CSR Initiatives of Meezan Bank in Perspective of Maqasid-al-Shari'ah (A Case Study Based on MB Annual CSR Reports 2020-2024)

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Received: December 24, 2025
Last Revised: March 30, 2026
Accepted: May 25, 2026

Abstract

This study investigates the CSR endeavors of Meezan Bank by employing the theoretical framework of Maqasid al-Shari'ah. MB has the Shari'ah compliance sustainability practice as a key and subsequent to global sustainability frameworks with leading role in Islamic banking. Through this study, Meezan Bank's Annual CSR and sustainability Reports 2020–2024 have been analyzed utilizing a qualitative case study approach. Data was evaluated through thematic content analysis, categorizing the bank's CSR and sustainability initiatives under the five Shari'ah Maqasid i.e., protection of religion, life, intellect, progeny, and wealth. The key findings are - the bank has strong engagement in the areas such as financial inclusion, education, healthcare, environmental conservation, and poverty alleviation directly serving the several Sharia Maqasid. Initiatives like solar energy adoption, Kissan Baithak programs, and educational support activities not only reflect commitment to ethical banking but to sustainability as well. However, it is noticed that quantitative impact metrics, limiting measurability and comparability across years in reporting are often lacked. Integration with global ESG standards was partially lacking a systematic benchmarking. The study concluded with key findings i.e., MB's CSR initiatives evidently reflect the five essential objectives of Islamic law, MB has regularly invested in healthcare domain, the bank has launched for graduate training specialized programs, empowered marginalized sections i.e., women, and minorities, and actively engaged in disaster relief (flood response, ration drives), social feeding programs i.e., iftar meals, and environmental sustainability reflecting the Qur'anic emphasis on protecting both society and creation.

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11(1), 2026.pp 1-18

Many of MB's CSR initiatives are aligned with the United Nations Sustainable Development Goals (SDGs) as well as closely aligned with core Shariah objectives. It is suggested to enhance alignment and credibility, MB should integrate measurable KPIs linked to Maqasid al-Shari'ah, adopt standardized ESG frameworks e.g., GRI, and conduct usual outcome-based evaluations. Strengthening transparency will improve both Sustainability and global competitiveness.

Keywords: Shari'ah Compliance, Islamic Finance, Maqasid al-Sharia'h, Corporate Social Responsibility (CSR), Environmental, Social, and Governance (ESG), Meezan Bank.

1. Introduction

1.1 Background

Meezan Bank of Pakistan was established in 1997 and headquartered in Karachi. In 2002, the bank was converted into Islamic commercial bank after receiving the Islamic banking license from the State Bank of Pakistan becoming the country's first Islamic Bank. As Pakistan's largest Islamic bank, MB offers Sharia-compliant financial services through its 1,048 branches nationwide (SBP Islamic Banking Bulletin March 2025). Based on Islamic values, the bank emphasizes service excellence, integrity, and societal welfare through its CSR and sustainability policies. MB's Sustainability and CSR Policy offer a framework of priority areas including engagement of stakeholders, social and environmental sustainability, education, vocational training, as well as wakefulness about the prohibition of Riba and its alternatives (Meezan Bank, "Policies," Sustainability & CSR Policy). Aligning these objectives, with CSR initiatives the MB extend its philanthropic programs in education, financial literacy, community development, disaster relief, health, and environmental consciousness, in line with the United Nations' Sustainable Development Goals (Meezan Bank, "Policies," Sustainability & CSR Policy).

In 2016–17, Meezan Bank took an initiative and did partnership with GIZ and the TVET - Vocational Training Institute for Women in Karachi to launch Sindh's first Technical and Vocational Education and Training. This phase enabled eight underprivileged girls to receive six months of classroom-based training, followed by six months of hands-on experience in branch banking (Business Recorder, May 25, 2017).

In addition, the MEEZAN BANK Roshnaas Program (meem.com) is another key highlight of bank's inclusion efforts offering structured internship opportunities for people with disabilities (PWDs), many of whom subsequently secured full-time positions.

This indicates that Meezan Bank is an active institution which is synchronizing Islamic ethical framework with CSR and ESG.

1.2 Growing Integration of CSR and ESG within Islamic Banking

The focus here is on the bank's deliberate and voluntary actions related to ethical practices, community development, and environmental stewardship, usually based on its own corporate values and its need for reputation.

