

ESG & Sustainability Report 2025



UNITED BANK LIMITED

Corporate Affairs & Marketing Department
12th Floor, UBL Head Office, I.I. Chundrigar Road, Karachi-74000, Pakistan.

☎ 111-825-888 🌐 www.ubldigital.com 📘 UBLUnitedBankLtd/

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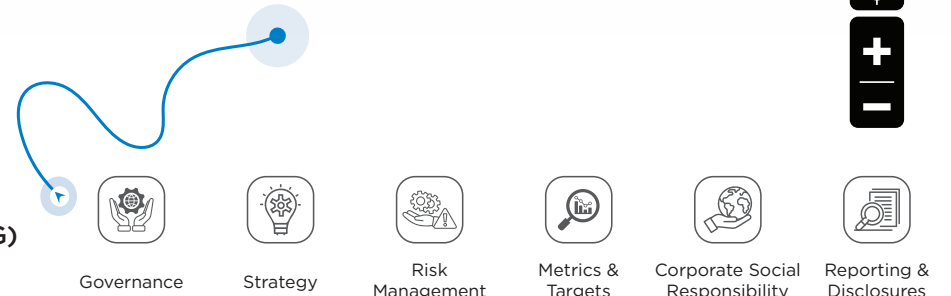


Destination: Sustainable Tomorrow

Sustainability in Action

Get Started

Environment, Social, Governance (ESG)
& Sustainability Report 2025





You have just planted a tree and done your bit to build a stronger foundation.



One tree closer to a sustainable future

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About the Report

As one of Pakistan’s largest and most influential financial institutions, UBL continues to lead the industry in integrating sustainability into Banking. United Bank Limited (UBL) 2025 Environmental, Social and Governance (ESG) and Sustainability Report outlines our approach to embed sustainability within our corporate strategy and operations, focusing on the most material sustainability topics. Through this report, we showcase how our commitment to sustainability principles drives long-term value creation for our stakeholders.

This report has been prepared with consideration of leading ESG & Climate standards and guidelines which include State Bank of Pakistan (SBP), Securities and Exchange Commission Pakistan (SECP), Central Bank of UAE (CBUAE), Qatar Central Bank (QCB), Central Bank of Bahrain (CBB), International Financial Reporting Standards (IFRS) S1&S2 of International Sustainability Standard Board (ISSB), Global Reporting Initiative (GRI) & industry-specific sustainability disclosure standards (SASB).

The 2025 ESG and Sustainability Report offers a comprehensive review of UBL’s ESG & Climate initiatives for the year spanning January 1st to December 31st 2025. This report covers UBL International Operations’ sustainability related initiatives, activities and disclosures as well.

The report highlights our policies, achievements, and ongoing efforts to integrate ESG principles into every aspect of our business operations. We believe that sustainable economic growth is driven by responsible practices, and our focus on ESG ensures that we remain a leader in both financial performance and social responsibility.

All figures in this report speak as of and for the year ending December 31, 2025, unless specifically referenced otherwise. Some of the data presented may reflect the rounding of subtotals or estimations. The information presented is sourced from our internal reporting systems, where it is captured, recorded and subject to validation by reporting businesses and subject matter experts.



Governance



Strategy



Risk Management



Metrics & Targets



Corporate Social Responsibility



Reporting & Disclosures





Message from CEO



At United Bank Limited (UBL), we believe responsible business practices are key to building sustainable growth and creating lasting value for the communities we serve. Through our Corporate Social Responsibility (CSR) initiatives aligned with the United Nations Sustainable Development Goals (SDGs), we remain dedicated to driving meaningful change and have proudly touched the lives of millions across the country.

UBL has steadily integrated the SDGs into its business strategy over the years, positioning the Bank at the forefront of Pakistan's sustainable development journey. Our commitment to ESG principles is reflected in our policies, operational processes and the conduct expected across the organization. This structured and consistent approach has strengthened stakeholder confidence and reinforced our reputation as a responsible financial institution.

During 2025, we advanced several ESG priorities, particularly in Diversity, Equity and Inclusion (DE&I). We strengthened our focus on building a workforce that reflects diverse perspectives and skills. Alongside leadership development for high-potential employees, UBL expanded its youth hiring and talent transformation programs to attract emerging professionals and build a strong pipeline for future leadership roles.

We have continued to advance the development of a comprehensive ESG and Climate Risk Management and Governance Framework that embeds ESG considerations into our credit assessment, risk evaluation, and strategic decision-making processes. This framework has progressively been integrated across business functions to strengthen ESG risk oversight.

Our ESG policy reflects UBL's long-standing role as a responsible corporate institution. Through focused interventions in education, healthcare, environmental, and cultural development, we continue to support communities in a structured and meaningful manner.

We look forward to sharing our annual ESG report with you and welcome your feedback. Your continued support is vital as we strive to create a positive, lasting impact.

Thank you for your trust and partnership.





UBL at a Glance

United Bank Limited (UBL), established in 1959, is one of Pakistan's leading financial institutions, serving approximately 11 million customers nationwide. The Bank operates a domestic network of 2,038 branches supported by 2,117 off-site ATMs, ensuring wide financial access across urban and rural areas. To enhance financial inclusion, UBL operates 175 unBanked branches and delivers branchless Banking services through UBL Omni.

Internationally UBL maintains a strategic presence in the United Arab Emirates, Bahrain and Qatar, with a representative office in China, supporting cross-border trade, remittances, and regional connectivity.

UBL operates across five core business segments: Retail Banking, Corporate and Investment Banking, Small and Medium Enterprises (SMEs), Islamic Banking (UBL Ameen), and Digital Banking.

UBL Ameen continues to expand its Shariah-compliant services through 752 full-fledged Islamic Banking branches and 596 Islamic Banking Windows (IBWs) nationwide, strengthening access to Islamic financial products.

The Bank has demonstrated strong digital leadership, receiving multiple local and international recognitions, including awards for digital transformation, mobile Banking excellence and remittance leadership. UBL also ranks among Pakistan's highest taxpayers and maintaining a strong credit profile, reflected in its AAA/A-1+ entity credit rating, reflecting financial resilience and prudent risk management.

UBL continues to strengthen operational efficiency, financial inclusion and sustainability integration through technology-driven platforms, disciplined governance, while increasing alignment with environmental, social and governance (ESG) principles.



Our Domestic Operations

Retail Banking business

UBL, one of the country's leading financial institutions, serves around 11 million customers through branches and remains committed to business growth alongside sustainability and social responsibility. In 2025, the Bank made significant progress in responsible Banking by improving branch deposit and profitability, resulting in the onboarding of over 1.7 million new customers. This growth reflects UBL's focus on meeting customer needs while positively impacting communities.

UBL also strengthened financial inclusion and innovation through digital solutions and targeted Banking products. These include the UBL Freelancer Account with over **41,000 customers**, the UBL Urooj Account supporting more than **56,000 women**, the highly inclusive UBL Asaan Account serving over 2.1 million low-income individuals, and the UBL Zindagi Savings Account benefiting more than 16,000 senior citizens. Collectively, these initiatives highlight UBL's commitment to inclusive growth and sustainable Banking practices.

Over 1.7 million new customers

Corporate and Commercial businesses

Corporate Banking offers a comprehensive array of financing solutions for medium and large-sized enterprises, serving approximately 500 corporate clients. The product offering includes long-term and short-term funded solutions with flexibility for structured products, including, but not limited to, working capital, import-export refinance, commodity refinance, bill discounting, documentary credits, guarantees and foreign exchange.

Corporate Banking also synergizes with other groups within the Bank to capitalize on cross-sell opportunities like cash management solutions, payroll, and digital offerings.



Small and Medium Enterprises businesses

UBL's SME portfolio recorded strong growth during 2025, with total outstanding financing increasing from PKR 16,004 million in Dec-24 to PKR 22,366 million in Dec-25, reflecting a 39.75% year-on-year increase. Growth was driven by diversified lending across business expansion finance, asset-backed products, seasonal agri-finance, digital lending and government-supported schemes, supporting financial inclusion, SME resilience and sectoral diversification.

The SME portfolio includes mortgage-backed business loans, financing against liquid securities, fleet and commercial vehicle financing, seasonal crop and agri-financing (cotton, rice, wheat, and warehouse receipts), women-focused financing, youth entrepreneurship schemes, digital running finance, supply chain finance, and green mobility financing for electric vehicles. These products are governed under defined Product Program Manuals (PPMs) with structured credit parameters, risk controls, and operational frameworks to ensure sustainable portfolio growth and asset quality.

Islamic Banking (Ameen) Business

UBL Ameen the Bank's Islamic Banking Division, offers products and services through 752 full-fledged Islamic Banking Branches and 596 Islamic Banking Windows under Shariah guidelines.

UBL Ameen's deposits averaged Rs.686 billion in 2025, demonstrating strong average growth of 82% compared with the previous year. UBL Ameen offers a full range of Shariah Compliant Islamic Banking products and services through its dedicated branches in major cities across Pakistan. UBL Ameen offers products across all categories of liabilities, Consumer Financing, Corporate, SME, Digital, Cash Management Solutions.



Our International Operations



UBL has international footprint in the UAE, Bahrain and Qatar with a representative office in China.



United Arab Emirates (UAE)



Bahrain



Qatar



United Arab Emirates (UAE)



UBL UAE has six branches across the United Arab Emirates and provides a wide array of Banking services, catering to the diverse needs of both individual and corporate clients. With a legacy built on trust and customer satisfaction, UBL UAE continues to offer financial solutions tailored to meet the dynamic needs of the UAE market.

Key Services Offered are : Corporate Banking with focus on developing long-term relationships with corporate clients through high-quality solutions and exceptional customer service. UBL's Treasury & Capital division offers a range of competitive and customized financial solutions to reduce risk and maximize returns on investments. The other products are UBL's Signature Banking service, escrow, remittance and deposit products.

Bahrain

UBL Bahrain offers a comprehensive range of Banking services, including corporate Banking, treasury & capital management and investment Banking. With a strong focus on meeting the needs of both individual and corporate clients. UBL also provides products and services such as: UBL Mukammal Account, Savings Account, Multi-Function ATM, Tezraftar (Fast Banking Services).

With a robust financial portfolio and diverse offerings, UBL caters to a wide spectrum of clients, including labor class individuals and corporate entities. The Bank's strategic investments and services aim to support both local and international financial needs, making it a reliable partner in Bahrain's Banking landscape.

Qatar

The Bank's business model revolves around: Retail Funding, primarily from the second and third-generation expatriates and Qatari nationals, whose families have long-standing relationships with UBL. Corporate and SME Lending, providing financing solutions to businesses in Qatar.

Key Products offered by UBL Qatar include Corporate Lending, CASA (Current and Savings Accounts) and Term Deposits, Home Remittances - Tezraftar. UBL also serves the needs of overseas Pakistanis through remittance products. In lending, the Bank focuses on Sovereign, low credit-risk Corporates, SMEs and Financial Institutions.



What we Stand For - Core Values

Our values and behaviors shape our culture by defining what we believe and care about most, forming the foundation of who we are and uniting our employees so we can deliver on our mission.

01

Customer First

Customers are at the heart of our corporate philosophy. We are here to serve and exceed their expectations thereby gaining their trust.

02

Honesty of Purpose

We treat our work as our purpose of life. We demonstrate the highest standards of transparency in our dealings. Our goal is to ensure that the interests of all our stakeholders are fully guarded.

03

Team Work

We derive strength from each other and are seen as reliable and trusted partners.

04

Excellence

We are the best in class whatever we choose to pursue. We are valued for our contributions in the communities we serve.

05

Meritocracy

We induct, evaluate, recognize and reward based on fairness. We are empowered to innovate. We rely on facts and value the opinions of others.



Ratings

Long-Term Credit Rating

AAA

Short-Term Credit Rating

A1+ (By VIS Credit Rating Company)

Corporate Governance Rating

CGR-9 (By VIS Credit Rating Company — where disclosed)

Additional Tier-1 (ADT-1) Instrument Rating

AA+

Tier-2 / Other TFC Instrument Rating

AAA

Foreign Currency Long-Term Rating

C+

Foreign Currency Short-Term Rating:

C (By Capital Intelligence Ratings— CI)

Awards and Recognition

Excellence in Financial Literacy for PWDs at the **Pakistan PWDs Finclusion Awards 2025.**

Runner up - Accessible Infrastructure Excellence at the **Pakistan PWDs Finclusion Awards 2025**

Best Mobile Banking App at the **Pakistan Digital Awards 2025**

Best Digital Payment Processor at the **Pakistan Digital Awards 2025**

State Bank of Pakistan (SBP) PRI Award - Top Bank in Pakistan Remittance Market 2025 at the **Pakistan Remittance Summit 2025**

Customer Excellence Award for **Best Customer Experience**

UBL recognized at Corporate Financial Association (CFA) **Society Pakistan's Excellence**



09

International Network

596

Islamic Banking Windows

1286

Urban Branches
(Conventional & Ameen Banked)

2038

Total Network (Domestic Level)

2117

Offsite ATMs

9800

Omni Booths

175

UnBanked Branches

484

Rural Domestic
Conventional Branches

236

Rural Domestic Ameen Branches

720

Total Rural Branches





Our Sustainability Philosophy

We embrace a broad and human centred definition of sustainability, what we call “Sustainability with a big S”. This means going beyond environmental goals alone to deliver Banking services in a way that supports people, strengthens communities and drives inclusive growth. We believe that Banking is not just a business sector, it is a catalyst for social and economic opportunity.

Integration of sustainability as a business model strategy with a focus on stakeholder capitalism is an integral part of value creation for UBL. Thus, sustainability is embedded in the Company’s strategies at various levels of governance starting from the highest level.

The Board of Directors (BoD) is the highest governance body responsible for management and monitoring of Environmental, Social and Climate-related risks and opportunities as well as ensuring the appropriate skills and competencies are available to oversee these risks and opportunities. There are senior management committees such as Compliance Committee of Management, Management Risk Committee and for international operations there is Governance Committee which is responsible to oversee and manage ESG & Climate related financial risks and opportunities.

Sustainability activities are managed by Divisional Head of Sustainability, ESG & Climate Risk - Pakistan & GCC. ESG Division of the Bank has overall responsibility of identifying, assessing, managing, mitigating and reporting Environmental, Social & Climate risks along with ESG aspects along with other businesses and support functions.

SUSTAINABILITY
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SUSTAINABILITY



Vision



UBL envisions to be the market leader in sustainable finance and the preferred choice for its customers and employees. Our Vision is to create a sustainable future for our stakeholders by integrating ESG & Sustainability principles into our business operations, investment processes and stewardship

Mission



Our bank is committed to integrating ESG & Sustainability principles into lending, investments and overall operations to yield competitive financial returns while promoting positive Environmental, Social and Climate impacts. We are actively implementing an ESG & Climate Risk Management Framework to address environmental and climate impact on our exposures and activities.

Our organizational focus includes creating a gender-balanced workplace, prioritising the inclusion and advancement of Persons with Disabilities (PWDs), and fostering an equitable culture that values diversity in all aspects. Moreover, we are enhancing the composition of our board with an emphasis on independence and diversity, and ensuring sustainable practices in procurement and general banking operations.



Key Highlights 2025 - How We Make an Impact

Being a Bank that has always been on the forefront of making a notable impact on the society, our ESG objectives have always been inextricably intertwined with our philosophy. The impact of our business activities and conduct holds utmost importance, which is why, our year-round initiatives as a responsible corporate organisation present a very clear picture of how we have been able to translate our vision into our actions.

In 2025, UBL implemented a series of strategic initiatives to advance its sustainability commitments and support the achievement of the United Nations Sustainable Development Goals (SDGs). These initiatives focused on enhancing community development, promoting youth empowerment, improving financial literacy, and providing humanitarian support, reflecting UBL's dedication to creating meaningful social impact and fostering inclusive, sustainable growth across the communities it serves.

Environmental Initiatives



Support for Sustainable Agriculture Mechanization:

Facilitated access to modern agricultural machinery through financing support to our clients, contributing to enhanced farm productivity, improved operational efficiency, and optimized resource utilization. This initiative supports sustainable agricultural practices while promoting economic resilience within the farming community.

Comprehensive Greenhouse Gas (GHG) Emissions Accounting and Monitoring:

UBL maintains a structured framework for accounting and monitoring its greenhouse gas (GHG) emissions across both domestic and international operations. The Bank systematically collects relevant activity data, performs detailed emissions calculations, and ensures transparency through disclosure of methodologies aligned with recognized standards.



GHG Emissions (2025)		
Scope 1 (tCO ₂ e)	Scope 2 (tCO ₂ e)	Scope 2 (tCO ₂ e)
9,283	27,733	192,421

Employee Recognition & Engagement



Top-Performing Relationship Executives Recognition:

A formal recognition initiative designed to acknowledge outstanding performance among Relationship Executives, reinforcing a culture of meritocracy, strengthening talent retention, and enhancing employee engagement across the Bank.

Job Creation and Workforce Expansion:

UBL has created over 20,000 jobs, positioning it as Pakistan's largest private sector white-collar employer, contributing significantly to economic growth and employment generation.

Celebrating UBL's Best Performers:

A recognition ceremony held to honor exceptional contributors, aimed at motivating employees, reinforcing a high-performance culture, and promoting organizational excellence.



Branch Excellence Celebration:

An event recognizing high-performing branches and teams in the Lahore region, fostering collaboration, teamwork, and sustained operational excellence.

Best Performers Recognition:

A cluster-level recognition platform established to reward exemplary employee performance, strengthen morale, and further embed a results-driven performance culture.

Teamwork & Excellence Town Hall 2025:

A leadership engagement forum focused on promoting collaboration, empowering employees, and reinforcing UBL's strategic vision and organizational values.

Staff Engagement Session:

An interactive engagement session aimed at enhancing staff development, strengthening alignment with corporate objectives, and encouraging open dialogue between management and employees.

Health & Wellbeing



Breast Cancer Awareness Sessions – Karachi & Lahore:

Organised health awareness sessions focused on early detection and preventive care, aimed at promoting employee well-being, increasing awareness of breast cancer risks, and fostering a culture of proactive healthcare within the organisation.



UBL Sports Complex – Community & Youth Development Support:

Continued support for cricket tournaments hosted at the UBL Sports Complex, providing a high-quality and well-maintained sporting facility that promotes youth engagement, community well-being, and social inclusion. The initiative reflects UBL's commitment to fostering healthy lifestyles and strengthening community development through sports.

UBL Sports Gala 2025:



Conducted a Bank-wide sports initiative designed to promote physical well-being, strengthen teamwork, and enhance employee engagement through structured recreational activities.

UBL Academy & Tabba Cardiac Medical Centre – Youth Athlete Health Screenings:

Facilitated health screening sessions for young athletes to promote early diagnosis, injury prevention, and overall health awareness, reinforcing UBL's commitment to youth development and community wellness.

UBL Central Punjab Sports Gala 2025:

Organised a regional sports event to encourage staff engagement, promote workplace wellness, and foster collaboration across teams through inclusive and health-focused activities.

Customer & Service Excellence



Expansion of Pakistan's Largest Branch Network:

UBL further strengthened its position as one of the largest branch networks in Pakistan by opening over 500 new branches in a year. This strategic expansion enhances accessibility for customers across diverse geographies, enabling greater financial inclusion and improved service delivery. By increasing its physical presence, UBL ensures that a wider customer base can conveniently access banking services, supporting inclusive economic growth.



Customer Excellence Award:

Instituted to recognize outstanding service delivery and reinforce a strong customer-centric culture across the Bank, promoting service excellence and continuous improvement in customer experience.

Signature Customer Engagement Sessions:

Organised structured engagement forums aimed at strengthening long-term customer relationships, gathering feedback, and enhancing service responsiveness and relationship management.

Customer Service Week 2025:

Celebrated a dedicated service excellence week to acknowledge frontline staff contributions, promote best practices in customer service, and further elevate service quality standards across the Bank.

Deployment of Preferred Q-Matic for Persons with Disabilities (PWDs) & Senior Citizens:

Introduced an enhanced queue management system to prioritise and facilitate seamless branch access for persons with disabilities and senior citizens, reinforcing UBL's commitment to inclusivity and accessible Banking services.

UBL Ameen Branch Network Expansion:

Expanded the branch footprint of UBL Ameen to improve access to Shariah-compliant Banking solutions, particularly in underserved and emerging markets, supporting financial inclusion and ethical finance.

UBL Ameen Islamabad Branch Achievements:

Recognized for its strong performance and community-focused outreach, contributing to the growth of Islamic finance services and strengthening UBL's presence in the Islamic Banking sector.

Community & Youth Development



Inclusive Youth Employment and Development

UBL has onboarded over 6,000 youth without higher education degrees by inducting intermediate-qualified candidates into permanent OG4 roles, creating structured early career pathways. To support their continued development, employees are provided with an educational allowance of PKR 150,000 to pursue further studies, strengthening long-term talent pipelines and promoting inclusive workforce growth.



UBL 66 Years Celebration (Community Narrative):

Commemorated six decades of UBL's legacy, highlighting the Bank's institutional heritage while fostering national pride and reinforcing its role in community development.

UBL Ameen Financial Literacy Student Ambassador Program:

Empowered youth through structured financial literacy initiatives, building capacity, promoting responsible financial behavior, and enhancing economic awareness among students.

Science and Engineering Associate Program (SEAP)

During the year, UBL launched Science and Engineering Associate Program (SEAP) to recruit engineers and science graduates across key functions. This strategic initiative strengthens the Bank's analytical capability, innovation capacity, and problem-solving depth in an increasingly complex operating environment.

By integrating technically trained professionals, UBL enhances digital transformation, process optimization, and data-driven decision-making, while simultaneously creating meaningful employment opportunities for young graduates.



UBL Participation at Made in Gujranwala Expo – SME Support: ✕

Supported local entrepreneurship by promoting small and medium enterprises (SMEs), facilitating market access, and encouraging sustainable business growth in regional communities.

UBL Partnership with Al-Khidmat Foundation:

Collaborated on humanitarian initiatives to provide essential support and welfare services for vulnerable communities, enhancing social impact and community resilience.

Ramzan Ration Distribution Drives:

Extended humanitarian assistance to underprivileged communities during Ramadan in partnership with trusted social organizations, addressing immediate needs and supporting community welfare.

UBL-Saylani Rozgar Scheme:

Facilitated income-generation opportunities for low-income families, promoting livelihoods, economic empowerment, and sustainable community development.

Bestway 50-Year Legacy – Community Engagement:

Supported philanthropic initiatives and social development programs, strengthening community welfare and fostering long-term social impact.

PSL Partnership with Quetta Gladiators – Community Angle:

Promoted youth engagement and sports development through active involvement in national cricket initiatives, encouraging participation and talent development.

Quaid-e-Azam Trophy Final at UBL Sports Complex:

Hosted a premier national-level cricket event, supporting youth development, sports infrastructure, and talent exposure at the community level.

UBL Digital Participation at Regatta Event:

Engaged youth in interactive financial awareness programs, promoting digital Banking literacy, responsible financial habits, and community outreach.

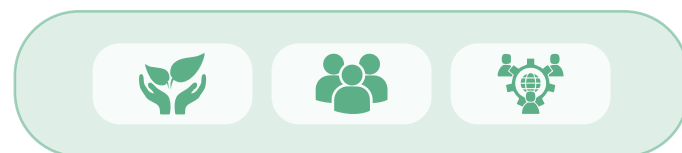
Environmental, Social and Governance (ESG) & Climate Risk Management at UBL

At UBL, we are dedicated to drive positive change by encouraging meaningful connections and actively supporting the communities in which we operate. By embracing ESG & Climate Risk Management principles, we ensure that our business activities are aligned with sustainable and ethical practices, creating long-term value for both our stakeholders and society. This commitment is reinforced through a robust ESG and Climate Risk Management and Governance Framework, which provides the strategic oversight necessary to guide our decision-making. Through this framework, UBL is empowered to make responsible investment choices and resource allocations, ensuring that our initiatives contribute directly to our sustainability goals.

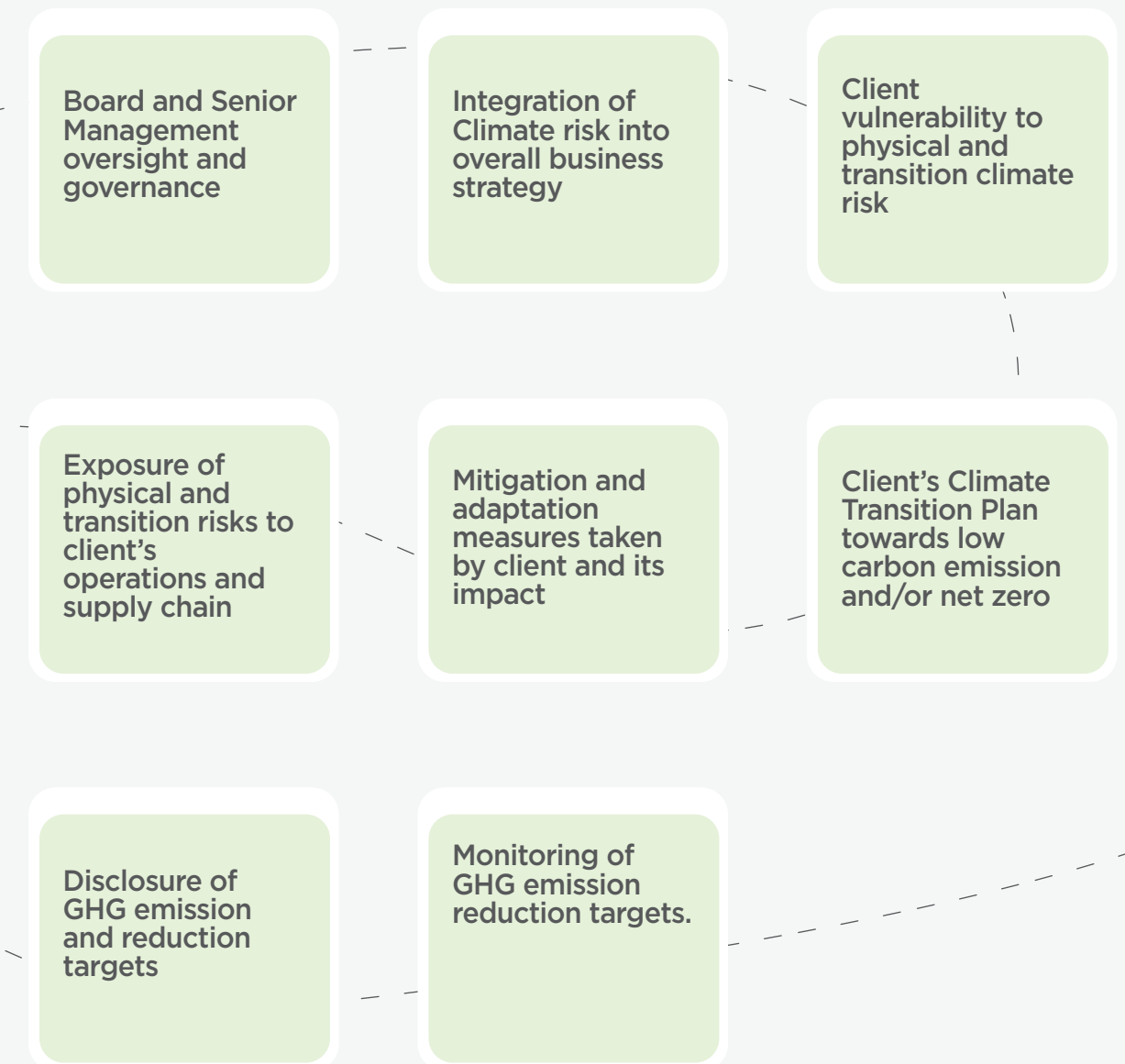
Our adherence to ESG and Climate Risk Management standards goes beyond compliance; it is central to how we operate. By integrating sustainability into our core business processes, we mitigate risks while reinforcing our responsibility as a corporate citizen. This proactive approach allows us to positively influence the environment and the communities we serve, all while driving long-term growth and stability for UBL.

UBL has long recognized the importance of creating lasting societal impact, and our ESG & Climate objectives are deeply woven into the fabric of our corporate philosophy. The initiatives we champion throughout the year reflect our commitment to translating our vision into tangible outcomes. Each action we take is a step toward fulfilling our responsibility as a forward-thinking organisation, one that continually strives to create a positive, sustainable impact for both current and future generations.

UBL performs Environmental, Social & Climate Risk screening and due diligence of all its lending and investment Banking clients both New to Bank and Existing to Bank prior to onboarding. Following are the key factors considered for assessing their clients' Environmental, Social and Climate Risks.



Climate Risk Assessment Factors



Environment and Social Risk Assessment Factors






UBL's Environmental, Social & Climate (ESC) Risk & ESG Strategy:

Our ESC Risk and ESG strategy outlines how we leverage responsible Banking practices to create long-term value for our people, clients, communities, and the planet.

