

National Incubation Center (NIC), Islamabad; financial literacy session with Oxbridge Innovative Solutions for promoting women entrepreneurship; awareness sessions in collaboration with WWF Pakistan for rural women communities at Khanewal and with Connected Women Pakistan for its members in Lahore. Further, IDG field teams also conducted financial literacy sessions at community centers including vocational training institutes at Muzaffarabad, Pattika and Athmuqam; Rangoonwala Community Center and Saeed Village Rural Area Handcraft in Hyderabad; Sanatkar and Women Development Institutes in Rawalpindi; Population Welfare Department, Muzaffarabad; and with TEVTA Timergara, Upper Dir, Swat.

IDG also signed a formal agreement with Karandaaz in March 2022. The collaboration aims at launching a specific product for women-led SME businesses and startups while providing them increased access to NBP financing. In terms of internal capacity building, a series of training programs on Agriculture Financing and Financial Inclusion through Cash Flow based SME Lending were held for IDG staff at the Bank's Staff Colleges in Karachi, Lahore, Islamabad, Peshawar and Multan, in addition to other training workshops in which IDG participated.

Kamyab Jawan and PMYBL

Although the Prime Minister's Youth Business Loan (PMYBL) Scheme was closed in 2019 and Kamyab Jawan (KJ) Scheme also discontinued w.e.f. July 1, 2022, recovery and collection efforts continued for both the schemes. Thus, the Bank was able to make a cash recovery of more than PKR 2 Bn despite the given economic, political and climatic turmoil.

Corporate Social Responsibility

CSR practices of NBP aim to build sustainable relationships with organizations, rather than making one time donations. The Bank significantly supports the Sustainable Development Goals (SDGs) towards mitigating many economic and social challenges.



CSR activities at a glance:

Our CSR activities are in line with the following SDGs:

<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	<div><p>Donation to the Prime Minister's Flood Relief Fund for supporting the affectees of catastrophic floods in Sindh, Baluchistan and Southern Punjab.</p></div>	<div><div>6</div><div>CLEAN WATER AND SANITATION</div><div></div></div>	<div><p>Water purifiers provided to flood affectees to give them access to clean drinking water and improving their well-being on a sustainable basis.</p></div>	
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<div><p>New Higher Education Wing set up at the Deaf Reach Campus of Family Educational Services Foundation at Rashidabad, Tando Allahyar, with scholarship of 100 students for one year to support Differently Aabled Persons. It is the only college in Sindh that offers a Bachelor level program for students with hearing impairment.</p></div>			
<div><div>4</div><div>QUALITY EDUCATION</div><div></div></div>	<div><div>5</div><div>GENDER EQUALITY</div><div></div></div>	<div><p>Construction of Tech-Enabled Resource Centre for Girls in Sanjan Nagar Public Education Trust, Lahore. The donation also covers furniture, resource materials, training, desktops and laptops.</p></div>	<div><div>10</div><div>REDUCED INEQUALITIES</div><div></div></div>	<div><p>Sponsorship of NBP T-20 (Grade 1 & Grade 2) Blind Cricket Trophy for the Year 2022 at Islamabad, Quetta, Multan and Bahawalpur.</p></div>
<div><div>3</div><div>GOOD HEALTH AND WELL-BEING</div><div></div></div>	<div><p>Donation for cataract surgeries of 900+ underprivileged adult patients.</p></div>	<div><div>17</div><div>PARTNERSHIPS FOR THE GOALS</div><div></div></div>	<div><p>Various Sponsorships for Fund raising for charitable causes.</p></div>	



Sustainability and Corporate Social Responsibility (CSR) Activities and Achievements in 2022



Adoption of best practices for CSR

Engagement in socially responsible activities offers additional opportunities to distinguish from competitors and to improve the quality of services for the citizens of Pakistan. Likewise, CSR practices of National Bank of Pakistan aim to build sustainable relationships with organizations instead of making one-time donations. The reason is simple: NBP believes in driving a positive change that impacts lives in the long term. We aim to invigorate civil society, champion good governance, promote social and economic development and encourage ethical behavior thus empowering people to create a better world.