ESG incorporates both CSR elements as well as other aspects such as carbon footprint reduction targets or human rights initiatives within a framework governed by measurable standards which are utilized mainly by investors aiming at assessing how much sustainability efforts influence a given corporation's overall success rate (PRI, 2025). In recent years, CSR & ESG Structures Have Emerged as Critical Strategies that

Financial Institutions in International Finance can be used to move away from Profit-Only Models Toward Stakeholder-Oriented and Sustainable Ones (Archibald B Carroll 1999).These frameworks help these organizations enhance their long-term pliability, entice responsible investors to participate alongside them and play part towards fulfilling the (UN'S SDGS Objectives, 2017).

Islamic banks naturally in line with the ethical underpinnings of the principles of CSR and ESG rooted in Sharia, which prohibits Riba, Gharar, and all such investments those are socially damaging (Iqbal et al., 2011). The Sharia'h Objectives — protection of faith, life, intellect, progeny, and wealth provide a natural framework for incorporation of social responsibility into financial operations (Chapra, 2008).

Islamic banks, integrate CSR and ESG often into financing socially useful sectors, such as renewable energy projects, healthcare, education, and microfinance, mostly avoiding the non-Sharia'h compliant industries **(**Asyraf et al., 2007)**.**

Moreover, the emerging demand from Islamically and ethically conscious investors and regulators are also demanding Islamic financial institutions to take on ESG metrics along with their Sharia compliance audits (GRI, 2025). This integration positions Islamic banking as a model for unification of faith and Sharia'h based ethics with measurable sustainability performance.

1.3 Importance of Maqasid al-Shariah in Guiding Ethical Financial Practices

Shari'ah objectives serve as a comprehensive ethical framework ensuring that financial activities promote justice, welfare, and social harmony (Jasser Auda, 2008). The Hifzud-din (preservation of faith), Hifz al-nafs (preservation of life), Hifz-al- 'aql (preservation of intellect), Hifz-an-nasl (preservation of progeny), and Hifz-al-mal (preservation of wealth), these Maqasid (objectives) form the moral basis for Sharia compliant economic behavior (Chapra, 2008). Sharia Objectives (Maqasid) are important in ensuring that all forms of transaction within the financial environment are safe, there should be no form of exploitation, and they should serve as a positive contribution towards general well-being. For example, Prohibition on Riba (Interest) and Gharar (Uncertainty), ensure that both wealth and contracts are fair and just, while Investment Screening ensures that Industries are screened for Moral and Social aspects (El – Gamal, 2006).

Beyond Prohibitions, Maqasid includes pro-active engagement into promoting social good, including Education, Financing, Healthcare and Environmental Activities (Mohammad Hashim Kamali, 2008). Therefore, Maqasid touch upon a moral and Ethical area which is aligned to ESG Objectives Globally thus enabling Harmonization between Islamic Finance and Modern Sustainability Frameworks.

Harmonization of Maqasid Al- Shari'ah with Corporate Governance, Product Designing & Investment Strategies will enable Islamic Financial Institutions to achieve not only Sharia Compliances, but have an impact in terms of ethics too, which would lead up to establishment of Inclusive, Equitable & Socially Responsible Financial System (Islamic Development Bank, Annual Report, 2021).

Asyraf et al. (2007) through this study following objectives have focused on achieving.

1. To scrutinize the compass to which Meezan Bank's CSR and Sustainability initiatives during 2020–2024 align with the Sharia Objectives (Maqasid alShari'ah).
2. To recognize strengths, limitations, and gaps in the Bank's CSR and ESG disclosures with respect to quantifiable Maqasid outcomes.
3. To recommend for enhancement of Sharia compliant CSR and ESG practices in the Islamic banking sector.

2. Literature Review

The rationale for selecting Meezan Bank as the sole case is because it is the premier Islamic Bank of Pakistani banking industry, so it is very important to study its CSR &ESG initiatives in accordance with Maqasid al-Sharia.