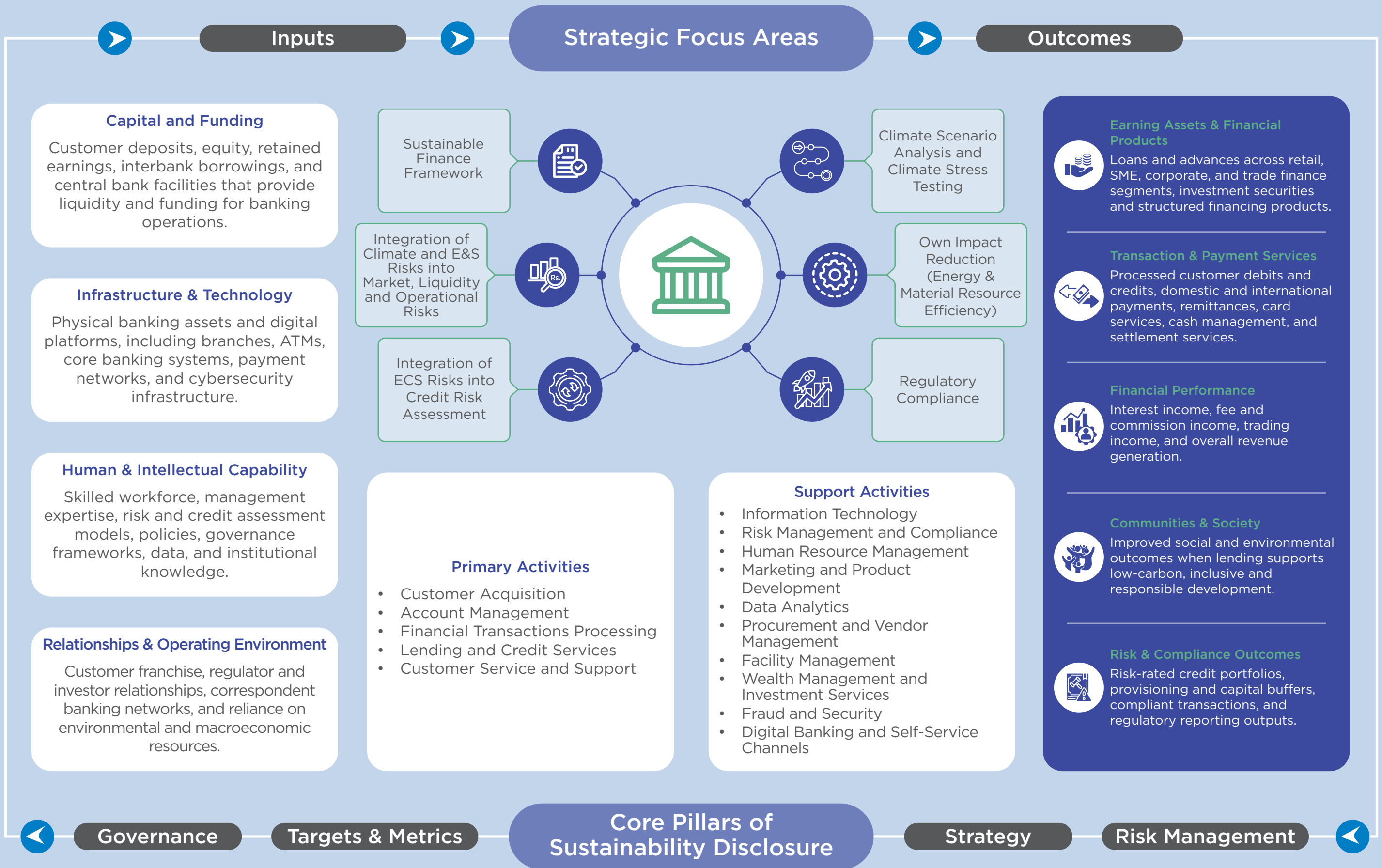
Our sustainability commitments underpin our corporate strategy and help us navigate a rapidly changing social, economic, and regulatory environment. They shape how we respond to evolving stakeholder expectations and define our role in contributing to a more sustainable and resilient financial system.


A core element of these commitments is our robust approach to Climate risk, as well as environmental and social risk management, ensuring that our lending, investment, and operational decisions support long-term stability for our clients, our business, and the communities we serve.


These priorities give our employees a sense of purpose by aligning with their values, and they enable us to support clients who increasingly seek financial solutions that help them achieve their goals while creating meaningful environmental and social impact.

<h3>Transitioning to a Low-Carbon Future</h3> 	<h3>Capitalizing on Our Social Responsibility</h3> 	<h3>Transforming Our Governance Model</h3> 
<p>To become the model sustainable financial institution in Pakistan.</p> <p>To act in partnership with our key stakeholders to accelerate the transition to a net zero society and economy.</p> <p>Climate Action & Sustainability:</p> <ul style="list-style-type: none"> Establishing UBL as a regional leader in sustainable finance. Integrating ESG considerations across all products and services. Reducing the Bank's carbon intensity and environmental footprint. Supporting stakeholders in their journey towards a low-carbon future 	<p>To expand access to financial services for all, including underserved and underBanked communities, to foster a diverse, inclusive and equitable organisation.</p> <p>Social Responsibility & Inclusion:</p> <ul style="list-style-type: none"> Promoting Diversity, Equity & Inclusion (DEI) across the Bank. Strengthening gender diversity and leadership opportunities. Supporting national workforce development initiatives. Driving strategic financial inclusion initiatives to reach underserved communities. Advancing social responsibility efforts that positively impact society. 	<p>To uphold the highest standards of ESG & Climate risk accountability, transparency, and risk management across all operations.</p> <p>Governance & Responsible Management:</p> <ul style="list-style-type: none"> Enhancing disclosure of ESG KPIs and overall performance. Maintaining robust whistleblower policies and reporting mechanisms. Embedding ESG-driven governance structures across the organisation. Integrating environmental, social, and Climate risk frameworks into decision-making processes.

PILLARS	WHY	HOW
<p>PEOPLE</p> <p>Become the employer of choice for all</p>	<p>To attract, retain, and develop top talent, foster an inclusive workplace, and ensure employees feel valued, supported, and empowered.</p>	<ul style="list-style-type: none"> Offer competitive benefits, fair pay, and growth opportunities Promoting diversity, equity & inclusion. Provide continuous learning and leadership development. Maintain a safe, supportive, and engaging work environment.
<p>PLANET</p> <p>Maximise our positive impact on the planet</p>	<p>To reduce our environmental footprint, support global climate goals, and contribute to a more sustainable future.</p>	<ul style="list-style-type: none"> Improve resource efficiency and reduce emissions across operations. Implement sustainable lending practices. Integrate environmental considerations into decision-making. Support green initiatives and climate-positive actions.
<p>CLIENTS</p> <p>Enable our clients on their sustainable journey</p>	<p>To help clients transition to more sustainable business models and meet growing expectations around environmental and social performance.</p>	<ul style="list-style-type: none"> Provide sustainable finance solutions and advisory services. Incorporate Climate, environmental, and social risk assessments. Partner with clients to develop long-term responsible strategies.
<p>COMMUNITIES</p> <p>Leverage our strengths to support healthy and thriving communities.</p>	<p>To create positive social value, strengthen local resilience, and contribute to broader societal well-being.</p>	<ul style="list-style-type: none"> Support community investment and financial inclusion initiatives. Encourage employee volunteering and partnerships with local organizations. Provide financial literacy and empowerment programs. Direct resources and expertise to impactful community projects.



UBL, a leading financial institution, publishes its ESG & Sustainability report in alignment with IFRS S1 and S2, structured around the four core pillars of IFRS disclosures to demonstrate transparency, accountability, and leadership in sustainable growth. 

The report also provides a detailed breakdown of UBL's operations, initiatives, and activities, offering comprehensive insights into the Bank's ESG, Climate risk and sustainability practices. 

Governance



Our governance approach is designed to ensure strong oversight, accountability, and transparency in managing ESG and Climate risk related financial matters. The Board of Directors, supported by Board Risk & Compliance Committee and management committees, provides strategic direction and oversight of ESG and Climate risks, regulatory compliance, and sustainability performance. A three-lines-of-defense model ensures clear accountability across business units, risk and compliance functions, and internal audit. This structure enables timely escalation of risks, effective monitoring, and alignment with regulatory expectations across Pakistan and international operations

Strategy



Our Strategy is aligned with embedding sustainability into core business operations, risk management, and decision-making processes. UBL integrates ESG & Climate considerations into lending, investment, product development, and operational practices to support responsible growth, financial resilience, and long-term value creation. The Bank's sustainability pillars — People, Planet, Clients, and Communities — guide strategic priorities, while alignment with international frameworks such as IFRS S1 & S2, GRI, SASB, and national regulatory guidelines ensures consistency, credibility, and comparability of disclosures and performance.

Risk Management



Our risk management practices ensure systematic identification, assessment, mitigation, and monitoring of environmental, social, governance, and Climate-related risks across the portfolio. ESC due diligence is embedded in credit approval, sector screening, exclusion lists, stress testing, and scenario analysis. Climate risks are integrated into enterprise risk management, capital planning, and portfolio monitoring, enabling early identification of emerging risks and informed decision-making. Continuous oversight by management committees and periodic reporting to the Board strengthen risk governance and resilience.

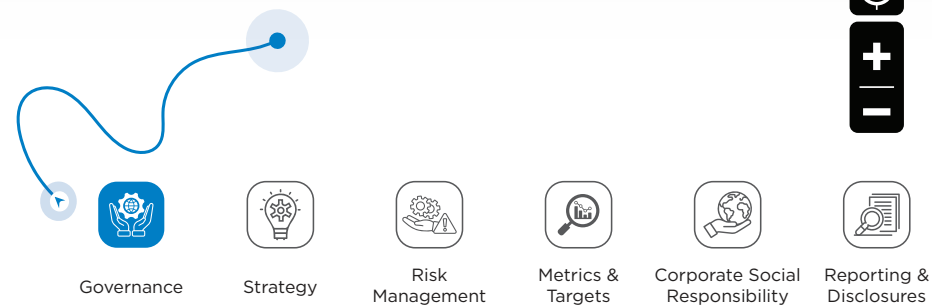
Metrics and Targets



Our reporting and disclosure practices are in line with IFRS S1 and IFRS S2 sustainability and Climate-related disclosure standards, supported by SBP Green Banking Guidelines, SECP ESG Guidelines, GRI, and SASB standards. The Bank applies consistent methodologies, internal controls, and validation processes to ensure accuracy, transparency, and year-on-year comparability of sustainability information. Sustainability disclosures are aligned with financial reporting assumptions and governance frameworks, enabling stakeholders to assess performance, risks, and opportunities in a clear and decision-useful manner.



Steering Governance With Clear Direction



Sustainability in action



Governance

UBL's comprehensive governance framework effectively manages Environmental, Social & Climate (ESC) risks and opportunities across the organisation. Oversight starts at the highest level with the Board of Directors and management committees and extends through all business lines as well as risk and control functions, ensuring that Climate & ESG considerations are integrated into decision-making at every level.

Our governance structure provides clear accountability for its ESG strategy, with committees monitoring progress, overseeing key initiatives and ensuring timely identification and escalation of risks and issues. This approach enables UBL to meet its sustainability objectives while maintaining operational efficiency and compliance with regulatory requirements.

Governance practices are consistently applied across all operational regions, including Pakistan and the Middle East, aligning with both local regulations and international ESG standards. This structured and transparent framework underscores UBL's commitment to accountability, responsible management and sustainable growth.



ESG, Climate Risk and Sustainability Governance at UBL

At UBL, we understand that good governance protects the interests of all our stakeholders. Good governance and ethical conduct are protected in our code of conduct and necessitate compliance with applicable laws and regulations and transparent relationships with supervisory authorities. Environmental, Social & Climate (ESC) Risks and Opportunities at UBL are governed through a structured, multi-tier framework comprising both Board-level and Management-level committees. This governance structure ensures that ESC considerations are embedded within the Bank's strategic direction, risk oversight, and operational decision-making processes.

Board and Senior Management Oversight

UBL's governance approach reflects the principle that sustainability and climate risks are not peripheral matters; rather, they represent financial risk drivers that require structured oversight and clear accountability. Oversight begins at the Board of Directors, which holds ultimate responsibility for the Bank's ESG strategy, ESG and Climate risk management and long-term value creation. The Board provides strategic direction, supervises regulatory compliance and monitors the effectiveness of sustainability-related governance mechanisms.

The Board is supported by dedicated committees, including the Board Risk and Compliance Committee (BRCC) and the Audit Committee, which strengthen oversight on ESG and Climate risk integration, governance routines and disclosure controls. Through periodic reviews and structured reporting, the Board maintains visibility into the Bank's evolving sustainability risk profile and implementation progress against key regulatory requirements.

At management level, UBL has institutionalized sustainability oversight through Management Risk Committee (MRC) and Compliance Committee of Management (CCM). These forums ensure that sustainability-related risks and regulatory obligations are translated into actionable controls and embedded across business and risk functions. Importantly, the MRC's Terms of Reference have been strengthened to include review of green Banking strategy and related governing documents, and the committee receives periodic updates on implementation progress, high-risk transactions from Environmental, Social & Climate perspective and mitigation actions.



Board of Directors

Has ultimate responsibility of Bank's ESG and Climate Risk management, Strategies and the success of the organisation and for delivering sustainable shareholder value. Oversees overall direction, supervision and control of our organisation and its management and supervises regulatory and legal compliance. Approves and monitors ESG & Climate Strategies and Policies.

Board Risk and Compliance Committee

Supports the Board in fulfilling its duty through respective responsibilities and authorities pertaining to ESG, Climate risk and other sustainability matters. Oversees risk management & compliance in the context of ESG & Climate risk management.

Audit Committee

Supports the Board in fulfilling its duty through respective responsibilities and authorities pertaining to ESG and Climate risk matters. Oversees the control framework underpinning ESG and Climate risk management.

Management Risk Committee

Reviews strategy and supports the Board in fulfilling its oversight duties with respect to ESG and Climate risk strategies, policies and their effectiveness also manages Risk profile of the Bank.

Compliance Committee of Management

Manages and reviews Compliance risk across the Bank.

Chief Risk Officer

Oversees ESG & Climate risk implications across all risk classes.

Group Executive - Human Resource

Oversee Diversity, Equity and Inclusion Principles and align HR practices with UN Human Rights declarations.

Chief Financial Officer

Oversees financial performance pertaining to ESG & Climate risks.

Chief Operations Officer

Oversees integration of ESG & Climate risk into operational activities.

Group Executive Compliance

Oversees regulatory compliance.

Group Executive - International and Countries General Manager

Drive and execute the ESG and Climate risk strategies & policies in international operations.

Head of Sustainability, ESG & Climate Risk - Pakistan & GCC

Key of contact at Group level for all technical matters related to ESG & Climate risks and overall sustainability matters. Compiles the Group ESG Annual Report.

ESG Manager and Analysts

Perform ESC risk due diligence for Bank's lending and Investment Clients. Main point of contact at entity level for all technical questions relating to ESG and Climate risk management across the business lines. Help identify and review material topics and monitor progress on ESG objectives. Monitor ESG-related internal and external developments in each jurisdiction and coordinate for collection of ESG-related data.



Governance Forum	Structure	Description of Mandate on ESG	Insights in 2025
Board of Directors (BoD)	<p>Members:</p> <p>BoD comprises of nine members, including three Independent Directors, five Non-Executive Directors including Chairman of Board and one Executive Director who also serves as the President and CEO of the Bank</p> <p>Meeting Frequency: Quarterly (at least)</p> <p>Meetings Conducted: 5</p>	<p>Overall responsibility for Environmental, Social & Climate Risks & Opportunities Management in the Bank lies with the BoD, which has various Board Committees, including the Board Risk and Compliance Committee (BRCC), which assists the BoD in the discharge of such functions as the BoD may designate from time to time. Guided by its diverse expertise in finance, governance, sustainability and risk management, the Board ensures that Climate & ESG considerations are fully integrated into the Bank's long-term strategy, major business decisions, and overall risk management framework. The Board reviews on quarterly basis, key Climate & ESG matters, including risks and opportunities, evolving regulatory requirements & their implementation and provides constructive challenge and guidance to management to strengthen responsible business practices.</p>	<p>Bank has well integrated Environmental & Social considerations into its overall strategy through Board-approved policies and frameworks. The ESG Policy sets out the Bank's responsibilities for managing E&S risks and opportunities and ensures that these aspects receive attention at the highest governance level. In addition, the Board-approved ESG Strategy incorporates ESG priorities into the Bank's broader strategic direction, helping to align sustainability goals with the Bank's long-term objectives and day-to-day decision-making.</p>

Governance Forum	Structure	Description of Mandate on ESG	Insights in 2025																				
Board Risk and Compliance Committee (BRCC)	<p>Members:</p> <p>BRCC comprises of three Directors, with one being the chairman of committee, as well as the President & CEO who is the member of BRCC.</p> <p>Meeting Frequency: Quarterly</p> <p>Meetings Conducted: 4</p>	<p>BRCC lays out Risk Management framework through Risk Management Policies and to oversee the evolution of all Risk Policies by gauging its effectiveness in the fast changing economic scenario according to the requirement of the time and challenges ahead and oversees risk management function across the Bank and ensure compliance with risk management policies. On the recommendations of BRCC, Board of Directors considers matters pertaining to risk and compliance for ultimate decision making.</p>	<p>Reporting of Environmental, Social & Climate matters are carried out on a quarterly basis, with updates presented to both the BRCC and the Board of Directors. These updates cover progress on the implementation of the Climate & ESG Framework, key findings from ESC risk assessments, monitoring results and the status of mitigation and control measures. This structured reporting approach ensures that the Board through its committee maintains continuous visibility into the Bank's ESC risk profile and overall sustainability performance.</p>																				
Management Risk Committee (MRC)	<p>Chairman: President & CEO</p> <p>Members:</p> <table border="1"> <tr> <td>Head - Credit Policy & Research</td> <td>Secretary</td> </tr> <tr> <td>Deputy CEO</td> <td>Member</td> </tr> <tr> <td>Group Executive - Risk & Credit Policy</td> <td>Member</td> </tr> <tr> <td>Chief Financial Officer</td> <td>Member</td> </tr> <tr> <td>Group Executive - Treasury and Capital Markets</td> <td>Member</td> </tr> <tr> <td>Group Executive - Corporate & Investment Banking Group & FI</td> <td>Member</td> </tr> <tr> <td>Group Executive - Branch Banking Group</td> <td>Member</td> </tr> <tr> <td>Group Executive - International</td> <td>Member</td> </tr> <tr> <td>Group Executive - Operations</td> <td>Member</td> </tr> <tr> <td>Group Head - SAM</td> <td>Member</td> </tr> </table>	Head - Credit Policy & Research	Secretary	Deputy CEO	Member	Group Executive - Risk & Credit Policy	Member	Chief Financial Officer	Member	Group Executive - Treasury and Capital Markets	Member	Group Executive - Corporate & Investment Banking Group & FI	Member	Group Executive - Branch Banking Group	Member	Group Executive - International	Member	Group Executive - Operations	Member	Group Head - SAM	Member	<p>MRC has been established as a management-level committee to monitor the risk management functions within the Bank. The Bank's risk management approach shall at all times be underpinned by an integrated risk management structure to ensure that the risks are managed effectively on an entity level. The MRC plays an integral role of presenting the necessary information to the Board Risk & Compliance Committee (BRCC) which is responsible to oversee/supervise the risk and compliance profile of the Bank.</p>	<p>Committee is apprised at least three times a year for ESC-related matters. These updates cover the implementation status of the Climate & ESG Framework, results from ESC risk assessments and ongoing monitoring activities, as well as the mitigation and control measures undertaken by relevant business units. This structured reporting ensures timely oversight and informed decision-making at the management level.</p>
Head - Credit Policy & Research	Secretary																						
Deputy CEO	Member																						
Group Executive - Risk & Credit Policy	Member																						
Chief Financial Officer	Member																						
Group Executive - Treasury and Capital Markets	Member																						
Group Executive - Corporate & Investment Banking Group & FI	Member																						
Group Executive - Branch Banking Group	Member																						
Group Executive - International	Member																						
Group Executive - Operations	Member																						
Group Head - SAM	Member																						

Governance Forum	Structure	Description of Mandate on ESG	Insights in 2025
Management Risk Committee (MRC)	<p>In addition to the above, other relevant stake holders may be invited to attend the meeting, as and when deemed necessary.</p> <p>Meeting Frequency: 3</p> <p>Meetings Conducted: 3</p>	<p>The MRC Terms of Reference (TOR) have amended to include review of the Green Banking Policy, Strategy and other governing documents prior to recommending them to the BRCC. The MRC monitors the progress on implementation of Green Banking Policy and Strategy through periodic updates of actionable items and overseeing the mitigation of ESC risks within the Bank. The MRC is also notified of those transactions which are high risk from an ESC perspective. Consequently, ESC Risk Assessment Manuals/SOPs are reviewed and approved by Management, ensuring a standardized and consistent approach to assessing ESC risks across all business segments.</p>	
Compliance Committee of Management (CCM)	<p>Chairman : The President & CEO</p> <p>Members:</p> <ol style="list-style-type: none"> 1. Compliance Secretary Chief Information Officer 2. Executive - Risk & Credit Policy Member Group 3. Executive - Operations Member Group Executive - 4. Executive - Digital Banking Group Member Group Executive - 5. Head Governance & Business Controls 6. Financial Crime Compliance (HFCC) 7. Head Compliance Risk International & Business Support. <p>Meeting Frequency: Quarterly</p> <p>Meeting Conducted: 4</p>	<p>The Compliance Committee of Management (CCM) plays a central role in overseeing the Bank's entity-wide compliance risk management framework, ensuring that all functions operate in line with regulatory expectations and internal compliance standards and therefore also supports Climate & ESG framework implementation by ensuring adherence to regulatory frameworks, policies, and controls.</p>	<p>The committee is apprised on quarterly basis of the Bank-wide implementation status and progress of Environmental, Social & Climate (ESC) Risk Management Framework.</p>

The Director's Code of Conduct at United Bank Limited (UBL) establishes the ethical and professional standards expected of the Board of Directors. It serves as a guiding framework to ensure that all directors act with integrity, fairness and diligence while performing their duties, in full compliance with applicable laws, regulations, and corporate governance requirements. This Code is critical for maintaining stakeholder trust, safeguarding the Bank's reputation and preventing conflicts of interest. By outlining responsibilities related to compliance, confidentiality, trading and corporate opportunities, the Code promotes transparency, accountability and ethical decision-making at the highest level of the organisation. Its adoption reinforces UBL's commitment to exemplary corporate governance, responsible business conduct and sustainable long-term value creation.

Environmental, Social and Governance (ESG) Division

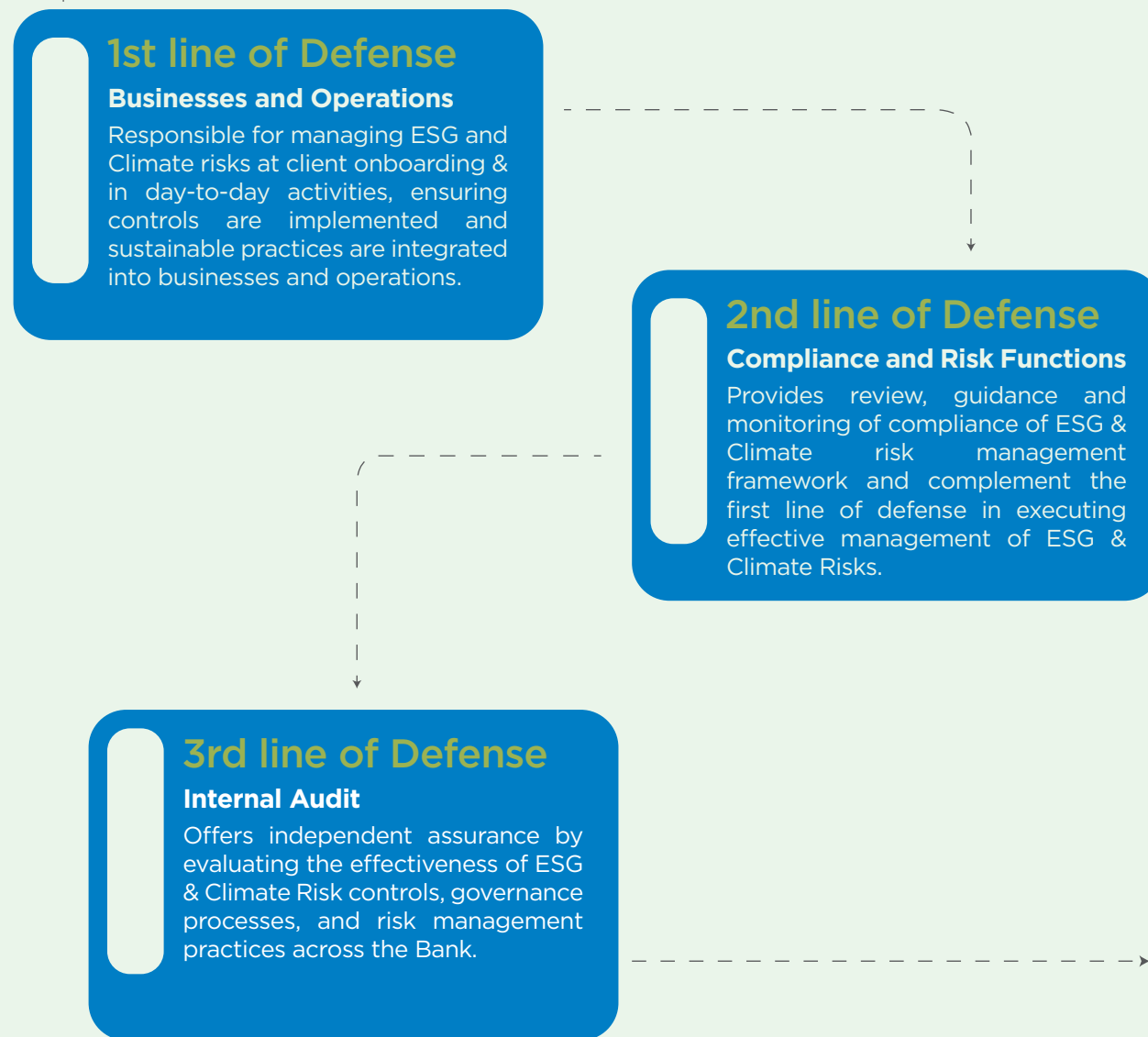
A dedicated ESG Division has been established under the Risk & Credit Policy Group to provide a structured and centralized approach to managing sustainability-related risks and opportunities across the Bank. The Division supports both domestic and international operations, including the UAE, Bahrain and Qatar. Its core responsibility is the management of Environmental, Social & Climate (ESC) risks across the Bank, including the implementation of the ESG Risk Management and Governance Framework, integration of Climate & ESG considerations into core Banking and credit processes, supervision and monitoring activities, management of ESC and ESG-related regulatory requirements and disclosures across jurisdictions.

The ESG Division is stationed at Group-level and is staffed with ESG professionals. It is headed by Head of Sustainability, ESG and Climate Risk - Pakistan & GCC, who reports to Group Executive Risk & Credit Policy and is supported by Senior Manager Sustainability, ESG & Climate Risk - Pakistan & GCC, Senior Manager ESG & Climate Risk - Pakistan & Assistant Manager ensuring adequate technical capacity for ESC risk assessment, interdepartmental liaison and internal & external reporting. Collectively, the ESG team possesses expertise in environmental and social risk assessment and due diligence, ESC and ESG regulatory frameworks and supervisory expectations, Climate risk and carbon footprint assessments, ESC risk data aggregation and reporting.

The ESG Division works in close coordination with multiple internal stakeholders to ensure effective integration across the Bank. This includes collaboration with Business Units for ESC risk assessment of transactions and green financing opportunities, Credit Risk for integrating ESC risks into credit risk management, Compliance and Legal for alignment with regulatory and policy requirements, Operations, IT and Digital teams for data collection, reporting and system integration, and Finance, Shared Services, Human Resources and Corporate Affairs for Social & Governance-related Key Performance Indicators (KPIs) and sustainability initiatives.

ESG & Climate Risks Governance Across Three Line of Defense

ESG and Climate Risk Governance along the Three Lines of Defense ensures clear accountability and strong risk management. The **first line** embeds ESG practices at client onboarding and day-to-day operations, the **second line** ensures compliance and risk monitoring, and the **third line** provides independent assurance on the effectiveness of ESG & Climate Risks related controls. Together, they create a structured, transparent and resilient approach to achieving sustainability goals.



Our Governance Approach

Our corporate governance framework is designed to ensure effective oversight of Environmental, Social and Governance (ESG) matters, including identification and management of Climate-related risks and opportunities. The Board of Directors, supported by its committees, sets the ESG strategic direction and monitors performance against regulatory requirements and stakeholder expectations.

Pakistan Regulatory Context

Strengthening ESG Governance and Transparency

Corporate governance in Pakistan is transitioning toward enhanced sustainability oversight. SECP's ESG Disclosure Guidelines encourage Boards to integrate ESG & Climate Risk into governance structures, establish relevant committees, and disclose performance across environmental, social, and governance dimensions. With the adoption of IFRS S1 & S2 sustainability-disclosure standards now under implementation, listed companies are expected to demonstrate more structured Climate-risk governance, reliable emissions data, and alignment with global best practices.

We are proactively aligning our corporate governance and risk structures with SECP's ESG & Climate Disclosure Guidelines and IFRS S1/S2 requirements. The Board and senior management have strengthened oversight of Climate-related risks through formal inclusion in risk appetite statements, policies, and committee charters. Cross-functional coordination mechanisms have been established to ensure the integration of Climate and environmental impacts into lending and investment decisions, including sector-specific due diligence and client engagement requirements.

