

Islamic Green Finance and Corporate Governance: A Comprehensive Literature Review and Research Agenda

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ABSTRACT

Islamic green finance (IGF), rooted in Maqasid al-Shari'ah principles, has emerged as a critical mechanism for aligning ethical financial practices with environmental sustainability and corporate governance (CG) imperatives. However, despite its potential to contribute significantly to the Sustainable Development Goals (SDGs), the intersection of IGF and CG remains underexplored, particularly in terms of integrated frameworks, empirical validation, and cross jurisdictional applicability. This study addresses this gap by systematically analyzing the research landscape using Scopus AI analytics to map the conceptual foundations, identify key topic experts, and highlight emerging themes in the field. The primary aim is to develop a comprehensive literature review and propose a forward looking research agenda that strengthens the theoretical and practical linkages between IGF and CG. The analysis on 15 August 2025. The dataset was examined through summary and expanded summaries, concept maps, topic expert profiling, and thematic clustering to extract consistent, rising, and novel themes. Findings reveal three consistent themes Sharia governance in Islamic banks' performance, Islamic sustainable finance through green sukuk, and corporate governance ESG integration alongside rising themes in IGF SDG alignment and legal frameworks for green finance. Notably, robust Sharia governance and diversified supervisory boards enhance both financial performance and sustainability outcomes. Theoretically, this study advances stakeholder and agency theories by embedding Islamic ethical dimensions. Practically, it provides policy insights for regulators, financial institutions, and investors to strengthen governance mechanisms and expand Shariah compliant green instruments. Limitations include the reliance on Scopus indexed, predominantly English language sources, underscoring the need for multilingual and empirical research in future studies.

Keywords: Islamic Green Finance, Corporate Governance, Shariah Governance, Sustainable Development Goals (SDGs) and Environmental, Social, and Governance (ESG)

INTRODUCTION

In recent years, the intersection of Islamic finance and sustainability has garnered increasing scholarly and policy attention, particularly through the emerging paradigm of Islamic green finance. Rooted in Shariah principles, Islamic green finance integrates environmental stewardship with social justice and economic equity, aligning with the global sustainable development agenda and the principles of corporate social responsibility (Rosman & Marzuki, 2024; Sofiadin, 2025). Central to this integration are the objectives of Maqasid al-Shari'ah, which seek

to promote societal welfare and environmental preservation, and the application of robust Shariah governance mechanisms to ensure ethical compliance, transparency, and accountability (Ali et al., 2025; Bhatti & Bhatti, 2010). Within this framework, corporate governance plays a pivotal role in aligning institutional behavior with both Islamic ethics and sustainability imperatives, thereby influencing the financial sector's contribution to climate action and responsible investment.

Despite its growing significance, the integration of Islamic green finance and corporate governance remains fragmented and underexplored in the literature. While prior studies have investigated various components such as the role of Shariah governance in enhancing transparency, the adoption of ESG disclosures, and the use of green financial instruments in Islamic finance findings remain scattered across contexts, with limited synthesis of empirical evidence (Shalhoob, 2025; Jan et al., 2022). Moreover, deficiencies in existing Shariah governance frameworks, inconsistent regulatory support, and low levels of public awareness present persistent challenges to fully realizing the potential of Islamic green finance in promoting sustainability (Aldohni, 2019; Jurkowska Zeidler & Schweigl, 2024). The absence of comprehensive comparative analyses across jurisdictions further hampers the development of a cohesive understanding of how governance structures influence green finance adoption in Islamic financial institutions (Li et al., 2025).

Addressing these gaps, this study aims to conduct a comprehensive literature review to map and critically analyze the existing body of knowledge on Islamic green finance and corporate governance. Using bibliometric techniques, conceptual mapping, and thematic synthesis, the review will identify key research areas, highlight the contributions of topic experts, and examine emerging themes that define the research landscape. This approach will enable the identification of conceptual linkages between Islamic green finance and corporate governance, evaluate the role of ESG integration in Shariah-compliant frameworks, and explore regulatory, institutional, and behavioral factors shaping the adoption of sustainable practices.

