour, C. J. C. (2018). Whistleblowing intentions among public accountants in Indonesia: Testing for the moderation effects. *Journal of Business Ethics*, 152(2), 573–588. <https://doi.org/10.1007/s10551-016-3318-0>
- Lin, Y.-C., Huang, C.-Y., & Wei, Y.-S. (2018). Perfectionist decision-making style and ethical investment willingness: A two-factor causal mediation model. *Management Decision*, 56(3), 534–549. <https://doi.org/10.1108/MD-05-2017-0492>
- Lu, L.-C., Chang, H.-H., & Kuo, T.-C. (2025). Consumers' moral judgment toward sustainable tourism: exploring the impacts of sustainable information disclosure on social media engagement. *Asia Pacific Journal of Tourism Research*, 1–21. <https://doi.org/10.1080/10941665.2025.2545390>
- Mahomed, Z., Unal, I. M., & Mohamad, S. (2021). Funding the refugee crisis in Turkey: A case for social impact Sukuk. In M. K. Hassan, A. Muneeza, & A. M. Sarea (Eds.), *COVID-19 and Islamic Social Finance* (1st ed., pp. 148–163). Routledge. <https://doi.org/10.4324/9781003121718-13>
- Memon, M. A., Cheah, J. H., Ramayah, T., Ting, H., & Chuah, F. (2018). Mediation analysis: Issues and recommendations. *Journal of Applied Structural Equation Modeling*, 2(1), i–ix. [https://doi.org/10.47263/JASEM.2\(1\)01](https://doi.org/10.47263/JASEM.2(1)01)
- Mohammad, M. O., & Shahwan, S. (2013). The objective of Islamic economic and Islamic banking in light of Maqasid al-Shariah: A critical review. *Middle-East Journal of Scientific Research*, 13, 75–84. <https://doi.org/10.5829/idosi.mejsr.2013.13.1885>
- Namazi, M., & Ebrahimi, F. (2017). A study of accountants' whistle-blowing intention: Evidence from Iran. *International Journal of Business Governance and Ethics*, 12(4), 349–373. <https://doi.org/10.1504/IJBGE.2017.090213>
- Noordin, N. H., Haron, S. N., Hasan, A., & Hassan, R. (2018). Complying with the requirements for issuance of SRI Sukuk: The case of Khazanah's Sukuk Ihsan. *Journal of Islamic Accounting and Business Research*, 9(3), 415–433. <https://doi.org/10.1108/JIABR-02-2016-0024>
- O'Fallon, M. J., & Butterfield, K. D. (2005). A review of the empirical ethical decision-making literature: 1996-2003. *Journal of Business Ethics*, 59 (4), 375–413. <https://doi.org/10.1007/s10551-005-2929-7>

- Owais, M., & Mustafa, M. F. (2018). Implication of Malaysia SRI Sukuk framework in sustainable community and economic development. *IOSR Journal of Economics and Finance*, 9(6), 53–66. <https://doi.org/10.9790/5933-0906045366>
- Piotrowski, D. (2020). Sukuk on the socially responsible investments market. In M. H. Bilgin, H. Danis, E. Demir, & M. S. Ucal (Eds.), *Eurasian Business Perspectives* (pp. 357–367). Springer. [https://doi.org/10.1007/978-3-030-35051-2\\_24](https://doi.org/10.1007/978-3-030-35051-2_24)
- Preacher, K. J., & Hayes, A. F. (2004). SPSS and SAS procedures for estimating indirect effects in simple mediation models. *Behavior Research Methods, Instruments, & Computers*, 36(4), 717–731. <https://doi.org/10.3758/BF03206553>
- Preacher, K. J., & Hayes, A. F. (2008). Asymptotic and resampling strategies for assessing and comparing indirect effects in multiple mediator models. *Behavior Research Methods*, 40(3), 879–891. <https://doi.org/10.3758/BRM.40.3.879>
- Radzi, R. M., & Sakai, M. (2022). Convergence of values between Islamic finance and socially responsible investment (SRI): What are the limits of SRI Sukuk issuance? *Journal of King Abdulaziz: Islamic Economy*, 35(2), 76–95. <https://doi.org/10.4197/Islec.35-2.5>
- Rahman, M., Isa, C. R., Dewandaru, G., Hanifa, M. H., Chowdhury, N. T., & Sarker, M. (2020). Socially responsible investment Sukuk (Islamic bond) development in Malaysia. *Qualitative Research in Financial Markets*, 12(4), 599–619. <https://doi.org/10.1108/QRFM-09-2019-0117>
- Ramayah, T., Hwa, C. J., Chuah, F., & Ting, H. (2018). *Partial least squares structural equation modeling (PLS-SEM) using SmartPLS 3.0: An updated and practical guide to statistical analysis* (2nd ed.). Pearson.