We are enhancing data governance architecture to enable more accurate and timely environmental and social data reporting, including the development of GHG emissions baselines, Climate-scenario analysis capabilities, and monitoring of financed emissions. As governance maturity advances, we are progressively aligning disclosures with global frameworks to improve comparability and transparency for investors and regulators.



United Arab Emirates Regulatory Context

Mandatory ESG and Climate-Risk Requirements

The UAE has introduced legally binding ESG and Climate-risk reporting requirements through CBUAE Principles on Sustainability Disclosures and Regulation on Climate Risk Management, as well as Federal Decree-Law No. 11 of 2024, which requires preparation of GHG Inventory and emission mitigation and adaptation measures.

In the UAE, where compliance is now mandatory, we have accelerated enhancements to our ESG governance system to meet expectations under applicable regulations. Climate-risk integration across internal risk management framework is underway, including assessment of physical and transition risks, scenario analysis & stress testing and linkage of risk outcomes to strategic planning and capital allocation.

Dedicated governance mechanisms ensure Board visibility and accountability on Climate performance, including periodic reporting of key metrics and regulatory compliance status. Continuous regulatory monitoring ensures that our policies, disclosures and capabilities remain ahead of evolving supervisory expectations.

The Central Bank of Bahrain (CBB)' ESG Module mandates that Banks integrate ESG considerations into its risk management framework and disclosures.

UBL aligns its ESG Policy with the CBB ESG Module. Disclosures requirements are met with annual ESG reporting, while ESG due diligence is embedded in all credit and investment workflows, and Climate risk monitoring is integrated into risk management systems. Reporting to the board, senior management, and regulators ensures transparency of ESG and Climate risk exposures and compliance. Continuous staff training programs enhance awareness and capability in ESG and Climate risk management, ensuring that UBL's operations in Bahrain maintain strong governance and adherence to regulatory expectations.

Qatar and Bahrain Regulatory Context



Mandatory Compliance on ESG & Climate Risk & Disclosure Requirements

The Central Bank of Qatar (QCB) require Banks to integrate Environment, Social & Climate-related financial risks into their risk management framework. QCB has also issued Sustainable Reporting Framework, requiring Banks to make annual disclosures in accordance with IFRS S1 & S2 standards.

UBL has implemented its ESG Policy in line with QCB requirements. All credit and investment proposals undergo mandatory ESG due diligence and Climate risk assessments (including physical & transition risks) are embedded in risk management frameworks. Sector-specific risk screening requirements are enforced for high-risk sectors/industries, and internal & external reporting on ESG compliance and Climate risk exposures is conducted. Staff training programs ensure continuous awareness and capability building on ESG and Climate risk management.



Bahrain and Qatar

Our ESG Policy

ESG policy has been developed as a documented approach of dealing with ESG risks. UBL is committed to manage ESG risks by implementing a comprehensive ESG Risk Management and Governance Framework. This is a systematic approach to identifying, assessing, mitigating or reducing, monitoring and reporting the ESG risks and issues of the businesses and operations. The policy encompasses the following priority areas;

ESG Risk Management and Governance Framework



A formalized mechanism for compliance by the Bank, ensuring that the Bank finances corporate customers that meet the minimum applicable ESG requirements. It applies the ESRM Exclusion list, ESDD, and applicable laws and regulations on ESG issues. In addition to exclusion list, national, provincial and applicable international laws, UBL may choose to implement global best practices on financing projects loans.

It involves Identifying the ESG aspects and impacts from current activities and services and, where we have direct exposure or can be expected to have an influence and then Mitigate or Minimise and manage the ESG risks and impacts on the environmental and social receptors, arising from the activities of our existing clients.

Green Business Facilitation



UBL acts as a facilitator of economic activities through provision of green financing facilities and advisory services to its clients. The Bank is well positioned to serve as a catalyst of change for steering businesses towards more sustainable and environmentally friendly strategies and operations through a responsible allocation of financial resources.

Own Impact Reduction



UBL undertakes conscious efforts for environmental conservation and to reduce its carbon footprint through initiatives improving energy efficiencies, water consumption, paper reduction, waste management, travel and transportation. These initiatives in turn impact on long term cost reduction benefits.

Climate Risk Management Framework



UBL is in process of establishing a Climate Risk Management Framework to integrate Climate-related financial risks into its overall risk governance and decision-making processes. This framework will provide structured guidance for identification, assessment, monitoring and mitigation of physical and transition Climate related financial risks across credit, operational, market, liquidity and portfolio exposures. It will support alignment with regulatory expectations and international best practices while strengthening Climate resilience, data governance, internal controls and management oversight.

At UBL, we prioritise the interests of our stakeholders in everything we do. Our commitment to good governance, transparency, accountability and ethical behavior guides all our actions.



Governance Across Jurisdictions and Regulatory Alignment

UBL's governance approach reflects its multi-jurisdictional presence and regulatory landscape. The Bank's sustainability and Climate governance routines are aligned with State Bank of Pakistan's Green Banking Guidelines, ESRM and Climate Risk Assessment Framework and Stress Testing Guidelines, as well as the SECP ESG Disclosure Guidelines and adoption of IFRS S1 & S2 standards. In Gulf Cooperation Council (GCC), UBL is strengthening governance and controls in line with the UAE Central Bank Climate-Related Financial Risk Management Regulation and the sustainable finance and ESG disclosure requirements of Bahrain and Qatar regulators.

UBL ensures strict compliance with ESG & Climate risk related regulatory standards set by regulatory authorities like SBP, as well as regulatory bodies in key international locations such as the UAE, Bahrain and Qatar. By adhering to these regulations, UBL demonstrates its commitment to responsible Banking practices, nurturing transparency and aligning its operations with global ESG & Climate Risk Management standards.

Operational Resilience, Cyber Security and Data Governance

UBL recognizes that strong governance and operational resilience are essential enablers for sustainability performance. The Bank has strengthened cyber security practices, digital fraud prevention and awareness initiatives, including penetration testing and threat hunting capabilities. These measures protect customer trust, support system resilience and ensure continuity of digital services that underpin inclusion and sustainable service delivery.

UBL has developed robust Risk Management Framework. Key component of the framework are Risk Appetite, Credit Policy & Procedure, Information & Cyber Security Policy, Roles and Responsibilities, Procedures related to Operational Risk Management, Market & Treasury Risk Management and Liquidity Risk Management.

Climate Risk Governance in line with BASEL Climate Related Financial Risk Management Principles

Banks today face growing exposure to Climate-related financial risks that may arise from physical hazards, transition shifts, or macroeconomic changes, all of which can directly affect traditional risk categories such as credit, market, liquidity and operational risk. International supervisory guidance issued by the Basel Committee on Banking Supervision emphasizes that Banks must adopt forward-looking governance, robust risk frameworks, and transparent disclosures to ensure resilience against emerging risks while maintaining sound financial stability.

At UBL, compliance with these principles is embedded within an enterprise-wide ESG Risk Management and Governance Framework that integrates Climate considerations into strategy, oversight and operations. Climate-related financial risks are treated as a core prudential priority and are systematically addressed through governance structures, risk processes and data systems aligned with international supervisory expectations.



Key Alignment with BASEL Principles:

- Board-level oversight and accountability**
 Climate risk responsibilities are formally assigned to senior management and relevant committees, ensuring effective supervision, transparency and strategic direction.
- Integrated enterprise risk management**
 The Bank is working to embed Climate related financial risk considerations across credit, market, liquidity, operational and capital adequacy frameworks, ensuring risks are evaluated holistically across business lines.
- Three-lines-of-defence integration**
 Internal controls, compliance, and audit functions incorporate Climate risk factors into monitoring, validation and reporting processes.
- Forward-looking risk assessment**
 Scenario analysis and stress-based evaluations will be applied to assess resilience of portfolios and strategies under plausible Climate pathways.
- Risk data and reporting enhancements**
 Strengthened aggregation, analytics, and internal reporting systems support timely identification of exposures and enable proactive corrective actions.
- Portfolio-level materiality analysis**
 Sectoral, geographical risk assessments in order to identify industries and sectors most sensitive to Climate physical and transition risks and assessing portfolio level concentration is underway which will guide Climate risk appetite and financing decisions.
- Climate due diligence in financing**
 Climate risk screening is integrated into credit appraisal and approval workflows to ensure responsible lending.

Through these measures, Climate-related drivers that could materially affect financial condition, capital resources or liquidity positions are continuously monitored and incorporated into strategic planning and risk appetite frameworks, ensuring prudent management across relevant time horizons.

Responsible Financing in Line with IFC Performance Standards: ✕

The Performance Standards of the International Finance Corporation represent globally recognized benchmarks for managing environmental and social risks, promoting sustainable operations and strengthening institutional resilience. These standards emphasize proactive risk identification, robust governance, stakeholder engagement and continuous improvement as essential components of responsible financial practice.

At UBL, alignment with these principles is embedded within our ESG framework to ensure that environmental and social considerations are systematically integrated into decision-making, risk management and financing activities. Key measures include:

- **ESG Integration:** Incorporation of environmental and social risk factors into core Banking operations to support sustainable and responsible growth.
- **Sectoral Due Diligence:** Structured assessments of environmental and social risks across priority sectors prior to financing.
- In parallel, UBL advances broader societal resilience through community initiatives that complement its risk-focused approach. These include financial literacy programs for women, education and vocational support delivered with Akhuwat Foundation, entrepreneurship facilitation through the Rozgar Scheme with Saylani Welfare Trust, and pediatric healthcare strengthening in collaboration with Child Life Foundation. Such efforts contribute to social stability, economic empowerment, and reduced vulnerability to Climate-related stresses.

Integration of SBP Requirements into Enterprise Risk Management

In line with the State Bank of Pakistan's Green Banking Guidelines, Environmental and Social Risk Management (ESRM) framework and Climate Risk Assessment and Stress Testing Guidelines, UBL has integrated environmental, social, and Climate considerations into its governance, risk management and credit processes. ESG due diligence is embedded within the credit approval lifecycle, supported by sectoral risk categorization, exclusion lists and escalation mechanisms for higher-risk exposures.

UBL has initiated Climate risk identification and assessment practices to evaluate both physical and transition risks over relevant time horizons. These assessments support portfolio monitoring, risk appetite considerations and enterprise-wide risk management. Governance oversight is ensured through periodic reporting to senior management and Board-level committees, while capacity-building initiatives and system enhancements support ongoing compliance with SBP requirements.

Alignment of Sustainable Finance Activities with Pakistan Green Taxonomy

UBL is aligning its sustainable finance activities with Pakistan Green Taxonomy to support consistent classification and reporting of environmentally sustainable economic activities. Existing green and Climate-aligned financing initiatives are being mapped against eligible taxonomy categories to enhance transparency, credibility and regulatory readiness.

This alignment supports improved identification of green assets, reduction of greenwashing risks and consistency with national Climate objectives. The taxonomy is also being considered as a reference point for future product structuring, impact measurement and regulatory disclosures as implementation requirements evolve.

Climate Risk Governance and Regulatory Compliance - Central Bank of UAE

In compliance with the Central Bank of UAE's Climate-Related Financial Risk Management Principles and Regulation (Notice No. CBUAE/BIS-RD/2025/5588), UBL's UAE operations have strengthened governance, policies and risk management practices to address Climate-related financial risks. Climate risks are incorporated into credit assessment, portfolio monitoring, internal controls and risk reporting processes.

Board and senior management oversight mechanisms are in place to monitor Climate risk exposures, while scenario analysis and stress testing capabilities are being enhanced to assess resilience under different Climate pathways. Data governance, reporting controls, and disclosure practices are being progressively aligned with international standards such as IFRS S1 & S2, recommendations of Task Force for Climate-related Financial Disclosure (TCFD) and Basel Climate-related financial risk management principles.

ESG Risk Integration - Central Bank of Bahrain

UBL aligns its Bahrain operations with the Central Bank of Bahrain's ESG Disclosure Framework issued under the ESG Module (Circular No: OG/371/2023). Environmental, social, and Climate risk assessments are embedded into lending and investment decision-making processes, supported by governance oversight and internal controls.

The Bank applies structured monitoring and reporting mechanisms to ensure transparency and alignment with internationally recognized sustainability standards. Capacity-building initiatives and policy enhancements support effective implementation of sustainable finance requirements and long-term financial resilience.

ESG Risk Management and Climate Governance - Qatar Central Bank

In line with the Qatar Central Bank's Sustainable Finance Framework and ESG Supervisory Principles (Circular No. 5/2024), UBL integrates ESG and Climate-related financial risks into credit assessment, investment decisions and enterprise risk governance within its Qatar operations.

Climate risk considerations are incorporated through sector screening, scenario analysis, and portfolio monitoring, supported by Board and senior management oversight. Disclosure practices are aligned with international frameworks including TCFD, IFC Performance Standards and IFRS S1 & S2, supporting transparency, regulatory compliance and resilience of the financial portfolio.

ESG Disclosure and Transparency in Line with Securities and Exchange Commission of Pakistan (SECP) Guidelines

UBL aligns its sustainability disclosures and practices with the ESG Disclosure Guidelines issued by the Securities and Exchange Commission of Pakistan (SECP). The Bank reports on material environmental, social and governance initiatives to enhance transparency, accountability, and stakeholder confidence.

Key focus areas include responsible financing of priority economic sectors, promotion of financial inclusion and literacy, healthcare and community development initiatives and expansion of green and Climate-resilient financing. Governance structures, internal controls and reporting mechanisms are in place to support consistent and credible ESG disclosures in line with SECP expectations.

Business Ethics and Transparency

As a conscientious corporate citizen UBL believes in achieving good for business with ethics and transparency. A code of conduct is developed for Directors & Employees revised every year. SBP & Board approved guidelines for all businesses/departments is in place. Policies related to risks and controls and other aspects are ingratiated within our working practices.

Data Security

Our tech-forward customer first business depends on the responsible use of data and the complex information technology systems we manage. Keeping data safe from cybersecurity risks, adhering to applicable laws and regulations and applying sound data management practices are foundational business tenets we live by every day.

Digital Fraud Prevention

In response to escalating digital and cyber threats, the Bank has developed a comprehensive Digital Fraud Prevention Policy which includes Fraud Risk Recognition and Assessment, Fraud Risk Monitoring, incident management, Prevention measures, Data management & reporting as well as training and awareness measures on digital fraud prevention.

Cyber Security

UBL has always strived to maintain confidentiality of customer's Information & secure Banking as its foremost priority. Through our diligent efforts to mitigate the risk of cyber frauds, we aim to spread awareness to our employees and customers which helps in strengthening the human firewall to keep UBL safe from cyber-attacks to provide risk free Banking experience to our valued customers.

Offensive security unit in the information security division manages penetration

testing by simulating the real world hacking scenarios. The unit is responsible for establishing, implementing, maintaining and continually improving an information / cyber security management system through control design and controls validation, primarily in the domain of applications/network Penetration testing. The unit also supports other domains of information security including security monitoring and threat hunting. Moreover, in order to overcome social engineering frauds, extensive awareness campaigns are periodically launched to provide specific training and guidance on information security related matters such as phishing, identity theft, online transaction frauds, etc. through various mechanisms such as social media, website, email advisories, SMS, webinars, phishing simulation exercises, new joiner's orientation and targeted awareness sessions for executive leaderships.

Anti-Bribery and Corruption Policy

UBL maintains a zero-tolerance approach toward bribery and corruption in all its operations. The policy prohibits offering, giving, soliciting, or accepting any undue advantage and applies to employees, management and third parties. Robust internal controls, due diligence procedures, and monitoring mechanisms are in place to prevent, detect and address corrupt practices in line with regulatory and ethical standards.

Gift and Entertainment Policy

UBL's Gift and Entertainment Policy provides clear guidelines to ensure that gifts, hospitality, or entertainment are reasonable, transparent and not intended to improperly influence business decisions. Threshold limits, approval requirements and disclosure obligations promote integrity and safeguard against conflicts of interest.

Whistleblowing Policy

UBL encourages employees and stakeholders to report concerns related to misconduct, fraud, unethical behaviour, or regulatory breaches through secure and confidential reporting channels. The policy ensures protection against retaliation and supports independent investigation, reinforcing a culture of accountability, transparency and ethical conduct.

Employee Code of Conduct

At UBL, the Employee Code of Conduct establishes the ethical and professional

standards expected from all staff members. It promotes integrity, fairness, accountability, confidentiality and compliance with applicable laws and regulatory requirements. The Code guides responsible decision-making, prevents conflicts of interest, and reinforces a culture of respect, transparency and zero tolerance for misconduct across all operations.

Cultural Transformation driven by ESG

UBL recognizes that a resilient, values-driven organizational culture is fundamental to sustainable growth and long-term institutional performance. The ESG Division plays a strategic role in driving this transformation by systematically embedding environmental, social and governance principles into the Bank's decision-making frameworks, operational practices, and employee mindset.

This transformation is being advanced through targeted capacity-building initiatives, including trainings and awareness sessions designed to enhance employees' understanding of ESG frameworks, regulatory requirements and responsible financing practices. These efforts are equipping staff with the knowledge and competencies needed to incorporate sustainability considerations into their roles, enabling informed decision-making and consistent application of ethical standards across functions.

In parallel, ESG principles are being embedded into internal policies, risk assessment processes, and governance structures, ensuring that sustainability is reflected not only in strategy but also in execution. Strong leadership engagement and cross-functional collaboration further reinforce this shift, fostering shared accountability and aligning teams toward common sustainability objectives.

As a result, ESG is increasingly becoming part of the Bank's institutional mindset rather than a standalone compliance requirement. This cultural evolution is strengthening transparency, encouraging proactive risk management and cultivating an environment of continuous learning, ultimately supporting responsible growth and enhancing long-term stakeholder confidence.

Stakeholder engagement

UBL maintains ongoing and structured engagement with both internal and external stakeholders to support its ESG progression and ensure alignment with regulatory expectations, market developments, and societal needs.

Internal stakeholders include the Business divisions, Risk Management, Compliance, Internal Audit, Credit Risk Management and Administration & Procedures functions. These groups play a critical role in embedding ESG considerations into strategy, credit evaluation, internal controls and operational

processes. External stakeholders include regulators such as the State Bank of Pakistan (SBP), Securities and Exchange Commission of Pakistan (SECP), Central Bank of the United Arab Emirates (CBUAE), Central Bank of Bahrain (CBB), and Qatar Central Bank (QCB), along with shareholders, industry bodies such as National Institute of Banking and Finance (NIBAF), Institute of Bankers Pakistan (IBP), Pakistan Banks' Association (PBA) and various non-governmental organizations (NGOs).

Through continuous dialogue, regulatory coordination, industry collaboration, and stakeholder feedback mechanisms, UBL aims to strengthen transparency, enhance risk oversight and advance responsible Banking practices in line with its ESG objectives.



Green, Sustainable Finance and ESG-Linked Products in UBL



For Low-Carbon Tomorrow- Renewable Energy Financing:

Extends financing for solar energy, wind energy, biomass and electric vehicles for corporate, small & medium enterprises, agriculture and retail clients, enabling reduction in carbon emissions, energy cost optimization and improved energy security. UBL offers a range of structured facilities, including project financing, term finance and scheme-based options, designed to facilitate adoption of sustainable technologies while supporting long-term environmental and economic resilience.



For Bridging Borders & Banking - Roshan Digital Account:

Geared towards Non-Resident Pakistanis (NRPs), this account provides a seamless digital platform for investment and day-to-day Banking activities and assisting in opening doors for easy and accessible remittance channel.



For Making Banking Effortless for All - Asaan Digital Account:

The Asaan Digital Account is designed to make Banking simple, instant, and accessible for everyone. With minimal documentation and fully digital onboarding, it empowers individuals, including previously unBanked segments, to open and manage an account anytime, anywhere. By removing traditional barriers to financial access, this account promotes inclusion, convenience and financial empowerment, enabling customers to participate fully in the formal Banking system while managing their finances securely and efficiently. Serving over 2.1 million account holders, it empowers customers to save, transact and access essential financial services, promoting financial inclusion and economic participation across Pakistan.



For young and First-Time Users - UBL Smart Account:

The UBL Smart Account is a fully digital account opening solution available via the UBL Digital App, designed to provide customers with a seamless and intuitive experience. This account simplifies Banking while catering to diverse financial needs. Customers can conveniently apply for a Visa, MasterCard or PayPal debit card during the onboarding process. Aligned with UBL's commitment to inclusivity and innovation, the Smart Account ensures faster, simpler and more accessible Banking for everyone, reinforcing UBL's mission to empower its customers with modern financial solutions.



For Supporting Small Business Ambitions - UBL Digital Running Finance Facility

UBL Digital Running Finance facility is a fully automated, data-driven digital lending solution designed to provide unsecured running finance to SMEs, leveraging both existing liability (ETB) and new-to-Bank (NTB) customers. The product uses advanced credit scoring, AI, and machine learning models to assess eligibility and determine financing limits, integrating transactional, behavioral, demographic, and external Bank account data. Customers can apply digitally via UBL's mobile app, with automated verification, risk checks and live disbursement through the core Banking system. Initially piloted in March 2024 and relaunched in October 2025, the product aims to expand SME lending under a controlled risk framework, offering convenience, faster approvals and scaling potential while maintaining rigorous credit standards.



For Affordable Urban Mobility- Cost sharing scheme for electric bikes & rickshaws/loaders

The Cost Sharing Scheme is a government-supported financing program designed to facilitate the purchase of Electric Bikes, E-Rickshaws, and E-Loaders under the Green Ride Initiative. Leveraging a capital subsidy to reduce end-user costs, the scheme aims to promote electric mobility, decrease reliance on imported fossil fuels and lower urban carbon emissions. Financing is available for salaried individuals, students, women, and commercial segments—including sole proprietorships, partnerships, companies and fleet operators (subject to a 30 percent cap for rickshaws/loaders). UBL will administer the scheme through its established sales, underwriting, disbursement and collections infrastructure to ensure quality portfolio acquisition, support financial inclusion and contribute to national targets for EV adoption and local industry development.



For Powering the Gig Economy - UBL Freelancer Account:

Launched in 2023, the UBL Freelancer Account is designed to support freelancers. As of December 2025, the account has a total customer base of 41,188 receiving discounts and exclusive offers on auto and personal loans.



For Women Empowerment - UBL Urooj Account:

Introduced in 2022, the UBL Urooj Account is a dedicated Banking solution designed specifically to empower women across Pakistan by providing easy access to formal financial services. The account offers tailored features such as simplified account opening, digital Banking access and customized financial products that meet the unique needs of women. With over 56,765 account holders, the Urooj Account is enabling women to take control of their finances, make secure transactions, save for personal and family goals and participate more actively in the economic landscape. By promoting financial inclusion and independence, this initiative supports women in building confidence, financial literacy and long-term economic empowerment.



For Smart Savings in Golden Years - UBL Zindagi Savings Account:

The UBL Zindagi Savings Account is specifically for individuals aged 60 and above, providing a safe and accessible way to save while earning profit on deposits. As of December 2025, 16,456 customers benefit from this account, which supports financial independence and stability for senior citizens.



For People with Disabilities (PWDs)- Cash Plus & Related Services:

Demonstrating UBL's commitment to financial inclusion for Persons with Disabilities (PWDs), the Cash Plus service offers a 2% discount on standard pricing for eligible customers. Additionally, PWDs opting for UBL Address or Ameen Address services benefit from a 50% waiver on processing fees, further ensuring that essential Banking services are accessible, affordable and inclusive for all.



For Simplifying Charitable Contributions - UBL Ameen Esaar Account

One of its kind Islamic liability product that not only caters to Banking requirements of consumer, but also contributes to the welfare of society. The Bank allocates a certain amount from its own pocket, based on the balance maintained in the account by the customer, and distributes among four reputable NGOs in field of Health, Infant Care, Education and Employment for onwards spending among deserving people



For Convenient and Inclusive Banking- Branchless Banking Account/OMNI:

To promote financial Inclusion for unBanked population of the country, UBL introduced Branchless Banking accounts also known as "OMNI" to cater the needs of underserved community with reduced transactions limit within Pakistan.



For Business Growth and SME Support - Karobar Loan:

To facilitate business expansion and provide timely financial assistance to small and medium enterprises, UBL introduced the "Karobar Loan" as a convenient financing solution. This loan is specifically designed to support SMEs in meeting their growth and expansion needs. It is available against the mortgage of residential, commercial, or industrial property, enabling customers to access financing of up to PKR 40 million to strengthen and scale their businesses.



For Supporting our Customers' Business Needs - Sahulat Loan:

To help individuals grow and manage their businesses more effectively, UBL introduced the "Sahulat Loan" as an easy and reliable financing option. This loan allows customers to meet their business expenses and purchase necessary assets while continuing to keep their savings intact. The Sahulat Loan is provided against savings accounts and government-backed saving certificates, offering a secure and convenient way to access funds.



For Agricultural Processing and SME Facilitation - Rice Husking Loan:

UBL's "Rice Husking Loan" provides small and medium rice processing businesses with financing to purchase paddy against the mortgage of their mill, supporting smooth operations during peak seasons. By facilitating local sourcing, the loan promotes sustainable agricultural practices and a resilient supply chain.



For Strengthening the Cotton Processing Sector - Cotton Ginning Loan:

To support medium-sized cotton processing businesses, UBL introduced the "Cotton Ginning Loan" as a specialized financing facility. This loan is designed for cotton ginning units operating as sole proprietors, partnerships, or private limited companies, taking into account the seasonal nature of their operations. It enables customers to purchase raw cotton from growers or the open market against the mortgage of their cotton ginning factory, ensuring smooth business operations during peak seasons.



For Supporting Flour Mill Operations - Wheat Financing:

UBL's "Wheat Financing" helps small and medium flour mills manage seasonal demand by enabling the purchase of fresh wheat against the mortgage of their mill. This supports local sourcing and promotes sustainable agricultural practices.



For Expanding Enterprise Reach - Commercial Vehicle Finance

UBL's "Commercial Vehicle Finance" helps small and medium enterprises and self-employed business owners purchase commercial vehicles to support their business operations. This enables efficient business logistics while promoting sustainable transport solutions.

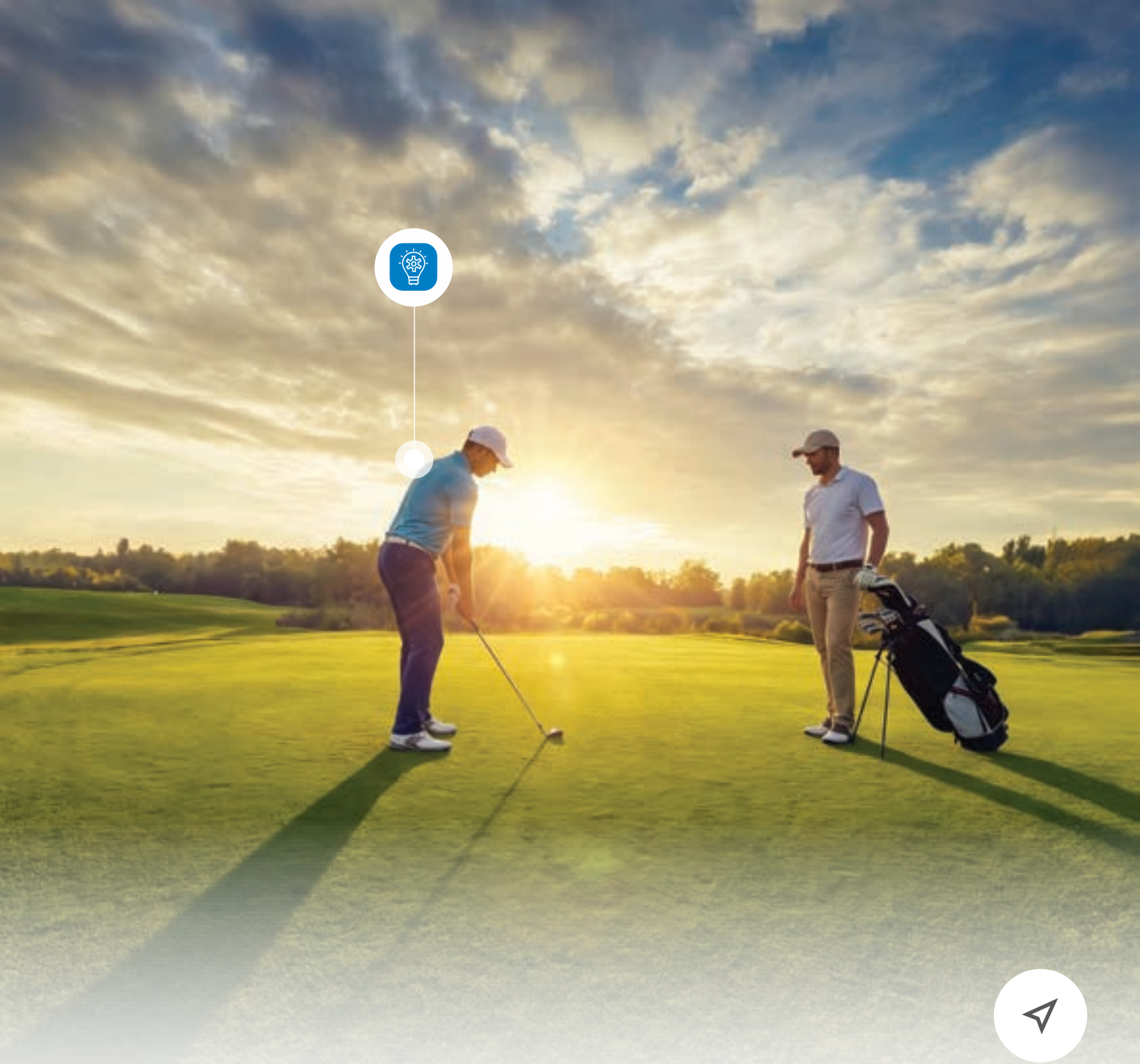
UBL Sustainable Finance Framework:

UBL is currently working on the development of a comprehensive Sustainable Finance Framework to strengthen governance, consistency, and transparency across its sustainable finance activities. UBL's new Sustainable Finance Framework will be engineered to achieve alignment with globally recognized standards, such as Green, Social and Sustainability Bond and Loan Principles established by the Loan Market Association (LMA). By integrating these international benchmarks alongside the Pakistan and GCC Green Taxonomies, the Bank will establish a rigorous and consistent structure for governance, asset classification and the management of proceeds across its diverse operations.

