

PRIMARY RESEARCH

Business Ethics of Islamic Financial Institutions in Pakistan: Theory, Practice and the Way Forward for Sustainable Development

Abdul Ammar Mun'am^{1*}, Awais ur Rehman²

¹ U Microfinance Bank Limited, Islamabad

² University of Central Punjab, Pakistan

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Abstract.

Purpose: This research study aims at the identification of loopholes in the business ethical framework of Islamic Financial Institutions (IFIs) in Pakistan.

Methodology: The researchers analysed the business ethics of IFIs in Pakistan with the help of Global Reporting Initiative (GRI) Sustainability Reporting Standards and Islamic Business Ethics.

Findings: Our analysis indicates that IFIs do not seem to follow the ethical principles of Islam in true spirit for their business ethical framework. Among all IFIs in Pakistan, *takāful* companies are overall best performers in GRI Sustainability Reporting Standards. Similarly, full-fledged Islamic banks and Islamic banking windows of conventional banks are the best performers in applying or disclosing Islamic Business Ethics in their annual reports.

Originality/Significance: This may be perhaps the first paper which explores the business ethics of IFIs in Pakistan w.r.t to GRI standards and Islamic Business Ethics.

Research Limitations/Implications: The paper focuses only on annual reports of IFIs for five years.

Practical and Social Implications: This paper can provide food for thought to rethink the process of the current business ethical framework of IFIs in Pakistan. Furthermore, it suggests some practical ways for achieving higher levels of sustainable social, economic and environmental development of the country.

KAUJIE Classification: 91Q

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INTRODUCTION

The history of business started with the world's ever first economic activity for bilateral gain or profit. Over time, with the involvement of diversified human capital, business activities were

*Corresponding author: Abdul Ammar Mun'am

†Email: munam1111@gmail.com; ORCID: <https://orcid.org/0009-0008-1986-0605>

carried out with different practices and ethics. Business ethics is the behaviour or conduct that any business organization observes in its regular dealings with society (Fard & Noruzi, 2011). Business ethics involve social interactions of the business including one-on-one dealing with individuals. Businesses, to some people, are concerned with making money without considering ethics. It is how some business organizations or financial institutions conduct themselves, which raises the question of ethical behaviour (Fard & Noruzi, 2011).

Islam defines ethics for various aspects of human life. These ethics have their roots in Qur'ān, *Sunnah* and practices of the Companions of the Holy Prophet Muhammad (PBUH). The primary sources of Sharī'ah i.e. Holy Qur'ān, the *Sunnah*, and secondary sources e.g. *ijmā'* and *qiyās* have provided a comprehensive range of ethical business principles. Furthermore, Islamic Jurists like Imam Abu Hanifa, Imam Maalik, Imam Shaf'i, Imam Ahmed bin Hambal R.A and later on Imam Abu Yousaf, Imam Yahya, Imam Ghazali, Allama Ibn e Khuldoon, Shah Wali Allah Muhaddis Dehlvi R.A and others have done tremendous literary work on Islamic Commercial Jurisprudence in the light of the business ethics paradigm provided by the Holy Qur'ān and the *Sunnah* (Qadri, 2007).

In 1963, Islamic banking, in its modern form, commenced in Mit Ghamr, Egypt and interest-free banking was offered to the general public (Murad et al., 2016). In the year 2002, the first IFI of the Islamic Republic of Pakistan was established in the form of Meezan Bank. As their name suggests, "Islamic" financial institutions should conduct their businesses, business practices and business ethics based on the principles of Islam. However, it is often thought that the true application of Islamic values, norms and rules is limited in the business ethical framework of IFIs. In 1991, the establishment of Accounting and Auditing Organization for IFIs (AAOIFI) in Bahrain was an effort to ensure synchronization and standardization of business ethics for Islamic finance practices (AAOIFI, 2016).

Besides AAOIFI, the Global Reporting Initiative (GRI) has been emerged as a self-governing global body which has presented sustainability reporting since 1997. The GRI Sustainability Reporting Standards (GRI Standards) are the leading and most broadly implemented international standards for sustainability reporting (GRI, 2016).

IFIs' disclosures emphasize their religious character through claims that they adhere to Sharī'ah teachings (Kamla & Rammal, 2013).

Objectives of the paper are to articulate the principles of Islamic Business Ethics based on different sources of Sharī'ah, theories, and past research studies. Besides, to explore the extent to which IFIs in Pakistan are following Islamic Business Ethics in their business ethical framework. Finally to examine the extent to which IFIs in Pakistan are adopting the GRI Standards.

The significance of this paper is that this research study would elaborate to which extent Islamic Business Ethics and GRI Sustainability Reporting Standards are being followed by Islamic Financial Institutions in Pakistan. The outcomes of the research would enable to link reputational risk of Islamic Financial Institutions in Pakistan with Islamic business ethics and the GRI Sustainability Reporting Standards. This research would help to understand the shortcomings in the business practices of Islamic Financial Institutions in Pakistan. It will enable the Islamic finance industry for improvement of its business practices as well.

Hypothesis may be splitted into two points, firstly IFIs in Pakistan do not follow the ethical principles of Islam for their business practices in true spirit. On the other hand, IFIs in Pakistan do not follow in true spirit the GRI Sustainability Reporting Standards for their business ethical framework. For research gap, as far as Pakistan is concerned, research on the analysis of business ethics for IFIs is rampant. Besides, research on business ethics on conventional financial institutions has been done but none has researched on the analysis of business ethics of IFIs in Pakistan. No research study can be found which highlighted the loopholes in the business practices of IFIs in Pakistan with respect to Islamic Business Ethics and GRI standards.

Research questions of this research study are whether the IFIs in Pakistan are following Islamic Business ethics for their business practices in true spirit or not? Besides, whether the IFIs in Pakistan are following GRI Standards for their business practices in true spirit or not?

LITERATURE REVIEW

Following is the review of the available literature in the past related to the subject matter.

Business

The word 'business' represents the state of being busy; it comprises all those stages which are associated with the production, distribution, marketing and sales of products and services with the fundamental purpose of generating income ([Hashim, 2012](#)). [Haney \(1914\)](#) states that business is a social activity focused in the direction of procuring wealth through purchasing and vending.

Business Ethics

Business ethics is the behaviour or conduct that any business organization observes in its day-to-day connections with society. [Fard & Noruzi \(2011\)](#) explained the prominence of business ethics in the present day's business domain.

In their article, [Hejase et al. \(2013\)](#) articulated various explorations of business ethics, providing the historical backgrounds of business ethics theories and laws. In the research, it was described that business ethics deliver the guiding principles for adequate activities by organizations in their policy origination and the daily procedures.

The Business Ethics in Islamic perspective, Global Standard-setting organizations and IFIs

Islamic Business ethics (IBE) is the conduct or the behaviour which is according to the ethical framework of Islam. The literature state that ethical principles create a buffer for Islamic finance so that they do not get carried away by the attraction of sky-high profits of the conventional financial institutions. The main endorsement of [Yeboah-Assiamah \(2014\)](#) was to inspire a systematic training and education on the recognized trading standards and ethics.

To describe the novel method for understanding the Islamic business ethics, [Sidani &](#)

Al Ariss (2015) are of the view that the leading method to understand the business ethics in the Islamic perspective, has been built almost completely on the sources of Sharī'ah, primarily on the Qur'ān and the *Sunnah*.