The contributions of this paper are threefold. First, it consolidates fragmented research to offer a structured understanding of the nexus between Islamic green finance and corporate governance. Second, it develops a concept map that visualizes the intellectual structure and thematic evolution of the field, thereby supporting both scholarly inquiry and policy formulation. Third, it outlines a research agenda that addresses identified gaps, offering pathways for future empirical and theoretical advancements. The remainder of this paper is structured as follows: Section 2 outlines the methodological approach adopted for the literature review. Section 3 presents the bibliometric and thematic findings, including a concept map and expert analysis. Section 4 discusses emerging themes and their implications for theory and practice. Section 5 concludes with recommendations for research, policy, and practice aimed at strengthening the integration of Islamic green finance and corporate governance in advancing sustainable development.

METHODOLOGY

This study adopts a bibliometric and thematic review approach to analyze the research landscape on Islamic green finance and corporate governance using Scopus AI analytics. The primary objective is to provide an in-depth exploration of the conceptual framework linking these two domains, identify key topic experts, and highlight emerging themes. The analysis was conducted on 15 August 2025, ensuring that the dataset reflects the most current developments in the field.

Data Source and Search Strategy

Scopus, a comprehensive and reputable scholarly database, was selected for this study due to its extensive coverage of peer-reviewed literature and its robust analytical capabilities. Scopus AI's bibliometric tools allow for the generation of detailed summaries, expanded thematic overviews, concept mapping, expert identification, and the extraction of emerging research trends. The search string was carefully designed to capture the intersection of Islamic finance, sustainability, and corporate governance while allowing for conceptual breadth:

("Islamic finance" OR "Sharia finance" OR "ethical finance" OR "sustainable finance") AND ("green finance" OR "environmental finance" OR "eco finance" OR "sustainable investment") AND ("corporate governance" OR

"business ethics" OR "corporate responsibility" OR "stakeholder management") AND ("sustainability" OR "social responsibility" OR "ESG" OR "environmental impact")

The search included journal articles, conference proceedings, and book chapters indexed in Scopus without geographical restriction but limited to English-language publications to ensure consistency in analysis. The final dataset included all available records meeting the search criteria up to the cut-off date.

Analytical Procedure

The analysis was carried out in multiple stages. First, Summary and Expanded Summary outputs from Scopus AI were generated to capture the overall scope and depth of the research field. The Summary distilled the main thematic areas, while the Expanded Summary provided detailed insights into specific subtopics such as Shariah governance mechanisms, ESG integration, and green financial instruments in Islamic finance (Ali et al., 2025; Rosman & Marzuki, 2024; Sofiadin, 2025).

Second, a Concept Map was produced to visually represent the intellectual structure of the field. This map illustrated the interconnections between core concepts, including “Maqasid al-Shari’ah,” “ESG disclosure,” “green sukuk,” “Shariah governance,” and “sustainable investment strategies.” It also revealed cross-disciplinary linkages between Islamic finance, corporate governance, and environmental policy, reflecting the evolving nature of the research landscape (Jan et al., 2021; Sehen Issa et al., 2022).

Third, Scopus AI’s Topic Experts feature identified leading scholars who have significantly contributed to the field, based on publication volume, citation impact, and thematic relevance. This enabled the recognition of intellectual leaders whose work has shaped the discourse on Islamic green finance and corporate governance, providing a foundation for future collaborative and comparative studies.

Finally, the Emerging Themes module identified nascent research areas gaining traction in recent years. These included the integration of fintech into green Islamic finance, regulatory frameworks for sustainable Islamic banking, and the role of corporate governance in achieving the Sustainable Development Goals (SDGs) within Islamic financial institutions (Raimi & Bamiro, 2025; Aspiranti et al., 2023).

Research Aim and Contribution

By synthesizing bibliometric outputs and thematic analyses, this study aims to construct a comprehensive literature review that not only consolidates existing knowledge but also proposes a forward-looking research agenda. The agenda focuses on refining Shariah governance frameworks to better support sustainability objectives, promoting deeper ESG integration in Islamic finance, and encouraging cross jurisdictional comparative studies to assess governance effectiveness. Through this structured approach, the paper contributes to theory-building in Islamic finance and offers evidence-based recommendations for policymakers, industry practitioners, and researchers.

RESULTS AND DISCUSSION

Before presenting the results, it is important to note that this analysis conducted using Scopus AI on 15 August 2025 provides a data-driven overview of the research landscape on Islamic green finance and corporate governance. By synthesizing findings from the summary, expanded summary, concept map, topic experts, and emerging themes, the study offers a comprehensive view of the field’s conceptual structure, influential contributors, and future research directions.

