

CORPORATE SOCIAL RESPONSIBILITY POLICY



Revision History

Date	Version	Version Description	Author
October 01, 2015	1.0	First Version	Umber Tanya
January 01, 2020	1.1	Second Version	Amin Gulamani
August 04, 2023	1.2	Third Version	Najwa Siddiqui

1. Introduction

Operating in a responsible and sustainable manner is important to UBL Funds. Whilst the company runs business in line with the expectations of diverse stakeholders, it also sees corporate responsibility as a discipline that helps to manage risks and maximize on the opportunities presented in a changing world.

The company takes its corporate responsibility seriously and is committed to understanding, monitoring and managing its social, environmental and economic impact which will enable the company to contribute to society's wider goal of sustainable development.

The company aims to demonstrate these responsibilities through its actions and within its corporate policies.

2. Scope

This policy aims to define the scope of social responsibility and the areas of social, philanthropic or community development programs that UBL Funds shall undertake which are in alliance with its business strategies and will benefit the broader interests of the community.

3. Ownership, Maintenance and Approval

This policy is owned by the BOD, however the responsibility of maintenance, review and update lies with Human Resources. Human Resources will review and update the policy every three years and put it up for BOD approval, as required.

4. Dimensions of Social Responsibility

The company's actions concerning its social responsibility fall under two categories: Compliance and Pro-activeness.

A. Compliance:

Compliance refers to the company's commitment to legality and willingness to observe the values of community while conducting its business.

When it comes to compliance the company considers several aspects:

Legality: The Company will adhere to legal guidelines in terms of procedures, fair dealing and safety. Every partnership or collaboration with external parties or organizations will be open and transparent. Corporate value and financial benefits will result only from legitimate business operations and activities. It will always respect the Law including anti-bribery and anti-corruption practices. The company is also committed to always honor its own self-regulatory policies.

Business Ethics: The Company will always conduct business with integrity and respect to human rights and justice. It will establish appropriate policies and procedures that indicate several aspects of business ethics such as respect towards the consumer, moral corporate governance, anticorruption practices, etc. The company will observe the values that dominate its surroundings and will comply with the moral expectations of the society.

Protecting the Environment: The Company recognizes the need to protect the natural environment. Despite it being a business oriented organization, keeping the environment clean and unpolluted is a benefit

to all of us. Actions such as disposing garbage, etc. will always be governed by best practices to avoid contamination and pollution.

Protecting People: The company will ensure all employees and the external community will not be put to risk from health and safety hazards, resulting from the company's actions.

Human Rights: The Company is dedicated to protecting human rights. It will remain a committed equal opportunity employer and will incorporate all fair labor practices in employee relations. It will also ensure that its business activities do not support violations of human rights stipulations.

B. Pro-activeness:

Pro-activeness is every initiative the company may take in order to help the community or natural environment and to promote human rights. In this regard, the company may make donations, encourage its employees to volunteer through programs, support community programs and contribute to environmental protection.

5. Social and Community Development Activities

The company shall associate itself to a cause which is in line with the identified sectors that include:

a. Education

- Financial support to students
- Spreading awareness amongst masses pertaining to the financial industry

b. Health Sector

- Financial support/support in kind to hospitals dependent on donations

c. Environment & Community

- Proactive protection (e.g. paperless office/reduced carbon footprint)
- Damage control (e.g. cleanliness drives)
- Development (e.g. plantations) and natural disasters.

d. Support to Arts & Theatre

- Sponsorship of charity/fund raisers pertaining to arts or theatre
- Provision of scholarships to students pursuing a degree in arts

6. Criteria for Selection and Credibility Assessment

- Selection of organization should be considered on the basis of:
 - a. Reputation/credibility
 - b. Merit
 - c. Need
 - d. Character Certificate from organization
- Credibility and repute of the charity organization seeking assistance would be determined on the following criteria:
 - a. Market Reputation
 - b. Ethics & Integrity
 - c. Past Performance

d. Feasibility of the project at hand (in case of a new project)

These objectives serve as useful guidelines in the evaluation of proposals received from our various stakeholders for CSR projects, programs and activities.

Annexure A

Proposal & Approval Guidelines

- Annual CSR plan containing a broad gist of activities could be presented to the BoD at the beginning of the year listing activities under the given causes.
- A list of organizations under various heads (arts/health/education/social services) would be populated and pre-approved. All other donations/sponsorships would require approval from the CEO.
- Proposals or plans as and when they are shortlisted/developed, should be forwarded to the Internal Committee with recommendations for approval.
- The Committee will be authorized for disbursement of funds for projects that pass the selection criteria.
- Selection of organization should be considered on the basis of the defined criteria.
- Sponsorships/Donations being made to registered organizations, when being sent to Finance; should contain:
 - a. Approved copy of the internal memo
 - b. Proposal/Invoice from the organization (where applicable)
 - c. NTN Number/Tax Certificate
 - d. Receipt of payment (Post payment)
- Proof of completion of the project by way of a confirmation letter from the organization and receipts/photographs should be shared with:
 - a. Head of Human Resources
 - b. Audit, Compliance or Finance Department
 - c. CEO

Amount:

1. Total CSR budget for the year to be announced by the Finance department annually.
2. Donations/Contributions/Sponsorships to a single project should not exceed 50% of the total annual budget.
3. Donations made through Shariah Funds can be utilized for CSR related charity.