In his research study, Musa (2015) (2015) described that there is a deficiency in the present literature of an assessment of the magnitude to which the model moral and ethical customs of Islam are implemented by the IFIs.

The IFIs in Pakistan

As far as Pakistan is concerned the first IFI had been established in 2002 in the form of operations by the Meezan Bank (Mehmood, 2002). By the end of the year 2022, Islamic banking in Pakistan held a market share of 20% of assets and 21% of deposits, respectively (SBP's Islamic Banking Bulletin-2022).

The Business Ethics and IFIs in Pakistan

Numerous research studies have been conducted on the business ethics and the financial institutions of Pakistan. For instance, Tabis (2009) analysed the business ethics standards of Pakistan, China, USA and Jamaica. He claimed that ethical dealings vary in all four selected countries. Butt et al. (2011) examined the ethical views of Pakistani clientele. According to this study, Pakistani customers hold mix variety of the ethical decisions concerning their peculiar attitudes. Mujtaba & Afza (2011) recommended that oldness and additional years of the administration practice result in greater marks in the ethical development, but the consequences are not statistically noteworthy.

Similarly, Ram et al. (2011) investigated the ethical concerns in private commercial banks in Pakistan. It was shown from their research that the commercial banks of the private sector are not considerate towards their clientele.

Furthermore, Mujtaba et al. (2012) conducted surveys on the business ethics of Pakistanis. They collected data from the respondents of Islamabad and Lahore to measure their Private Business Ethics Scores (PBES). They established that age is the main aspect of ethical development. According to them, femininity does not induce the business ethics scores. They reinforced Kohlberg's theory of moral development.

GRI Standards, Sustainability reporting and Business ethics In order to standardise business ethics and to enhance sustainable economic, social and environmental development, GRI issued reporting standards. These standards have been divided into economic, social and environmental standards GRI (2023). The study of Masud et al. (2016) examines the issues and reporting of green banking by Bangladeshi commercial banks. For this, the data were collected from the annual reports of 2010 to 2014 of ten commercial banks randomly. The findings suggested that although green banking and sustainable reporting have been considered in the recent era, but not enough in the direction of GRI recommendations.

IFIs and social, economic and environmental sustainable development The research study of Willett (2003) highlights that the communal accountability and ecological bookkeeping concerns would be indispensable constituents that should be released in annual reports of Islamic corporates. Their struggle although looks to be inclusive of each other but still,

there is a deficiency that it does not really stand on the philosophy of Islam. This left a big gap to work on the literature of Islamic business ethics. According to [Aribi \(2009\)](#), even though CSR and Corporate Social Responsibility Disclosure (CSRD) have historically received special attention in research literature, current discussions and analysis of the previous research studies have discovered that CSR and CSRD do not go beyond management, accounting, and ethics. This study shows that Islamic morals have compelled the business ethics of IFIs and accordingly inclined them towards CSR and CSRD. Accountability in this framework means not only an obligation to report performance but carrying out one's obligations ethically in the first place. The research work of [Khan et al. \(2011\)](#) targets to study the propensity of sustainability reporting by Bangladesh's major commercial banks in contrast with international sustainability reporting indicators defined in the GRI structure. The findings of the study indicate that communal releases of Bangladesh's major commercial banks could improve into a well-developed and all-inclusive way.

In their study, [Kamla & Rammal \(2013\)](#) examined social reporting by Islamic banks with special emphasis on themes related to social justice. They used critical theory and immanent critique. Their study tried to expound and outline explanations for the disclosures and lack thereof in annual reports of Islamic banks and web sites regarding social justice. Drawing the attention of Islamic banks and other stakeholders to the gap between their verbal religious and ethical claims and their actions (as represented through their disclosures) increases the possibility that Islamic banks would start playing their real communal roles. The study seals the gap equally in communal bookkeeping and Islamic accounting works with its prominence on social justice and poverty eradication.

The study of [Khan \(2013\)](#) finds that CSR in the Islamic perspective is more significant and intensified as it is based on ethno-religious factors. His study suggests a CSR framework for Islamic Banking and Financial Institutions (IBFIs) based on the moralities of Islam. The suggested framework desires IBFIs to be involved in community-based banking, work in the direction of the betterment of the deprived and underprivileged classes of society, safeguard the most efficient and communally desired deployment of wealth, and improve their institutional structures, setups, and advanced products to accelerate the wider circulation of wealth and sustainable development in the world.

Moreover, in the research work of [Issalih et al. \(2015\)](#), their focal aim is to develop the corporate social reporting framework in the Islamic perspective founded on the notion of Maqasid Al Sharī'ah. They explained how Islamic Sharī'ah visualizes corporate social reporting, especially by creating a framework covering three dimensions i.e. content, objectives and information types.

In contrast, the study of [Belal et al. \(2015\)](#) aims to carry out a critical investigation of the ethical and developing performance of Islamic Bank Bangladesh Limited (IBBL) as revealed in its annual reports, over the tenure of (1983–2010). Due to the basis of the secular economy, IBBL concentrated in the first two decades on the "specific" Sharī'ah compliance disclosure. Post-2005, the disclosure and ethical performance moved to the communal or more "universal" disclosures such as charity, employees and sustainability representing answerable conduct and implementation of the "wider stakeholder" approach by IBBL.

The research of [Dienes et al. \(2016\)](#) suggests that ownership structure, media perceptibility and the size of the organization are the most significant drivers of the sustainability reports and disclosures. On the other hand, corporate governance only appears to have an impact on the presence of sustainability and audit teams.

As far as sustainable development is concerned, [Aman \(2016\)](#) is of the view that it is not a modern notion but they are basic behavioural standards in the Islamic society and practices of law through Sharī'ah. The objective of the research study of [Aman \(2016\)](#) is to discover the corporate sustainability reporting (CSR) based on Islamic ethics and values. Sustainability reporting from an Islamic perspective has been discussed by the researcher by the incorporation of the notion of tawhid.

Research Tools and Data Collection and Methods

To ensure a comprehensive research undertaking, mixed research methods i.e. quantitative and qualitative methods have been adopted by the researcher. To collect, describe and analyse the recent studies on doctrine, values and methods, the researcher has chosen the qualitative research method. The secondary data has been extracted from different resources e.g. books, reports, journals of past research studies, case studies, libraries, articles, websites, magazines, online libraries and other online resources. For the quantitative research method, the researcher has extracted the business ethics reporting of IFIs from the annual reports of IFIs.

Population and the Sample Size

The IFIs in Pakistan constitute the population of this research study. The sample size is the annual reports of five years (2013 to 2017) of these IFIs.

Data Analysis Methods

In this research study, the methods of content analysis and statistical analysis have been applied to the business ethics revealed in the annual reports of the IFIs of Pakistan. These revealed business ethics of IFIs in their annual reports have then been compared with the IBE and GRI standards.

Content Analysis Method and NVIVO

For the content analysis of this research study, the researchers utilized NVIVO. This cognisant use, which substituted the charmed use of linguistics, has been formed by the early disciplines of philosophy, oratory, and cryptography ([Gaur & Kumar, 2018](#)). As a research practice, the content analysis offers new perceptions, upsurges a researcher's understanding of precise sensations, or notifies useful engagements. Content analysis is a scientific tool. Content analysis is very often used to investigate and classify attitudes, views and opinions ([Metzger, 2019](#)).