Summary and Expanded Summary

The literature review and expanded summary reveal that Islamic green finance operates at the intersection of Shariah-compliant financial principles and global sustainability objectives, with a strong emphasis on social justice, environmental stewardship, and ethical governance. Central to this framework is Maqasid al-Shari’ah, which underpins the moral and ethical imperatives of financial activities by ensuring that economic growth does

not compromise environmental integrity or societal welfare (Rosman & Marzuki, 2024; Sofiadin, 2025). The integration of Shariah governance within corporate governance structures ensures compliance with Islamic ethical standards while enhancing transparency, accountability, and stakeholder confidence (Ali et al., 2025; Bhatti & Bhatti, 2010).

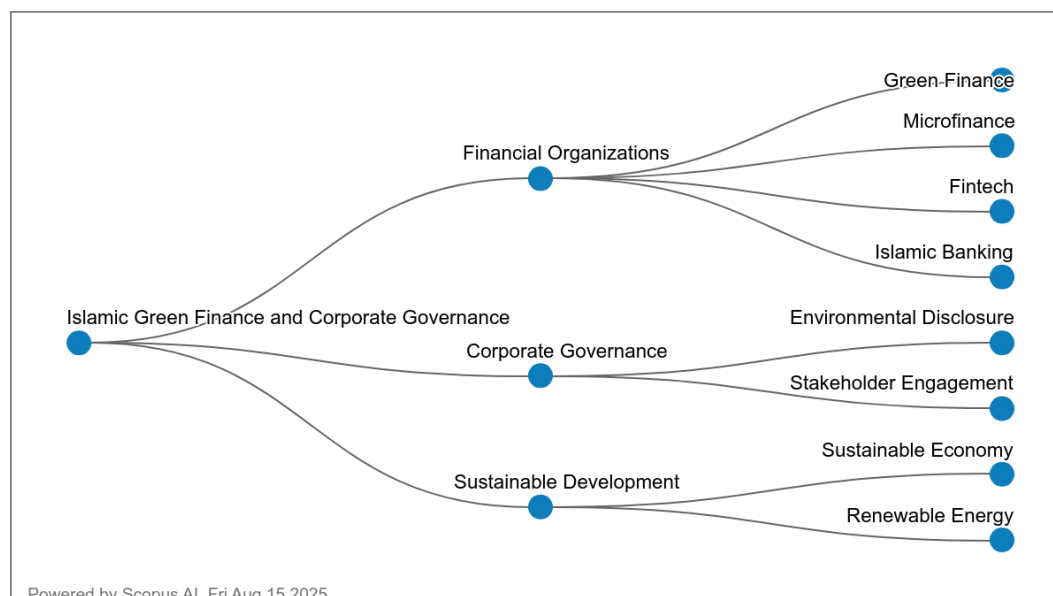
From a corporate governance perspective, Shariah governance frameworks and mechanisms such as Shariah board composition and oversight play a pivotal role in aligning organizational strategies with sustainability and ethical mandates. These frameworks not only support green banking initiatives but also help financial institutions integrate Environmental, Social, and Governance (ESG) practices in a manner that is congruent with Islamic values (Jan et al., 2021; Sehen Issa et al., 2022). Empirical evidence suggests that when Islamic financial institutions (IFIs) strengthen their governance mechanisms, there is a corresponding improvement in ESG disclosure quality, financial performance, and long term sustainability outcomes (Shalhoob, 2025).

The findings also highlight both opportunities and challenges in embedding Islamic green finance within corporate governance structures. Opportunities arise from the potential of Islamic sustainable finance to promote green entrepreneurship, fund environmentally responsible projects, and contribute to the achievement of Sustainable Development Goals (SDGs) in emerging Muslim economies (Raimi & Bamiro, 2025). However, challenges persist in the form of inadequate regulatory frameworks, inconsistent ESG reporting standards, and varying levels of stakeholder awareness across jurisdictions (Aldohni, 2019; Jurkowska Zeidler & Schweigl, 2024). The literature points to the need for stronger regulatory oversight and harmonized guidelines to ensure that sustainability initiatives within Islamic finance are both effective and compliant with Shariah principles.

Looking forward, the expanded review identifies critical gaps and future research directions, particularly in advancing Shariah governance scholarship. Research should focus on the four core themes identified in recent reviews: the significance of Shariah governance, essential ingredients for effective implementation, measurable impacts on IFIs, and latent governance challenges that may impede sustainability integration (Aspiranti et al., 2023). Further, cross-country comparative studies and empirical analyses are needed to examine how different governance and regulatory environments influence the success of Islamic green finance initiatives. Such efforts can provide a stronger evidence base for developing a comprehensive research agenda that supports the integration of ESG, corporate governance, and Islamic finance for sustainable global impact.