2.1 Theoretical Foundation: CSR and ESG in Islamic Banking

The theoretical basis of CSR and ESG in Islamic banking is in the deeply rooted in ethical principles of Islamic jurisprudence and value-based finance. Islamic finance naturally demonstrates CSR based on religious imperatives like zakat, sadaqah (charity),

khalifah (stewardship), fairness, that focusing on social welfare, environmental preservation, and equitable economic participation (Bahari and Yusuf, 2014).
Pragmatic and hypothetical studies emphasize the harmony between conventional CSR frameworks and Islamic CSR. AAOIFI standards articulate a broader responsibility model where stakeholders' environmental sustainability, expectations, and Sharia'h compliance come together integrating profit making with ethical obligations (Zafar and Sulaiman, 2021). The IRI (Islamic Reporting Initiative) also strengthen this basis by developing ESG reporting standards tailored with Islamic values and UN SDGs. It emphasizes empowerment, and environmental stewardship, social investment, health, as pillars of Sharia compliant responsibility (Islamic Reporting Initiative (IRI), 2025).

Furthermore, Maqasid-al-Shari'ah guideline issued by the Securities Commission Malaysia is a good example of incorporation of Islamic ethical objectives into sustainable finance aligning ESG and Sustainable & Responsible Investment (SRI) principles with Maqasid-al-Sharia, which promote socio-economic development, environmental care, and ethical authority in the Islamic capital market (Securities Commission Malaysia/SIDC 2025).

Our global academic set-up provides an avenue for both Financial Institutions (FIs) as well as Islamic Banks (IBs) with a common ground of integrating their Corporate Social Responsibility (CSR) and Environmental, Social Governance (ESG), initiatives within their respective frameworks, which will serve them well towards fulfilling the interests of all stakeholders involved while retaining Shari'ah integrity.

2.2 An overview of CSR & ESG Actions of Meezan Bank (2020–2024)

2.2.1 Health Care

Meezan Bank's healthcare CSR initiatives reflect the Maqṣad of Hifẓ al-Nafs (protection of life). The Bank got involved with the Indus Hospital & Health Network to finance part of a 1.2MW solar system to cut costs, redirecting savings toward free patient care (Meezan Bank, Annual CSR & Sustainability Report, 2024) It also organized blood donation incentives and launched the Meezan Cares initiative, enabling customers to make persistent donations to healthcare (Meezan Bank, Annual CSR & Sustainability Report, 2024).
Additionally, the Bank collaborated with The Cancer Foundation and Roche Pakistan to provide free breast cancer treatment to underprivileged patients (Meezan Bank, Annual CSR & Sustainability Report, 2024), The bank also donated medical equipment to Government Hospital Nowshera and a dialyzer machine to Alamgir Welfare Trust to support kidney patients (Meezan Bank, Annual CSR & Sustainability Report, 2024).

The bank also extended its support to the Health Foundation to raise awareness on Hepatitis (Meezan Bank, Annual CSR & Sustainability Report, 2024), and to the Karachi Down Syndrome Program to promote inclusivity (Meezan Bank, Annual CSR & Sustainability Report, 2024). During the COVID-19 crisis, Meezan Bank organized large scale vaccination campaigns, vaccinating more than 162,000 individuals in Karachi (Meezan Bank, Annual CSR & Sustainability Report, 2021)

2.2.2 Education

Education sectors align with the Maqṣad of Hifẓ al-aql (protection of intellectual development). Meezan Bank has joined hands with IBA-CEIF and NED University for capacity building programs in Islamic finance and IT, providing comfort for thousands of students and professionals (Meezan Bank, Annual CSR & Sustainability Report, 2024). It also provided support to Saylani Welfare Trust in IT training for underprivileged youth (Meezan Bank, Annual CSR & Sustainability Report, 2024).

The Bank has been a forefront supporter of the National Financial Literacy Program (NFLP) initiated by the State Bank of Pakistan, with 171 classroom sessions and 25 theatre events across 27 districts in 2024 (Meezan Bank, Annual CSR & Sustainability Report, 2024). Moreover, it signed MoUs with 19 universities for Islamic finance curriculum development, research initiatives, and internships (Meezan Bank, Annual CSR & Sustainability Report, 2024). It also produced Islamic financial awareness eBooks for children (Meezan Bank, Annual CSR & Sustainability Report, 2024).

Meezan Bank supported The Citizens Foundation (TCF), and funded classrooms for underprivileged children to promote general education (Meezan Bank, Annual CSR & Sustainability Report, 2022). It also collaborated with Durbeen to reform teacher education through partnerships with global universities (Meezan Bank, Annual CSR & Sustainability Report 2021).