One way ANOVA; Statistical Analysis Method with SPSS

For a comparison of more than two group means the one-way Analysis of variance (ANOVA) is the suitable technique as a replacement for the t-test ([Mayer & Thoemmes, 2019](#)). Deviations of ANOVA testing include One-Way ANOVA (used to search for statistically significant

differences between two or more autonomous variables), Two-Way ANOVA (to discover probable interaction of two autonomous variables on one dependent variable) and Factorial ANOVA, which usually includes evaluating two or more factors or variables with two levels [Kim \(2014\)](#).

Besides, for the statistical analysis as a part of the quantitative research method, SPSS has been utilized.

Islamic Business Ethics

Islamic business ethics which are provided by the Qur'ān, the *Sunnah*, and the other sources of Sharī'ah and extracted by Imam Ghazali R.A, and other Sharī'ah scholars and researchers have been used in this research study. Table 1 consists of these derived Islamic Business Ethics.

TABLE 1
IBE and their Sources

Interest/ <i>ribā</i> (Al-Qur'ān)	Ethics (Al-Ghazali)
Gambling (Al-Qur'ān)	Spiritual (Al-Ghazali)
Deceptive Uncertainty (<i>gharar</i>) (<i>Ḥadīth</i>)	Well-being (Al-Qur'ān)
Discouraging Debt/ <i>qard</i> (Al-Qaradawi)	Moral conduct (Al-Ghazali)
Unlawful Commodities (Al-Qur'ān)	Terrorist financing (Al-Qur'ān)
Hoarding/Ihtikar (Al-Qaradawi)	Moderation <i>wasat</i> or <i>i'tidal</i> (Al-Qaradawi)
Deception/ <i>ghabn</i> (<i>Ḥadīth</i>)	Trusteeship (Al-Qaradawi)
Honesty <i>lamanah</i> (Al-Qaradawi)	Preventing harm (Al-Ghazali)
Fair pricing (Al-Ghazali)	Fair Play (Al-Qur'ān)
Cooperation (Al-Qur'ān)	Khilafa (Al-Qaradawi)
<i>zakāh</i> (Al-Qur'ān)	Stewardship (Al-Qaradawi)
Parsimony (Thriftiness) <i>Tabzir</i> (Al-Qur'ān)	Justice (Al-Qur'ān)
Conscientiousness (<i>taqwā</i>) (Al-Qur'ān)	Philanthropy (Al-Qur'ān)
Lawful earning (Al-Qur'ān)	Benevolence (<i>ihsān</i>) (Al-Qaradawi)
Reasonable Profits (Al-Ghazali)	Self-Training (Riyadah) (Al-Ghazali)
Sincere Intention (<i>Ḥadīth</i>)	Worthy causes (Al-Qaradawi)
Unlawful Spending (Al-Qaradawi)	Overworking (Al-Ghazali)
Fair advertising (Al-Ghazali)	Hard work (<i>Ḥadīth</i>)
Profit maximization (Al-Ghazali)	Work values (<i>Ḥadīth</i>)
Justice to Business Partners (Al-Ghazali)	Seeking Excellence and Spreading Good (Al-Qaradawi)
Legal/Lawful (Al-Qaradawi)	Mutual esteem (<i>Haashim</i>)
Anti-Money Laundering (<i>maruf</i>)	

Global Reporting Initiative-GRI Standards

The GRI Standards are the first and the most broadly implemented international standards for the reporting purposes of sustainability. This facilitates genuine action to generate financial, social and environmental benefits for everybody ([Moghul, 2017](#)). Currently, 93% of the

largest 250 corporations report on their sustainability performance worldwide . Table 2 shows the related GRI standards to the IFIs.

TABLE 2
The GRI Standards

Economic Impact	Climate Risk
Training and education	Financial Assistance
Pension Fund	Minimum Wage
Benefits to Employees	Energy Intensity
Anti-Competitive behaviour	Employment Turnover
Energy Consumption	Parental Leave
Water Conservation	Employee Relations
Health and Security	Salary Ratio
Gender Discrimination	Human Rights
Noncompliance to Environmental laws	Public Policy/benefits
Anti-corruption	Product Development
Career Development	Customer Privacy
Purchased locally	

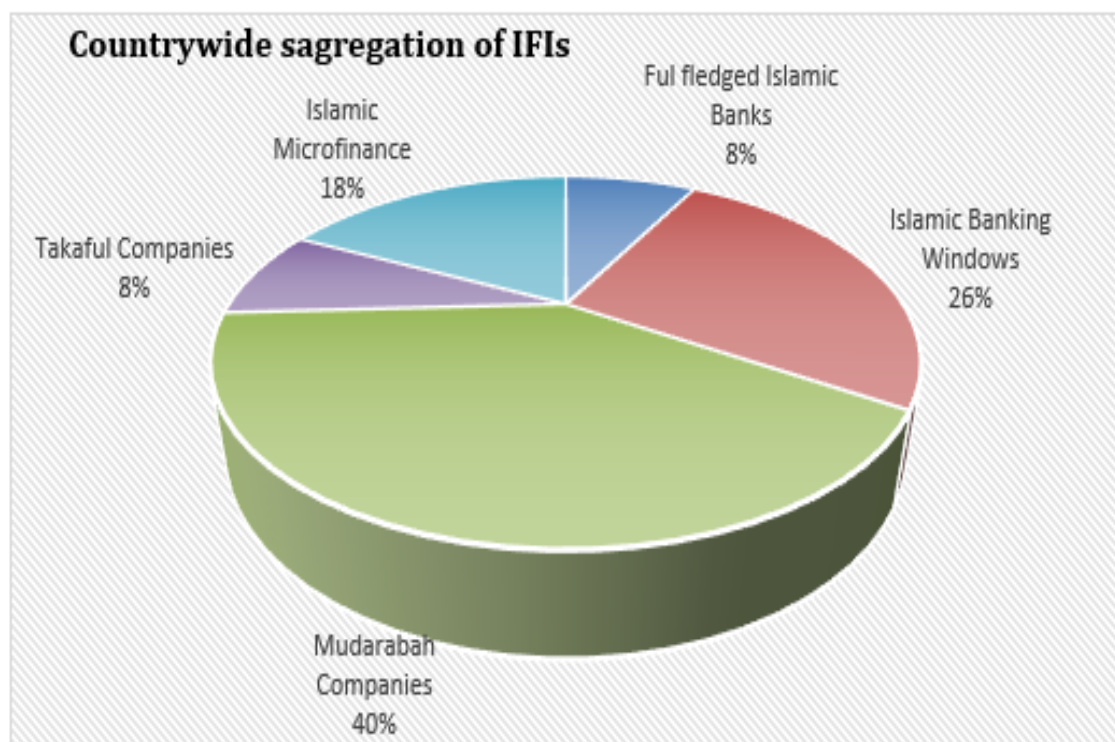


FIGURE 1. Types of IFIs in Pakistan

Data Analysis, Results and Descriptions

The researcher focused on content analysis technique rather than a questionnaire and other

methods for data collection because in the present era, after many financial crises, customers and all stakeholders are much concerned about disclosures and financials of financial institutions. It is assumed in the perception of the general public that IFIs are more responsible, honest and concerned about their business ethics, corporate social responsibility, reporting structures, disclosures and Corporate Governance. To investigate this dual nature of IFIs, the researcher analysed the business ethics of IFIs in Pakistan.

