

GREEN BANKING INITIATIVES PRACTICES BY ISLAMIC BANKS IN SRI LANKA

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Abstract: In recent years, most of the banks are increasing to be involved in environmental protection and management initiatives by introducing green banking practices domestically and globally. Green banking practice is very close with principles of Islamic Banks. The Islam prohibits humans from damaging environmental resources on earth and that encouraging the environmental protection and sustainability. In Sri Lanka, the banks are launching green banking practices in recent years, whereas there are research gaps to fulfill regarding green banking initiatives being implemented by Islamic banks. The objective of this study is to identify the green banking initiatives practices by Islamic banks in Sri Lanka, whereby the study is based on Amana Bank PLC which is the only fully-fledged Islamic bank in Sri Lanka. This study was based on a qualitative research method and content analysis was used for the data analysis. The study comprises based on secondary data, and the type of data were gathered mainly from the last five years' published annual reports of the selected bank during 2017 to 2021. Furthermore, the secondary data sources were previous researches, journal articles, books, magazines, and Amana Bank's website that are related with this study for further readings. The key findings of this study indicate that the Amana Bank PLC implemented green banking initiatives during the five years period. That green banking initiatives are customer related, bank's policy related, employee related and daily operation related practices. Therefore, this study recommends that Amana Bank must focus on improving employee related and policy related green banking initiatives, as well as that bank have responsibilities to implement green products and services compared to other banks. Further researches concerning the green banking initiatives necessary for the development of the Islamic and conventional banking industries in Sri Lanka.

Keywords: Islamic banks, Green banking initiatives, Sri Lanka, Amana bank PLC