2.2.3 Community Empowerment

Meezan Bank resound with the Shari'ah Objective "Hifẓ-al-Nasl" (preservation of progeny / social continuity) but its flagship Meezan Justuju Program that trained graduates in Islamic finance and IT, bridging the gap between academia and professional expertise (Meezan Bank, Annual CSR & Sustainability Report 2021).

The Bank also launched the Roshnaas Program for disabled Persons, hiring interns and providing several with permanent employment (Meezan Bank, Annual CSR & Sustainability Report 2021). To enhance women's empowerment, the bank organized a Women Financial Inclusion Campaign, resulting in 11,000 new accounts for female customers (Meezan Bank, Annual CSR & Sustainability Report 2021).

Likewise, on the security front, the bank donated 25 motorcycles to Ladies Police of Karachi to pick up efficiency and mobility (Meezan Bank, Annual CSR & Sustainability Report 2021). Furthermore, for rural empowerment, 165 Farmers Awareness Programs were held educating 3,674 farmers on Shari'ah-compliant agricultural solutions (Meezan Bank, Annual CSR & Sustainability Report 2021).

2.2.4 Social Welfare

The welfare efforts of Meezan Bank are also aligned with ḥifẓ al-māl (protection of resources) and communal well-being. Every Ramadan, the MB organized iftar meals for over 15,000 people outside Meezan House (Meezan Bank, Annual CSR & Sustainability Report 2021). In 2024, in partnership with Sahil Welfare Association, it distributed rations and cooked meals to flood-affected populations in Gwadar, Balochistan (Meezan Bank, Annual CSR & Sustainability Report 2021).

Additionally, the Bank has engaged in tree plantation across the country to fight climate change (Meezan Bank, Annual CSR & Sustainability Report 2022) and helped welfare organizations like Alamgir Welfare Trust ambulance services and Behbud Association Karachi for health and vocational projects (Meezan Bank, Annual CSR & Sustainability Report 2020).

2.2.5 Promoting Sports

The sports initiatives of the bank support both ḥifẓ al-nafs (health) and ḥifẓ al-ʿaql (mental development). Meezan Bank awarded PKR 9.3 million to Olympic javelin throw gold medalist Arshad Nadeem, in recognition of his achievement. (Meezan Bank, Annual CSR & Sustainability Report 2024). MB sponsored major sporting events, including the Chief of Naval Staff Golf and Shooting Championships, the Gorakh Hill Bike Rally, and several executive golf tournaments nationwide (Meezan Bank, Annual CSR & Sustainability Report 2024).

2.2.6 Charity Fund Distribution

The Charity funds of MB reflect the Maqṣad of Iḥsān (benevolence) and Tazkiyah almāl (purification of wealth). Meezan Bank channels all non-Shari'ah-compliant income into a separate charity account including late payment charges (Meezan Bank, Annual CSR & Sustainability Report 2024). A major part of charity fund is donated to Ihsan Trust, which provides interest free loans to students to find higher educational institutes.
During 2024 an only, Ihsan Trust issued Rs. 190 million to 967 students, with more than 4,450 students benefiting since its inception (Meezan Bank, Annual CSR & Sustainability Report 2024).

The bank dispersed charity funds also to universities, hospitals, and welfare organizations for faculty development, healthcare, and vocational training (Meezan Bank, Annual CSR & Sustainability Report 2024). This process is being monitored by the Shari'ah Board to ensure full compliance and transparency (Meezan Bank, Annual CSR & Sustainability Report 2024).

2.3 Shariah Objectives and Their Relevance to CSR and ESG Practices

Shariah Objectives refers to the overarching aims and wisdom behind the teachings of Shariah. Classical scholars, such as Imam al-Ghazali and later Imam al-Shatibi, articulated that these objectives revolve around the preservation of five essential values: faith (din), life (nafs), intellect (aql), progeny (nasl), and wealth (mal) ([1] Abu Hamid al-Ghazali (1937). In modern scholarship, these "Maqasid" have been extended to include dimensions such as justice, human dignity, and environmental stewardship (Auda Jasser, 2008).