Analysis of Data and Interpretation of Results

The observational data were collected after performing different statistical techniques on the IFIs annual reports of 2013 to 2017 which are prevailing in Pakistan. Business ethics disclosed in these annual reports have been analysed. The results are presented in tabulated form. Figure 1 illustrates the countrywide segregation of IFIs.

ICD-Thomson Reuters Islamic Finance Development report 2017 concludes that in Pakistan, *mudārabah* companies remain at the forefront in the development of Sharī'ah-compliant non-banking financial institutions sector. Information on these different types of IFIs in Pakistan have been extracted from SBP's Financial Stability Review. The following sections would elaborate on data analysis and interpretations.

Business Ethical frameworks of IFIs in Pakistan in comparison with Islamic Business Ethics

Table 3 shows that there is a significant difference in practices of business ethics of different IFIs in Pakistan in contrast with IBE.

TABLE 3
Group Difference for Islamic Business Ethics

		Sum of Squares	df	Mean Square	F	Sig.
IBE-Economic	Between Groups	0.00	4.00	0.00	18.85	0.00
	Within Groups	0.00	249.00	0.00		
	Total	0.00	253.00			
IBE-Social	Between Groups	0.00	4.00	0.00	6.31	0.00
	Within Groups	0.00	249.00	0.00		
	Total	0.00	253.00			
IBE-Environmental	Between Groups	0.00	4.00	0.00	19.86	0.00
	Within Groups	0.00	249.00	0.00		
	Total	0.00	253.00			
IBE-Sustainability	Between Groups	0.00	4.00	0.00	18.35	0.00
	Within Groups	0.00	249.00	0.00		
	Total	0.00	253.00			

It can be observed that there is significance among groups of data so the researcher proceeded further with the Least Significant Difference-LSD.

TABLE 4
Multiple Comparisons-Islamic Business Ethics

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
IBE-Economic	FFIB	IBW	0.00023	0.00018	0.21	-0.0001	0.0006
		MDC	.00097*	0.00014	0.00	0.0007	0.0012
		TKC	.00092*	0.00015	0.00	0.0006	0.0012
		IMF	.00116*	0.00027	0.00	0.0006	0.0017
	IBW	FFIB	-0.00023	0.00018	0.21	-0.0006	0.0001
		MDC	.00075*	0.00014	0.00	0.0005	0.001
		TKC	.00070*	0.00014	0.00	0.0004	0.001
		IMF	.00093*	0.00026	0.00	0.0004	0.0015
	MDC	FFIB	-.00097*	0.00014	0.00	-0.0012	-0.0007
		IBW	-.00075*	0.00014	0.00	-0.001	-0.0005
		TKC	-0.00005	0.00009	0.59	-0.0002	0.0001
		IMF	0.00019	0.00024	0.44	-0.0003	0.0007
	TKC	FFIB	-.00092*	0.00015	0.00	-0.0012	-0.0006
		IBW	-.00070*	0.00014	0.00	-0.001	-0.0004
		MDC	0.00005	0.00009	0.59	-0.0001	0.0002
		IMF	0.00023	0.00024	0.33	-0.0002	0.0007
	IMF	FFIB	-.00116*	0.00027	0.00	-0.0017	-0.0006
		IBW	-.00093*	0.00026	0.00	-0.0015	-0.0004
		MDC	-0.00019	0.00024	0.44	-0.0007	0.0003
		TKC	-0.00023	0.00024	0.33	-0.0007	0.0002
IBE-Social	FFIB	IBW	.00043*	0.00011	0.00	0.0002	0.0007
		MDC	.00034*	0.00009	0.00	0.0002	0.0005
		TKC	.00043*	0.00009	0.00	0.0003	0.0006
		IMF	.00043*	0.00016	0.01	0.0001	0.0008
	IBW	FFIB	-.00043*	0.00011	0.00	-0.0007	-0.0002
		MDC	-0.0001	0.00008	0.24	-0.0003	0.0001
		TKC	0.000	0.00009	1.00	-0.0002	0.0002
		IMF	0.000	0.00016	1.00	-0.0003	0.0003
	MDC	FFIB	-.00034*	0.00009	0.00	-0.0005	-0.0002
		IBW	0.0001	0.00008	0.24	-0.0001	0.0003
		TKC	0.0001	0.00005	0.07	0.000	0.0002
		IMF	0.0001	0.00015	0.50	-0.0002	0.0004
	TKC	FFIB	-.00043*	0.00009	0.00	-0.0006	-0.0003
		IBW	0.00000	0.00009	1.00	-0.0002	0.0002
		MDC	-0.0001	0.00005	0.07	-0.0002	0.000
		IMF	0.000	0.00015	1.00	-0.0003	0.0003
	IMF	FFIB	-.00043*	0.00016	0.01	-0.0008	-0.0001
		IBW	0.000000	0.00016	1.00	-0.0003	0.0003
		MDC	-0.000100	0.00015	0.50	-0.0004	0.0002
		TKC	0.000000	0.00015	1.00	-0.0003	0.0003
IBE-Environmental	FFIB	IBW	.00057*	0.00008	0.00	0.0004	0.0007
		MDC	.00056*	0.00007	0.00	0.0004	0.0007
		TKC	.00057*	0.00007	0.00	0.0004	0.0007
		IMF	.00057*	0.00012	0.00	0.0003	0.0008
	IBW	FFIB	-.00057*	0.00008	0.00	-0.0007	-0.0004
		MDC	-0.00001	0.00006	0.89	-0.0001	0.0001
		TKC	0.000000	0.00007	1.00	-0.0001	0.0001
		IMF	0.000000	0.00012	1.00	-0.0002	0.0002

TABLE 4 continue

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
IBE- Sustainability	MDC	FFIB	-.00056*	0.00007	0.00	-0.0007	-0.0004
		IBW	0.00001	0.00006	0.89	-0.0001	0.0001
		TKC	0.00001	0.00004	0.84	-0.0001	0.0001
		IMF	0.00001	0.00011	0.94	-0.0002	0.0002
	TKC	FFIB	-.00057*	0.00007	0.00	-0.0007	-0.0004
		IBW	0.000000	0.00007	1.00	-0.0001	0.0001
		MDC	-0.000010	0.00004	0.84	-0.0001	0.0001
		IMF	0.000000	0.00011	1.00	-0.0002	0.0002
	IMF	FFIB	-.00057*	0.00012	0.00	-0.0008	-0.0003
		IBW	0.000000	0.00012	1.00	-0.0002	0.0002
		MDC	-0.00001	0.00011	0.94	-0.0002	0.0002
		TKC	0.000	0.00011	1.00	-0.0002	0.0002
	FFIB	IBW	.00033*	0.00014	0.01	0.0001	0.0006
		MDC	.00079*	0.00011	0.00	0.0006	0.001
		TKC	.00077*	0.00011	0.00	0.0006	0.001
		IMF	.00092*	0.0002	0.00	0.0005	0.0013
	IBW	FFIB	-.00033*	0.00014	0.01	-0.0006	-0.0001
		MDC	.00045*	0.0001	0.00	0.0002	0.0007
		TKC	.00044*	0.00011	0.00	0.0002	0.0006
		IMF	.00059*	0.0002	0.00	0.0002	0.001
	MDC	FFIB	-.00079*	0.00011	0.00	-0.001	-0.0006
		IBW	-.00045*	0.0001	0.00	-0.0007	-0.0002
		TKC	-0.00001	0.00007	0.83	-0.0001	0.0001
		IMF	0.00013	0.00018	0.47	-0.0002	0.0005
	TKC	FFIB	-.00077*	0.00011	0.00	-0.001	-0.0006
		IBW	-.00044*	0.00011	0.00	-0.0006	-0.0002
		MDC	0.00001	0.00007	0.83	-0.0001	0.0001
		IMF	0.00015	0.00018	0.42	-0.0002	0.0005
	IMF	FFIB	-.00092*	0.0002	0.00	-0.0013	-0.0005
		IBW	-.00059*	0.0002	0.00	-0.001	-0.0002
		MDC	-0.00013	0.00018	0.47	-0.0005	0.0002
		TKC	-0.00015	0.00018	0.42	-0.0005	0.0002

Multiple Comparisons-Islamic Business Ethics

In Table 4 Illustration of full-fledged Islamic banks, Islamic banking windows of conventional banks, *muḍārabah* companies, *takāful* companies and Islamic microfinance institutions are represented by FFIB, IBW, MDC, TKC and IMF respectively.