Concept Map

The concept map generated from Scopus AI on Islamic Green Finance and Corporate Governance (as of 15 August 2025) visually represents the core thematic clusters and their interconnections within the research landscape. At the center lies the main research domain, branching into three primary thematic categories: Financial Organizations, Corporate Governance, and Sustainable Development.



Islamic Green Finance and Corporate Governance Financial Organizations

The relationship between Islamic green finance and corporate governance within the context of financial organizations is deeply rooted in the integration of Shariah-compliant principles with sustainability driven operational frameworks. Islamic finance emphasizes the necessity of robust governance mechanisms to ensure transparency, accountability, and Shariah compliance, while also addressing contemporary challenges such as technological innovation, risk management, and societal responsibility (Ali et al., 2025). By embedding these governance principles, Islamic financial organizations can effectively manage environmental and social risks, aligning their operations with the values of justice and stewardship inherent in Islamic teachings. This integration forms the backbone of sustainable financial growth in the Islamic finance sector, where corporate governance is not merely a regulatory requirement but a moral obligation.

Islamic corporate governance frameworks are designed to maintain Shariah compliance while supporting sustainable development objectives. Regulatory bodies have developed governance standards to strengthen oversight, particularly through the establishment of Shariah supervisory boards that guide financial institutions in ensuring ethical investment practices and sustainable operations (Rehan et al., 2025). These frameworks contribute to the resilience and credibility of financial organizations by ensuring decisions reflect both religious compliance and long-term value creation. Moreover, effective corporate governance supports risk mitigation, improves investor confidence, and enhances the overall performance of Islamic financial institutions, making them better equipped to address environmental and social challenges.

The alignment between Islamic finance and sustainable development is further reinforced by the sector's commitment to corporate social responsibility (CSR). Islamic financial organizations actively contribute to global environmental and social governance goals, such as those outlined in the United Nations Sustainable Development Goals (SDGs), by financing projects that promote social welfare, environmental protection, and economic equity (Rosman & Marzuki, 2024). This is achieved through green finance instruments like sukuk for renewable energy projects, sustainable trade financing, and microfinance programs that empower marginalized communities while maintaining environmental integrity. These efforts not only strengthen the sector's contribution to sustainable development but also position Islamic finance as a viable model for responsible investing.

Islamic banking, as a central pillar of Islamic green finance, plays a crucial role in operationalizing these principles. By offering Shariah-compliant, environmentally friendly financial products, Islamic banks promote responsible financial practices that align with both ethical and ecological values (Mohamed, 2024). Initiatives such as financing clean energy projects, supporting eco-friendly SMEs, and integrating Environmental, Social, and Governance (ESG) criteria into investment decisions exemplify the sector's proactive stance toward sustainability. The link between corporate governance and green banking is particularly strong; studies show that robust governance mechanisms in Islamic banking enhance attention to environmental issues, leading to more substantial green finance activities and better sustainability outcomes (Ali et al., 2025).

Finally, Islamic green finance significantly contributes to advancing the SDGs by integrating environmental stewardship with economic growth strategies. The sector's emphasis on asset backed financing, prohibition of harmful activities, and promotion of equitable wealth distribution aligns closely with sustainability goals (Razali & Hassan, 2024). Financial organizations in this space serve as catalysts for systemic change, demonstrating how governance grounded in Shariah principles can drive long-term sustainable development. However, the continued growth of this sector depends on enhancing governance frameworks, strengthening regulatory support, and fostering innovation in green financial products. This intersection between Islamic green finance and corporate governance not only reinforces the moral and ethical dimensions of finance but also ensures the sector's resilience and relevance in the global shift toward sustainable economies.

Islamic Green Finance and Corporate Governance

The relationship between Islamic Green Finance (IGF) and Corporate Governance (CG) is grounded in the principles of Shariah, which emphasize ethical conduct, transparency, and accountability. Islamic Corporate

Governance (ICG) frameworks are designed not only to ensure compliance with Islamic law but also to promote sustainable growth, aligning organizational strategies with broader environmental and social objectives (Ali et al., 2025). The synergy between IGF and CG creates a governance structure that integrates financial sustainability with environmental stewardship, enabling Islamic financial institutions to respond effectively to global sustainability demands while upholding religious principles. This dual focus provides a competitive edge in ethical finance markets and supports the global sustainable development agenda.