The combination of Maqasid al-Shari'ah with Corporate Social Responsibility (CSR) and Environmental, Social, and Governance (ESG) frameworks enables Islamic financial institutions to line up their operational and strategic goals with both ethical tenets and socio-economic justice. On the other hand, conventional CSR and ESG often driven by stakeholder prospect, regulatory compliance, or market reputation, the Sharia'h Objective-based strategy holds ethical considerations as a divine go-ahead, ensuring that social welfare efforts are not elective but mandatory duty (Dusuki, Asyraf Wajdi, and Nurdianawati Irwani Abdullah, 2007).

2.3.1 Shariah Objectives and their Relevance

1. Hifz-ad-Din (Preservation of Faith):
   In the context of CSR and ESG, this means to comply with Shari'ah based financing structures, to avoid investing into prohibited (haram) industries, and to make sure transparency. This protects the spiritual easement of stakeholders and promotes ethical governance aligned with Islamic values (Umer C.M, 2000).

2. Hifz-al-Nafs (preservation of life):
   This objective is directly linked to ESG's emphasis on employee welfare, workplace safety, and health related communal projects. Such as, Islamic banks, may invest in healthcare initiatives, disaster relief, and public safety measures as part of their CSR portfolios (Hashim, K.M 2019).

3. Hifz-al-Aql (protection of intellect):
   ESG initiatives preferably working on research funding, education, and the dissemination of useful knowledge based on this objective. Meezan Bank's funding of financial literacy initiatives is a practical example of meeting this objective while advancing social sustainability (Meezan Bank. Annual CSR Report, 2023).

4. Hifz-al-Nasl (Protection of Progeny):
   This objective is linked to long term social welfare and environmental stewardship, demanding dependable resource management and sustainability initiatives to ensure future generations inherit a livable planet imitating the environmental pillar of ESG (Meezan Bank. Annual CSR Report, 2023).

5. Hifz al-Mal (protection of wealth):
   This objective belongs to CSR and ESG initiatives inter-linked with Islamic financial ethics to avoid exploitation, hold equitable wealth allocation, and to foster economic progression. Interest free microfinance, Zakat disbursement, as well as to support SMEs that contribute to socio-economic empowerment are included in it (Yusuf al Qaradawi, 1990).

Moreover, expanded Sharia'h Objectives (Maqasid) framework which incorporates the protection of the environment (Hifz-al-Bi'ah) and justice (adl) providing a religious basis for environmental and governance standards within ESG. Such as, waste renewable energy adoption, reduction and gender equity policies can all be viewed as fulfilling the Sharia'h Objectives (Laldin, Mohamad Akram, and Hafas Furqani, 2013), (Khuluq & Asmuni, 2025).

Aligning Maqasad-al-Shari'ah into CSR and ESG initiatives can be viewed as more than just an exercise on ethical excellence since such alignments convert CSR/ESG to far reaching models which take care of both worldly and spiritual /religious needs.

For Islamic institutions like Meezan Bank, this has translated to enhancing the level of stakeholders' trust towards the organization by guaranteeing its adherence to Shari'ah while establishing a unique value proposition in highly competitive international financial markets (Dusuki, Asyraf Wajdi (Dusuki, Asyraf Wajdi, 2008)

3. Methodology

3.1. Research Design

Qualitative Approach – In this research methodology, I have adopted the use of qualitative approach to examine the extent at which Meezan Bank's Corporate Social

Responsibility (CSR) initiatives align up with the principles of Shari'ah Objectives. Qualitative research method enables for in depth examination of contextualities that enable me to understand the bank's ethics of finance and sustainability activities under Islamic Jurisprudence.

3.2 Data Source & Analysis

The main source of my research will be based on Primary Sources that consists of the Bank's annual CSR and Sustainability reports of 2020-2024 as published by the Bank and are available on its Official Website.

These reports cover details on the bank's healthcare, education, community empowerment, social welfare, sports promotion, and charity fund distribution disclosures. These reports reflect insights into growing priorities and operational strategies, showing a longitudinal viewpoint on CSR and ESG initiatives. Trust in these official reports guarantees reliability, while their public disclosure further enhances eloquence and validity of the study·

A thematic content analysis was carried out systematically to identify and categorize relevant initiatives within the reports according to the five widely recognized objectives of Shari'ah (Jasser Auda, 2008**)**. Another further category of Maqasid, 'Hifz al-Bi'ah' (environmental preservation), is also included to address contemporary sustainability concerns attached to Islamic finance scholarship· This facilitated both a well-organized categorization and a profound interpretation, allowing the study to highlight the Islamic ethical principles of CSR and ESG initiatives.