Islamic Business Ethics-Economic

While analysing IFIs in contrast with Islamic Business Ethics, it is evident from the Table 5, in economic ethics IBWs and FFIBs are best performers rather than the MDCs, TKCs and IMF respectively.

The reason behind this track record is the focus of FFIBs and IBWs on Shari'ah oriented disclosures like other IFIs.

TABLE 5
Islamic Business Ethics-Economic

Dependent Variable		Mean Difference (I-J)		Std. Error	Sig.	95% Confidence Interval	
IBE-Economic	FFIB	IBW	0.00	0.00	0.21	0.00	0.00
		MDC	.00097*	0.00	0.00	0.00	0.00
		TKC	.00092*	0.00	0.00	0.00	0.00
		IMF	.00116*	0.00	0.00	0.00	0.00
IBW	FFIB	IBW	0.00	0.00	0.21	0.00	0.00
		MDC	.00075*	0.00	0.00	0.00	0.00
		TKC	.00070*	0.00	0.00	0.00	0.00
		IMF	.00093*	0.00	0.00	0.00	0.00
MDC	FFIB	IBW	-.00097*	0.00	0.00	0.00	0.00
		MDC	0.00	0.00	0.59	0.00	0.00
		TKC	0.00	0.00	0.44	0.00	0.00
		IMF	0.00	0.00	0.33	0.00	0.00
TKC	FFIB	IBW	-.00092*	0.00	0.00	0.00	0.00
		MDC	0.00	0.00	0.59	0.00	0.00
		TKC	0.00	0.00	0.59	0.00	0.00
		IMF	0.00	0.00	0.33	0.00	0.00
IMF	FFIB	IBW	-.00116*	0.00	0.00	0.00	0.00
		MDC	0.00	0.00	0.44	0.00	0.00
		TKC	0.00	0.00	0.33	0.00	0.00
		IMF	0.00	0.00	0.33	0.00	0.00

TABLE 6
Islamic Business Ethics-Social

Dependent Variable		Mean Difference (I-J)		Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
IBE-Social	FFIB	IBW	.00043*	0.00011	0.0000	0.0002	0.0007
		MDC	.00034*	0.00009	0.0000	0.0002	0.0005
		TKC	.00043*	0.00009	0.0000	0.0003	0.0006
		IMF	.00043*	0.00016	0.0090	0.0001	0.0008
	IBW	FFIB	-.00043*	0.00011	0.0000	-0.0007	-0.0002
		MDC	-0.0001	0.00008	0.2360	-0.0003	0.0001
		TKC	0.000	0.00009	1.0000	-0.0002	0.0002
		IMF	0.000	0.00016	1.0000	-0.0003	0.0003
	MDC	FFIB	-.00034*	0.00009	0.0000	-0.0005	-0.0002
		IBW	0.0001	0.00008	0.2360	-0.0001	0.0003
		TKC	0.0001	0.00005	0.0700	0.0000	0.0002
		IMF	0.0001	0.00015	0.5020	-0.0002	0.0004
	TKC	FFIB	-.00043*	0.00009	0.0000	-0.0006	-0.0003
		IBW	0.000	0.00009	1.0000	-0.0002	0.0002
		MDC	-0.0001	0.00005	0.0700	-0.0002	0.0000
		IMF	0.000	0.00015	1.0000	-0.0003	0.0003
	IMF	FFIB	-.00043*	0.00016	0.0090	-0.0008	-0.0001
		IBW	0.000	0.00016	1.0000	-0.0003	0.0003
		MDC	-0.0001	0.00015	0.5020	-0.0004	0.0002
		TKC	0.000	0.00015	1.0000	-0.0003	0.0003

TABLE 7
Islamic Business Ethics-over all Sustainability

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
IBE-Sustainability	FFIB	IBW	.00033*	0.00014	0.0140	0.0001	0.0006
		MDC	.00079*	0.00011	0.0000	0.0006	0.001
		TKC	.00077*	0.00011	0.0000	0.0006	0.001
		IMF	.00092*	0.0002	0.0000	0.0005	0.0013
	IBW	FFIB	-.00033*	0.00014	0.0140	-0.0006	-0.0001
		MDC	.00045*	0.0001	0.0000	0.0002	0.0007
		TKC	.00044*	0.00011	0.0000	0.0002	0.0006
		IMF	.00059*	0.0002	0.0040	0.0002	0.001
	MDC	FFIB	-.00079*	0.00011	0.0000	-0.001	-0.0006
		IBW	-.00045*	0.0001	0.0000	-0.0007	-0.0002
		TKC	-0.00001	0.00007	0.8320	-0.0001	0.0001
		IMF	0.00013	0.00018	0.4650	-0.0002	0.0005
	TKC	FFIB	-.00077*	0.00011	0.0000	-0.001	-0.0006
		IBW	-.00044*	0.00011	0.0000	-0.0006	-0.0002
		MDC	0.00001	0.00007	0.8320	-0.0001	0.0001
		IMF	0.00015	0.00018	0.4240	-0.0002	0.0005
	IMF	FFIB	-.00092*	0.0002	0.0000	-0.0013	-0.0005
		IBW	-.00059*	0.0002	0.0040	-0.001	-0.0002
		MDC	-0.00013	0.00018	0.4650	-0.0005	0.0002
		TKC	-0.00015	0.00018	0.4240	-0.0005	0.0002

TABLE 8
Group Difference for GRI Sustainability Reporting Standards

		Sum of Squares	Df	Mean Square	F	Sig.
Economic	Between Groups	0.0000	4.000	0.000	22.43	0.000
	Within Groups	0.0010	249.000	0.000		
	Total	0.0010	253.000			
Environmental	Between Groups	0.0000	4.000	0.000	11.959	0.000
	Within Groups	0.0010	249.000	0.000		
	Total	0.0010	253.000			
Social	Between Groups	0.0000	4.000	0.000	8.669	0.000
	Within Groups	0.0000	249.000	0.000		
	Total	0.0000	253.000			
Sustainability	Between Groups	0.0000	4.000	0.000	17.99	0.000
	Within Groups	0.0000	249.000	0.000		
	Total	0.0010	253.000			

Islamic Business Ethics-Social

As far as the social ethics are concerned, as illustrated in Table 6, IBWs and FFIBs are again the best performers in their business ethical practices in comparison with MDCs, TKCs and IMF.