This comprehensive approach ensures that all sustainable activities are governed by standardized criteria and transparent impact measurement protocols, which are essential for maintaining regulatory compliance and bolstering investor confidence. Ultimately, this framework facilitates the scalable growth of sustainability-linked financing across UBL's domestic and international footprint by ensuring that every eligible asset meets high-tier requirements for monitoring, reporting and comparability.

To provide clarity on the different sustainable financing instruments covered under UBL's Sustainable Finance Framework, the table below outlines their core characteristics and distinctions;

Category	Green Finance	Sustainability Finance	ESG-Linked Finance	Use-of-Proceeds (UoP) Eco-Friendly Finance
Primary Objective	Finance environmentally beneficial projects	Finance projects with environmental and/or social benefits	Link financing terms to ESG performance targets	Funds strictly allocated to pre-identified green projects
Use of Proceeds	Dedicated to green assets (renewables, energy efficiency, clean transport)	Allocated to eligible green and/or social categories	General corporate purposes	Restricted to specific eco-friendly projects
Performance Linkage	Not linked to borrower performance	Not necessarily performance-linked	Interest rate tied to ESG KPIs/SPTs	Not performance-based; compliance-based
Examples	Solar power plant financing	Affordable housing + renewable energy portfolio	Loan margin reduces if carbon intensity decreases	Green bond for wastewater treatment plant
Monitoring Requirement	Impact reporting required	Allocation & impact reporting required	KPI performance verification required	Strict tracking of fund allocation
Standards Referenced	Green Bond/Loan Principles (LMA/ICMA)	Sustainability Bond Principles	Sustainability-Linked Loan Principles	Green Loan Principles



Navigating Strategy With Shared Purpose



Strategy



Governance



Risk Management



Metrics & Targets



Corporate Social Responsibility



Reporting & Disclosures



Sustainability in action



Governance

Strategy

Risk Management

Metrics & Targets

Corporate Social Responsibility

Reporting and Disclosures

Strategy



Aligned with our commitment to Responsible Growth, UBL continues to advance its strategy to support and finance the transition to a low-carbon economy. We remain focused on proactively managing Environmental, Social, and Climate (ESG) risks while identifying and capturing opportunities that drive sustainable value.

UBL is evolving from a compliance-driven approach to ESG integration towards becoming a leader in impact-driven sustainable finance. This journey encompasses setting and disclosing clear milestone targets, engaging with clients to facilitate their transition to a low-carbon future and investing in innovative Climate solutions. We are also focused on developing and reporting decision-useful metrics, leading industry collaborations and adhering to best-practice guidance to ensure transparency and accountability in our sustainability efforts.



Our Strategy

As part of our strategy, we are committed to the ambition of becoming a truly purpose-driven organisation and we are taking steps to embed the purpose at the core of our business, decision making, operations and culture.

By embedding sustainability into our strategy and translating it to activities, we embrace our responsibility to help address the challenges of environmental, social and climate risks as expected by regulatory authorities with environmental, social and Climate challenges.

Sustainable and Inclusive Growth

Supporting Our Customers

We provide financial services to more than 11 million customers and businesses of all sizes, responding to the needs and challenges they face.

By supporting our customers through financing filtered through Environmental, Social and Climate due diligence process to ensure the exposure we are taking are responsible financing



Supporting our Colleagues

We are committed to building an inclusive and sustainable that is truly representative of communities we are operating in. Our colleagues are central to our success.

We are focused on embedding sustainability in all that we do to enable our colleagues to deliver on our purpose



Supporting our Communities

Our success is intrinsically linked with the success of countries we are operating in. We are committed to helping communities.

We believe that when our people, businesses and our communities all prosper, so we can.



UBL ESG & Climate Risk Management Strategy

The ESG & Climate Risk Management Strategy integrates ESG & Climate Risk factors into an organization's decision-making processes to identify, manage and mitigate associated risks, including financial, reputational, and regulatory challenges. It ensures that both short-term operations and long-term objectives align with sustainability goals, improve resource efficiency, Climate resilience and social responsibility.

As part of its strategy, the Bank is cognizant of material E&S risks and Climate risks at board and senior management level and has adopted zero-tolerance approach towards breach of regulatory compliance of environment, social and Climate risk management. The Bank is integrating management of environmental, social and Climate risks in credit, market, operational and liquidity risks and its implementation is periodically reported through qualitative and quantitative information to Board and management committees.

UBL is committed and continues to implement changes to its business model and resource allocation to address Climate-related risks and opportunities. These changes are embedded within the Bank's credit, risk management and sustainability frameworks and are aligned with regulatory expectations and evolving

market conditions.

From a business model perspective, UBL has strengthened the integration of environmental and Climate-related considerations into its credit assessment and approval processes. This includes the application of Environmental, Social and Climate Risk Management, and sector-specific risk screening to identify and manage Climate-related risks associated with client activities. These measures support informed decision-making regarding client selection, transaction structuring and risk mitigation, particularly for sectors with elevated Climate exposure.

In response to Climate-related transition and physical risks, UBL anticipates a progressive shift in its financing and lending activities towards sectors and projects that support Climate resilience and the transition to a lower-carbon economy. Over the medium to long term, this is expected to influence portfolio composition through increased focus on sustainable and Climate-aligned financing opportunities, while managing and monitoring exposures to Climate-sensitive and carbon-intensive sectors in line with UBL's risk appetite.

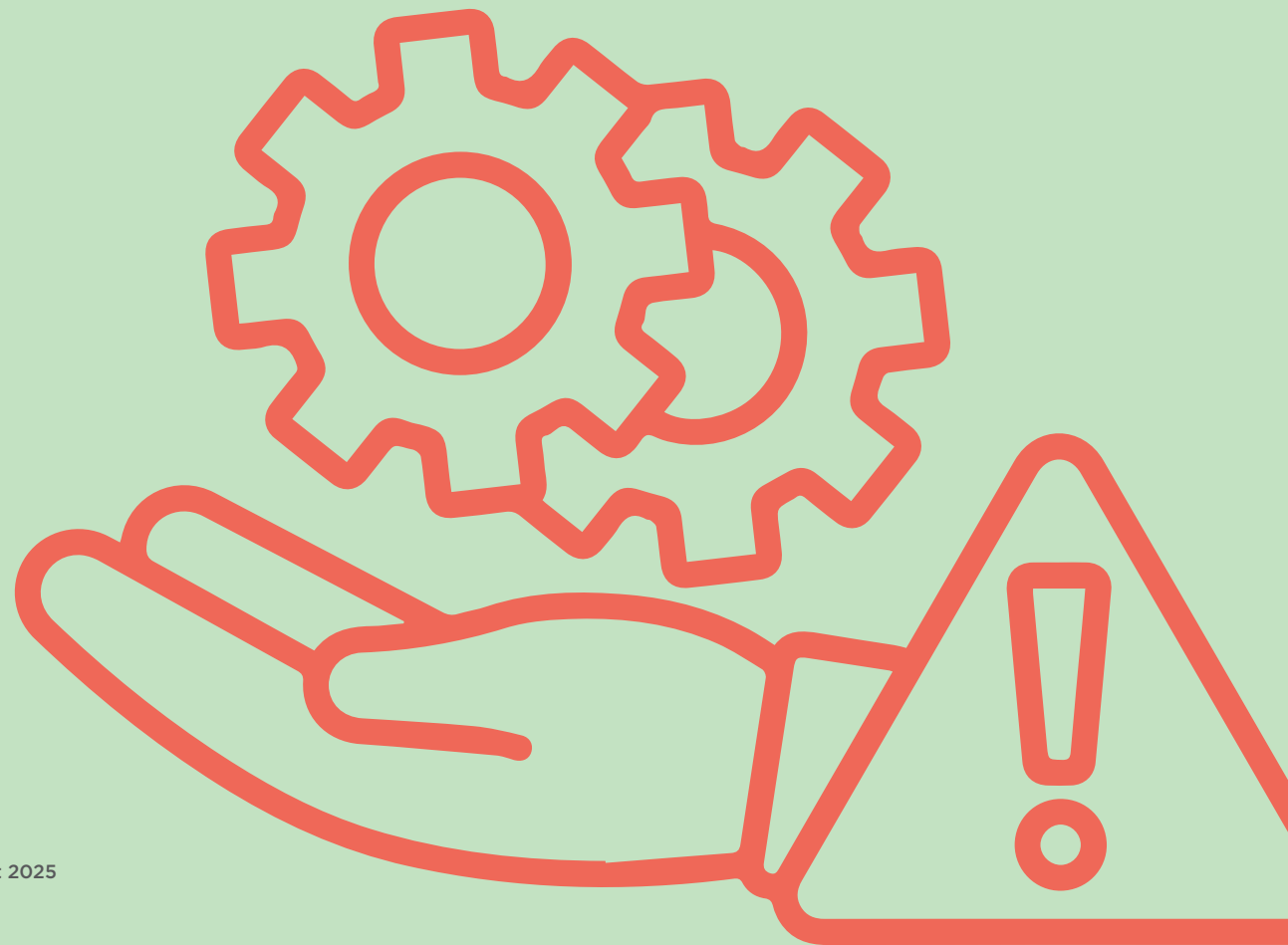
Resource allocation decisions reflect the growing importance of Climate risk management and sustainability

considerations. UBL has allocated resources towards enhancing governance, systems and internal capabilities to support the identification, assessment, and monitoring of Climate-related risks and opportunities. This includes investment in ESG and Climate risk frameworks, data management processes, system enhancements and capacity-building initiatives for relevant staff involved in credit, risk and sustainability functions.

UBL also considers Climate-related factors in capital and strategic planning, including the development of sustainable finance products and services that respond to changing client needs and regulatory expectations. These initiatives are

intended to support business development opportunities arising from the transition to a low-carbon economy while maintaining prudent risk management standards.

Collectively, these current and anticipated changes to UBL's business model and resource allocation support the Bank's approach to managing Climate-related risks and leveraging Climate-related opportunities and contribute to the achievement of the Bank's Climate-related objectives and applicable regulatory requirements.



Our Approach to ESG & Climate Risk Management

UBL's approach to ESG & Climate Risk Management is embedded within our core business strategy and risk governance framework. We proactively integrate environmental, social, and Climate considerations into our decision-making processes to ensure responsible growth and long-term value creation. Through a structured ESG and Climate Risk Management framework, UBL assesses potential risks and impacts associated with its financing and investment activities, enabling informed and sustainable business decisions aligned with ethical and regulatory expectations.

As part of this approach, UBL conducts comprehensive Environmental, Social and Climate risk screening and due diligence for all lending and investment Banking clients, including both New-to-Bank and Existing-to-Bank relationships. This assessment is undertaken prior to onboarding and on an ongoing basis, allowing the Bank to identify, evaluate, and manage potential risks effectively. By applying defined risk assessment criteria, UBL ensures that client activities align with its sustainability standards and risk appetite.

Through continuous monitoring and engagement with clients, UBL seeks to mitigate identified risks while promoting responsible business practices. Our approach goes beyond regulatory compliance by encouraging clients to adopt improved environmental stewardship, sound social practices, and strong governance standards. This commitment reinforces UBL's role as a responsible financial institution, supporting sustainable economic development while safeguarding the interests of stakeholders and the communities we serve.

Strategy and Decision-Making

UBL has embedded sustainability considerations into its strategic planning and decision-making through a Board-approved ESG Materiality Assessment and Strategy document. The Strategy provides a clear direction for integrating environmental, social and governance (ESG) principles across the Bank's lending, investment and operational activities. It is structured around three core pillars: ESG Risk Management and Governance, Green Business Facilitation, and Own Impact Reduction. Together, these pillars guide how sustainability-related risks are identified, assessed and managed, while also enabling the Bank to capture opportunities arising from responsible financing, resource efficiency and sustainable growth.

Oversight of the ESG & Climate Risk Strategy rests with the Board of Directors, ensuring alignment with the Bank's overall risk appetite, regulatory expectations and long-term objectives. In line with this governance framework, the ESG Division periodically reports to the Board and its relevant committees on the implementation and performance of the Strategy. These updates include both qualitative insights and quantitative metrics covering ESG & Climate risks, portfolio exposures, green financing initiatives and progress on impact reduction measures. This structured reporting supports informed decision-making at the highest level and enables timely strategic responses to emerging sustainability-related risks and opportunities.

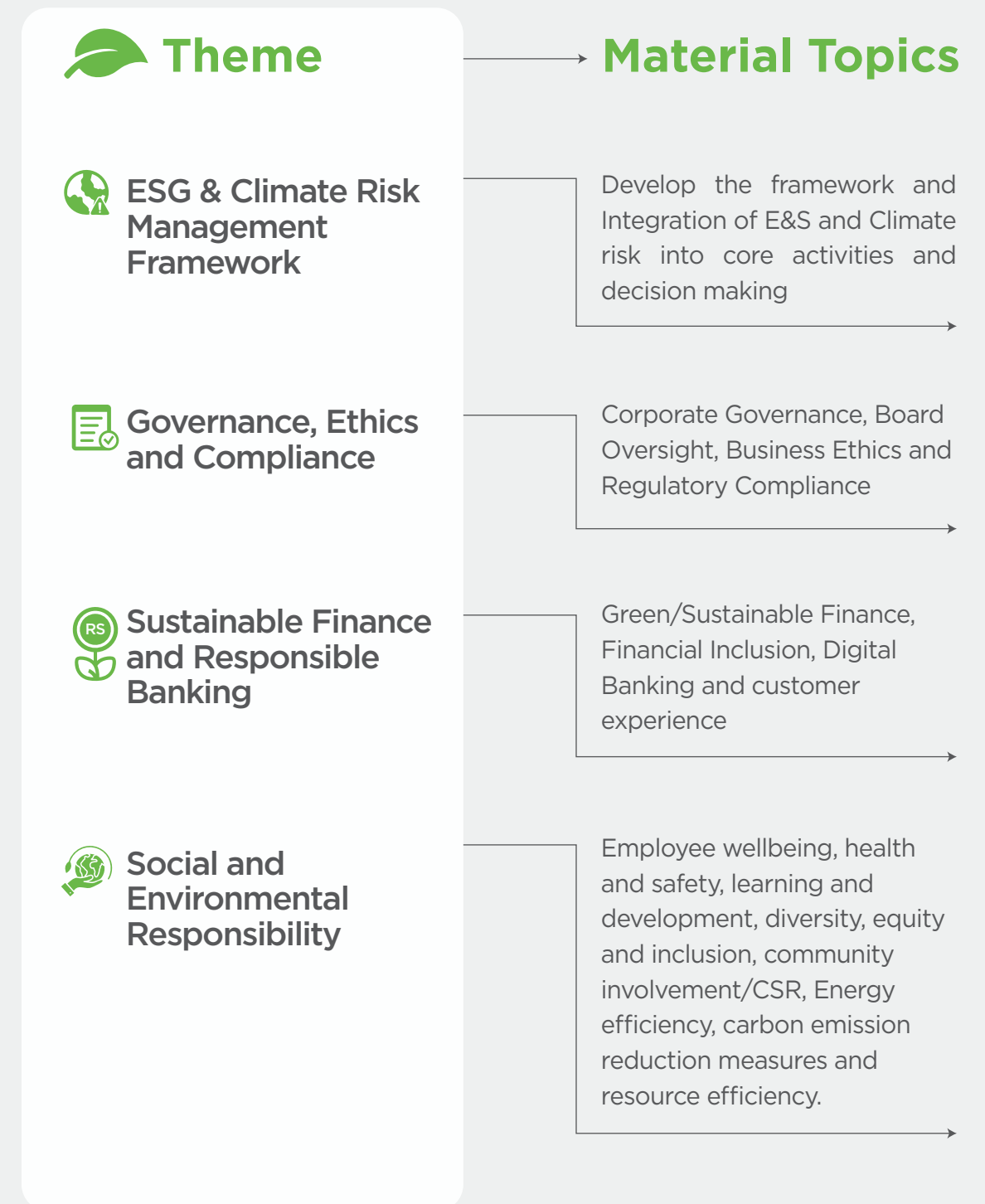
ENVIRONMENTAL
SOCIAL
GOVERNANCE



Our Strategic Priorities



Our strategic priorities are divided into four broader themes:



ESG Materiality Assessment

Materiality Assessment is an important strategic business tool that involves identifying and prioritizing Climate and ESG issues which are most relevant and important to the organisation. A material topic is a Climate, environmental, social or governance issue and aspect which has the potential to impact the Bank and is important to the stakeholders for their informed decisions. Through appropriate materiality assessment, the Bank focuses on material Climate and ESG topics from a strategic perspective for long-term attractive returns at lower opportunity costs. The Bank's approach to materiality assessment has been described in the sections.

Factors for Considering Material Topics for Materiality Assessment

Several factors have been considered to identify material topics

S#	Factor	Impact on Bank	Impact on Stakeholders
1	Material Impact on Financial Performance	Material area/topic affects profitability, e.g., Climate and environmental regulations can increase costs, while social and governance issues may affect revenues and stability.	As time passes Investors will be looking for long-term value, prioritizing Banks that integrate Climate & ESG aspects into their financial strategies.
			Customers will prefer sustainable, socially responsible Banks that align with their values, affecting brand loyalty and business growth.
2	Risk Impact	<p>Credit Risk arises from exposure to industries or projects with poor Climate and environmental & social practices, which may become non-performing due to applicable regulations.</p> <p>Market risk stems from pricing variability of financial instruments from market volatility linked to climatic disasters, environmental accidents, social movements, or sudden shifts in regulations (e.g., carbon pricing).</p> <p>Liquidity risk may emerge if Climate and ESG issues lead to capital flight or higher borrowing costs for non-compliant Banks.</p>	<p>Stakeholders (investors and customers), are concerned about the Bank's ability to manage various risks associated with Climate and ESG issues. For e.g. exposure to Climate risks can increase credit risks if loans are made to sectors vulnerable to Climate-related disruptions. Similarly, poor governance can lead to operational failures or market volatility, which can affect both the Bank and its stakeholders' investments.</p> <p>Regulators and customers demand transparency in risk management practices, which can affect a Bank's reputation and business relationships.</p>

S#	Factor	Impact on Bank	Impact on Stakeholders
		Operational risk increases with Climate and ESG-related disruptions (e.g., supply chain issues due to Climate disasters, environmental accidents, workforce unrest).	
3	Regulatory Requirement & Expectations	Increasing regulations require Banks to assess, report, and disclose Climate and ESG risks and their financial impacts. Non-compliance with emerging global regulations (e.g., EU SFDR, CSRD, anti-corruption laws) can result in increased scrutiny, and reputational damage.	Regulators have mandate that Banks implement Climate and ESG risk assessments and comply with disclosure requirements to ensure transparency and systemic stability.
		Regulatory pressure ensures that Banks address material ESG issues proactively, aligning with national and international sustainability goals.	Investors favor ESG-compliant Banks for legal and financial risk reduction
4	Relevance to Business	Identifying relevant Climate and ESG issues ensures that the Bank focuses on areas that can influence its business strategy and performance.	Employees value companies with strong Climate and ESG commitments, improving morale and retention.
		For example, Banks heavily involved in highly vulnerable sectors may face financial risk or lack of involvement in Climate and environmentally friendly business.	Shareholders demand alignment between business strategy and ESG priorities.
5	Long-Term Sustainability	Long-term viability requires adopting sustainable business practices across all operations.	Investors prioritise Banks with long-term sustainability, viewing them as lower-risk and more resilient.
		Environmental sustainability is critical to addressing Climate change and ensuring regulatory compliance.	
		Strong governance practices safeguard against reputational damage, financial mismanagement, and regulatory non-compliance.	



Our Materiality Assessment Process



We review our material ESG factors annually following a five-step process:

• Identification

Based on the above-defined ESG factors, we identify material topics, relevant for UBL across our operations and activities. We also refer relevant standards and frameworks.

• Prioritization

The Bank prioritizes its processes, segments, industries and geographies based on their potential ESC impact. This prioritization ensures that the most critical factors are addressed first. It establishes a robust framework for decision-making, guiding the Bank's approach to ESC risks to focus on high-priority areas.

• Stakeholder Engagement

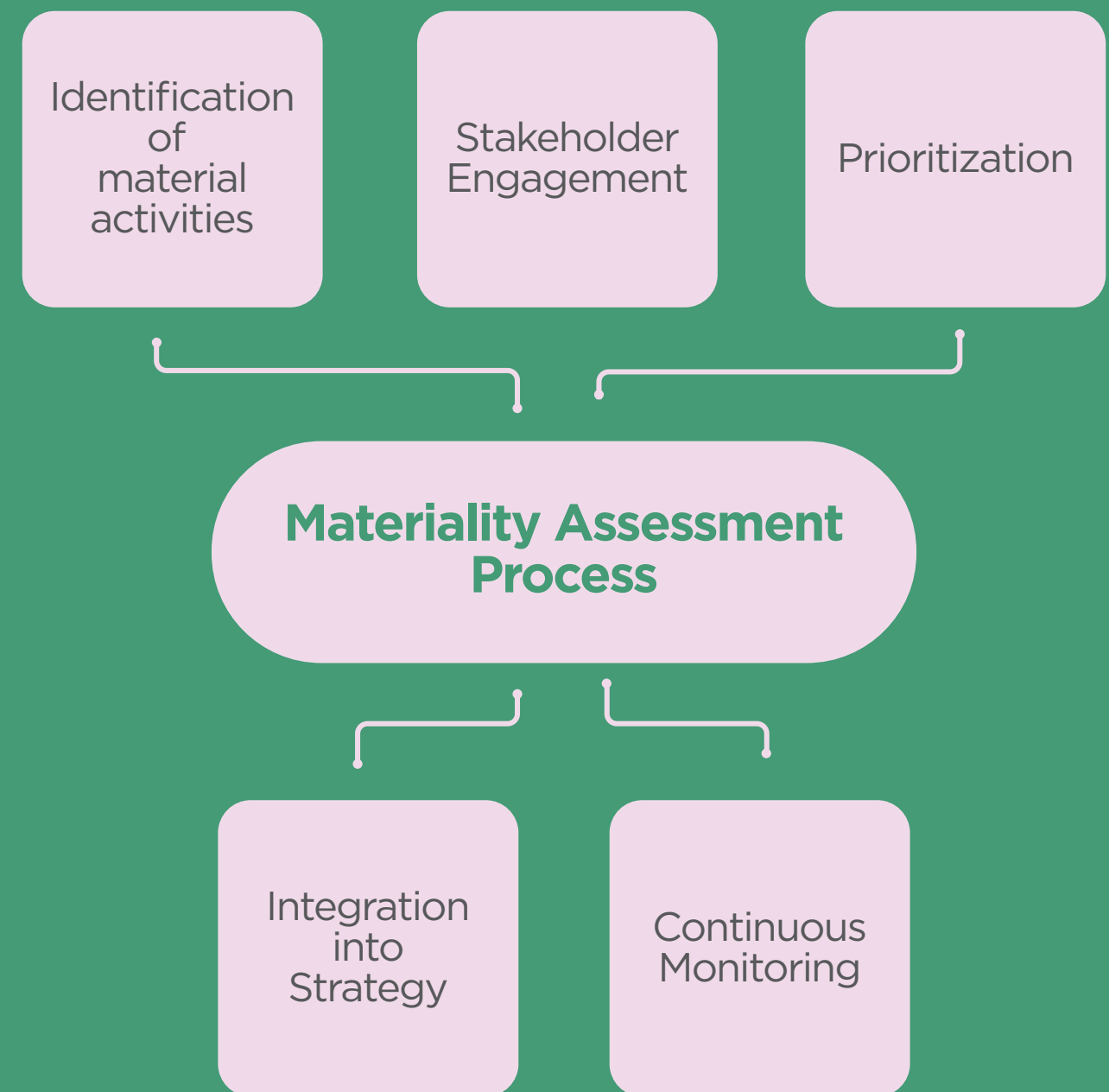
Following the identification of material activities from ESC & ESG perspective, these topics were presented to key internal stakeholders in the Board Risk & Compliance Committee (BRCC). This engagement ensures that the Board committee has reviewed and aligned on the prioritization of areas having material ESC & ESG aspects. The process facilitates integration of the applicable factors into Bank's core processes to ensure sustainable growth across all levels of the organisation.

• Integration into Strategy

The resultant material ESG factors are integrated into governance structures, risk management processes, strategy development and our reporting to stakeholders. These factors are embedded into key business processes, ensuring that sustainability considerations are integrated into Bank's operations. By aligning ESG risks with strategic objectives, UBL can proactively manage potential challenges and capitalize on opportunities. This approach supports long-term business growth while maintaining adherence to global sustainability standards. The integration ensures that UBL's commitment to ESG is reflected in its day-to-day operations and long-term planning.

• Continuous Monitoring

To maintain relevance and ensure that the assessment stays aligned with both the evolving business landscape and global sustainability developments, UBL will continuously monitor and reassess these material topics. Regular reviews will allow UBL to adapt to emerging challenges and opportunities, reinforcing its commitment to responsible Banking practices.



Prioritization of Material ESG Factors into Four Quadrants:

Considering the associated impacts, risks and opportunities, we prioritized material ESG factors into the following four different levels (P1 & P2 are near-term) and (P3 & P4 are long-term)

S. no	Priority Level	Description
1	P1	ESG factors of highest strategic importance, which require immediate attention and should be integrated into decision-making processes.
2	P2	ESG factors that are strategically important, aimed to address within near term. They hold significant potential for business opportunities, risk mitigation, or regulatory compliance.
3	P3	Basic ESG factors that are still relevant and can be addressed within long-term.
4	P4	Fundamental ESG factors necessary for sound governance and risk management, these are ongoing initiatives. These factors are important but do not have immediate strategic impacts

Our Materiality Matrix

Our Material Topics are derived through materiality assessment process. These prioritized areas will empower the Bank to establish clear, actionable, and measurable sustainability targets. These targets will be integrated into the Bank's strategic objectives, ensuring alignment with both business goals and global sustainability standards.

The Bank has clearly bifurcated its Material Topics on the basis of its Environmental Impact, Social Responsibility and Governance Accountability.

UBL is destined to continue to run its business in a participatory, consensus-oriented, accountable, transparent, responsive, efficient, equitable and inclusive way to communicate its policies and strategy clearly to its stakeholders.

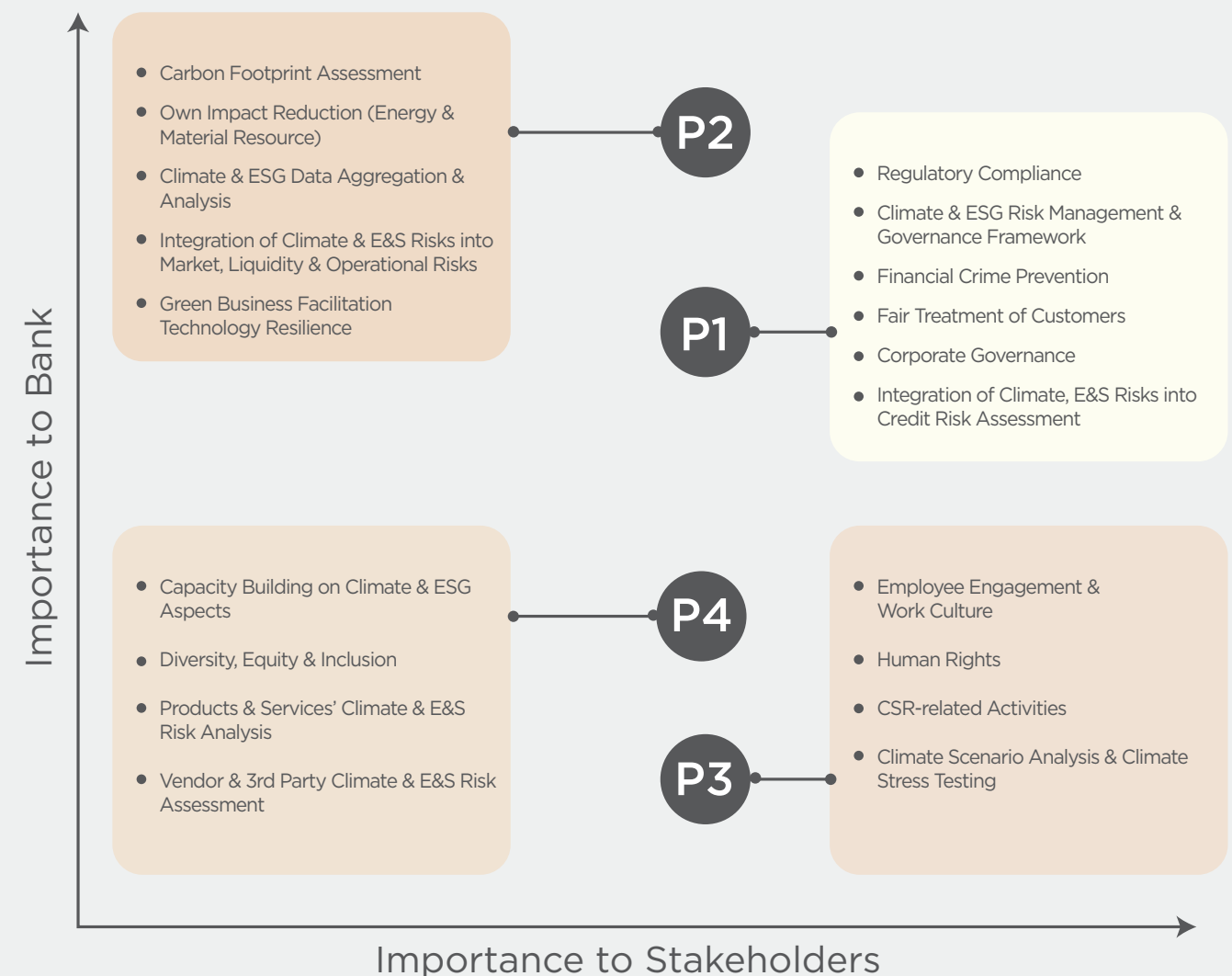
UBL's social agenda is to support the physical and mental health and wellbeing of its staff and client and continue its culture of giving through

volunteering, encourages continual professional learning and development across all aspects of business and operations and leave a lasting positive legacy, based on the precepts of UN Sustainable Development Goals.