4. Findings

i. Meezan Bank's CSR is a vivid reflection of the five key Maqasid of Shariah: Hifz-al-Nafs (protection of life) is demonstrated through health-related projects. Hifẓ al-Aql (protection of intellect) is evinced through education initiatives. Hifẓ-al-Nasl (protection of family/humanity) through empowerment and inclusivity efforts, and Hifẓ-al-Māl (protection of wealth) through charity distribution and financial literacy programs.

The role of the Shariah Board in oversight of the bank's charity funds, ensures Tazkiyah-al-Māl (purification of wealth), a unique feature of Shariah based CSR.

ii. Investing heavily in health projects-supporting Indus Hospital, COVID-19 vaccination initiatives, providing dialysis machines, cancer treatment funds, and public health awareness campaigns, directly contributing to the protection of human life, (Hifz-al-Nafs) in alignment with Qur'anic teachings.

iii. Advancing Islamic finance and IT literacy through collaborations with top universities and various institutions; Meezan Bank promotes intellectual and skills development with its university programs, the National Financial Literacy Program, and digital books for children.

iv. Initiating specialized graduate programs, including Meezan Justuju, Roshnaas for Persons with Disabilities (PWDs), and several women's financial inclusion programs, empowers disadvantaged segments of society including women, minorities, PWDs, and rural farmers.

v. Meezan Bank's robust engagement in disaster relief, such as flood response and ration drives; its social feeding programs, providing Iftar meals during Ramadan; and environmental initiatives like tree plantation and clean energy projects highlight its commitment to safeguarding both human society and God's creation (Hifz al-Nafs and broader ethical responsibilities).

vi. Sponsoring national sporting events and honoring elite athletes such as Olympic champion Arshad Nadeem reflects a holistic CSR philosophy, which encourages healthy lifestyles, youth engagement and national pride.

vii. Meezan Bank ensures funds collected in its charity pool are administered and invested in accordance with Shariah by a Shariah Board; a major allocation is to the Ihsan Trust for providing interest-free educational loans.

viii. Meezan Bank's extensive CSR activities directly align with multiple UN Sustainable Development Goals (SDGs), particularly SDG 3 (Good Health and Well-Being), SDG 4 (Quality Education), SDG 5 (Gender Equality), SDG 8 (Decent Work and Economic Growth), and SDG 13 (Climate Action); thereby blending Islamic principles with globally recognized development targets.

5. Discussion

Analysis shows a distinctively conscious alignment of MB's CSR and sustainability initiatives in 2020-2024 with Maqāṣid al-Sharīʿah. The consistent interest in healthcare on the part of MB shows the bank is, as I had hypothesized, resolute in its intention to practice ḥifẓ al-nafs. Through joint efforts with Indus Hospital & Health Network for renewable energy and patient care, blood donation drives, and breast cancer treatment partnerships, MB has keenly addressed healthcare inequalities (Meezan Bank, Annual CSR & Sustainability Report, 2024). Major vaccination initiatives during the COVID19 pandemic, which vaccinated over 162,000 individuals in Karachi were further proofs of the Bank's life protection initiatives (Meezan Bank, Annual CSR & Sustainability Report, 2021). Indeed, this focus on healthcare indicates a practical realization of the Qur'anic imperative to protect life and reduce human suffering.

Similarly, MB's funding in education aligns with Hifẓ al-aql. The Bank made collaboration with IBA-CEIF, NED University, and Saylani Welfare Trust to build capacity in Islamic finance and IT, reaching thousands of students and underprivileged youth (Meezan Bank, Annual CSR & Sustainability Report, 2024). Bank collaborated in the National Financial Literacy Program, which conducted over 171 sessions in 27 districts in 2024, reflects its contribution to financial awareness and women's financial inclusion (Meezan Bank, Annual CSR & Sustainability Report, 2024). The bank inked the MoUs with 19 universities and came up with a children's eBook titled on Islamic finance focusing on spiritual awakening of the youngsters based on the Shari'ah.