TABLE 9
Multiple Comparisons of GRI Sustainability Reporting Standards

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Economic	FFIB	IBW	-0.00038	0.00053	0.466	-0.0014	0.0007
		MDC	-0.00033	0.00042	0.432	-0.0011	0.0005
		TKC	-.00252*	0.00043	0.000	-0.0034	-0.0017
		IMF	0.00082	0.00079	0.302	-0.0007	0.0024
	IBW	FFIB	0.00038	0.00053	0.466	-0.0007	0.0014
		MDC	0.00006	0.0004	0.887	-0.0007	0.0008
		TKC	-.00214*	0.00042	0.000	-0.003	-0.0013
		IMF	0.0012	0.00078	0.125	-0.0003	0.0027
	MDC	FFIB	0.00033	0.00042	0.432	-0.0005	0.0011
		IBW	-0.00006	0.0004	0.887	-0.0008	0.0007
		TKC	-.00220*	0.00026	0.000	-0.0027	-0.0017
		IMF	0.00114	0.00071	0.109	-0.0003	0.0025
	TKC	FFIB	.00252*	0.00043	0.000	0.0017	0.0034
		IBW	.00214*	0.00042	0.000	0.0013	0.003
		MDC	.00220*	0.00026	0.000	0.0017	0.0027
		IMF	.00334*	0.00072	0.000	0.0019	0.0048
	IMF	FFIB	-0.00082	0.00079	0.302	-0.0024	0.0007
		IBW	-0.0012	0.00078	0.125	-0.0027	0.0003
		MDC	-0.00114	0.00071	0.109	-0.0025	0.0003
		TKC	-.00334*	0.00072	0.000	-0.0048	-0.0019
Environmental	FFIB	IBW	-0.00013	0.00052	0.801	-0.0011	0.0009
		MDC	0.00035	0.00041	0.387	-0.0005	0.0012
		TKC	-.00136*	0.00042	0.002	-0.0022	-0.0005
		IMF	0.00087	0.00077	0.262	-0.0007	0.0024
	IBW	FFIB	0.00013	0.00052	0.801	-0.0009	0.0011
		MDC	0.00048	0.00039	0.221	-0.0003	0.0013
		TKC	-.00123*	0.00041	0.003	-0.002	-0.0004
		IMF	0.001	0.00077	0.193	-0.0005	0.0025
	MDC	FFIB	-0.00035	0.00041	0.387	-0.0012	0.0005
		IBW	-0.00048	0.00039	0.221	-0.0013	0.0003
		TKC	-.00171*	0.00026	0.000	-0.0022	-0.0012
		IMF	0.00052	0.0007	0.46	-0.0009	0.0019
	TKC	FFIB	.00136*	0.00042	0.002	0.0005	0.0022
		IBW	.00123*	0.00041	0.003	0.0004	0.002
		MDC	.00171*	0.00026	0	0.0012	0.0022
		IMF	.00223*	0.00071	0.002	0.0008	0.0036
	IMF	FFIB	-0.00087	0.00077	0.262	-0.0024	0.0007
		IBW	-0.001	0.00077	0.193	-0.0025	0.0005
		MDC	-0.00052	0.0007	0.46	-0.0019	0.0009
		TKC	-.00223*	0.00071	0.002	-0.0036	-0.0008
Social	FFIB	IBW	.00104*	0.00037	0.005	0.0003	0.0018
		MDC	0.00027	0.00029	0.357	-0.0003	0.0008
		TKC	-0.00043	0.0003	0.161	-0.001	0.0002
		IMF	.00123*	0.00056	0.028	0.0001	0.0023
	IBW	FFIB	-.00104*	0.00037	0.005	-0.0018	-0.0003

TABLE 9 continue

Dependent Variable		Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval		
					Lower Bound	Upper Bound	
Sustainability	MDC	-.00077*	0.00028	0.007	-0.0013	-0.0002	
	TKC	-.00147*	0.00029	0.000	-0.002	-0.0009	
	IMF	0.00018	0.00055	0.741	-0.0009	0.0013	
	FFIB	-0.00027	0.00029	0.357	-0.0008	0.0003	
	IBW	.00077*	0.00028	0.007	0.0002	0.0013	
	TKC	-.00070*	0.00019	0.000	-0.0011	-0.0003	
	IMF	0.00095	0.0005	0.058	0.000	0.0019	
	FFIB	0.00043	0.0003	0.161	-0.0002	0.001	
	IBW	.00147*	0.00029	0	0.0009	0.002	
	MDC	.00070*	0.00019	0	0.0003	0.0011	
	IMF	.00165*	0.00051	0.001	0.0007	0.0026	
	FFIB	-.00123*	0.00056	0.028	-0.0023	-0.0001	
	IBW	-0.00018	0.00055	0.741	-0.0013	0.0009	
	MDC	-0.00095	0.0005	0.058	-0.0019	0.000	
	TKC	-.00165*	0.00051	0.001	-0.0026	-0.0007	
	FFIB	IBW	0.00034	0.00038	0.371	-0.0004	0.0011
	MDC	0.00008	0.0003	0.799	-0.0005	0.0007	
	TKC	-.00132*	0.00031	0.000	-0.0019	-0.0007	
	IMF	0.00102	0.00057	0.075	-0.0001	0.0021	
	IBW	FFIB	-0.00034	0.00038	0.371	-0.0011	0.0004
	MDC	-0.00027	0.00029	0.363	-0.0008	0.0003	
	TKC	-.00166*	0.0003	0.000	-0.0023	-0.0011	
	IMF	0.00068	0.00057	0.232	-0.0004	0.0018	
	MDC	FFIB	-0.00008	0.0003	0.799	-0.0007	0.0005
	IBW	0.00027	0.00029	0.363	-0.0003	0.0008	
	TKC	-.00139*	0.00019	0.000	-0.0018	-0.001	
	IMF	0.00094	0.00051	0.068	-0.0001	0.002	
	TKC	FFIB	.00132*	0.00031	0.000	0.0007	0.0019
	IBW	.00166*	0.0003	0.000	0.0011	0.0023	
	MDC	.00139*	0.00019	0.000	0.001	0.0018	
	IMF	.00234*	0.00052	0.000	0.0013	0.0034	
	FFIB	-0.00102	0.00057	0.075	-0.0021	0.0001	
	IBW	-0.00068	0.00057	0.232	-0.0018	0.0004	
	MDC	-0.00094	0.00051	0.068	-0.002	0.0001	
	TKC	-.00234*	0.00052	0.000	-0.0034	-0.0013	

Islamic Business Ethics-Environmental

Islamic Business Ethics-over all sustainability

As the overall performance is concerned, Table 8 shows that IBWs and FFIBs are the best performers in disclosures of IBE among all IFIs in overall sustainability.