UBL aims to minimise the impact of its own activities and operations, with a focus on managing Climate and ESG risks, reducing carbon emissions and pollution, eventually putting efforts towards carbon neutrality.

Following are our Material Topics, aligned with SDGs and Global Reporting Initiative (GRI) Standards and the corresponding risks and opportunities have been defined as well as their envisaged time horizon of impacts to the Bank:

Materiality Matrix



Materiality and Strategic Relevance: ✕

UBL's ESG strategy and decision-making are informed by a structured ESG Materiality Assessment, conducted annually to identify sustainability-related topics that have the most significant impact on the Bank's business performance, risk profile and long-term value creation, as well as on its key stakeholders. The assessment considers environmental, social and governance impacts, risks and opportunities across UBL's operations, lending and investment activities, and aligns with leading international frameworks and regulatory expectations.

The material topics identified through this process reflect areas where ESG considerations are most closely linked to the Bank's strategic objectives, financial resilience and reputation. Key material themes include Climate-related and environmental risks, ESG risk management in financing activities, responsible and ethical business conduct, financial inclusion and customer well-being, human capital development, data privacy and cybersecurity, and strong governance and compliance practices. These topics influence portfolio quality, operational continuity, regulatory compliance and stakeholder trust, and therefore have a direct bearing on UBL's ability to deliver sustainable growth.





Environmental and Climate-related material topics affect the Bank primarily through credit, market and operational risks, particularly in relation to Climate transition and physical risks within financed sectors. Social material topics, including responsible financing, customer protection and workforce practices, impact business sustainability by strengthening customer confidence, enhancing employee engagement and supporting inclusive economic development. Governance-related material topics underpin effective oversight, risk management and ethical conduct, which are critical to maintaining financial stability, investor confidence and regulatory compliance.

The outcomes of the materiality assessment are integrated into UBL's ESG strategy, policies and governance structures. Material topics guide strategic priorities, inform risk assessment and portfolio management, and shape disclosures and performance monitoring. By focusing on the issues that matter most to both the business and its stakeholders, UBL ensures that sustainability considerations are embedded into decision-making and contribute meaningfully to long-term value creation.

In evaluating sustainability-related risks and opportunities, UBL's Board and senior management explicitly consider the associated trade-offs as part of strategic and investment decision-making. While the Bank is a profit-oriented institution with a primary objective of delivering sustainable financial returns, decisions are assessed through a balanced lens that considers long-term value creation alongside environmental and social implications. Opportunities are therefore evaluated not only on their commercial viability and contribution to profitability, taxes and economic growth, but also on potential sustainability-related risks, including environmental impacts, regulatory exposure and social outcomes such as employment generation and financial inclusion.





This approach enables the Bank to pursue opportunities that deliver greater overall value, while managing and mitigating sustainability-related risks in a manner consistent with its risk appetite, regulatory obligations and ESG commitments. By integrating these considerations, UBL seeks to achieve an optimal balance between financial performance and responsible Banking, supporting resilient growth over the long term.







ESG Material Topics and their mapping with GRI, SDGs & SASB Standards










S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
1	<p>Climate and ESG Risk Management & Governance Framework</p> <p>This framework is vital for Bank's long-term sustainability, as it directly impacts its viability, regulatory compliance, and ability to align with global trends in sustainability. It encompasses several key components, including Climate and E&S Risk Appetite, materiality assessment, strategy development, policies and procedures and risk assessment methodologies, capacity building plan, transition plans as well as reporting and disclosure KPIs and KRIs. Together, these elements ensure the Bank's robust approach to managing Climate and E&S-related risks and opportunities</p>	<p>GRI 2: General Disclosures 2021</p> <p>GRI 3: Material Topics 2021</p> <p>GRI 201: Economic Performance 2016</p>	  	<p>FN-CB-110a.1: Environmental and social risk management integration;</p> <p>FN-CB-110a.2: ESG governance & policies</p>
2	<p>Products & Services' Climate and E&S Risk Analysis</p> <p>This process enables the Bank to systematically identify and manage the Climate, environmental and social risks inherent in its products and Services. By conducting a comprehensive analysis, the Bank identifies the products and services that have material E&S impact and ensures that it prioritises them in order to manage the associated risks in a timely and effective manner.</p>	<p>GRI 201: Economic Performance 2016</p>		<p>FN-CB-110a.1: Environmental and social risk in products & services</p>

S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
3	<p>Integration of Climate, Environmental & Social Risks into Credit Risk Assessment</p> <p>By embedding Climate and E&S considerations into Bank's credit risk assessment process, the Bank strengthens its ability to manage the potential risks, ensuring both financial stability and alignment with sustainability objectives.</p>	GRI 201: Economic Performance 2016		FN-CB-110a.1: Integration of ESG factors into credit risk assessment
4	<p>Capacity Building on Climate and ESG aspects</p> <p>Capacity Building is not only ensuring enhanced compliance with Climate and ESG regulations and standards but also cultivates a culture of sustainability and corporate responsibility across all levels of the Bank.</p>	GRI 404: Training and Education 2016		FN-CB-310a.3: Employee training on ESG/Climate risk policies
5	<p>Financial Crime Prevention</p> <p>Financial crime prevention is a key aspect of a Bank's Environmental, Social and Governance (ESG) responsibilities. It supports strong governance, builds customer trust, and ensures long-term sustainability. Below is an overview of the opportunities and risks associated with financial crime prevention from an ESG perspective.</p>	GRI 205: Anti-corruption 2016		FN-CB-510a.1: Anti-money laundering and anti-corruption policies
6	<p>Human Rights</p> <p>Human rights is an important aspect of a Bank's ESG responsibilities. Below is an overview of the opportunities and risks associated with human rights in the Banking sector from an ESG perspective.</p>	GRI 406: Non-discrimination 2016 GRI 408: Child Labor 2016 GRI 409: Forced or Compulsory Labor 2016	 	FN-CB-410a.2: Human rights due diligence and policies
7	<p>Employee Engagement and Work Culture</p> <p>Employee engagement and conducive culture is essential for Bank's ESG performance, as positive work environment boosts productivity, employee retention, and overall success.</p>	GRI 401: Employment 2016	 	FN-CB-310a.2: Employee engagement, retention, and culture metrics

S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
8	<p>Technology Resilience</p> <p>Technology resilience is vital for ensuring business continuity, protecting sensitive customer data, and maintaining trust. Below is an assessment of the opportunities and risks associated with technology resilience, including cyber security, from an ESG perspective.</p>	GRI 418: Customer Privacy 2016		FN-CB-230a.1: Cybersecurity, data protection & technology resilience metrics
9	<p>Fair Treatment of Customers</p> <p>Fair treatment of customers is a cornerstone of a Bank's ESG strategy. Ensuring that customers are treated fairly, with transparency and respect, fosters trust and loyalty. Below is an overview of the opportunities and risks associated with fair treatment of customers from an ESG perspective.</p>	GRI 418: Customer Privacy 2016	 	FN-CB-270a.1: Customer privacy & protection measures
10	<p>Green Business Facilitation</p> <p>The development of green and sustainability-linked products in line with green and sustainable finance taxonomies and the facilitation of Climate and sustainability-linked solutions are crucial for promoting environmental stewardship and long-term sustainability. Advancing green finance solutions will play a vital role in fostering responsible economic growth and addressing global Climate and sustainability goals.</p>	GRI 201: Economic Performance 2016	 	FN-CB-410b.1: Green finance and sustainable product offerings
11	<p>Own Impact Reduction – Energy and Material Resource Efficiency</p> <p>A Bank is committed to reducing its environmental impact by adopting strategies focused on resource efficiency. By optimizing the consumption of energy, water and other key resources, the Bank aims to enhance operational efficiency while minimizing its environmental footprint. Through continuous efforts to streamline resource usage, the Bank strives to lead by example in promoting environmental stewardship within the financial sector.</p>	GRI 301: Materials 2016 GRI 302: Energy 2016 GRI 303: Water and Effluents 2018	 	FN-CB-130a.1: Energy and resource efficiency in operations

S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
12	<p>Carbon Footprint Assessment (Greenhouse Gases (GHG) Emissions Inventory)</p> <p>By quantifying greenhouse gas (GHG) emissions, a Bank can identify key areas for emission reduction, optimize sustainability practices, and align with both national and global Climate goals. Through effective management of GHG emissions, a Bank not only strengthens its sustainability framework but also contributes to the broader global efforts toward a low-carbon economy.</p>	GRI 305: Emissions 2016		FN-CB-130a.1: GHG emissions measurement & reduction
13	<p>Climate and ESG Data Collection, Aggregation, Analysis, Reporting and Disclosures</p> <p>Effective data aggregation, reporting, and disclosures are essential for a Bank to comply with regulatory requirements, ensure transparency, and provide stakeholders with accurate insights into the Bank's Climate & ESG performance. Transparent disclosures enable the Bank to communicate its progress toward sustainability goals, highlight areas for improvement, and demonstrate its ongoing commitment to responsible business practices.</p>	GRI 201: Economic Performance 2016	 	FN-CB-110a.2: ESG reporting and disclosures
14	<p>Climate Scenario Analysis and Climate Stress Testing</p> <p>By simulating various future scenarios, the Bank can identify vulnerabilities, evaluate the potential financial impact of these risks including on capital positions and develop strategies to mitigate them. This proactive approach ensures that a Bank is well-prepared for future uncertainties, reinforcing its commitment to long-term sustainability and enhancing its ability to navigate a rapidly changing business and regulatory environment.</p>	GRI 201: Economic Performance 2016		FN-CB-110a.1: Climate risk scenario analysis & stress testing

S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
15	<p>Integration of Climate and E&S Risks into Market, Liquidity and Operational Risks</p> <p>Integrating Environmental and Social (E&S) risk factors into market, liquidity, and operational risk management is essential for a Bank to address the broader impacts of Climate and E&S related risks. This integration ensures that the Bank takes a holistic approach to risk management, accounting for potential environmental and social disruptions that could affect financial performance, liquidity, and operational continuity.</p>	GRI 201: Economic Performance 2016		FN-CB-110a.1: ESG integration into market and operational risk management
16	<p>Regulatory Compliance</p> <p>Adhering to the regulatory requirements is essential for maintaining the Bank's operational integrity, mitigating legal risks, and safeguarding its reputation. By prioritizing regulatory compliance, a Bank not only upholds its obligations but also reinforces its position as a responsible and trusted financial institution, committed to sustainable and ethical business practices.</p>	GRI 2: General Disclosures 2021	  	FN-CB-520a.1: Compliance with ESG-related regulations and operational risk frameworks
17	<p>Diversity, Equity and Inclusion (DE&I)</p> <p>Diversity, Equity and Inclusion (DEI) are fundamental to foster a positive and inclusive workplace culture at the Bank. By embracing a diverse workforce, the Bank enhances decision-making, drives innovation, and ensures that all voices are heard and valued. Promoting diversity and inclusion not only supports a fair and equitable workplace but also contributes to the Bank's long-term success and sustainability.</p>	GRI 405: Diversity and Equal Opportunity 2016	 	FN-CB-310a.3: Diversity, equity & inclusion programs

S#	Material Topics	Alignment With GRI Standards	Alignment With SDGs	Alignment With SASB
18	Corporate Governance We prioritise the interests of our stakeholders in everything we do. Our commitment to good governance, transparency, accountability, and ethical behavior guides all our actions. Integrity is a core value that shapes our work and practices, ensuring we remain true to our purpose.	GRI 2: General Disclosures 2021 GRI 205: Anti-corruption 2016	 	FN-CB-130a.1: GHG emissions measurement & reduction
19	Vendor and 3rd Party Climate and E&S Risk Assessment UBL engages vendors and 3rd parties in line with supplier code of conduct. To manage Climate and E&S risks for vendors and 3rd parties, appropriate screening will be integrated in vendors and 3rd party engagement process.	GRI 414: Supplier Social Assessment 2016 GRI 308: Supplier Environmental Assessment 2016		FN-CB-110a.2: ESG reporting and disclosures
20	CSR - related Activities As a responsible corporate citizen, the Bank works towards assisting the less fortunate by supporting causes and empowering communities. Focusing on the sectors of Education, Healthcare, Literature & Arts, Water Scarcity and Natural Disaster Relief, the Bank works both independently as well as in partnership with specialist organizations, to empower disadvantaged sections of the society through economic regeneration and employment creation.	GRI 2: General Disclosures 2021 GRI 201: Economic Performance 2016	     	FN-CB-110a.1: Climate risk scenario analysis & stress testing

ESG Material Topics Risk in Different Time Horizon

S#	Material Topics	Risks	Time Horizon of Impact
1	Climate and ESG Risk Management & Governance Framework	Potential reputational damage if Climate and ESG risks are not managed effectively. Financial instability from unaddressed Climate (physical & transition risks) and ESG risks environmental & social risks in lending and core operations.	Medium to long-term Medium-term to long-term
2	Products & Services' Climate and E&S Risk Analysis	Failure to identify material Climate, E&S risks could result in reputational damage and regulatory non-compliance, especially if Climate, E&S impacts are not adequately considered in the Bank's portfolio. Inadequate prioritization of products and services with material Climate, E&S impacts may expose the Bank to legal liabilities, financial losses, and cause operational risks due to insufficient risk management.	Medium to long-term Medium-term to long-term
3	Integration of Climate, Environmental & Social Risks into Credit Risk Assessment	High impact sectors are highly exposed to Climate, environmental and social risks, including pollution, labour conditions, physical risks, transition risks and regulatory challenges, which could lead to reputational damage and financial instability. Non-compliance with Climate, E&S regulations in high risk sectors could result in substantial penalties, loss of market access, and diminished investor confidence. Borrowers in sectors with poor E&S practices and vulnerability to Climate risks are more likely to face operational disruptions or legal challenges, affecting their ability to repay loans, thus increasing the Bank's credit risk.	Medium-term Short-term Medium to long-term
4	Capacity Building on Climate and ESG aspects	Without adequate training, internal stakeholders may fail to recognize or address critical Climate & ESG aspects in their decision-making, potentially leading to poor business practices, regulatory non-compliance. A lack of capacity in understanding ESG principles can result in inconsistent application across various departments, leading to inefficiencies, operational risks, and poor stakeholder engagement. Failure to properly educate employees on Climate & ESG may lead to actions that negatively impact the Bank's reputation, particularly if the Bank is seen as not committed to sustainability or responsible business practices.	Short-term Medium-term Medium-term

S#	Material Topics	Risks	Time Horizon of Impact
5	Financial Crime Prevention	Weak financial crime prevention could indicate poor governance and loss of stakeholder confidence.	Medium-term
		Noncompliance with regulations can lead to fines, sanctions, and loss of licenses, reflecting weak governance.	Short-term
		Neglecting financial crime prevention risks long term damage to governance structures and financial stability.	Long-term
		Financial crimes undermine social stability, leading to reputational damage and social harm.	Long-term
6	Human Rights	Violations of human rights can lead to severe reputational damage and loss of customer trust.	Short to medium-term
		Failure to uphold human rights could result in legal challenges and regulatory penalties.	Short-term
		Human rights abuses linked to business operations could result in public backlash and damage to brand value.	Short-term
		Inaction or negligence on human rights issues could harm the Bank's long-term viability and market position.	Long-term
		Failure to engage in human rights efforts can result in loss of business opportunities and potential boycotts.	Medium-term
7	Employee Engagement and Work Culture	Poor employee engagement can lead to low morale, high turnover, and reduced productivity.	Medium-term
		A negative work culture can result in reputational damage and loss of talent.	Medium to long-term
		Lack of employee engagement can decrease motivation, impacting performance and organizational success.	Medium-term
		Could damage the Bank's standing with investors and customers who value corporate culture.	Long-term
8	Technology Resilience	Cyber security breaches can result in data theft, financial loss, regulatory scrutiny & fines, and damaging reputation.	Short-term
		Weak technology resilience can cause system failures, data loss, or prolonged service outages, Legal challenges leading to customer dissatisfaction.	Short-term
		Increase Bank vulnerability to sophisticated cyber-attacks.	Medium-term

S#	Material Topics	Risks	Time Horizon of Impact
9	Fair Treatment of Customers	Unfair treatment or discriminatory practices can lead to legal actions, regulatory fine, and reputational damage.	Short-term
		Poor customer experiences or lack of transparency can lead to customer dissatisfaction and loss of business.	Medium-term
		Negligence in addressing customer grievances can damage relationships and brand reputation.	Medium-term
		Creates opportunities for competitors, which will impact the Bank's market share and profitability.	Long-term
10	Green Business Facilitation	Failure to develop and offer sustainability-linked products could hinder the achievement of sustainability goals and the effective development of the ESRM framework within the Bank.	Medium-term
		The Bank could face challenges meeting upcoming regulatory requirements related to Climate risk and green finance, especially as global standards evolve.	Medium-term
		If the Bank's sustainability-linked products do not deliver the intended environmental impact, or if the Bank is perceived as "greenwashing," it could damage its reputation and credibility in the market.	Long-term
11	Own Impact Reduction - Energy and Material Resource Efficiency	Inefficient use of resources (energy, water, paper etc.) may lead to higher operational costs over time, affecting profitability.	Medium-term
12	Carbon Footprint Assessment (Greenhouse Gases (GHG) Emissions Inventory)	Inefficient energy usage and high emissions could result in higher operational costs, especially as sustainability becomes more of a focus in the financial sector.	Long-term
		Failure to adequately assess the carbon footprint and develop GHG inventory can lead to regulatory non-compliance and associated financial risks.	Short-term
		Not measuring carbon emissions makes it difficult for the Bank to set meaningful environmental targets or track progress against sustainability goals.	Medium-term
13	Climate and ESG Data Collection, Aggregation, Analysis, Reporting and Disclosures	A lack of transparency in carbon footprint may harm the Bank's reputation, especially in an era of rising environmental consciousness.	Long-term
		Inaccurate or incomplete reporting could lead to non-compliance with evolving local and international regulations on Climate & ESG disclosures.	Short-term
		Lack of transparency in Climate & ESG reporting may damage Bank's reputation, especially in an era of increased focus on corporate sustainability.	Medium-term
		Can lead to inconsistent or unreliable data, making it difficult to track progress or demonstrate impact.	Medium-term

S#	Material Topics	Risks	Time Horizon of Impact
14	Climate Scenario Analysis and Climate Stress Testing	Bank can be vulnerable to unexpected Climate risks, such as extreme weather events or regulatory changes. Can result in failure to anticipate and mitigate the impact of adverse Climate events, leading to financial instability.	Long-term Long-term
15	Integration of Climate and E&S Risks into Market, Liquidity and Operational Risks	Failure to integrate Climate, E&S risks could expose Bank to market and liquidity shocks due to disruptions caused by environmental or social factors. Neglecting Climate, E&S risks, particularly physical risks, in operational risks could negatively impact Bank's operational continuity and operational planning.	Long-term Long-term
16	Regulatory Compliance	Failing to meet regulators' expectations can harm Bank's reputation among investors and industry. Regulatory non-compliance could result in financial penalties or legal action, affecting profitability. Lack of alignment with evolving regulatory standards may lead to operational disruptions or delays in business initiatives.	Short-term Short-term Medium-term
17	Diversity, Equity and Inclusion (DE&I)	Lack of diversity and inclusion can lead to talent gaps, lower employee morale, and potential legal challenges regarding discrimination. Failing to prioritise DEI can affect a Bank's reputation among clients, employees, and investors. Lack of DEI is challenging for retaining top talent, particularly from diverse backgrounds.	Medium-term Long-term Long-term
18	Corporate Governance	Failure to uphold corporate governance regulatory framework can expose the Bank to legal and financial risks Poor corporate governance could reduce the brand value for stakeholders	Short-term Medium-term
19	Vendor and 3rd Party Climate and E&S Risk Assessment	Failure to appropriately screen the vendor and 3rd parties for their services and products could expose the Bank to the possibility of engaging with non-compliant parties, thereby could expose the Bank to legal and financial risks	Long-term
20	CSR - related Activities	Absence of CSR-related activities could be considered as not aligning to prevailing corporate social responsibility guidelines. Absence of CSR activities would negatively impact the brand value as the Bank would be seen as inconsiderate towards the community it operates in Absence or insufficient CSR initiatives would be viewed inappropriate by stakeholders	Medium-term Long-term Long-term

Legend:

Time Horizon:

Short-term: up to 1 year – this is the typical time-period usually expected by regulators such as SBP for review of key governing documents such as credit strategy, ICAAP, etc.

Medium-term: 2 to 3 years – this is the typical time-period usually expected by regulators such as SBP to review of key governing and process documents such as policy, procedures, etc.

Long-term: 4 to 5 years – this is the typical time-period usually expected by regulators such as SBP to devise forward looking, Bankwide strategies.

ESG Material Topics Opportunities in Different Time Horizon



S#	Material Topics	Opportunities	Time Horizon of Impact
1	Climate and ESG Risk Management & Governance Framework	Enhances the Bank's risk management practices and resilience. Attracts socially responsible investors and new sustainable finance opportunities. Strengthens stakeholder relationships and demonstrates leadership in sustainability.	Medium-term Long-term Medium-term
2	Products & Services' Climate and E&S Risk Analysis	Provides the opportunity to develop products and services with material Climate, E&S impacts allows the Bank to develop and offer more competitive, ESG-compliant solutions, positioning itself as a leader in sustainable finance. Offers the Bank to align with emerging market trends, enabling it to capitalize on growing demand for sustainable products and secure a long-term competitive advantage.	Medium to long-term Medium to long-term
3	Integration of Climate, Environmental & Social Risks into Credit Risk Assessment	Incorporating Climate & E&S assessments allows the Bank to lend responsibly in high risk sectors attracting ESG conscious investors and improving the Bank's overall sustainability. By identifying and addressing environmental, social & Climate risks, the Bank can minimise potential financial losses and enhance its overall risk resilience in its corporate portfolio. As Climate & E&S factors gain importance in global finance, the Bank can position itself as a leader in responsible Banking, potentially attracting new clients and improving its market reputation.	Medium to long-term Medium-term Long-term
4	Capacity Building on Climate and ESG aspects	Capacity building equips internal stakeholders with the skills needed to incorporate Climate & ESG factors into daily operations, enhancing the Bank's ability to meet regulatory requirements, attract socially responsible investments, and promote sustainable business practices. Educated stakeholders will make better, more informed decisions that align with both financial goals and sustainability objectives, improving the Bank's overall performance. Fostering a culture of sustainability within UBL creates long-term value, improving employee engagement and attracting top talent who are aligned with the Bank's commitment to Climate & ESG.	Short-term Medium-term Long-term



S#	Material Topics	Opportunities	Time Horizon of Impact
5	Financial Crime Prevention	Enhances reputation by demonstrating commitment to ethical business practices, attracting socially conscious clients.	Medium-term
		Proactively meeting regulatory requirements shows strong corporate governance and compliance.	Medium-term
		Demonstrates long term sustainability and responsible management, aligning with ethical business practices.	Long-term
		Contributes to broader social goals by supporting anticrime initiatives and protecting customers.	Long-term
6	Human Rights	Demonstrates commitment to ethical practices and social responsibility, building trust with stakeholders.	Medium to long-term
		Promotes a positive work environment, enhancing employee satisfaction and retention.	Medium-term
		Supports social goals, contributing to fair and equitable opportunities for all communities.	Medium-term
		Strengthens the Bank's reputation as a responsible, ethical institution, attracting socially conscious investors.	Long-term
		Demonstrates long-term sustainability by aligning with global human rights standards and ensuring fair practices.	Long-term
Contributes to global human rights initiatives, enhancing corporate social responsibility and public image.	Long-term		
7	Employee Engagement and Work Culture	Promotes a positive work environment, improving employee satisfaction and retention.	Medium to long-term
		Enhances organizational reputation by fostering a culture of inclusivity, diversity, and fairness.	Medium to long-term
		Drives higher productivity, innovation, and overall business success by fostering a motivated and engaged workforce.	Medium to long-term
		Strengthens employee loyalty and commitment, which can improve organizational stability.	Medium to long-term
		Contributes to a positive ESG reputation, reflecting strong governance and social responsibility.	Medium to long-term
8	Technology Resilience	Strengthens trust with customers by ensuring data protection and secure financial transactions.	Medium-term
		Enhances business continuity by implementing resilient systems that minimise operational disruptions.	Medium-term
		Promotes a positive ESG reputation by demonstrating proactive measures to protect user data and privacy.	Long-term

S#	Material Topics	Opportunities	Time Horizon of Impact
9	Fair Treatment of Customers	Builds customer trust and loyalty by providing transparent, ethical, and equitable services.	Medium-term
		Enhances brand reputation by demonstrating a commitment to customer rights and social responsibility.	Long-term
		Strengthens long-term customer relationships by offering fair products, services, and treatment.	Medium-term
		Promotes a positive workplace culture focused on customer centric values, which can enhance employee satisfaction.	Long-term
		Demonstrates strong governance by adhering to customer protection laws and ethical business practices.	Long-term
10	Green Business Facilitation	Offering sustainability-linked products help tap into the growing market of responsible investors and clients seeking to align their financial decisions with sustainability goals.	Medium-term
		By leading the development of green finance products in Pakistan, the Bank can position itself as a pioneer in sustainable Banking, increasing its visibility and competitive edge.	Medium-term
		Sustainability-linked products, such as green bonds or loans, can offer favourable terms to clients who meet certain sustainability criteria, attracting more clients and boosting Bank's profitability while promoting environmental goals.	Long-term
11	Own Impact Reduction - Energy and Material Resource Efficiency	Reducing energy and resource consumption leads to operational efficiencies, lowering costs and improving profitability.	Medium-term
		Strengthens Bank's reputation as a sustainable and socially responsible Bank.	Long-term
		Increase the opportunity to attract investors who prioritise sustainability.	Long-term
12	Carbon Footprint Assessment (Greenhouse Gases (GHG) Emissions Inventory)	By improving energy efficiency and reducing emissions, the Bank can lower operational costs, enhance its sustainability performance and resilience.	Long-term
		By quantifying carbon footprint, the Bank can proactively manage Climate-related financial risks, improve risk management strategies.	Medium-term
		Accurately measuring carbon emissions allows the Bank to set clear, measurable sustainability targets, track progress.	Medium-term
		By transparently measuring and reporting its carbon footprint, the Bank can build trust with stakeholders, enhance its reputation as a responsible institution, and attract sustainability-focused investors and customers.	Long-term

S#	Material Topics	Opportunities	Time Horizon of Impact
13	Climate and ESG Data Collection, Aggregation, Analysis, Reporting and Disclosures	Comprehensive data aggregation and analysis can lead to valuable insights for improving sustainability initiatives and reducing costs.	Medium-term
		Implementing robust data collection and reporting systems can ensure accurate, consistent, and reliable environmental data.	Long-term
		Enables the Bank to track progress more effectively, demonstrate measurable impact, and provide transparent, data-driven reports to stakeholders, strengthening credibility and supporting informed decision-making.	Long-term
14	Climate Scenario Analysis and Climate Stress Testing	By integrating comprehensive scenario planning, the Bank can better anticipate and prepare for potential risks, enhancing its resilience and ability to adapt to changing environmental and regulatory conditions.	Long-term
		Implementing a proactive approach to Climate risk identification and mitigation allows the Bank to develop contingency plans and adaptive strategies, minimizing potential financial instability.	Long-term
		Understanding Climate risks stress in different scenarios would improve Bank's credibility and demonstrate a strong commitment to sustainability and responsible practices.	Long-term
15	Integration of Climate and E&S Risks into Market, Liquidity and Operational Risks	Incorporating Climate, E&S risks into broader risk management frameworks enables a Bank to better identify and mitigate potential financial threats.	Long-term
		By considering Climate & E&S factors in decision-making, a Bank can align with global best practices, improve long-term financial stability, and safeguard against emerging risks.	Long-term
		Integrating Climate, E&S risk factors into key risk management areas demonstrates Bank's commitment to sustainability, fostering trust among investors, clients, and regulators	Long-term
16	Regulatory Compliance	Compliance with Climate & ESG requirements enhances Bank's reputation as a responsible financial institution, which can attract investors and clients.	Medium-term
		Proactive adherence to regulations helps the Bank avoid costly penalties and litigation, ensuring long-term financial stability and protecting its profitability.	Medium-term
		Staying ahead of regulatory changes allows the Bank to streamline operations, adapt to new requirements swiftly, and maintain business continuity without disruptions.	Long-term