In community empowerment sector, the Bank has shown inclusivity by launching programs such as Meezan Justuju for youth training and Roshnaas for Persons with Disabilities, along with facilitating women's account openings nationwide (Meezan Bank, Annual CSR & Sustainability Report, 2024). Meezan Bank donated 25 motorbikes to Karachi's Ladies Police, supporting women's role in security to support the law enforcement (Meezan Bank, Annual CSR & Sustainability Report, 2024). The Bank's Farmers awareness programs promoted sustainable agricultural practices based on Shariah compliant finance (Meezan Bank, Annual CSR & Sustainability Report, 2024). These drives collectively reflect Hifẓ al-nasl (social protection), reinforcing the Bank's commitment to reasonable development.

Embodying the principle of social responsibility in Islam, MB provided daily iftar meals to more than 15,000 people during Ramadan (Meezan Bank, Annual CSR & Sustainability Report, 2024) and provided ration to the flood-affected populations in Balochistan (Meezan Bank, Annual CSR & Sustainability Report, 2024), Environmental projects such as tree plantation moves further demonstrate Hifẓ al-māl in its extended sense, by protecting natural resources (Meezan Bank, Annual CSR & Sustainability Report, 2022).

The Bank's sports sponsorship is another interesting addition to its CSR portfolio. By honoring Olympic gold medalist Arshad Nadeem, and sponsoring national level events such as shooting, golf, and off-road rallies, Meezan Bank promotes physical health and community cohesion (Meezan Bank, Annual CSR & Sustainability Report, 2024). This directly aligns to Hifẓ al-nafs and indirectly to Hifẓ al-ʿaql through fostering discipline, resilience, and teamwork.

Finally, the management and distribution of charity funds, keeping them separate, is perhaps the clearest reflection of a Shari'ah-driven CSR philosophy. All non-compliant income is separated and redirected into a charity fund, under the supervision of the Shari'ah Board (Meezan Bank, Annual CSR & Sustainability Report, 2024) through its support for Ihsan Trust, which disbursed Rs. 190 million in interest free loans in 2024 alone to 967 students, (Meezan Bank, Annual CSR & Sustainability Report, 2024). Meezan Bank reinforced its role as the largest private interest free education financer in Pakistan. This approach supports critical areas such as education, healthcare, and faculty development (Meezan Bank, Annual CSR & Sustainability Report, 2024).

6. Challenges in Implementing Shari'ah-Compliant CSR and ESG:

1. Maintaining tight Shari'ah governance amidst scaling CSR/ESG The perpetual challenge is ensuring that charity/non-Shari'ah compliant income are strictly kept in segregated streams, channeled exclusively into their designated eligible Shari'ah purposes, and managed in a fully transparent manner as both the scope of programming and number of partnerships grew-the bank's emphasis on a "very transparent process" and non-compliant funds segregated into charity's account is an excellent illustration of these issues (Meezan Bank, Annual CSR & Sustainability Report, 2024).

2. Standard-setting and compliance, both external and internal: AAOIFI & SDGs Shari'ah standards are in constant progress and adaptation within Pakistan (with the SBP adding 15 more standards to total 38 by 2024-a significant portion of the AAOIFI framework), but are a challenge in keeping reports, policies and processes up to standard internally (Meezan Bank, Annual CSR & Sustainability Report, 2024).

3. Partner due diligence and accountability for impact Given the Bank works primarily through other external NGOs and Welfare Agencies, there is an enormous need to verify their integrity and adherence to both Shari'ah law and

the bank’s sustainability goals and report in this aspect the bank mentions working only with “reputable welfare organizations”.

4. Operational shock and disaster variability Disasters such as the 2022 floods create tremendous, rapid demand for humanitarian assistance that require swift action and re-prioritization. This strain places immense demand on the Bank’s CSR capacity and supply chain, which also require maintaining full Shari’ah governance and transparency (Meezan Bank, Annual CSR & Sustainability Report, 2023).

5. Health-crisis logistics and state coordination the coordination and logistics of mass public-health responses, such as the Bank’s COVID-19 support and mobile units that traveled the country (2021), represented another complex area where significant resources were allocated, with demands on rigorous documentation, execution and compliance under Shari’ah principles and ESG guidelines. (Meezan Bank, Annual CSR & Sustainability Report, 2021).

6- Financial inclusion and equitable access (women, PWDs, minorities) The women's financial inclusion programs, as well as projects focused on the employment of persons with disabilities ("Roshnaas"), and outreach to minorities, do recognize and address the structural barriers to access. Ethical and Measurable

Solutions to scale such efforts in Shari’ah Compliant manner is a multi-year effort.