The rationale behind this performance is particularized by the key factor of the healthier legislations related to banking by the State Bank of Pakistan. The Islamic banking windows of conventional banks and the Full-fledged Islamic banks have to comply Shari'ah rules with the help of different Shari'ah organs and departments including Shari'ah Compliance Depar-

TABLE 10
GRI Economic Standards

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Economic	FFIB	IBW	-0.00038	0.00053	0.466	-0.0014	0.0007
		MDC	-0.00033	0.00042	0.432	-0.0011	0.0005
		TKC	-.00252*	0.00043	0.000	-0.0034	-0.0017
		IMF	0.00082	0.00079	0.302	-0.0007	0.0024
	IBW	FFIB	0.00038	0.00053	0.466	-0.0007	0.0014
		MDC	0.00006	0.0004	0.887	-0.0007	0.0008
		TKC	-.00214*	0.00042	0	-0.003	-0.0013
		IMF	0.0012	0.00078	0.125	-0.0003	0.0027
	MDC	FFIB	0.00033	0.00042	0.432	-0.0005	0.0011
		IBW	-0.00006	0.0004	0.887	-0.0008	0.0007
		TKC	-.00220*	0.00026	0.000	-0.0027	-0.0017
		IMF	0.00114	0.00071	0.109	-0.0003	0.0025
	TKC	FFIB	.00252*	0.00043	0.000	0.0017	0.0034
		IBW	.00214*	0.00042	0.000	0.0013	0.003
		MDC	.00220*	0.00026	0.000	0.0017	0.0027
		IMF	.00334*	0.00072	0.000	0.0019	0.0048
	IMF	FFIB	-0.00082	0.00079	0.302	-0.0024	0.0007
		IBW	-0.0012	0.00078	0.125	-0.0027	0.0003
		MDC	-0.00114	0.00071	0.109	-0.0025	0.0003
		TKC	-.00334*	0.00072	0.000	-0.0048	-0.0019

TABLE 11
GRI Environmental Standards

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Environmental	FFIB	IBW	-0.00038	0.00053	0.466	-0.0014	0.0007
		MDC	-0.00033	0.00042	0.432	-0.0011	0.0005
		TKC	-.00252*	0.00043	0	-0.0034	-0.0017
		IMF	0.00082	0.00079	0.302	-0.0007	0.0024
	IBW	FFIB	0.00038	0.00053	0.466	-0.0007	0.0014
		MDC	0.00006	0.0004	0.887	-0.0007	0.0008
		TKC	-.00214*	0.00042	0.000	-0.003	-0.0013
		IMF	0.0012	0.00078	0.125	-0.0003	0.0027
	MDC	FFIB	0.00033	0.00042	0.432	-0.0005	0.0011
		IBW	-0.00006	0.0004	0.887	-0.0008	0.0007
		TKC	-.00220*	0.00026	0.000	-0.0027	-0.0017
		IMF	0.00114	0.00071	0.109	-0.0003	0.0025
	TKC	FFIB	.00252*	0.00043	0.000	0.0017	0.0034
		IBW	.00214*	0.00042	0.000	0.0013	0.003
		MDC	.00220*	0.00026	0.000	0.0017	0.0027
		IMF	.00334*	0.00072	0.000	0.0019	0.0048
	IMF	FFIB	-0.00082	0.00079	0.302	-0.0024	0.0007
		IBW	-0.0012	0.00078	0.125	-0.0027	0.0003
		MDC	-0.00114	0.00071	0.109	-0.0025	0.0003
		TKC	-.00334*	0.00072	0.000	-0.0048	-0.0019

TABLE 12
GRI Social Standards

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Social	FFIB	IBW	-0.00013	0.00052	0.801	-0.0011	0.0009
		MDC	0.00035	0.00041	0.387	-0.0005	0.0012
		TKC	-.00136*	0.00042	0.002	-0.0022	-0.0005
		IMF	0.00087	0.00077	0.262	-0.0007	0.0024
	IBW	FFIB	0.00013	0.00052	0.801	-0.0009	0.0011
		MDC	0.00048	0.00039	0.221	-0.0003	0.0013
		TKC	-.00123*	0.00041	0.003	-0.002	-0.0004
		IMF	0.001	0.00077	0.193	-0.0005	0.0025
	MDC	FFIB	-0.00035	0.00041	0.387	-0.0012	0.0005
		IBW	-0.00048	0.00039	0.221	-0.0013	0.0003
		TKC	-.00171*	0.00026	0	-0.0022	-0.0012
		IMF	0.00052	0.0007	0.46	-0.0009	0.0019
	TKC	FFIB	.00136*	0.00042	0.002	0.0005	0.0022
		IBW	.00123*	0.00041	0.003	0.0004	0.002
		MDC	.00171*	0.00026	0	0.0012	0.0022
		IMF	.00223*	0.00071	0.002	0.0008	0.0036
	IMF	FFIB	-0.00087	0.00077	0.262	-0.0024	0.0007
		IBW	-0.001	0.00077	0.193	-0.0025	0.0005
		MDC	-0.00052	0.0007	0.46	-0.0019	0.0009
		TKC	-.00223*	0.00071	0.002	-0.0036	-0.0008

-tment (SCD), Shari'ah Board (SB), Internal Shari'ah Audit Unit (ISAU) and Product Management and Shari'ah Structuring (PMSS). Table 9 shows that there is a significant difference in practices of business ethics of different IFIs in Pakistan.

As it can be observed from the table above, there is a significant observable difference among groups of data, so the researcher proceeded further with the Least Significant Differences (LSD). Multiple Comparisons for GRI Sustainability Reporting Standards According to the Global Accountability Report 2008, the recent financial crisis has confirmed that organizational factors have an immense influence on the lives of the individuals. These factors can be from global, state and non-state organizations and institutions. Table 10 represents multiple comparisons among IFIs in contrast with GRI standards.

GRI Economic Standards

While analysing the IFIs in Pakistan in comparison with GRI Standards, it is evident from table 11 that in GRI economic standards *takāful* companies are best performers in their business ethics in comparison IBWs, FFIBs, MDCs and IMF.

The first key factor is the emergence of TKCs after a substantial time of appearance of IBWs and FFIBs and MDCs.

The controllers of *takāful* companies detected that after the economic crisis which has been risen globally, the participants are more cautious about disclosure in annual reports about

CG, Corporate Sustainability Reporting, CSR and Business ethics of financial institutions. Consequently, they implemented the most recent techniques of GRI Standards while releasing their annual reports.

TABLE 13
GRI-Over all Sustainability

Dependent Variable			Mean Difference (I-J)	Std. Error	Sig.	95% Confidence Interval	
						Lower Bound	Upper Bound
Sustainability	FFIB	IBW	0.00034	0.00038	0.371	-0.0004	0.0011
		MDC	0.00008	0.0003	0.799	-0.0005	0.0007
		TKC	-.00132*	0.00031	0	-0.0019	-0.0007
		IMF	0.00102	0.00057	0.075	-0.0001	0.0021
	IBW	FFIB	-0.00034	0.00038	0.371	-0.0011	0.0004
		MDC	-0.00027	0.00029	0.363	-0.0008	0.0003
		TKC	-.00166*	0.0003	0	-0.0023	-0.0011
		IMF	0.00068	0.00057	0.232	-0.0004	0.0018
	MDC	FFIB	-0.00008	0.0003	0.799	-0.0007	0.0005
		IBW	0.00027	0.00029	0.363	-0.0003	0.0008
		TKC	-.00139*	0.00019	0	-0.0018	-0.001
		IMF	0.00094	0.00051	0.068	-0.0001	0.002
	TKC	FFIB	.00132*	0.00031	0	0.0007	0.0019
		IBW	.00166*	0.0003	0	0.0011	0.0023
		MDC	.00139*	0.00019	0	0.001	0.0018
		IMF	.00234*	0.00052	0	0.0013	0.0034
	IMF	FFIB	-0.00102	0.00057	0.075	-0.0021	0.0001
		IBW	-0.00068	0.00057	0.232	-0.0018	0.0004
		MDC	-0.00094	0.00051	0.068	-0.002	0.0001
		TKC	-.00234*	0.00052	0	-0.0034	-0.0013