CSR is our commitment to facilitate positive environmental and social change not only within the organization but also in the community around us. Our socially responsible journey is in our DNA, which means a great deal to us and those we serve. When CSR works, everyone wins – the community, the environment and the business.

NBP supports the UN SDGs towards mitigating multiple economic and social problems. In the year 2022, NBP CSR activities directly or indirectly achieved the SDGs related to health, reduction of inequalities, education, gender equality and partnerships for the goals.

The Bank's strategic objectives on ESG/ sustainability reporting

NBP has taken various initiatives that demonstrate its commitment to the implementation of Environmental, social and governance (ESG). The bank has also become a member of ESG Task Force jointly led by the Pakistan Stock Exchange and the Pakistan Institute of Corporate Governance. The Task Force aims to develop and launch a coherent, systematic and realistic framework backed by regulations and tools, instruments and incentives to encourage companies and financial institutions to voluntarily adopt ESG standards and guidelines.

As Pakistan's leading Bank, NBP is committed to sustainable development and the maintenance of high levels of ESG practices in the institution. Some endeavors undertaken include green initiatives like Solar Powered ATMs and Branches across the country and donation of water pumps and solar panels under its CSR activities; green financing facilities to its Corporate, Investment, Islamic, Agri and SME clients for Wind-Powered, Hydro and Solar-Powered Projects under SBP Renewable Energy Finance Scheme and conventional bank financing; and issuance of Sukuk (Islamic Bonds) and TFCs for Hydro Power Projects.

NBP has also developed its Green Banking Policy, which is in line with SBP guidelines and is currently under review with the Board of Directors.

CSR Policy

National Bank of Pakistan, being a public sector organization and the leading Bank of the country, has always been conscious of its social responsibilities and has undertaken multiple CSR initiatives directed towards promotion of healthcare, education, environment, women's empowerment and improvement in the overall quality of life of Pakistanis. It is a reflection of the above that the Bank has created the CSR and Sustainable Development Division (SDD) within its Inclusive Development Group.

NBP CSR Policy streamlines its CSR activities and makes CSR a key process for sustainable development. The Policy supplements the role of the Bank in undertaking measures for the underprivileged segments of society, enabling the Bank to contribute in their development.

ACTIVITIES AND ACHIEVEMENTS – HIGHLIGHTS

1. Initiatives for flood affectees

The unprecedented rains and subsequent floods in Pakistan caused devastation of an enormous magnitude in various parts of the country.

NBP, in collaboration with Thardeep Microfinance Foundation and Rural Community Development Program, stepped up to provide immediate aid to the flood affected communities in Pakistan by providing water purifiers to the flood affected households in order to give them access to clean drinking water. These water purifiers, distributed in the vulnerable communities of Sindh, Baluchistan and Southern Punjab, meet the standards established by the US Environment Protection Agency (EPA), NSF International and World Health Organization and removes 99.9999% of bacteria, parasites, micro plastics and turbidity.





NBP also contributed PKR 50 million in the shape of donation made to the Prime Minister's Flood Relief Fund.

A digital payments platform was also launched by NBP which enabled people across the globe to donate using their preferred payment method i.e. Credit / Debit Card, International bank transfer, local bank Direct Debit, Wallets, ATMs and 1Link.



2. Education and technology

The Bank extended its hand towards Family Educational Services Foundation (FESF) for setting up a new Higher Education Wing at its Deaf Reach Campus at Rashidabad, Tando Allah Yar. NBP's donation aims at serving the needs of students with hearing impairment from Grade 9 to Grade 14. The Wing thus meets the need for higher education of these students in lower Sindh where Government schools only go up to Grade 8. It is also the first and only college in interior Sindh that offers BA program for students with hearing impairment.

NBP also provided one-year scholarships for 100 students with hearing impairment to encourage and enable them to continue their studies and aim for higher education.