7- Integrating "E" (environment) within a Shari'ah framing Environmentalism is evident through tree planting efforts, solar assistance, and the Bank's climate thought leadership series (WIFF 2024), but developing reliable and decision useful environmental performance metrics and financing pipelines consistent with Maqasid principles and AAOIFI standards is an area under development. 8- Measuring, aggregating and reporting impact. While broad impact numbers are provided along with linkages to the SDGs, translating many disparate charitable actions into the domains of health, education and women's economic empowerment into a set of comparable, audit-ready, impact metrics meeting the criteria for both Shari’ah governance and ESG user's requirements is a complex endeavor.

9- Sustaining programs during tightening credit conditions Most support programs are structured such that their benefits are derived through lower operating expenses for the recipients (e.g., diagnostic charges at subsidized rates, reduced hospital electricity cost via solarization). Ensuring sustainability of support under economic austerity conditions is a challenge encountered on a cyclical basis.

7. Conclusion

This study examined Meezan Bank's Shari'ah CSR and ESG initiatives through Maqasid-al-Shari'ah, using data from 2020 to 2024 CSR and ESG annual reports for Meezan Bank.

1. The research indicates that the CSR and ESG practices and initiatives offered by Meezan bank are much more beyond mere charity, regulations, and are aligned to Sharia'h law in which ethical finance and business, environmental conservation, socio-economic justice are crucial, and hence it holds the firm position in demonstrating ethical and Islamic finance.

2. Meezan's CSR initiatives - ranging from the provision of healthcare and education to relief for disaster victims - are consistent with the Maqasid-al-Shari'ah principles of safeguarding human life (hifz al-nafs), intellect (hifz alaql), and property (hifz al-mal). Correspondingly, its ESG actions, which encompass a range of sustainable financing products, green banking schemes, and transparent reporting practices, adhere to international sustainability standards while upholding Islamic Shari'ah laws. These principles lend credence and strengthen Meezan bank's stature not only in Islamic banking and finance, but also in the broader ethical investing world.

3. The study also identified and put forth opportunities for enhancement. These safe and sound future initiatives are empowering digital impact Measurement systems, stronger linkages which are empowering Development Goals (SDGs), and increased strategic partnerships. Such endeavors will surely increase our bank's efficiency, capacity, and overall global footprint.

4. Therefore, unquestionably, Meezan Bank can serve as an inspiration. By integrating the modern sustainability Frameworks in Islamic ethical Frameworks; In constantly instilling Maqasid al-Shari'ah into its CSR & ESG strategies,

Meezan Bank is not only catering to the domestic social and economic interests but also forging a path towards leading and guiding Shari'ah compliant sustainable finance towards the global agenda and vision.

8. Future Recommendation

Based on the research, some recommendations could be proposed to increase and maximize impact of banks: Banks should;

i. Make official a unified ESG policy framework that integrates Maqasid-al-Sharia'h with internationally recognized sustainability standards (e.g., GRI, SASB, UN SDGs). This would ensure a consistent and reliable reporting system, greater comparability, and improved investor confidence.
ii. Adopt technology-based systems to assess, track, and report publicly the CSR and ESG outcomes. Additionally, real-time monitoring will improve transparency and support evidence-based decision making.
iii. Collaborate with local and international Islamic development institutions, fintech innovators, and academic institutions to level up social and environmental influence.
iv. Introduce projects focusing on emerging social needs i.e., digital literacy, and ethical AI adoption keeping alignment with Maqasid-al-Shari'ah.
v. Strengthen two-way communication with communities, investors, regulators, and Shari'ah scholars to co-create socially impactful and Shari'ah-compliant projects.
vi. Expand Sustainability checks to contractors, vendors, and partners, ensuring that sustainability principles saturate the entire value chain.
vii. Create a CSR Research and Development Unit in CSR department at Head Office, which will enable future endeavors to improve performance in future global and CSR opportunities that would arise. Dedicate research funds for researcher's field works/research-based activities and facilitate research publications as well as ensure the Bank's representation in global forums on ESG issues to showcase the institution as a role model for faith-based sustainability finance, and to organize national as well as international research conference at head office.

Implementing these recommendations will enhance Meezan Bank's synergy with Maqasid al-Shari'ah, will help to gain confidence and strengthen the social position of the Bank and establish it as the leading institution in the world for Shari'ah-compliant sustainability.

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