At the core of ICG is the institution of Hisba, which requires transparency, accurate reporting, and ethical decision-making in line with Shariah values (Bhatti & Bhatti, 2010). This traditional principle aligns well with modern corporate governance standards, ensuring that business operations are accountable to both stakeholders and a higher moral authority. Regulatory bodies such as the Accounting and Auditing Organization for Islamic Financial Institutions (AAOIFI) and the Islamic Financial Services Board (IFSB) have formalized these principles into concrete governance standards (Rehan et al., 2025; Amin, 2025). These frameworks emphasize risk-sharing, social responsibility, and sustainable investment, thereby shaping the policies and operational conduct of Islamic financial institutions.

One of the most significant impacts of ICG on IGF is observed in green banking initiatives. Research demonstrates that stronger governance in Islamic banks positively influences their engagement with environmental issues, encouraging investments in clean energy, resource efficiency, and socially responsible enterprises (Sehen Issa et al., 2022). By aligning governance systems with environmental objectives, Islamic banks can play a more active role in financing sustainable projects, including green sukuk and environmentally conscious trade finance. This connection highlights the strategic value of integrating corporate governance mechanisms with green finance goals to ensure long-term institutional credibility and environmental responsibility.

The ICG model also distinguishes itself from conventional corporate governance by placing Shariah compliance and ethical stewardship at the center of decision-making (Srivastava et al., 2025). This focus ensures that sustainability is embedded within corporate strategies rather than treated as an ancillary goal. Stakeholder engagement plays a critical role in this framework, with ICG encouraging inclusive participation from shareholders, employees, customers, and the community. Such engagement fosters trust, reduces the likelihood of governance failures, and ensures that financial products and services align with the moral and environmental values of the Muslim community (Ahmad, 2015).

Ultimately, the integration of IGF within a robust ICG framework offers a model for achieving sustainable economic growth while maintaining strict adherence to ethical and religious principles. However, the literature also identifies the need for further empirical research to measure the long term impact of ICG on environmental outcomes, especially across different jurisdictions (Gunardi et al., 2022). Expanding cross-country comparative studies could provide insights into the most effective governance models for promoting Islamic green finance on a global scale. This would strengthen the role of Islamic finance in addressing climate change and advancing the United Nations Sustainable Development Goals (SDGs).

Islamic Green Finance and Sustainable Development

The relationship between Islamic Green Finance (IGF) and Corporate Governance (CG) in the context of sustainable development is anchored in the shared objective of promoting environmental stewardship, social justice, and economic resilience. Guided by Maqasid al-Shari'ah, IGF supports the United Nations Sustainable Development Goals (SDGs) by emphasizing climate action, responsible consumption, and environmental protection (Razali & Hassan, 2024; Rahim et al., 2024). These principles ensure that financial activities contribute to long term ecological balance and societal welfare, rather than focusing solely on short term profit maximization. Through this lens, corporate governance serves as the structural mechanism to operationalize these values, embedding sustainability within the decision-making frameworks of Islamic financial institutions (Rosman & Marzuki, 2024).

Strong governance frameworks in Islamic finance are essential for aligning institutional operations with sustainable growth objectives. By implementing Shariah-compliant governance structures such as Shariah

Supervisory Boards institutions can ensure that investment decisions and product offerings meet both ethical and environmental benchmarks (Ali et al., 2025; Rehan et al., 2025). These frameworks facilitate transparent reporting, ethical risk management, and stakeholder engagement, all of which are essential for achieving sustainable financial growth. Corporate governance in this context acts as the bridge between Islamic ethical mandates and modern sustainability imperatives, ensuring alignment between financial performance and environmental responsibility.

Empirical evidence shows that environmental disclosure practices and strong governance mechanisms positively influence the financial performance of Islamic banks (Muneer et al., 2025). When sustainability metrics are integrated into governance frameworks, they not only enhance stakeholder trust but also attract socially responsible investors seeking Shariah-compliant Environmental, Social, and Governance (ESG) opportunities. This convergence of ethical finance and sustainability goals creates a virtuous cycle, where improved governance strengthens environmental performance, which in turn reinforces financial sustainability and market competitiveness.