S#	Material Topics	Opportunities	Time Horizon of Impact
17	Diversity, Equity and Inclusion (DE&I)	A diverse workforce brings varied perspectives, leading to improved decision-making, creativity, and innovation in products and services.	Medium-term
		Prioritizing DEI fosters a positive workplace culture, improving employee engagement and retention.	Long-term
		DEI attracts socially conscious clients and investors who prioritise equality and diversity.	Long-term
18	Corporate Governance	Effective corporate governance would enhance the Bank's brand value among stakeholders.	Medium-term
		Effective and compliant corporate governance can have a positive impact on earnings.	Long-term
19	Vendor and 3rd Party Climate and E&S Risk Assessment	Engaging compliant vendors and 3rd parties would meet the prevailing regulatory requirements and will likely be viewed positively by stakeholders including investors	Long-term
20	CSR - related Activities	Effective and targeted CSR activities will be viewed positively to the stakeholders including potential investors as it would be viewed as giving back to the community	Medium to long-term

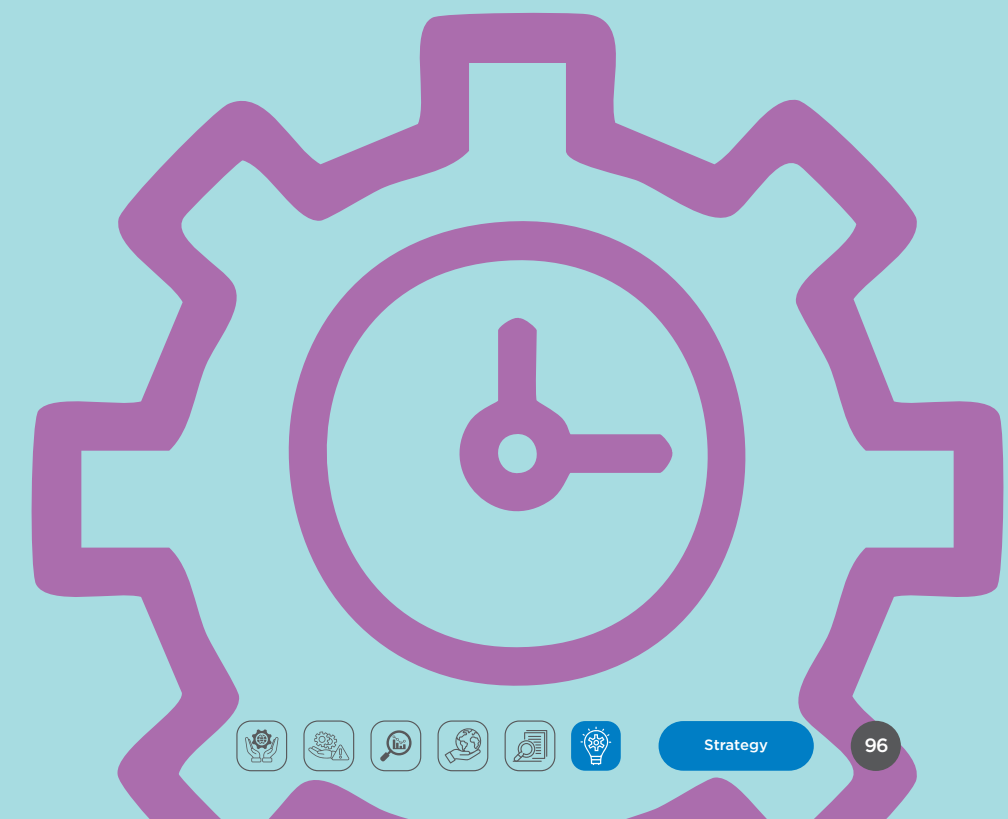
Legend:

Time Horizon:

Short-term: up to 1 year - this is the typical time-period usually expected by regulators such as SBP for review of key governing documents such as credit strategy, ICAAP, etc.

Medium-term: 2 to 3 years - this is the typical time-period usually expected by regulators such as SBP to review of key governing and process documents such as policy, procedures, etc.

Long-term: 4 to 5 years - this is the typical time-period usually expected by regulators such as SBP to devise forward looking, Bankwide strategies.



Updates on Material Priorities

S#	Material Areas	Status in 2024	Progress in 2025	Comments
1	ESG Risk Management & Governance Framework	75%	85 %	Key components of the framework have been completed including ESG Appetite, Strategy, Policy, Governance Framework, Procedural Manual, Risk Assessment Methodology and model, capacity building of key resources and disclosure of non-financial ESG data.
2	Climate related financial risk management framework	-	10%	Bank has begun Climate risk screening of its credit exposures, as well as reporting to board and management committees on its progress status.
3	Integration of Climate, Environmental & Social Risks into Credit Risk Assessment	60%	70%	Environmental and Social Due Diligence have been incorporated into Bank credit assessment process for New-to-Bank and Existing-to-Bank clients through a phased approach, starting with domestic corporate, followed by international portfolios, and subsequently SME and Climate segments initiated from September 2025.
3	Green Business Facilitation	-	20% (Domestic) 0% (International)	The Bank has been financing green projects including solar, wind, biomass and hydro renewable energy projects and ESG-linked products including Urooj Account, Freelancer Digital Account, Good Citizen Account, UBL IZanagi Account and Cash Plus. Facilitation for electric vehicle financing has also been initiated.
4	Carbon Footprint Assessment (Greenhouse Gases (GHG) Emissions Inventory)	20%	65%	The Bank has initiated Green Branch Certification. The Scope 1, Scope 2 and selected Scope 3 emissions including employee commuting and business travel have been calculated (estimated). Financed emissions assessment remains limited due to partial client data availability.
5	Own Impact Reduction - Energy and Material Resource Efficiency	40%	50%	UBL is dedicated to minimizing its environmental impact and enhancing resource efficiency through a structured framework that monitors resource consumption, including electricity, water, and paper in its offices and branches. Key initiatives include: Green Branches/Offices: Designating certain branches as 'green' based on sustainability criteria, such as the use of renewable energy and energy-efficient.

S#	Material Areas	Status in 2024	Progress in 2025	Comments
				UBL is implementing a structured framework to monitor electricity, water and paper consumption. Data collection from multiple branches has been completed and further expansion is in progress. Green branch development and resource efficiency initiatives are ongoing. Impact Reduction Targets: Establishing a baseline for resource consumption to measure future performance. Business Process Re-engineering: Rethinking operations to improve energy efficiency, reduce paper usage, and promote digital media to foster a green culture. Green Advisory Service: Providing clients with advice on environmentally friendly alternatives and resource-efficient practices. Sustainable Lending & Investment Framework: Prioritizing financing for environmentally positive projects to align lending practices with sustainability goals.
6	Integration of Climate and E&S Risks into Market, Liquidity and Operational Risks	-	10%	Initiate departmental coordination and progress integration of E&S factors across risk frameworks.
7	Climate Scenario Analysis and Climate Stress Testing	-	25%	Climate scenario analysis and stress testing is under development with ongoing departmental coordination.
8	Climate and ESG Data Collection, Aggregation, Analysis, Reporting and Disclosures	50%	55%	The Bank is enhancing its data aggregation and reporting capabilities, integrating both financial and non-financial information. Efforts are underway to improve qualitative data collection and align disclosures with IFRS and GRI standards.
9	Diversity, Equity and Inclusion (DE&I)	-	70%	UBL actively promoting an inclusive workplace and prevents discrimination and harassment.
10	Capacity Building on Climate and ESG aspects	-	40%	Ongoing training is being delivered to staff on environmental and social risks and regulatory expectations.
11	Employee Engagement and Work Culture	-	70%	UBL is focusing on employee engagement and cultivating an inclusive and motivating workplace culture.
12	Human Rights	-	70%	UBL follows the UN Universal Declaration of Human Rights, ensuring employee dignity, equality, freedom, and security. Policies prohibit discrimination and harassment.

S#	Material Areas	Status in 2024	Progress in 2025	Comments
13	Regulatory Compliance	-	50%	UBL ensures compliance with all relevant regulations and legal requirements as part of its operations.
14	Financial Crime Prevention	-	80%	UBL has implemented a Financial Crime Compliance framework including transaction monitoring, sanctions screening, AML policies, and anti-fraud programs. Annual staff training is ongoing.
15	Fair Treatment	-	80%	UBL deals with Fair Treatment of Customers (FTC) through its Consumer Protection Framework, which ensures that all customers are treated fairly and equitably. Some key aspects of this framework include: <ul style="list-style-type: none"> • High-Quality Products and Services: • Transparent Information • Encouragement of Questions: • Adherence to Expectations: • Notice of Changes: • Protection of Personal Information: • Effective Grievance Redressed
16	Technology Resilience (including Cyber Security)	-	75%	UBL emphasizes the importance of having a robust Business Continuity Program to ensure the continuity of operations during disruptive events. This includes having contingency plans in place and ensuring that the necessary resources, infrastructure, and procedures are established for effective crisis management. <p>Additionally, UBL has implemented various cybersecurity measures and incident response plans to protect against potential threats and vulnerabilities. This includes regular testing of these plans, using secure cryptographic algorithms for data protection, and ensuring that cloud service providers maintain strict data confidentiality and integrity.</p>
17	Products & Services' Climate and E&S Risk Analysis	20%	20%	Baseline assessment of products and services from E&S risk perspective is in progress.
18	Corporate Governance	-	70%	Baseline assessment of products and services from E&S risk perspective is in progress.
19	Vendor and 3rd Party Climate and E&S Risk Assessment	-	10%	Baseline assessment of products and services from E&S risk perspective is in progress.
20	CSR - related Activities	-	40%	CSR initiatives will be progressively aligned with SDGs in upcoming cycles.

Operational Sustainability

UBL is committed to reducing greenhouse gas emissions arising from our own operations through a structured approach focused on energy efficiency, increased adoption of renewable energy, responsible procurement practices and improved waste and resource management. By optimizing operational processes and investing in sustainable infrastructure, UBL aims to enhance resource efficiency while progressively lowering its operational carbon footprint.

Governance and Risk Management

UBL continues to strengthen its ESG governance framework by systematically embedding Climate-related risks and opportunities into enterprise-wide decision-making processes. Climate considerations are integrated across strategic planning, risk assessment and oversight functions to ensure alignment with the Bank's defined ESG risk appetite. This proactive approach enables UBL to effectively identify, assess, and manage emerging Climate-related risks while maintaining robust governance standards.

Client engagement strategy

UBL adopts a structured client engagement approach focused on identifying and engaging with its highest financed emitters to support the development of credible and science-aligned transition plans. The Bank leverages sustainability-linked financing instruments and clearly defined key performance indicators (KPIs) to incentivize measurable emissions reductions, enhance Climate transparency, and strengthen clients' governance frameworks related to sustainability.

Financed emissions reduction pathway using scenarios from Network for Greening the Financial System

UBL's financed emission reduction pathway is guided by scenarios derived from the Network for Greening the Financial System (NGFS). These scenarios guide portfolio stress testing, risk management, and long-term alignment with a 1.5°C Net Zero 2050 trajectory. By

incorporating forward-looking Climate scenarios, UBL aims to enhance portfolio resilience while supporting the transition to a low-carbon economy.

Forward-Looking Statement

UBL’s transition to a low-carbon economy is progressive and risk-aligned. The Bank continues to enhance governance, risk management, disclosures, and financing practices in line with SBP, SECP ESG Guidelines, IFRS, GRI and applicable regulatory frameworks as well as evolving global standards, while acknowledging structural and market constraints within the domestic context.

Nature & Biodiversity Risk Assessment

Recognizing the intrinsic link between natural systems and financial stability, UBL is enhancing its environmental risk management to include biodiversity and nature-related risk assessments. Biodiversity loss, driven by land conversion, water stress, pollution and ecosystem degradation, poses material financial and reputational risks to our clients, supply chains and financed activities.

Material Nature-Related Risks Identified

Through our materiality process and sector analysis, UBL has identified the following nature-centric risk areas:

Risk Type	Definition	Relevance to UBL
Biodiversity Loss	Decline in species & ecosystem health	Credit risk for agriculture, extractives, forestry clients
Water Stress & Scarcity	Water demand exceeds renewable supply	Operational & supply risk in textiles, food processing, cement
Deforestation/Forest Degradation	Loss of natural forest cover	Supply chain risk for commodities
Soil Degradation	Loss of soil productivity/erosion	Impacts long-term agricultural finance performance
Pollution & Habitat Disruption	Air, water and land contamination	Regulatory and liability risk exposure

Biodiversity Integration into Risk & Credit Framework

UBL will progressively integrate nature-related risk into:

- Credit risk assessment tools
- Sector policies
- Pricing and covenanted financing
- Client engagement and transition planning

For high-risk sectors, nature-related performance covenants may be introduced.

Future Alignment: TNFD & International Frameworks

UBL commits to ongoing alignment with the Taskforce on Nature-related Financial Disclosures (TNFD) and intends to align its prospective disclosures with TNFD provisions.





Surveying Risk With Grounded Precision



Sustainability in action



- Governance
- Strategy
- Risk Management**
- Metrics & Targets
- Corporate Social Responsibility
- Reporting and Disclosures

Risk Management



UBL maintains a comprehensive Risk Management Framework designed to identify, assess, and manage material risks across its operations and portfolio. The Board of Directors provides overall oversight, ensuring that risk governance structures, policies, and strategic risk appetite remain aligned with the Bank's long-term objectives and regulatory expectations. Through clearly defined governance mechanisms and management committees, UBL embeds prudent risk management practices across all business and support functions to safeguard financial stability and operational resilience.

In line with its commitment to sustainable and responsible Banking, UBL integrates environmental, social, and Climate-related risks into its enterprise-wide risk management processes. Structured Environmental, Social, and Climate Risk Assessments are conducted at client onboarding and periodically throughout the client lifecycle. This enables the Bank to proactively identify, evaluate, monitor, and mitigate emerging risks, while ensuring alignment with applicable regulatory requirements and evolving international best practices.

Supported by independent oversight functions and specialized risk teams, UBL continuously strengthens its risk culture, internal controls, and monitoring mechanisms. This integrated approach not only protects asset quality and enhances portfolio resilience but also reinforces stakeholder confidence and supports the Bank's strategy for sustainable growth.



ESG & Climate Risk Management and Governance Framework

ESG Risk Management and Governance Framework establishes a structured approach for overseeing and managing Environmental, Social and Climate risks within an organisation. It involves a system of governance where senior management, such as the management risk committee, plays a key role in reviewing and evaluating ESG policies and practices.

The framework ensures that ESG & Climate considerations are embedded into the organization's decision-making at all levels, with the highest governance body, typically the Board of Directors, ultimately responsible for overseeing ESG & Climate risk management. This structure helps ensure that ESG issues are adequately addressed, aligned with corporate goals, and compliant with legal and regulatory requirements, promoting transparency, accountability and long-term sustainability.

The Bank has integrated ESG & Climate risk assessment into its credit risk management for lending and investment Banking clients. As part of the ongoing ESG & Climate risks assessment of its lending and investment Banking clients, the Bank also advises the clients on improving their ESG & Climate risk management.

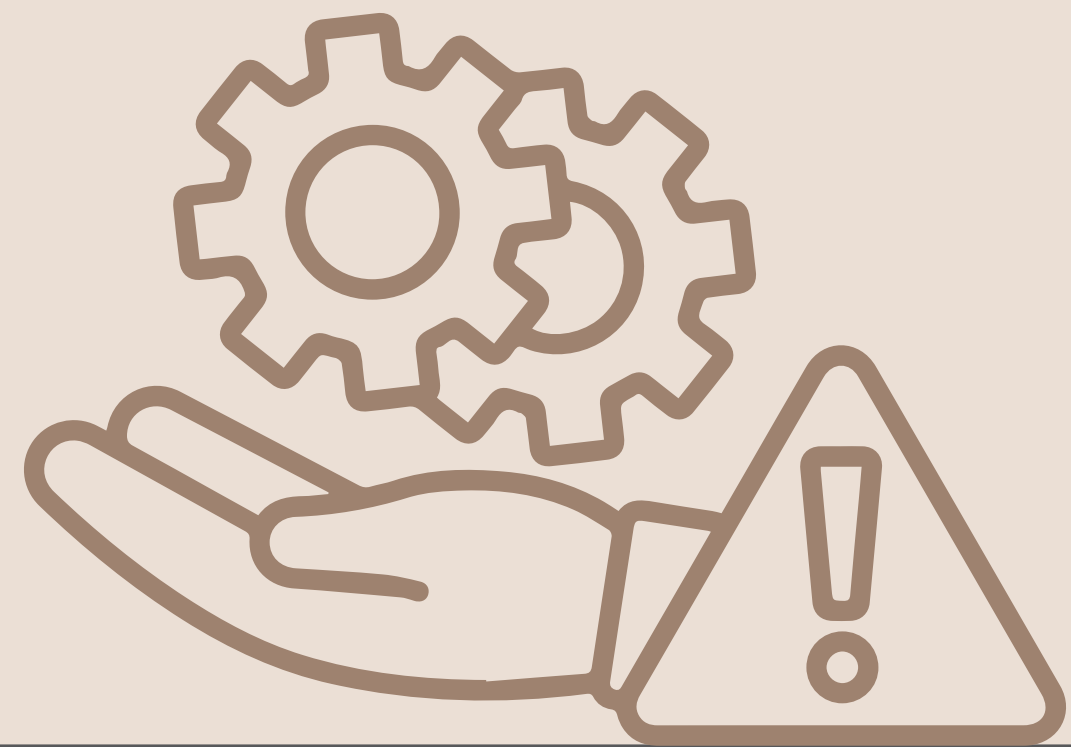
The E&S and Climate risk related activities are being financed by Bank's own resources. The renewable energy financing has both Bank's own financing and SBP renewable energy financing scheme. The Bank plans to continue resourcing its risk management activities from its financial pool and to enhance green and sustainable financing through own source as well as regulators' and market-incentivized.

The Bank evaluates the impact of Climate-related risks and opportunities on its financial position over the short, medium, and long term, considering its strategy, risk management approach and planned investments accordingly.

Early identification of Climate-sensitive exposures enables improved risk differentiation, pricing and portfolio resilience. Overall, effective management of Climate-related risks enables UBL to mitigate potential financial impacts while positioning the Bank to benefit from evolving market demand for Climate-aligned financial services.

UBL has begun systematically integrating Climate-related risks and opportunities into its strategic planning and decision-making processes. The Bank has established a set of environmental and Climate-related targets focused on reducing its own operational footprint, strengthening Climate risk management and supporting the transition to a lower-carbon economy through sustainable financing. These targets are aligned with regulatory expectations and are periodically reviewed to ensure continued relevance and effectiveness.

In parallel, UBL has initiated the identification and assessment of Climate-related risks, including transition and physical risks, across its operations and financing activities. Climate considerations are increasingly embedded into credit evaluation, portfolio monitoring and risk governance frameworks. To capture Climate-related opportunities, the Bank has expanded its green financing offerings, including the provision of green loans to support renewable energy projects such as solar and biomass. These financing initiatives contribute to emissions reduction, energy resilience and sustainable economic growth, while also supporting the Bank's long-term business objectives.



Environmental, Social & Climate Risk Assessment Process

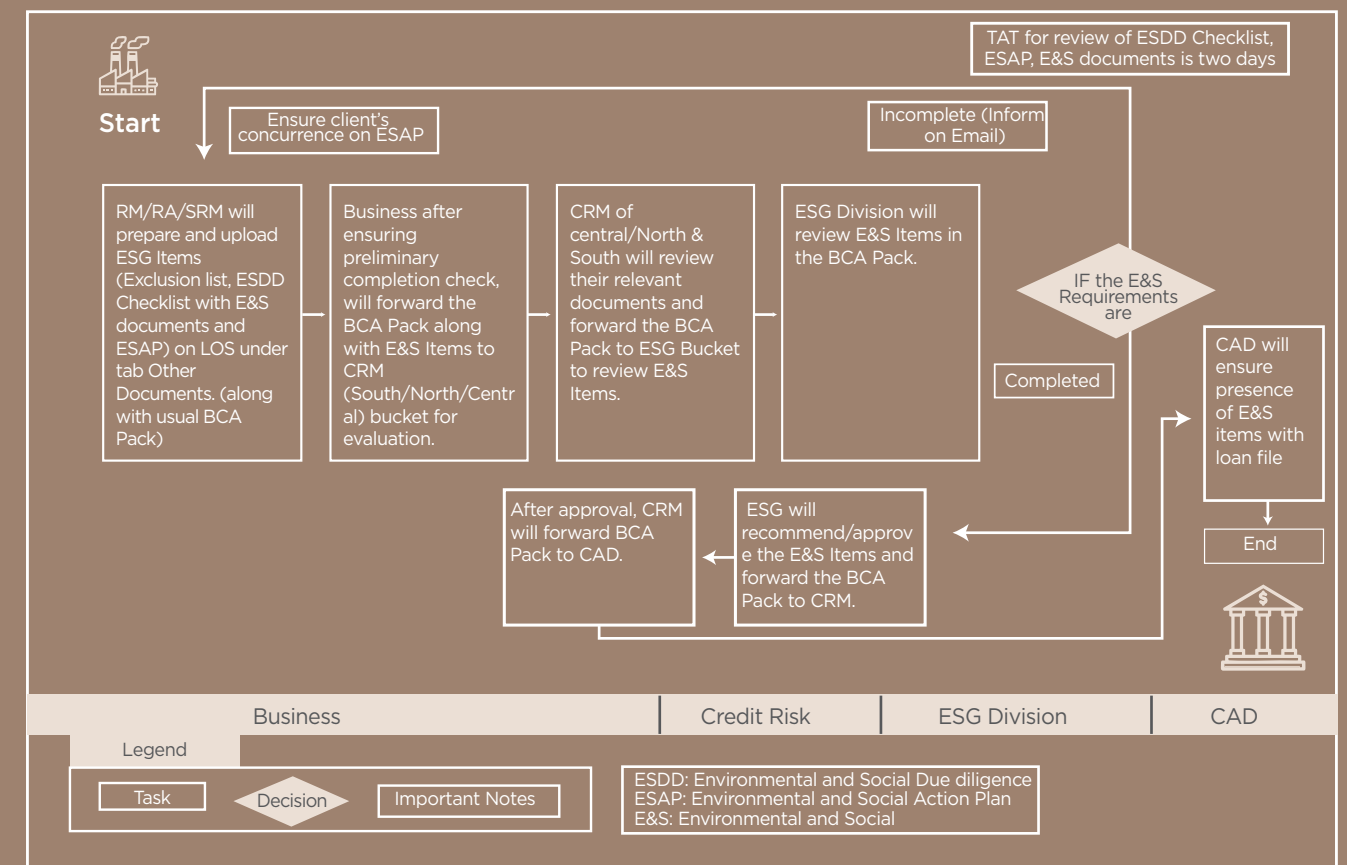
The Bank's risk management process for identifying, assessing, prioritizing and monitoring environmental, social and Climate risks is integrated into the credit risk management framework. This process is applied at both client onboarding and credit renewal stages to ensure risk monitoring.

The process involves continuous coordination among the ESG Division, Business, Credit Risk Management and Credit Administration departments. It begins with the identification of documentary requirements necessary to assess customers' and borrowers' environmental and social (E&S) risk status and Climate risk profile. These assessments take into account the client's sector, nature of operations, and the inherent environmental, social, and Climate risks associated with the relevant sector.

UBL follows a structured risk assessment process to identify, assess and manage environmental, social and Climate risks across its financing activities. This process is embedded within the Bank's credit risk framework to ensure consistent, informed and responsible decision-making.

On the basis of obtained documents, the risks are assessed through set of checklists, namely:

1. **Exclusion checklist** – to consider that customer/borrower is not engaged in unlicensed or prohibited activities from environmental & social perspective
2. **E&S Due Diligence Checklist** – to assess the E&S risk of customer/borrower through set of questions covering;
 - a. Environmental permits, stakeholders' grievances, ecological sensitivity, air, noise and water pollution, waste management, labour and community health and safety and community engagement
 - b. At the completion of the checklist, E&S Risk Rating (Low/Medium/High) is generated of the respective borrower/customer, primarily based on the availability of relevant material E&S Documents pertaining to nature of its operations
3. **Climate Risk Assessment Checklist** – to assess the Climate risk of customer/borrower through set of questions covering;
 - a. Strategic level integration, vulnerability to physical & transition risks, mitigation & adaptation measures, Climate transition plan and GHG emissions
 - b. At the completion of the checklist, borrower/customer is assigned the Climate risk score and the corresponding Climate risk rating (Low/Medium/High)



Monitoring of E&S risks and Climate risk is carried out at credit renewals in accordance with the following approach;

For E&S risks, based on the initial/previous E&S screening, updated documents are sought from borrower/customer. On the basis of obtained documents, Supervision Checklist is filled, reflecting updated status of E&S aspects. On the completion of checklist, the respective borrower/customer is assigned updated E&S risk rating.

For Climate risk, updated Climate/Sustainability report/Profile is sought from the borrower/customer. On the basis of obtained documents, Climate Risk Assessment Checklist is updated to reflect actual status of Climate risk aspects. On the completion of checklist, the respective borrower/customer is assigned updated Climate risk score and risk rating.

Indicative risk assessment matrix

An indicative risk assessment matrix for major sectors is presented below to enable a consistent and structured evaluation of sector-specific environmental, social, and Climate risks. This matrix supports early risk identification, prioritization and informed decision-making by reflecting the inherent risk profile of each sector, thereby guiding the level of due diligence, risk mitigation measures and ongoing monitoring required in line with risk appetite (Exclusion List).

Sector	Textile	Power	Oil & Gas Exploration, Distribution & Refinery	Oil & Gas Marketing	Information Technology & Telecommunication	Sugar & Allied	Chemicals & Pharmaceuticals	Real Estate & Contracting
Inherent E&S Risk	Medium to High	Medium to High	Medium to High	Medium to High	Low to Medium	Medium to High	Medium to High	Medium to High
Inherent Climate Transition Risk	Medium to High	Medium to High	Medium to High	Medium to High	Low to Medium	Low to Medium	Medium to High	Medium to High
Inherent Climate Physical Risk	Low to Medium	Medium to High	Medium to High	Low to Medium	Low to Medium	Low to Medium	Low to Medium	Low to Medium
Indicative Required Documents	1. Environmental (NOCs/permits, monitoring reports, ISO certificates, Waste management plan)	1. Environmental (NOCs/permits, Explosives license, monitoring reports, Waste management plan)	1. Environmental (NOCs/permits, Explosives license/hazardous permit, monitoring reports, ISO certificates, Waste management plan)	1. Environmental (NOCs/permits, Explosives license, monitoring reports, ISO certificates, Waste management plan)	1. Social (Registration/Incorporation Certificate, Labor and Emergency Management Plan)	1. Environmental (NOCs/permits, monitoring reports, Waste management plan)	1. Environmental (NOCs/permits, monitoring reports, ISO certificates, Waste management plan)	1. Environmental (Environmental Permit, monitoring reports)
	2. Social (Labor Registration, Inspection book, HSE Policy, Civil defense permit, Emergency management plan)	2. Social (NEPRA license, Inspection book/labor safety plan, HSE Policy, Fire & Emergency management plan)	2. Social (OGRA license, Inspection book/labor safety plan, HSE Policy, Fire & Emergency management plan)	2. Social (OGRA license, Inspection book/labor safety plan, HSE Policy, Fire & Emergency management plan)	2. Climate (Sustainability/ESG /Integrated Annual Report)	2. Social (Labor Registration, Inspection book, HSE Policy, Civil defense permit, Emergency management plan)	2. Social (Labor Registration, Inspection book, HSE Policy, Civil defense permit, Emergency management plan)	2. Social (Fire insurance, Civil defense, Emergency response plan)
	3. Climate (Sustainability/ESG /Integrated Annual Report)	3. Climate (Sustainability/ESG /Integrated Annual Report)	3. Climate (Sustainability/ESG /Integrated Annual Report)	3. Climate (Sustainability/ESG /Integrated Annual Report)		3. Climate (Sustainability/ESG /Integrated Annual Report)	3. Climate (Sustainability/ESG /Integrated Annual Report)	3. Climate (Sustainability/ESG /Integrated Annual Report)

Climate Risk Management



Transmission Channels

Climate risks can manifest to financial risks through various transmission channels as depicted below:

Climate Financial Risks Perspective UBL						
Type of Climate Risk	Climate Risk Drivers	Transmission Channels	Credit Risk	Market Risk	Liquidity Risk	Operational risk
Physical (Acute & Chronic)	<ul style="list-style-type: none"> Urban Floods Riverine Floods Storms Storm Surge Heatwaves Wildfires Temperature Rise Sea-level Rise Variability of Precipitation Droughts Landslides 	<ul style="list-style-type: none"> Corporates SMEs & Rural Consumers 	<ul style="list-style-type: none"> Potential NPLs Potential damage to physical collateral resulting in loss of collateral value 	Potential reduction in value of financial assets	<ul style="list-style-type: none"> Potential increase in cash withdrawals reduction in liquidity buffers 	<ul style="list-style-type: none"> Potential disruption to operations Damage to physical assets Disruption to supply chain
		<ul style="list-style-type: none"> Stocks Currencies Commodity prices Corporates SMEs & Rural Consumers Direct 				
Transition (Policy & Legal, Market, Technology)	<ul style="list-style-type: none"> Climate mitigation & adaptation Policies /Regulations, Pressure from Investors & Consumers, Technological change 	<ul style="list-style-type: none"> Corporates SMEs & Rural Stocks Currencies Commodity prices Corporates SMEs & Rural Consumers Direct 	<ul style="list-style-type: none"> Potential NPLs in carbon-intensive sectors 	Potential reduction in value of financial assets	<ul style="list-style-type: none"> Reduction in ability to raise funds or liquidate assets 	<ul style="list-style-type: none"> potential loss of clientele /investment avenues Increased costs of solarization & energy efficiency Narrower vendor pool

We are currently initiating two pronged approach for assessing sectors and geographies for Climate risk, namely Inherent Climate Risk Assessment and Actual Climate Risk Assessment; they are described briefly below:

Inherent Climate Risk Assessment

Geographies (Physical Risk)

This assessment is based on publicly available historic literature on vulnerability and impacts of Climate change, not limited to;

1. District reports (vulnerability profile)
2. District maps showing proximity to water bodies (potential for floods, storms, etc.)
3. Terrain maps showing varying terrain (potential for flash floods, urban floods, hill torrents)
4. News reports about past climatic events (vulnerability based on probability of occurrence)

Consequently, the respective district is assigned risk rating.

