

## **Key Elements of Corporate Social Responsibility (CSR) Policy**

Corporate Social Responsibility (CSR) is a self-regulating social and ethical Value Proposition for promoting sustainable economic development, while ensuring fulfillment of Bank's responsibilities as a self-disciplined corporate citizen. CSR helps a corporate entity to be socially accountable to itself, its stakeholders, and the public at large. By practicing CSR, companies can be conscious of the kind of impact they have on all aspects of the society, including but not limited to economic, social, and environmental and human.

In addition to benefiting the environment and society at large, the benefits of effective CSR to corporate entities are numerous and far-reaching. The measurable/tangible benefits of a well-considered CSR policy include, but are not limited to, strong Brand Recognition, Brand Recall synonymous with that of a responsible corporate citizen, strong Brand Equity, stellar Brand Reputation, goodwill, enhanced stakeholder and employee engagement, and improved Customer Loyalty; thus helping the Bank to achieve its strategic objective of becoming an Employer of Choice.

All of the foregoing would have multipronged benefits of attraction of best talent available in the industry, cost reductions/savings accruing from retention of High Performers, high standards of environmental and social governance (ESG) / regulatory risk mitigation, higher access to investment opportunities by institutions that consider ESG factors in their long term investment decisions, forging of strategic partnerships across vital business streams, and a continuous commitment towards sustainable business generation.

The Bank of Punjab recognizes the importance of being a responsible corporate citizen in the conduct of its business, while fulfilling its corporate and social obligations. We are committed to the principle of 'giving back to society' across a variety of dimensions, which can be helpful in improving the lives of our people, while bridging the gaps that the government is unable to adequately cater to.

### **➤ Scope of Policy:**

- Diversity, equity and inclusion in terms of access of financial services, ultimately leading to Financial Independence
- Economic Empowerment through provision of Equal Opportunities and an Enabling Environment.
- Innovation based on Technology & Adoption of Modern Climate Resilient Ways of Doing Business

- Environmental and Social Governance (ESG) to protect our Ecosystem
- Social awareness of the fundamental rights of individuals and communities
- Mental & Psychological Wellness
- Conservation, Preservation and awareness of the legacy of Cultural Heritage, Art & Culture
- Selection, implementation and monitoring of CSR activities
- Articulation of broad strategic level Guidelines for Selection/Due Diligence of CSR Partners
- Ensuring transparency and astute deployment of Bank's approved CSR\_Budget

➤ **CSR Focus Areas:**

CSR activities to be identified and planned would fall in the following focus areas”

- Healthcare & Education
- Environmental Conservation & Disaster Relief
- Arts, Culture, Heritage & Sports
- Inclusion & Equity