TABLE 14
Descriptive Statistics-Mean- Islamic Business Ethics

IBE	Mean	Standard Deviation
<i>Ribā</i>	0.0016	0.00369
Gambling	0.0015	0.00357
<i>Gharar</i>	0.0015	0.00353
Discouraging Debt/ <i>qard</i>	0.0011	0.00319
Unlawful Commodities	0.0009	0.00288
Hoarding/ <i>ihhtikar</i>	0.0005	0.00221
Deception/ <i>ghabn</i>	0.0005	0.00213
Honesty / <i>amanah</i>	0.0005	0.00213
Fair pricing	0.0004	0.00204
Cooperation	0.0004	0.00204
<i>Zakāh</i>	0.0004	0.00195
Parsimony (Thriftiness) <i>tabzir</i>	0.0003	0.00175

TABLE 14 – continued from previous page

IBE	Mean	Standard Deviation
Conscientiousness (<i>taqwā</i>)	0.0002	0.00152
Lawful earning	0.0002	0.00152
Reasonable Profits	0.0002	0.00152
Sincere Intention	0.0002	0.00139
Unlawful Spending	0.0001	0.00089
Fair advertising	0.000	0.00063
Profit maximization	0.000	0.00063
Justice to Business Partners	0.000	0.00063
Legal/Lawful	0.000	0.000
Anti-Money Laundering	0.000	0.000
Ethics	0.000	0.000
Spiritual	0.000	0.000
Well-being	0.000	0.000
Moral conduct	0.000	0.000
Terrorist financing	0	0.000
Moderation <i>wasat</i> or <i>i'tidāl</i>	0.000	0.000
Trusteeship	0.000	0.000
Preventing harm	0.000	0.000
Fair Play	0.000	0.000
<i>Khilafa</i>	0.000	0.000
Stewardship	0.000	0.000
Justice	0.000	0.000
Philanthropy	0.000	0.000
Benevolence (<i>ihsān</i>)	0.000	0.000
<i>Riyadah</i> (self-training)	0.000	0.000
Worthy causes	0.000	0.000
Overworking	0.000	0.000
Hard work	0.000	0.000
Work values	0.000	0.000
Seeking Excellence and Spreading Good	0.000	0.000
Mutual esteem	0.000	0.000

GRI Environmental Standards

As far as the GRI Environmental Standards are concerned, TKCs are the best performers in their business ethical practices in comparison with other IFIs of Pakistan. Table 11 illustrates the patron of IFIs in this regard.

GRI Social Standards

It can be observed that while analysing IFIs in contrast with GRI Standards, from the table 12

that, in GRI Social standards *takāful* companies and Islamic banking windows of conventional banks are the best performers in their business ethical practices among their peers. Table 7 represents the analysis of GRI Social standards.

The reason behind this proven track record is particularized by the emergence of *takāful* companies after a substantial period of appearance of other IFIs.

GRI-over all Sustainability

As the overall performance, *takāful* companies are the best performers among all IFIs in Pakistan in overall sustainability. Following table 13 represents the GRI's overall sustainability.

Descriptive Statistics-Mean-Islamic Business Ethics

It can be observed from Table 14 that the IFIs in Pakistan are not following the majority of IBE in their business ethical framework.

Descriptive Statistics-Mean- GRI Standards

It can be observed from table 14 that in 14 out 25 standards of GRI Standards, IFIs in Pakistan are following with unnoticeable frequency. Moreover, 11 standards are ignored in the business ethical framework of IFIs in Pakistan.

TABLE 15
Descriptive Statistics-Mean- GRI Standards

IBE	Mean	Standard Deviation
GRI Standards	Mean	Standard Deviation
Economic Impact	0.0061	0.00578
Training and education	0.0058	0.00745
Pension Fund	0.0048	0.01051
Benefits to Employees	0.0045	0.00816
Anti-Competitive behaviour	0.0025	0.00478
Energy Consumption	0.0022	0.00451
Water Conservation	0.0017	0.00372
Health and Security	0.0016	0.00365
Gender Discrimination	0.0009	0.00326
Noncompliance to Environmental laws	0.0007	0.00315
Anti-corruption	0.0007	0.0031
Career Development	0.0003	0.00192
Purchased locally	0.0002	0.00125
Climate Risk	0.0001	0.00089
Financial Assistance	0.000	0.000
Minimum Wage	0.000	0.000
Energy Intensity	0.000	0.000

TABLE 15 – continued from previous page

IBE	Mean	Standard Deviation
Employment Turnover	0.000	0.000
Parental Leave	0.000	0.000
Employee Relations	0.000	0.000
Salary Ratio	0.000	0.000
Human Rights	0.000	0.000
Public Policy/benefits	0.000	0.000
Product Development	0.000	0.000
Customer Privacy	0.000	0.000

Findings, Policy Recommendations and Conclusions

After conducting the research study following are the findings, recommendations for policy implications and conclusion.

Summary of Findings

As far as the findings of this research study are concerned, MDCs are larger in numbers as compared to IBWs, TKCs, FFIBs and IMFIs. After content analysis, it is observed that IBWs and FFIBs are the best performers in disclosures of IBE among all IFIs in Pakistan. The disclosures of IFIs showed that the most applicable and widely practised Islamic Business Ethics are *ribā*, gambling, *gharar*, discouraging debt/*qard* and unlawful commodities. On the other hand, among all IFIs in Pakistan, TKCs are overall best performers in GRI Standards. The widely practised GRI standards are economic impact, training and education, pension fund, benefits to employees and anti-competitive behaviour. Whereas salary ratio, human rights, public policy/benefits, product development and customer privacy are the least practised GRI standards.

Recommendations for Policy Implications and Conclusions

In the contemporary scenario, the different measures provided by Islamic Business Ethics and GRI Standards paradigms are not in their genuine spirit in different IFIs in Pakistan as it is usually claimed regarding IFIs.

The stakeholder for an institution is considered as one who can impact and can be impacted. Every stakeholder for IFIs should be impacted through the real faith-based business ethical framework. Considering the vital impacts and roles of all stakeholders of IFIs, Corporate Social Responsibility Disclosures, Business Ethics, Corporate Sustainability Reporting and CG have received much attention in the present era. However, current discussions and analysis of the theory and practice of these disciplines do not go beyond the perspectives of ethics, management and accounting. Besides, these disciplines do not pay special attention to the probability of conceptualization of these disciplines based on religion. The GRI Sustainability Reporting Standards and other such measures can assist to measure business ethics, management disclosures and other disciplinary perspectives. Religion e.g. Islam has

a much wider range of BE which could not be measured by such standards.

As far as outcomes of this research study are concerned, it is proved with content analysis and statistical analysis, IBWs and FFIBs are prominently following Islamic Business Ethics in their disclosures. The disclosure of the business ethical frameworks of IBWs and FFIBs shows that they are much concerned about IBE. On the other hand, *takāful* companies are prominently following GRI standards. This shows that *takāful* companies are much concerned about the latest standards while disclosure of their annual reports. The global relevant regulators, authorities, the state and national regulators, Islamic finance scholarship and academia either from religious institutes or from universities and Islamic finance practice should join hands together to convert the theories into practical ones. The process of rethinking and redefining the current scenario of scholarship and practice of Islamic finance would pave the constructive way forward for Inclusive and sustainable development in economic, social and environmental paradigms.

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