- Refinitiv. (2022). *Green and sustainability Sukuk report 2022*.
- Rest, J. R. (1986). *Moral development : Advances in research and theory*. Praeger.
- Richardson, E. (2020). The UAE and responsible finance—Can responsible finance Sukuk help the UAE in fulfilling its sustainability ambitions? *Arab Law Quarterly*, 34(4), 313–355. <https://doi.org/10.1163/15730255-bja10013>
- Salim, A. S. A. (2015). *Factors influencing socially responsible investment behaviour among institutional investors in Malaysia* (Issue June). Multimedia University.
- Securities Commission Malaysia. (2019). *Sustainable and responsible investment Sukuk framework: An overview*. Securities Commission Malaysia.
- Shawver, T. J., & Miller, W. F. (2017). Moral intensity revisited: Measuring the benefit of accounting ethics interventions. *Journal of Business Ethics*, 141(3), 587–603. <https://doi.org/10.1007/s10551-015-2711-4>
- Singhapakdi, A., Vitell, S. J., & Franke, G. R. (1999). Antecedents, consequences, and mediating effects of perceived moral intensity and personal moral philosophies. *Journal of the Academy of Marketing Science*, 27(1), 19–36. <https://doi.org/10.1177/0092070399271002>

- Suryanto, T., & Wekke, I. suardi. (2017). Auditor's professionalism and moral intensity for whistleblowing actions on public accounting firms view. *Journal of Engineering and Applied Sciences*, 12(6), 1667–1671. <https://doi.org/jeasci.2017.1667.1671>
- Svanberg, J., & Öhman, P. (2019). Auditors' issue contingency of reduced audit quality acts: Perceptions of managers and partners. *International Journal of Accounting, Auditing and Performance Evaluation*, 15(1), 57–88. <https://doi.org/10.1504/IJAAPE.2019.096740>
- Talha, M., Sallehuddin, A., Masoud, M. S., & Abu Said, A. M. (2013). An analysis of moral intensity, intention and socially responsible investment behaviour among fund managers of Malaysian unit trust companies. *International Journal of Managerial and Financial Accounting*, 5(2), 162–177. <https://doi.org/10.1504/IJMFA.2013.053210>
- Talha, M., Sallehuddin, A., Masoud, M. S., & Said, A.-M. A. (2012). Explaining SRI behaviour of Malaysian unit trust fund managers using theory of planned behavior. *Corporate Ownership and Control*, 9(4), 108–117. <https://doi.org/10.22495/cocv9i4art8>
- Tseng, L.-M. (2019). Customer insurance frauds: the influence of fraud type, moral intensity and fairness perception. *Managerial Finance*, 45(3), 452–467. <https://doi.org/10.1108/MF-04-2018-0162>
- Valentine, S., & Godkin, L. (2019). Moral intensity, ethical decision making, and whistleblowing intention. *Journal of Business Research*, 98, 277–288. <https://doi.org/10.1016/j.jbusres.2019.01.009>
- Warsame, M. H., & Ireri, E. M. (2016). Does the theory of planned behaviour (TPB) matter in Sukuk investment decisions? *Journal of Behavioral and Experimental Finance*, 12, 93–100. <https://doi.org/10.1016/j.jbef.2016.10.002>
- Wilson, R. (2008). Innovation in the structuring of Islamic Sukuk securities. *Humanomics*, 24(3), 170–181. <https://doi.org/10.1108/08288660810899340>
- Zain, N. S., & Sori, Z. M. (2020). An exploratory study on Musharakah SRI Sukuk for the development of waqf properties/assets in Malaysia. *Qualitative Research in Financial Markets*, 12(3), 301–314. <https://doi.org/10.1108/QRFM-09-2018-0099>
- Zhang, N., Zhang, J., & Wang, J. (2019). The relationship between perceived moral intensity and business ethical sensitivity of Chinese insurance agents: The mediating role of empathy. *International Journal of Services, Technology and Management*, 25(2), 160–178. <https://doi.org/10.1504/IJSTM.2019.098208>
- Zheng, D., & Walter, Z. D. (2020). Moral hazard in compliance: The impact of moral intensity and competing values. *Americas Conference on Information Systems*.