Sectors (Physical Risk)

The inherent Physical Risk for a particular sector is assessed based on the published information of its following aspects;

1. Level of sector's dependency on geographical footprint
2. Nature of sector's supply chains to climatic events
3. Vulnerability of sector's supply chains to climatic events

Consequently, the respective sector is assigned risk rating.

Inherent Climate Transition Risk

The inherent Transition Risk for a particular sector is assessed based on the published information of its following aspects;

1. Carbon Intensive (emitting significant/substantial Greenhouse Gas (GHG) Emissions)
2. Energy Intensive (Consuming significant amount of energy)
3. Resource intensive (Consuming significant amount of material resource)

Consequently, the respective sector is assigned risk rating.

The Bank has initiated Climate risk assessment of its lending and investment Banking clients/borrowers. Client is asked to provide its most recent Sustainability report/ESG report/integrated annual report or any other material related to Climate risk assessment. Based on the provided material/info, an internally-designed Climate Risk Assessment checklist is filled. Checklist contains questions covering Physical risk and Transition risk.

Each client is then assigned Climate risk score and Climate risk rating in accordance with following table;

Actual Risk Score	Sectoral Vulnerability	Climate Risk Rating
31 - 45	Least Vulnerable	Low
16 - 30	Moderately Vulnerable	Medium
0 - 15	Most Vulnerable	High

Profile of Environmental, Social and Climate Risks in Key Sectors and Geography

Risk exposures for sectors and geographies which have undergone screening for environmental, social and Climate risks have been tabulated in sections below.;

Sectoral Profile based on E&S and Climate Risks (PAKISTAN):

PAKISTAN							
Key Sectors	Inherent E&S Risk (High/Medium/Low)	Total Exposure (%)*	E&S Screened Exposure (%) *	Actual E&S RISK (Low/Medium/high)	Inherent Climate Risk (Low/Medium/high)	Climate Screened Exposure (%) *	Actual Climate RISK (Low/Medium/High)
Automobile/Transportation	Medium-high	3	87	Low - Medium	Medium-high	1	Medium
Cement	Medium-high	2	95	Low	Medium-high	2	Medium
Chemical & Pharmaceuticals	Medium-high	3	53	Low	Medium-high	35	Medium
Electronics & Electrical Appliances	Low-Medium	2	46	Low	Low - Medium	18	Medium
Production/Transmission of Energy (Power)	Medium-high	6	70	Low - Medium	Medium-high	1	Medium
Sugar & Allied	Medium-high	4	70	Low - Medium	Low - Medium	32	Medium
Textile	Medium-high	13	70	Low - Medium	Medium-high	15	Medium

* These are provisional figures as of December 2025.

UBL's portfolio across Pakistan reflects varying degrees of environmental, social and climate risk exposure across key sectors, as identified through the Bank's E&S and Climate screening processes under its ESRM framework. Textile remains the largest exposure within the screened portfolio at 13%, followed by Production/Transmission of Energy (Power) at 6% and Sugar & Allied at 4%.

While most sectors carry an inherent E&S risk classification of Medium-high, screening outcomes indicate that actual E&S risk across the portfolio has been moderated to Low or Low-Medium levels, reflecting the effectiveness of risk mitigation measures embedded through the Bank's ESDD process. Climate risk exposure follows a comparable trend, with sectors largely retaining a Medium-high inherent classification while reflecting an Actual Climate Risk rating of Medium following assessment.

E&S screening coverage during the period ranged between 46% and 95% across sectors, while climate-specific screening coverage remained comparatively limited, ranging between 1% and 35%. Strengthening climate risk assessment coverage across the portfolio remains a priority area going forward. Figures relating to environment, social and climate screened exposure are provisional as of December 2025.

Geographical Risk Profile (PAKISTAN)

PAKISTAN					
Key Regions	Total Exposure %	E&S Screened Exposure (%)*	Geographic E&S Risk Profile by Districts Exposure (%)	Climate Screened Exposure (%)*	Geographic Climate Risk Profile by Districts (selected Districts) Exposure (%)*
Karachi	52	36	Low-medium	13	Medium
Lahore	33	22	Low-medium	2	Medium
Islamabad	28	22	Low	-	-
Faisalabad	3	6	Low	4	Medium
Multan	3	0.1	Low	23	Medium

* These are provisional figures as of December 2025.

UBL's geographical risk profile across the Pakistan portfolio continues to reflect a significant concentration in the nation's primary industrial and commercial hubs. Karachi remains the Bank's largest exposure at 52% of the total portfolio, of which 36% has been screened for E&S risk, reflecting an overall E&S risk profile of Low-medium. Lahore and Islamabad follow, contributing 33% and 28% to total exposure respectively, both with 22% E&S screened exposure - Lahore retaining a Low-medium E&S risk profile and Islamabad reflecting a Low risk profile, consistent with the high concentration of corporate and SME activity in these regions. Faisalabad and Multan together represent a smaller 6% share of UBL's total exposure, with Faisalabad's E&S screened exposure (6%) marginally exceeding its overall exposure share.

In terms of climate risk screening coverage, the pattern shifts considerably from total exposure concentration. Despite carrying the largest share of the portfolio, Karachi's climate screened exposure stands at only 13%, while Multan - just 3% of total exposure - records the highest climate screening coverage at 23%. Lahore and Faisalabad show comparatively limited climate screening coverage at 2% and 4% respectively, and climate screening for Islamabad has not yet been completed. Where assessed, Climate Risk across districts is uniformly classified as Medium. Going forward, UBL is prioritizing the extension of climate risk screening coverage, particularly within Karachi and Lahore.

Sectoral Profile based on E&S and Climate Risks (UAE):

UAE							
Key Sectors	Inherent E&S Risk (High/Medium/Low)	Total Exposure (%)*	E&S Screened Exposure (%)*	Actual E&S RISK (Low/Medium/high)	Inherent Climate Risk (Low/Medium/high)	Climate Screened Exposure (%)*	Actual Climate RISK (Low/Medium/High)
Aviation/Shipping	Medium-high	1	100	Low	Medium-high	100	Medium
Commercial Real Estate	Low-medium	38	61	Low	Low-medium	37	Medium
Contracting	Medium-high	17	61	Low-medium	Medium-high	61	Medium
General/Other Trading	Low	12	99	Low	Low	69	Medium
Government /Semi-Government/Autonomous Bodies	Low-medium	14	35	Low	Low-medium	13	Medium
Manufacturing, fabrication, processing	Medium-high	2	65	Low	Medium-high	44	Low
Power	Medium-high	2	38	Low	Medium-high	-	-

* These are provisional figures as of December 2025.

UBL's sectoral exposure within the UAE portfolio remains concentrated in Commercial Real Estate, Contracting, and Government/Semi-Government entities, which together represent the bulk of the Bank's exposure in this geography. Commercial Real Estate constitutes the largest exposure at 38% of the portfolio, carrying a Low-medium Inherent E&S Risk classification, with 61% of this exposure screened and an Actual E&S Risk of Low. Contracting (17%) and Government/Semi-Government/Autonomous Bodies (14%) follow, both reflecting elevated inherent risk classifications - Medium-high for Contracting and Low-medium for Government entities - with Contracting's Actual E&S Risk assessed as Low-medium following screening of 61% of its exposure. General/Other Trading, at 12% of total exposure, records the highest E&S screening coverage at 99%, with an Actual E&S Risk of Low. Aviation/Shipping and Manufacturing/fabrication/processing represent smaller exposure shares (1% and 2% respectively) but both carry Medium-high inherent risk ratings.

In terms of climate risk screening, Aviation/Shipping has achieved full (100%) coverage, the highest across all sectors, with an Actual Climate Risk of Medium. General/Other Trading follows with 69% climate screening coverage, while Contracting and Manufacturing/fabrication/processing record 61% and 44% respectively - Manufacturing notably reflecting an Actual Climate Risk of Low, the only sector to do so. Commercial Real Estate and Government/Semi-Government entities show comparatively lower climate screening coverage at 37% and 13% respectively. Climate risk assessment for the Power sector has not yet been completed, representing a gap UBL intends to address in future reporting cycles.

Sectoral Profile based on E&S and Climate Risks BAHRAIN:

BAHRAIN							
Key Sectors	Inherent E&S Risk (High/Medium/Low)	Total Exposure (%)*	E&S Screened Exposure (%) *	Actual E&S RISK (Low/Medium/high)	Inherent Climate Risk (Low/Medium/high)	Climate Screened Exposure (%) *	Actual Climate RISK (Low/Medium/High)
Individual	Low	43	100	Low	Low	-	-
Healthcare	Low-Medium	14	100	Low	Low - Medium	100	Medium
Manufacturing, Processing & Fabrication	Medium - High	14	100	Low - Medium	Medium - High	64	Medium
Other services	Low	13	100	low	Low - Medium	97	Medium

* These are provisional figures as of December 2025.

UBL's sectoral exposure within the Bahrain portfolio is predominantly concentrated in the Individual segment, which accounts for 43% of total exposure, carrying a Low Inherent E&S Risk classification and an Actual E&S Risk of Low, with full (100%) E&S screening coverage. Healthcare and Manufacturing, Processing & Fabrication each represent 14% of total exposure, while Other Services accounts for 13%. Healthcare and Other Services both carry a Low to Low-Medium Inherent E&S Risk profile with an Actual E&S Risk of Low, whereas Manufacturing, Processing & Fabrication reflects the highest inherent risk classification at Medium-High, with its Actual E&S Risk assessed as Low-Medium following screening. E&S screening coverage is complete (100%) across all four sectors.

In terms of climate risk, Healthcare reflects full (100%) climate screening coverage, with an Actual Climate Risk of Medium, consistent with its Low-Medium Inherent Climate Risk classification. Other Services follows closely with 97% climate screening coverage and an Actual Climate Risk of Medium, while Manufacturing, Processing & Fabrication records 64% coverage, also reflecting an Actual Climate Risk of Medium despite its higher Medium-High Inherent Climate Risk rating. Climate risk assessment for the Individual segment - despite representing the largest share of total exposure - has not yet been completed, representing a key gap for UBL to address in subsequent reporting cycles.

Sectoral Profile based on E&S and Climate Risks (QATAR):

QATAR							
Key Sectors	Inherent E&S Risk (High/Medium/Low)	Total Exposure (%)*	E&S Screened Exposure (%) *	Actual E&S RISK (Low/Medium/high)	Inherent Climate Risk (Low/Medium/high)	Climate Screened Exposure (%) *	Actual Climate RISK (Low/Medium/High)
Contracting	Medium - High	25	49	Low	Medium - High	-	-
Engineering	Medium	10	100	Low	Medium - High	-	-
Hospitality	Low - Medium	2	100	Low	Low - Medium	0.1	low
Other services	Low	4	100	Low	Low	-	-
Retail Trading	Low	24	2	Low	Low	-	-

* These are provisional figures as of December 2025.

UBL's sectoral exposure within the Qatar portfolio is led by Contracting and Retail Trading, which together account for 49% of total exposure (25% and 24% respectively). Contracting carries the highest Inherent E&S Risk classification at Medium-High, though only 49% of this exposure has been screened to date, with an Actual E&S Risk of Low. Retail Trading, despite its substantial 24% exposure share, reflects minimal E&S screening coverage at just 2%, with an Actual E&S Risk of Low based on a Low Inherent E&S Risk classification. Engineering (10%), Other Services (4%) and Hospitality (2%) represent smaller exposure shares, each with E&S screening coverage of 100% and an Actual E&S Risk of Low; Engineering carries a Medium Inherent E&S Risk, while Other Services and Hospitality reflect Low and Low-Medium classifications respectively.

In terms of climate risk, screening coverage across the Qatar portfolio remains at an early stage. Hospitality is the only sector for which climate screening has commenced, with 0.1% of exposure screened and an Actual Climate Risk of Low, consistent with its Low-Medium Inherent Climate Risk classification. Climate risk assessment for Contracting, Engineering, Other Services and Retail Trading has not yet been undertaken, despite Contracting and Engineering carrying Medium-high Inherent Climate Risk classifications. Expanding climate risk screening coverage across the Qatar portfolio - particularly for the higher inherent-risk Contracting and Engineering sectors - remains a priority for UBL going forward.

Green Financing Opportunities:

Exposure of Opportunities (Green Financing)		
S. No	Sector (sub-sector)	Exposure (%)
1	Power (Wind Energy)	36
2	Power (Solar Energy)	29
3	Power (Bioenergy)	35
4	Automobile/Transportation (Electric Vehicles)	0.1

Strategic Insights and Way Forward:



The assessment of environmental, social and Climate risk concentrations highlights clear sectoral and geographic exposure patterns across portfolios. Based on screened portfolio, in Pakistan, exposures are concentrated in textile, information technology and oil & gas sectors, while Climate-related risks are mainly concentrated in oil & gas, sugar and chemicals. Geographically, exposure is primarily centered in major economic hubs such as Karachi, Lahore, and Islamabad.

Internationally, risk concentration is similarly focused, particularly in commercial real estate, contracting and trading sectors in the UAE, with Dubai representing the largest exposure cluster. Across markets, renewable energy sectors, especially wind, bioenergy and solar, represent the strongest opportunities for sustainable financing growth.

These insights guide portfolio optimisation through diversification away from high-risk concentrations, expansion of green and transition financing and enhanced ESG screening coverage. Priority focus is placed on high-exposure sectors and regions, strengthening risk integration within credit processes and supporting clients in adopting sustainable practices.

Going forward, UBL aims to gradually rebalance sector exposure, scale sustainable finance solutions, deepen climate risk integration to enhance its portfolio resilience and long-term value creation.

Climate Risk Quantification & Capital Impact

UBL recognizes Climate change as a material financial risk with the potential to influence credit quality, asset valuations, liquidity, and capital adequacy over the medium to long term. As part of strengthening its risk management capabilities, UBL is enhancing its analytical tools to quantify both transition and physical Climate risks and to evaluate their potential implications for the balance sheet and capital position. This forward-looking approach supports prudent capital planning and portfolio resilience.

Climate Value at Risk (Climate VaR - High-Level Assessment)

UBL is progressing toward high-level Climate Value at Risk (Climate VaR) assessments to estimate potential portfolio impacts under alternative Climate scenarios. These analyses consider factors such as carbon pricing, evolving regulatory and policy frameworks, technological disruption and exposure to physical hazards. The objective is to identify sectors and counterparties that may be more vulnerable to Climate-related risks, assess concentration exposures and inform strategic risk mitigation and portfolio steering decisions.

Expected Credit Loss (ECL) sensitivity - Orderly Vs Disorderly Transition

The Bank plans to conduct sensitivity analyses on Expected Credit Loss (ECL) under both orderly and disorderly transition pathways, drawing on scenario frameworks developed by the Network for Greening the Financial System. This will enable UBL to evaluate how varying speeds and intensities of Climate transition could affect borrower creditworthiness, default probabilities and provisioning requirements.

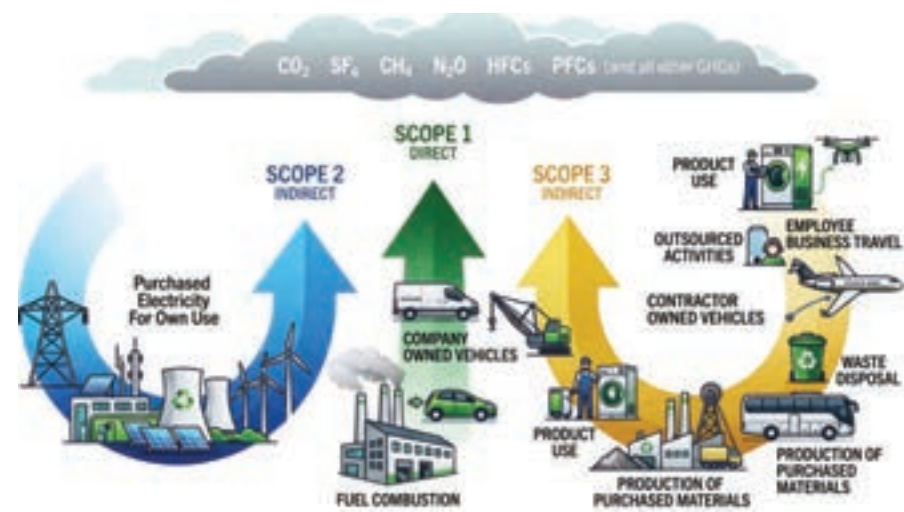
Risk-Weighted Assets (RWA) and Capital Adequacy- Directional Assessment

UBL will assess the potential directional impact of Climate stress scenarios on Risk-Weighted Assets (RWA) and capital adequacy ratios. Elevated credit risk in Climate-sensitive sectors may lead to higher RWA and capital consumption under severe scenarios. However, proactive portfolio diversification, enhanced sector engagement and increased financing of transition-aligned activities are expected to moderate long-term capital pressures.

Sector Climate Risk Heat-map (Physical vs Transition Risk)

To further strengthen risk oversight, UBL is developing a sector-level Climate risk heatmap that categorizes exposures based on relative physical and transition risk intensity. This tool will support informed decision-making on sector limits, client engagement strategies, risk appetite calibration and strategic capital allocation, ensuring alignment with the Bank's sustainable growth objectives.

Green House Gas (GHG)/Carbon Footprint Calculation



UBL has developed its Greenhouse Gas (GHG) Emissions Inventory for the reporting year, covering operations in Pakistan, UAE, Qatar and Bahrain. The inventory encompasses Scope 1 (direct fuel consumption), Scope 2 (purchased electricity) and selected Scope 3 categories, including employee commuting, business travel and financed emissions.

1. Scope 1 emissions primarily arise from fuel consumption in backup generators and operational activities.
2. Scope 2 emissions are driven by electricity consumption across branch and office networks.
3. Scope 3 emissions represent indirect emissions associated with employee mobility, business travel and financed portfolio exposure.

Table 1: Scopes and Categories - 2025 Emissions (tCO2e)

Scopes and Categories	Current reporting year emissions (tCO2e)			
	Pakistan	UAE	Qatar	Bahrain
Scope 1 emissions				
Total scope 1	9,263	11	4	5
Scope 2 emissions				
Total scope 2	27,446*	28	198	61
Scope 2 emissions				
Category 6: Business travel	132,116	7	-	1
Category 7: Employee commuting	12,871	162	24	27
Category 15: Investments**	38,549	8,664	-	-
Total emissions all scopes				
Scope 1 total emissions	9,263	11	4	5
Scope 2 total emissions	27,446	28	198	61
Scope 3 total emissions	183,536	8,833	24	28
Overall total emissions	220,245	8,872	226	94

* Emissions of 1,827 branches (211 solarized branches were excluded out of total 2038 branches)
 ** based only on those corporate borrowers which have disclosed their emissions in 2025

During 2025, Scope 2 and Scope 3 emissions represented the largest share of total emissions, reflecting the significant purchased energy consumption and indirect emissions associated with employee commute, business travel as well as financed emissions. The emissions inventory establishes a baseline for future target setting, operational efficiency initiatives and progressive enhancement of Scope 3 coverage.

Table 2: Scope 3 Category 15 – Investments (Financed Emissions)

Activity	GICS Code	Total outstanding loan covered (mPKR)	Scope 1 + Scope 2 emissions (tCO2e)	Scope 3 emissions (tCO2e)	Emission intensity (tCO2e/mPKR)	Weighted data quality score
Absolute emissions per sector						
Chemical and Pharmaceuticals	Chemicals 151010 Pharmaceuticals 352020	3,112	11,195	0	4	2
Steel	Metals & Mining 151040	1,329	327	0	0.2	2
Fertilizer	Chemicals 151010	96	267	0	3	2
Auto & Transport	Auto Components 251010 Automobiles 251020	78	91	0	1	2
Cement	Construction Materials 151020	1,390	10,331	0	7	2
Oil & Gas Exp. & Ref & Gas Distribution	Oil, Gas & Consumable Fuels 101020	781	1743	0	2	2
Textile*	Textiles, Apparel & Luxury Goods 252030	4,803	3,260	11,335	3	2
	GICS Code	Total outstanding loan covered (mAED)	Scope 1 + Scope 2 emissions (tCO2e)	Scope 3 emissions (tCO2e)	Emission intensity (tCO2e/million AED)	
Aviation/ Shipping	Airlines 203020	34	7164	1500.0	255	2
	Total		34,378	12,835		
*Financed Emissions have been calculated using PCAF methodology for clients only which have publicly disclosed their annual emissions in 2025						

UBL systematically measures and monitors GHG emissions to track performance, identify reduction opportunities, support informed Climate action and subsequently set emissions reduction targets.

Bank’s Overall Impact

Scope 1: Smaller share due to fuel consumption for own operations

Scope 2: Significant due to electricity usage across branches and offices.

Scope 3: Major share, particularly employee commuting, business travel and financed emissions.

UBL’s total operational and financed GHG emissions for 2025 highlight the scale and drivers of the Bank’s carbon footprint. The overall impact is calculated by summing Scope 1, Scope 2, and Scope 3 emissions across all countries and categories, including operational and financed emissions.

Calculation Methodology

Scope 1 (Direct emissions): Fuel consumption for backup generators across branches & offices (domestic) and operations (official commute – international).

Scope 2 (Indirect emissions – electricity): Measured and estimated electricity consumption multiplied by emission factors.

Scope 3 (Other indirect emissions): Includes employee commuting, business travel and financed emissions. Financed emissions are calculated using the PCAF methodology.

Overall Total Emissions:

Total Emissions = Scope 1+Scope 2+Scope 3

For details on emissions calculation methodology and input data, please refer **Appendix – I**.

Total GHG Emissions by Scope - 2025

Scope	Total Emissions (tCO2e)	Share of Overall Emissions (%)	Key Contributors
Scope 1	9,283	4	Generator fuel consumption in Pakistan, fuel consumption for official commute in international jurisdictions
Scope 2	27,733	12	Electricity consumption. Pakistan branches contribute the most.
Scope 3	192,421	84	Business travel, followed by financed emissions, employee commute
Total	229,437	100	Combined direct and indirect emissions

Carbon Footprint Baseline

The reporting year 2025 represents UBL’s baseline year for greenhouse gas (GHG) emissions across its operations and financed portfolio, established in alignment with the principles of the Task Force on Climate-related Financial Disclosures and the Climate-related disclosure requirements of International Sustainability Standards Board (IFRS S2). This baseline provides a consistent and comparable reference point to measure future emissions performance and Climate-related risks and opportunities.

Building on this baseline, the Bank will progressively enhance the completeness and accuracy of its emissions data, expand Scope 3 coverage particularly financed emissions in line with portfolio exposure and strengthen internal measurement methodologies. The Bank will utilise this baseline to set science based emission reduction targets, integrate Climate considerations into risk management and business strategy, and monitor progress over time.

Tracking and Reducing Our Carbon Footprint

UBL actively tracks and manages its carbon footprint by assessing GHG emissions and implementing initiatives aimed at reducing emissions across its branch network and operations.

Climate Risk Assessment of Lending and Investment Banking Clients

UBL conducts Climate risk assessments for its lending and investment Banking clients to identify potential risks and opportunities. Based on these assessments, the Bank engages with clients to develop action plans that encourage establishing and enhancing Climate risk management framework which directly/clearly includes developing emissions inventory, setting up reduction targets and mitigating emissions.

The Green Branch Certification Program was initiated in line with the State Bank of Pakistan (SBP) Green Banking Guidelines, which encourage Banks to designate selected branches or offices as “Green Branches/Offices.” Under these guidelines, a branch is expected to meet at least 50% of its energy requirements through renewable energy sources, alongside demonstrating responsible resource use and environmentally sustainable operational practices.

In response to these guidelines and as part of UBL’s broader sustainability and Climate action agenda, the Green Branch Certification Program was launched to assess, recognize, and continuously improve the environmental performance of solarized branches across Pakistan. As of December 2025, UBL Pakistan has 211 branches equipped with solar systems, providing a strong foundation for advancing green building practices.

The project commenced with the identification of solarized branches across major cities, with an initial focus on Karachi, Lahore, Islamabad, Peshawar and Faisalabad. Branch Managers and Branch Operations Managers were formally engaged and requested to participate in the assessment through a structured data collection process.

A comprehensive questionnaire was developed and circulated to capture branch-level operational and sustainability-related information. The questionnaire covered key parameters including:

- Electricity consumption and billing data
- Diesel generator usage and annual diesel consumption
- Energy efficiency measures
- Water and material conservation practices
- Accessibility for pedestrians and Persons with Disabilities (PWDs)
- Sewage outflows and generator placement
- Employee commuting information

Based on the responses received, each participating branch was evaluated against predefined sustainability criteria using a weighted scoring methodology, with a total score of 100. Branches achieving a score above 70 were designated as “Green Branches.” In addition to certification, branch-specific recommendations were shared to support further improvement in energy efficiency and resource management. Branches scoring below the threshold, despite having solar installations, were identified as having relatively higher electricity consumption and were provided with targeted improvement measures.

Key Outcomes

- 12 branches have so far been assessed as Green branches under the program.
- Additionally, branches being identified where, despite solar installations, sustainability performance remains below the required threshold, highlighting the need for operational efficiency improvements beyond renewable energy adoption alone.
- A branch-level Greenhouse Gas (GHG) inventory was developed using electricity, diesel, and employee commuting data. Emissions of CO₂, CH₄, and N₂O were calculated in accordance with the GHG Protocol, ensuring alignment with international best practices and consistency in emissions accounting.

Other Initiatives To Reduce Our Carbon Footprint

Converting Branches and ATMs on Renewable Energy

In pursuit of sustainable energy practices, UBL has made significant strides in adopting renewable technologies across the branch network. In 2025, we intensified our efforts by installing solar energy systems in 211 branches, further amplifying our reliance on clean energy sources as well as a total of 183 ATMs that now operate on solar power, exemplifying our dedication to fostering a greener Banking infrastructure.

Energy Efficiency Measures

The entire branch network is utilising energy-efficient LED lights, contributing to overall energy efficiency.

Customer Carbon Footprint Calculation Through UBL Digital App

As a leading industry player, UBL provides its customers a facility whereby they can assess their own carbon footprint through the UBL digital App. This facility educates customers on how they can minimise their carbon footprint by transacting digitally hence saving time, money, fuel and the environment.

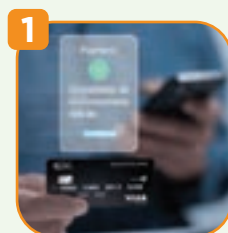




Q Digital Transformation

UBL has substantially empowered its Transformation Group by equipping it with enhanced authority, strategic autonomy, and cross-functional influence to drive enterprise-wide digital transformation. This empowerment has enabled the Transformation Group to reengineer legacy workflows, transition core operational processes to paperless and automated frameworks, and embed automated approval and reporting mechanisms into business-critical systems. By institutionalizing rigorous process automation and robust workflow orchestration, UBL has accelerated operational efficiency, reduced cycle times, and strengthened data integrity and governance across functions, positioning the organisation for scalable digital growth and continuous improvement.

Complementing this digital transformation, UBL's Go Green initiative promotes environmental responsibility by encouraging customers to adopt paper-free transactions through electronic channels. This effort not only reduces paper consumption but also contributes to a sustainable future, supporting the preservation of vital natural resources such as trees and reinforcing the Bank's commitment to environmental stewardship.