The Bank also provided assistance to Sanjan Nagar Public Education Trust for construction and equipping of a tech-enabled resource center for girls, located in its High School building in Lahore.



3. Cataract surgeries for underprivileged patients

NBP donated funds to Layton Rahmatullah Benevolent Trust for cataract surgeries of over 900 underprivileged adult patients.

Keeping in view the population segment to which the patients belonged, adult patients were focused for this initiative so that they could get well and start earning income, thus benefitting the whole family.



4. Blind Cricket tournament

NBP has been sponsoring Pakistan Blind Cricket Council (PBCC) cricket tournaments for over a decade now as a part of its diversity and inclusive initiative for differently abled persons.



In the year under review, the bank provided sponsorship for the 12th and 13th editions of NBP T-20 (Grade 1 & Grade 2) Blind Cricket Trophy for the years 2021-22 and 2022-23.

PBCC, a full member of Pakistan Cricket Board and founder member of the World Blind Cricket Council, aims to promote blind cricket at the national and international level. It arranges cricket tournaments at national and international levels for both men and women and also provides financial aid and counseling to the players for their welfare, education, training and rehabilitation.



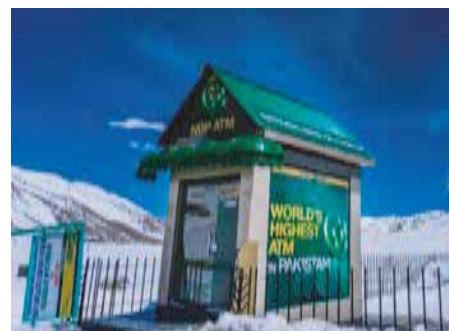
ENVIRONMENT RELATED OBLIGATIONS AND PROGRESS TOWARDS ENVIRONMENTAL, SOCIAL AND GOVERNANCE (ESG)

Green initiatives:

By the end of the period under review, NBP has almost around 500 solar-powered ATMs / Branches throughout the country.

The Bank had also donated solar-powered water pumps and solar panels under its CSR activities.

NBP Green Banking Policy has also been developed and is under Board's review.



Green financing:



The Bank provided green financing facilities to its Corporate, Investment, Islamic, Agri and SME clients which include Wind-Power, Hydro and Solar-Powered projects under SBP Renewable Energy Finance Scheme and conventional bank financing.

NBP has also issued Sukuk Facility (Islamic Bonds) and TFCs to Hydro Power Projects through its Aitemaad Islamic Banking and Investment Banking counters.



Status of adoption / compliance to the CSR guidelines issued by SBP or SECP

S#	Benchmark	Status of adoption and compliance
1	Purpose / Scope	The Purpose / Scope of the Bank's CSR Policy is to lay down guidelines in order to streamline NBP's CSR activities and to make CSR a key process for sustainable development.
2	CSR Governance	The CSR Policy is approved by the Board of Directors (BoD) and reflected in the vision, mission and business strategy of the Bank.
3	Disclosure and Reporting	NBP CSR operations comply with SBP's Prudential Regulations and other instructions.
4	Consultative Committee	The CSR Committee, headed by the Bank's President, monitors CSR activities and budget utilization. Further, regular presentations are also made to the Board Inclusive Development Committee (BIDC).
5	Areas of Interest	The CSR Policy identifies specific areas of focus to make the Bank's CSR initiatives purposeful.
6	CSR Management System	The CSR Policy specifies a process for evaluating different requests. Cases are recommended by the BIDC to the BoD for approval.
7	Allocation of Resources	The CSR Budget is approved by the BoD on an annual basis along with the budget of the bank.

Certifications acquired for best Sustainability and CSR practices

NBP won accolades for its execution of CSR program in the following categories:

- **Women Welfare, Empowerment & Development**
- **Differently Abled People**

The Bank has also won two **Appreciation Shields** for supporting Women's Day celebration and for sponsoring Deaf Reach Golf Tournament to support education.

The Bank is now a member of **ESG Task Force** jointly led by the Pakistan Stock Exchange and the Pakistan Institute of Corporate Governance.



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