Despite these advantages, Islamic sustainable finance faces structural challenges, including high implementation costs, legal complexities, and a lack of standardized ESG reporting frameworks tailored to Shariah principles (Abdullah et al., 2024). However, growing global demand for ethical and sustainable investment products presents significant opportunities for the sector. The expansion of green sukuk markets, Shariah-compliant ESG funds, and sustainability linked financing instruments underscores the potential for IGF to contribute meaningfully to the sustainable development agenda while preserving religious and ethical integrity.

In sum, the integration of IGF and CG offers a coherent model for embedding sustainability into financial systems. By reinforcing governance mechanisms with Shariah-compliant sustainability principles, Islamic finance can deliver on its promise of promoting long term environmental and social well being while remaining financially viable. Future research should focus on comparative studies across jurisdictions to identify best practices for harmonizing Islamic corporate governance with global sustainability frameworks, thereby strengthening the sector's role in achieving the SDGs (Alnabulsi & Jreisat, 2024).

Topic Expert

The topic experts identified Girish Chandra Maheshwari, Anjali A. Sisodia, and Mahesh M. Joshi each bring unique and complementary expertise to the discourse on Islamic Green Finance (IGF) and corporate governance, offering valuable insights for advancing scholarship and practice in this area.

Girish Chandra Maheshwari, with 59 citations and an h-index of 4, has made notable contributions to the field of sustainable finance through recent work that articulates the core principles and practices underpinning this discipline. His scholarship offers a conceptual foundation for integrating Islamic finance principles with sustainability goals, emphasizing the importance of aligning corporate governance frameworks with environmentally responsible and ethically sound financial practices. Maheshwari's ability to bridge sustainability theory and financial governance makes his perspective particularly relevant for shaping IGF policies that meet both Shariah compliance and environmental objectives (Maheshwari, n.d.).

Anjali A. Sisodia, although at an earlier stage of her academic career with 11 citations and an h-index of 2, demonstrates a strong research focus on sustainable finance through a comprehensive review of literature and a forward-looking research agenda. Her work stresses the potential of sustainable finance frameworks to enhance corporate governance standards, especially when infused with ethical imperatives rooted in Islamic finance. Sisodia's emphasis on aligning financial operations with governance principles that promote transparency, accountability, and environmental stewardship positions her as an emerging voice in advocating for Shariah-compliant ESG integration (Sisodia, n.d.).

Mahesh M. Joshi stands out as the most influential among the three, with 1,374 citations and a remarkable h-index of 17, reflecting his extensive contributions to environmental, social, and governance (ESG) investing. His systematic literature reviews in ESG provide a robust evaluative lens for understanding how governance structures can drive sustainable investment outcomes. Joshi's work is particularly relevant to IGF as it offers

tested frameworks and metrics for embedding ESG principles within corporate governance, thereby reinforcing the credibility and performance of Islamic finance institutions in sustainability-sensitive markets (Joshi, n.d.).

Together, these experts' contributions underscore that advancing IGF and corporate governance requires a multi-layered approach: Maheshwari's conceptual grounding ensures that policy frameworks remain anchored in sustainability principles; Sisodia's strategic foresight points toward evolving governance models; and Joshi's empirical rigor and ESG expertise provide the measurement tools needed for accountability and performance tracking. This convergence of expertise strengthens the academic discourse by linking theory, strategic planning, and operational metrics in the context of Shariah-compliant finance.

In practical terms, leveraging these perspectives could guide regulators, policymakers, and financial institutions in refining governance frameworks to better support IGF objectives. Their combined work suggests that effective integration of IGF into corporate governance demands not only regulatory compliance but also proactive innovation, cross-sector collaboration, and a commitment to long-term environmental and social outcomes.

Emerging Themes

The emerging themes in the intersection of Islamic Green Finance (IGF) and corporate governance reveal a nuanced research landscape composed of consistent, rising, and novel directions. Consistent themes such as Sharia governance, Islamic sustainable finance instruments, and the integration of corporate governance with ESG criteria indicate mature areas of scholarship where theory and practice are already well grounded. For instance, research consistently underscores that Sharia governance particularly through well structured Sharia Supervisory Boards enhances compliance, ethical standards, and operational efficiency in Islamic banks, while also contributing to risk mitigation and improved financial performance (Jan et al., 2021). The emphasis on diversity within these boards further supports the hypothesis that varied expertise and perspectives can enhance decision-making quality and, in turn, institutional outcomes.

Another consistent theme is the prominence of Islamic sustainable finance and instruments like green sukuk, which directly align Shariah principles with sustainable development goals. These instruments have become reliable vehicles for channeling capital into environmentally responsible projects, particularly renewable energy and sustainable infrastructure, within Islamic jurisdictions (Razali et al., 2024). The consistent attention they receive reflects a maturing market demand for Shariah-compliant green investments that not only meet ethical benchmarks but also deliver measurable environmental benefits. Corporate governance's role in enhancing ESG performance in Islamic banks forms the third consistent theme. Studies show that governance structures rooted in Islamic principles tend to strengthen sustainability reporting, improve transparency, and foster greater alignment with global ESG benchmarks (Muneer et al., 2025). The integration of Islamic banking standards with ESG practices demonstrates that faith based financial systems can achieve parity or even lead on sustainability metrics when governance is effectively implemented.

The rising themes point to evolving frontiers. The integration of IGF with the Sustainable Development Goals (SDGs) reflects an emerging research momentum, exploring innovative policy frameworks that connect Islamic finance mechanisms with global sustainability targets (Rahim et al., 2024). Likewise, the growing attention to legal frameworks and jurisprudential solutions for green finance within Islamic contexts signals a recognition that regulatory coherence is critical for scaling Shariah-compliant sustainable investments. This area remains underdeveloped but shows strong potential for shaping cross-border harmonization in Islamic finance regulation.

In synthesis, these emerging themes suggest that while consistent areas like Sharia governance and green sukuk are consolidating their theoretical and empirical bases, rising areas such as SDG alignment and legal frameworks are opening new research and policy opportunities. Together, they create a roadmap for future scholarship and practice in IGF and corporate governance one that balances proven models with forward-looking innovation.

CONCLUSION

This study synthesised the intersection of Islamic green finance (IGF) and corporate governance (CG) through an extensive review of existing literature and Scopus-AI analytics. The findings highlight that IGF, grounded in

Maqasid al-Shari'ah principles, consistently aligns with sustainability objectives, particularly the UN Sustainable Development Goals (SDGs). Shariah governance frameworks, diversity in Shariah Supervisory Boards, and integration of Environmental, Social, and Governance (ESG) practices have emerged as key drivers of both financial performance and ethical compliance in Islamic financial institutions. Green sukuk and other Shariah-compliant sustainable finance instruments are gaining prominence as vehicles for environmentally responsible investment. Rising themes such as legal frameworks for green finance and the integration of IGF with SDG policy frameworks indicate a growing maturity and institutionalisation of the field.

From a theoretical perspective, this study strengthens the conceptual nexus between IGF and CG by situating them within agency theory, stakeholder theory, and Shariah governance theory. It advances the understanding that effective Shariah governance does not only ensure compliance but also facilitates value creation through sustainability-oriented decision-making. Moreover, it expands the ESG literature by embedding Islamic ethical dimensions, showing that Islamic financial governance can serve as a robust model for sustainable finance globally.

Practically, the findings offer actionable insights for policymakers, regulators, and Islamic financial institutions. Regulatory bodies such as AAOIFI and IFSB can leverage these insights to refine governance standards that better integrate sustainability imperatives. Financial institutions are encouraged to adopt diversified Shariah Supervisory Boards, enhance ESG disclosure quality, and develop innovative Shariah-compliant instruments particularly green sukuk to address climate and environmental challenges. Furthermore, capacity-building initiatives can raise awareness among stakeholders and improve the integration of sustainability in Islamic corporate governance practices.

The study's reliance on Scopus-AI analytics, while offering breadth, may have excluded relevant literature not indexed in Scopus. Additionally, the review primarily synthesised English language publications, potentially omitting significant contributions from Arabic, Malay, or other regional scholarship. Another limitation is that while the analysis identified emerging themes, it did not empirically test the relationships between IGF and CG variables, leaving room for future quantitative validation.

Future research should focus on empirical cross-country analyses to compare how different regulatory environments influence the effectiveness of IGF-CG integration. There is also scope for longitudinal studies to assess the long-term financial and sustainability impacts of green sukuk and other Shariah-compliant green instruments. Moreover, integrating behavioural finance perspectives could enrich understanding of stakeholder motivations and barriers to ESG adoption in Islamic financial contexts. Finally, more research in underexplored regions such as Africa and Central Asia could uncover new models and practices that contribute to the global discourse on sustainable Islamic finance.

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