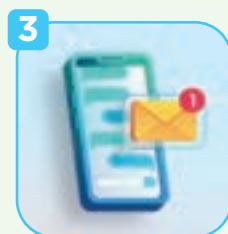
Go Green Internet Merchant Acquiring

UBL Go-Green internet merchant acquiring is a step towards encouraging digital payments with a sense of security with 3-D secure authentication verified by both Visa and MasterCard Secure Code.



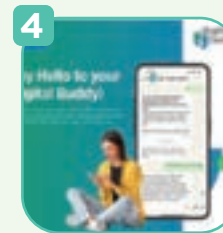
Go Green E-Statement

Bank statements provide a track of transactions to the customers, but to safeguard our environment, we encourage our customers to shift towards electronic statements rather than printed ones. Therefore, by saving paper, we are doing our bit in saving the planet.



Go Green SMS Alert

The Go-Green SMS Alert feature aims to reduce carbon footprints by encouraging customers to avail instant SMS alert facility for the transactions they make instead of visiting a Bank branch to get information regarding their transactions.



UBL Digital Buddy

UBL Digital Buddy is an AI-powered conversational banking assistant accessible via WhatsApp that enables customers to perform key banking tasks—such as balance inquiries, fund transfers, bill payments, and product queries—quickly and securely through natural language interaction. Available 24/7 without the need to download a separate app, it enhances customer experience by making everyday banking faster, more intuitive, and widely accessible.



Digital Cheque Deposit

UBL's Digital Cheque Deposit feature enables customers to deposit UBL cheques securely and conveniently through the UBL Digital App without visiting a branch. Users can capture and submit cheque images directly in the app, track deposit status in real time, and access 24/7 digital cheque processing for enhanced ease and efficiency.



Voice-Enabled Banking

The Voice Command feature is UBL's AI-powered voice banking tool that allows customers to perform transactions, pay bills, and check account details using simple voice commands in English or Urdu. By enabling secure, hands-free Banking, it enhances convenience and reflects UBL's commitment to leveraging technology for a seamless digital experience.



Straight Through Process (STP) Account Opening for ETB Customers

UBL introduced a straight-through processing capability enabling existing customers to open accounts within 60 seconds at the branch using minimal input requirements and automated validations based on existing KYC records. Implemented across CAPS and CLM platforms, the solution enhances processing efficiency, improves customer convenience, and ensures full alignment with the State Bank of Pakistan's Customer Onboarding Framework 2025.



7 Enhanced Electronic Dispute Management for Card Transactions

UBL implemented a significant enhancement to the dispute initiation process for Debit and Credit Card transactions across POS terminals, E-commerce platforms, and ATMs. This initiative enables customers to electronically raise disputes through the Contact Center, ensuring faster resolution, improved transparency, and a seamless customer experience. By automating key steps and streamlining workflows, the Bank has strengthened operational efficiency while reducing turnaround times, reinforcing UBL's commitment to customer-centric innovation.



8 Seamless Dormant Account Reactivation via Digital App

UBL introduced a streamlined process for reactivating dormant accounts through the Digital App in 2025. Customers can securely reactivate their accounts remotely using OTP-based verification, eliminating the need to visit a branch. This paperless, fully digital solution enhances customer convenience, ensures regulatory compliance, and significantly reduces turnaround time, reflecting UBL's commitment to innovation and superior customer experience.



9 Enhanced Pensioner Account Activation via NADRA Biometric Integration

In 2025, UBL enhanced the Straight Through Process (STP) for pensioner account activation through the CAPS Portal by integrating NADRA's Main Biometric Database (Non-Pensioner). While the existing system leveraged the Pensioner Database for biometric verification, some pensioners faced verification failures due to unregistered biometric records. The integration of the non-pensioner database provides a secondary verification pathway, serving as a fallback option after three consecutive failed attempts. This improvement ensures higher success rates, seamless account activation, and a more convenient, efficient experience for pensioner customers.



10 Empowering High-Value FBR Tax Payments through Digital Innovation

UBL strategically enhanced its Digital App and Internet Banking platforms to accommodate high-value FBR tax payments, reflecting the Bank's commitment to digital excellence and customer-centric solutions. The previous PKR 10 million transaction cap often constrained customers from executing large payments digitally, creating operational friction and potential compliance delays. The upgraded capability now allows FBR tax transactions up to PKR 25 million, delivering a seamless, efficient, and secure digital experience. This enhancement underscores UBL's dedication to leveraging technology for superior convenience, operational efficiency, and a premium Banking experience.



11 Enhancing Digital Access and Onboarding Journey

UBL implemented targeted enhancements to its digital onboarding framework for New-to-Bank customers to accelerate digital adoption and deliver a more seamless, customer-centric account opening experience. The initiative focused on optimizing system workflows, user interfaces, and digital forms to simplify registration and enable default access to digital channels, while maintaining existing exclusions for specialized account types. By reducing friction in onboarding, improving navigation, and minimizing manual steps, the project strengthens customer acquisition efficiency, enhances service accessibility, and supports the Bank's broader digital transformation agenda through reduced reliance on physical processes and branch-based interactions.



Climate Scenario Analysis and Bank's Resilience



The Bank has conducted Climate Scenario Analysis to analyse the future Climate risks on its traditional risk management system, based on published Climate scenarios, pathways and varying time horizons. The fundamental idea behind the exercise is to pre-emptively review the existing Risk Management Framework to assess its resilience for the foreseeable Climate risks in medium and long-term and to consider tailoring the existing Risk Management Framework to align with the prospective outcomes of scenario analysis.

UBL recognizes that Climate risks can manifest across multiple risk types, including credit, market, liquidity and operational risk. In line with regulatory guidance and international best practice, the Bank is enhancing Climate risk integration through scenario analysis and stress testing, assessing resilience under different temperature pathways, policy outcomes and macroeconomic impacts. These practices support stronger risk appetite setting, early warning monitoring and portfolio-level risk management.

Scope and Purpose

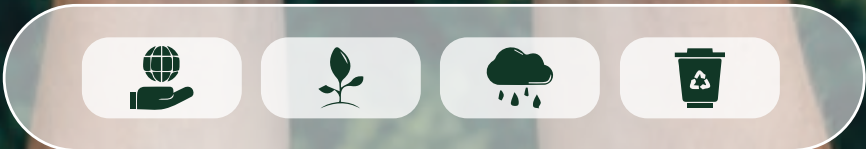
As part of the Bank's Climate risk management framework, scenario analysis is used to assess the resilience of the lending portfolio under different Climate pathways and time horizons. The analysis evaluates the potential impact of both physical Climate risks and transition risks on respective country's macroeconomic conditions and sector-level portfolio exposure.

Jurisdiction: The exercise has been carried out for Pakistan, UAE, Qatar, Bahrain

Scope: Corporate lending portfolio that has undergone Climate risk screening (except Qatar where Corporate lending portfolio that has undergone E&S risk screening has been considered)

Scenario analysis supports strategic decision-making by helping the Bank understand potential future Climate-related shocks, identify vulnerable sectors, and strengthen portfolio resilience through targeted actions such as client engagement, sector prioritization and sustainable finance opportunities.

Details of jurisdiction-wise Climate scenario analysis has been described in the subsequent sections.





1. Climate Risk Context

Pakistan, situated in South Asia, is characterized by its diverse, predominantly sub-tropical continental Climate, featuring hot summers and cool/cold winters. The country’s economy is dominated by services, followed by agriculture and industry.

Key Physical Climate Risks:

Pakistan’s main physical risks include:

Temperature rise, leading to:

- Glacial melting, triggering glacial lake outburst floods in northern areas (Gilgit Baltistan, KPK, Azad Kashmir).
- Increased energy demand for cooling and heatwaves & heat stress to populace.
- Damage to ecosystems, such as corals alongside Balochistan coastline.

Sea level rise, resulting in:

- Coastal erosion, loss of arable land, flooding of low-lying areas, particularly in Indus Delta.

Erratic precipitation, leading to:

- Storms, heavy rainfall
- Riverine flooding, Urban flooding, Flash flooding & hill torrents

Key Transition Climate Risks:

Given the dependence on fossil-fuel based certain economic activities (transportation, power), Pakistan is exposed to transition risks driven by:

- Evolving global and domestic Climate policies
- Technological shifts (renewable energy)
- Changing market expectations

2. Climate Mitigation & Adaptation Profile

In 2025, Pakistan issued its third Nationally Determined Contribution (NDC) report, specifying Climate mitigation measures and initiatives including setting time-bound emissions reduction targets.

2035 Targets

- UBL’s indicative 2035 voluntary emission reduction target is set against projected emissions of 2,559 MtCO_{2e}, aiming to lower these to 1,280 MtCO_{2e}.

Key National Initiatives

Pakistan is progressing through a combination of mitigation and adaptation initiatives, including:

- **Pakistan Climate Change Fund** - would play a pivotal role in mobilizing the financial resources needed for effective NDC implementation.
- **Pakistan Climate Change Act (2017)** - establishes core institutional architecture for Climate governance, including the Climate Change Council, the Climate Change Authority and the Pakistan Climate Change Fund.
- **National Climate Change Policy (2021)** - addresses possible challenges of Climate Change adaptation and mitigation; and provides foundational framework for ensuing Climate Change Action Plans, Programs and Projects.

3. Scenario Design and Key Assumptions

The analysis uses NGFS-aligned scenarios supported by REMIND-MAGPIE 3.3-4.8 model data, available up to 2100. Integrated physical damages (median) were considered for GDP-PPP using a medium chronic physical risk damage estimate.

Key Uncertainty

There is uncertainty in how physical and transition risks may manifest beyond 2050 at a downscaled Pakistan level, as model projections do not provide country-level detail post-2050.

4. Network for Greening the Financial System (NGFS) Scenarios Selected

The Bank assessed three NGFS scenarios covering different pathways of policy response, warming outcomes, and risk intensity.

(A) Orderly Transition - Below 2°C

- Climate policies are introduced immediately and gradually become more stringent
- 67% chance of limiting warming below 2°C
- Moderate technology change, medium carbon removal, low regional policy variation

(B) Hot House World - Nationally Determined Contributions (NDCs)

- Assumes pledged targets are met even if not backed by full effective policy implementation, low transition risks
- Warming beyond 2°C with moderate to high physical risks
- Slow technology change, low carbon removal, medium policy variation

(C) Too-little-too-late - Fragmented World

- Delayed and divergent global Climate policy response
- Net zero targets achieved only partially (80%), others follow current policies
- High physical and transition risks overall
- Fragmented technology change and high regional policy variation

5. Time Horizons

Time horizons were selected based on scenario alignment and Pakistan's policy trajectory:

- **Immediate:** 2026–2035 (interim milestones period, Pakistan's milestone for 2035)
- **Short-term:** 2036–2060 (net zero planning horizon for many countries)
- **Medium-term:** 2061–2080 (post-net-zero impacts continue globally)
- **Long-term:** 2081–2100 (high physical risk period under selected scenarios)

Key Trends Observed

Below 2°C Scenario		Nationally Determined Contributions (NDCs)		Fragmented World	
Pakistan Trends to 2050	Global Trends to 2100	Pakistan Trends to 2050	Global Trends to 2100	Pakistan Trends to 2050	Global Trends to 2100
Population increases steadily	Global population rises until -2080 then declines	Population increases steadily	Global population rises until -2080 then declines	Population increases steadily	Global population rises until -2080 then declines
Primary energy increases gradually, suggesting improved efficiency and mitigation measures are countered by energy demand of growing population	Primary energy decreases until -2050 then rises towards end-century Renewables increase strongly, led by solar, followed by wind and biomass	Primary energy increases, suggesting planned improved efficiency and mitigation measures being overcome by energy demand of growing population	Primary energy decreases until 2045 then rises towards end-century Renewables increase considerably, led by solar, followed by wind and biomass	Primary energy increases significantly, suggesting marginal energy efficiency and mitigation measures being overcome by energy demand of growing population	Primary energy decreases slightly until -2045 then rises towards end-century Renewables increase, led by solar, followed by wind and biomass
Share of renewables increases steadily, particularly solar, followed by wind & biomass	Temperature rises until mid-century then stabilizes and slightly declines towards end of century	Share of renewables increases considerably, led by solar, followed by wind & biomass	Temperature rises steadily till end century	Share of renewables only marginally increases, chiefly solar	Temperature rises steadily till end-century
CO ₂ emissions decline to -409.5 MtCO ₂ /yr by 2050	Emissions fall substantially, while CCS accelerates post-2035 and overtakes emissions after 2070	CO ₂ emissions rises to - 519 MtCO ₂ /yr by mid-century	Emissions fall significantly, while CCS gains till 2080 then stabilize towards end-century, remaining well below total CO ₂ emissions	CO ₂ emissions rises significantly to -794 MtCO ₂ /yr by 2050	Emissions fall steadily till 2055, then steady towards end-century, while CCS marginal gains till 2080 then stabilize towards end-century, remaining well below total CO ₂ emissions
CCS remains limited, indicating constraints in large-scale sequestration deployment	Oil prices increase until -2060 then stabilize (reflecting carbon pricing impacts)	CCS remains limited, indicating constraints in large-scale sequestration deployment	Oil prices rise steadily and stabilize at end of century (reflecting some carbon pricing impacts)	CCS remains very limited, indicating constraints in large-scale sequestration deployment	Oil prices rise steadily till end of century (reflecting weaker carbon pricing impacts)
	Policy costs peak around mid-century and then decline towards end-century, suggesting transition risks decline post-mid century		Policy costs peak around mid-century and decline towards end-century, suggesting transition risks decline post mid-century		Policy costs incur from 2035 and peaks around mid-century and decline steadily towards end-century, suggesting delayed transition risks
	GDP with median chronic physical damage remains persistently lower than counterfactual GDP, albeit declining difference towards end-century, reflecting relatively low physical risks		GDP with chronic physical damage remains significantly lower than counterfactual GDP, suggesting significant physical risks		GDP with chronic physical damage remains lower than counterfactual GDP, suggesting high physical risks

7. Risk Interpretation (Physical & Transition)

Across scenarios:

- **Below 2°C:** Significant transition risks early/mid-century; physical risks remain material until around 2070 then decline.
- **NDC:** Physical risks remain significant through end-century; transition risks remain notable until mid-century then relatively reduce.
- **Fragmented World:** Physical risks remain high to end-century; transition risks are delayed and fragmented.

Overall, the analysis highlights that physical risks persist longer in delayed transition scenarios, while transition risks peak earlier in orderly pathways due to stronger and faster policy response.

8. Portfolio Resilience Implications

The screened Pakistan corporate portfolio exposure is concentrated mainly in:

- Oil & Gas
- Sugar & allied
- Chemical & Pharmaceuticals

Sector Risk Profile (Indicative):

- **Transition Risk:** generally medium through 2060, reducing thereafter.
- **Physical Risk:** mostly low to medium until 2080, but may increase in delayed transition scenarios.

9. Recommendations to Improve Resilience

Based on scenario outcomes, the Bank can strengthen resilience through:

1. Enhanced client engagement on transition planning, emissions reduction, and adaptation measures.
2. Portfolio rationalization to reduce concentration in Climate-vulnerable sectors and counterparties.
3. Expansion of financing in lower-risk and transition-enabling sectors, capturing Climate opportunities including:
 - o Renewable energy including hydropower
 - o Low Carbon Transport
 - o Energy efficiency in industries, appliances, electric grid and demand-side management
 - o Agro-forestry and eco-tourism

These measures will help manage near-term transition impacts while improving long-term portfolio sustainability under higher physical risk scenarios.





1. Climate Risk Context

The UAE, situated on the Arabian Peninsula, is characterized by its hyper arid environment, severe water scarcity and intense heat. The country’s economy was once reliant mainly on oil-based revenue but has diversified into well-developed hospitality, real estate, industrial, construction and transport sectors.

Key Physical Climate Risks:

UAE’s main physical risks include:

Temperature rise, leading to:

- Potential irreversible damage to productive ecosystems, such as coral reefs and wetlands

Sea level rise, resulting in:

- coastal erosion and flooding of low-lying areas, particularly numerous artificial islands

Erratic precipitation, leading to:

- Storms, heavy rainfall
- Flash flooding

Key Transition Climate Risks:

Given the yet significant dependence on fossil fuel-based economic activities, UAE is exposed to transition risks driven by:

- Evolving global and domestic Climate policies
- Technological shifts (energy efficiency, renewable energy)
- Changing market expectations

2. Climate Mitigation & Adaptation Profile

In 2024, UAE issued its third NDC report, specifying Climate mitigation measures and initiatives, including setting time-bound emissions reduction targets.

2035 Targets

- targeting to achieving a 47% reduction in GHG emissions by 2035, compared to the 2019 levels of 196.3 MtCO_{2e}, thereby reducing the anticipated emissions to 103.5 MtCO_{2e}.

Key National Initiatives

UAE is progressing through a combination of mitigation and adaptation initiatives, including:

- **UAE Net Zero 2050 Strategy** - developed to align de-carbonization goals with socio-economic growth and opportunities.
- **UAE Green Agenda 2015-2030** - a Green Finance and Investment Support Scheme, which is intended to include the development of domestic green finance models and products.
- **UAE Sustainable Finance Framework 2021-2031** - introduced to guide stakeholders towards the mobilization of private capital for sustainable and green investments and to promote sustainability in financial decision-making.

3. Scenario Design and Key Assumptions

The analysis uses NGFS-aligned scenarios supported by REMIND-MAGPIE 3.3-4.8 model data, available up to 2100. Integrated physical damages (median) were considered for GDP-PPP using a medium chronic physical risk damage estimate.

Key Uncertainty

There is uncertainty in how physical and transition risks may manifest beyond 2050 at a downscaled UAE level, as model projections do not provide country-level detail post-2050.

4. NGFS Scenarios Selected

The Bank assessed three NGFS scenarios covering different pathways of policy response, warming outcomes and risk intensity.

(A) Orderly Transition – Below 2°C

- Climate policies are introduced immediately and gradually become more stringent
- 67% chance of limiting warming below 2°C
- Moderate technology change, medium carbon removal, low regional policy variation

(B) Hot House World – Nationally Determined Contributions (NDCs)

- Assumes pledged targets are met even if not backed by full effective policy implementation, low transition risks
- Warming beyond 2°C with moderate to high physical risks
- Slow technology change, low carbon removal, medium policy variation

(C) Too-little-too-late – Fragmented World

- Delayed and divergent global Climate policy response
- Net zero targets achieved only partially (80%), others follow current policies
- High physical and transition risks overall
- Fragmented technology change and high regional policy variation

5. Time Horizons

Time horizons were selected based on scenario alignment and UAE’s policy trajectory:

- **Immediate:** 2026–2035 (interim milestones period, UAE’s milestone for 2035)
- **Short-term:** 2036–2060 (net zero planning horizon for many countries, UAE targets 2050)
- **Medium-term:** 2061–2080 (post-net-zero impacts continue globally)
- **Long-term:** 2081–2100 (high physical risk period under selected scenarios)

6. Key Trends Observed



Below 2°C Scenario		Nationally Determined Contributions (NDCs)		Fragmented World	
UAE Trends to 2050	Global Trends to 2100	UAE Trends to 2050	Global Trends to 2100	UAE Trends to 2050	Global Trends to 2100
<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines steadily, suggesting improved efficiency and mitigation measures • Share of renewables increases steadily, particularly solar, followed by wind • CO₂ emissions decline to -29.2 MtCO₂/yr by 2050 • CCS remains limited, below CO₂ emissions, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases until -2050 then rises towards end-century • Renewables increase strongly, led by solar, followed by wind and biomass • Temperature rises until mid-century then stabilizes and slightly declines towards end of century • Emissions fall substantially, while CCS accelerates post-2035 and overtakes emissions after 2070 • Oil prices increase until -2060 then stabilize (reflecting carbon pricing impacts) • Policy costs peak around mid-century and then decline towards end-century, suggesting transition risks decline post-mid century • GDP with median chronic physical damage remains persistently lower than counterfactual GDP, albeit declining difference towards end-century, reflecting relatively low physical risks 	<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines, suggesting some improved efficiency and mitigation measures • Share of renewables increases considerably, led by solar • CO₂ emissions decline to -75.6 MtCO₂/yr by 2050 • CCS remains limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases until -2045 then rises towards end-century • Renewables increase considerably, led by solar, followed by wind and biomass • Temperature rises steadily till end century • Emissions fall significantly, while CCS gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions • Oil prices rise steadily and stabilize at end of century (reflecting some carbon pricing impacts) • Policy costs peak around mid-century and decline towards end-century, suggesting transition risks decline post mid-century • GDP with chronic physical damage remains significantly lower than counterfactual GDP, suggesting significant physical risks 	<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines slightly, suggesting limited energy efficiency and mitigation measures • Share of renewables only marginally increases, chiefly solar • CO₂ emissions decline to -112 MtCO₂/yr by 2050 • CCS remains very limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases slightly until -2045 then rises towards end-century • Renewables increase, led by solar, followed by wind and biomass • Temperature rises steadily till end-century • Emissions fall steadily till 2055, then steady towards end-century, while CCS marginal gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions • Oil prices rise steadily till end of century (reflecting weaker carbon pricing impacts) • Policy costs incur from 2035 and peaks around mid-century and decline steadily towards end-century, suggesting delayed transition risks • GDP with chronic physical damage remains lower than counterfactual GDP, suggesting high physical risks

7. Risk Interpretation (Physical & Transition)

Across scenarios:

- **Below 2°C:** Significant transition risks early/mid-century; physical risks remain material until around 2070 then reduce.
- **NDC:** Physical risks remain significant through end-century; transition risks remain notable until mid-century then reduce.
- **Fragmented World:** physical risks remain high to end-century; transition risks are delayed and fragmented.

Overall, the analysis highlights that physical risks persist longer in delayed transition scenarios, while transition risks peak earlier in orderly pathways due to stronger and faster policy response.

8. Portfolio Resilience Implications

The screened UAE corporate portfolio exposure is concentrated mainly in:

- **Commercial Real Estate**
- **Contracting**
- **General Trading**

Sector Risk Profile (Indicative)

- **Transition Risk:** generally medium through 2060, reducing thereafter.
- **Physical Risk:** mostly low to medium until 2080, but may increase in delayed transition scenarios.

9. Recommendations to Improve Resilience

Based on scenario outcomes, the Bank can strengthen resilience through:

- Enhanced client engagement on transition planning, emissions reduction, and adaptation measures.
- Portfolio rationalization to reduce concentration in Climate-vulnerable sectors and counterparties.
- Expansion of financing in lower-risk and transition-enabling sectors, capturing Climate opportunities including:
 - o Renewable energy, energy efficiency, demand management in power & water management
 - o Advanced technologies, Hydrogen, low-carbon electricity, CCUS in Industries
 - o Low Carbon Vehicles & Public Transportation
 - o Integrated Waste Management

These measures will help manage near-term transition impacts while improving long-term portfolio sustainability under higher physical risk scenarios.



1. Climate Risk Context

Qatar is a peninsula country in the Persian Gulf, dominated by a subtropical, hot, dry desert Climate with low annual rainfall, very high temperatures in summer. The country's economy remains significantly reliant on natural gas and oil extraction, industrial activities, power and water sectors.

Key Physical Climate Risks:

Qatar's main physical risks include:

Temperature rise, leading to:

- increased water stress (high demand + erratic precipitation)
- heat stress on population and ecosystems
- wind-related coastal & marine hazards

Sea level rise, resulting in:

- coastal intrusion
- reduction in available land for economic activities

Erratic Precipitation, resulting in:

- Storms, flash flooding
- Water stress, combined with higher temperature

Key Transition Climate Risks:

Given the high dependence on fossil fuel-based economic activities, Qatar is exposed to transition risks driven by:

- evolving global and domestic Climate policies
- technological shifts (energy efficiency, renewable energy)
- changing market expectations

2. Climate Mitigation & Adaptation Profile

In 2025, Qatar issued its third NDC report, specifying Climate mitigation measures and initiatives including setting time-bound emissions reduction targets.

2040 Targets

- Targeting the implementation of mitigation actions equivalent to 42 MMTCO₂e of GHG emission reductions

Key National Initiatives

Qatar is progressing through a combination of mitigation and adaptation initiatives, including:

- **Ministry of Environment and Climate Change Strategy 2024- 2030** - key strategic pillars include Environmental sustainability & Climate change, innovation & digital transformation, sustainable institutional development & governance
- **Qatar National Environment and Climate Change Strategy (QNE) 2021-2030** - sets 2030 environmental targets and goals related to GHG Emissions & Air Quality, Biodiversity, Water, Circular Economy & Waste Management & Land Use
- **Qatar National Biodiversity Strategy and Action Plan (NBSAP) 2015-2025** - sets out feasible, ambitious, targeted, specific and time bound targets that are in line with national priorities

3. Scenario Design and Key Assumptions

The analysis uses NGFS-aligned scenarios supported by REMIND-MAGPIE 3.3-4.8 model data, available up to 2100. Integrated physical damages (median) were considered for GDP-PPP using a medium chronic physical risk damage estimate.

Key Uncertainty

There is uncertainty in how physical and transition risks may manifest beyond 2050 at a downscaled Qatar level, as model projections do not provide country-level detail post-2050.

4. NGFS Scenarios Selected

The Bank assessed three NGFS scenarios covering different pathways of policy response, warming outcomes, and risk intensity.

(A) Orderly Transition - Below 2°C

- Climate policies are introduced immediately and gradually become more stringent

- 67% chance of limiting warming below 2°C
- moderate technology change, medium carbon removal, low regional policy variation

(B) Hot House World - Nationally Determined Contributions (NDCs)

- assumes pledged targets are met even if not backed by full effective policy implementation, low transition risks
- warming beyond 2°C with moderate to high physical risks
- slow technology change, low carbon removal, medium policy variation

(C) Too-little-too-late - Fragmented World

- delayed and divergent global Climate policy response
- net zero targets achieved only partially (80%), others follow current policies
- high physical and transition risks overall
- fragmented technology change and high regional policy variation

5. Time Horizons

Time horizons were selected based on scenario alignment and Qatar's policy trajectory:

- **Immediate:** 2026-2035 (interim milestones period)
- **Short-term:** 2036-2060 (net zero planning horizon for many countries; Qatar milestone for 2040)
- **Medium-term:** 2061-2080 (post-net-zero impacts continue globally)
- **Long-term:** 2081-2100 (high physical risk period under selected scenarios)

6. Key Trends Observed

Below 2°C Scenario		Nationally Determined Contributions (NDCs)		Fragmented World	
Qatar Trends to 2050	Global Trends to 2100	Qatar Trends to 2050	Global Trends to 2100	Qatar Trends to 2050	Global Trends to 2100
<ul style="list-style-type: none"> Population increases steadily Primary energy declines, steadily, suggesting improved efficiency and mitigation measures Share of renewables increases steadily, particularly solar, followed by wind CO₂ emissions decline to -34 MtCO₂/yr by 2050 CCS remains limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> Global population rises until -2080 then declines Primary energy decreases until -2050 then rises towards end-century Renewables increase strongly, led by solar, followed by wind and biomass Temperature rises until mid-century then stabilizes and slightly declines towards end of century Emissions fall substantially, while CCS accelerates post-2035 and overtakes emissions after 2070 Oil prices increase until -2060 then stabilize (reflecting carbon pricing impacts) Policy costs peak around mid-century and then decline towards end-century, suggesting transition risks decline post-mid century GDP with median chronic physical damage remains persistently lower than counterfactual GDP, albeit declining difference towards end-century, reflecting relatively low physical risks 	<ul style="list-style-type: none"> Population increases steadily Primary energy declines, suggesting some improved efficiency and mitigation measures Share of renewables increases considerably, led by solar CO₂ emissions decline to -46.4 MtCO₂/yr by 2050 CCS remains limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> Global population rises until -2080 then declines Primary energy decreases until -2045 then rises towards end-century Renewables increase considerably, led by solar, followed by wind and biomass Temperature rises steadily till end century Emissions fall significantly, while CCS gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions Oil prices rise steadily and stabilize at end of century (reflecting some carbon pricing impacts) Policy costs peak around mid-century and decline towards end-century, suggesting transition risks decline post mid-century GDP with chronic physical damage remains significantly lower than counterfactual GDP, suggesting significant physical risks 	<ul style="list-style-type: none"> Population increases steadily Primary energy declines, slightly, suggesting limited energy efficiency and mitigation measures Share of renewables only marginally increases, chiefly solar CO₂ emissions decline to -49.4 MtCO₂/yr by 2050 CCS remains very limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> Global population rises until -2080 then declines Primary energy decreases slightly until -2045 then rises towards end-century Renewables increase, led by solar, followed by wind and biomass Temperature rises steadily till end-century Emissions fall steadily till 2055, then steady towards end-century, while CCS marginal gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions Oil prices rise steadily till end of century (reflecting weaker carbon pricing impacts) Policy costs incur from 2035 and peaks around mid-century and decline steadily towards end-century, suggesting delayed transition risks GDP with chronic physical damage remains lower than counterfactual GDP, suggesting high physical risks

7. Risk Interpretation (Physical & Transition)

Across scenarios:

- Below 2°C:** Significant transition risks early/mid-century; physical risks remain material until around 2070 then decline.
- NDC:** Physical risks remain significant through end-century; transition risks remain notable until mid-century then relatively reduce
- Fragmented World:** Physical risks remain high to end-century; transition risks are delayed and fragmented.

Overall, the analysis highlights that physical risks persist longer in delayed transition scenarios, while transition risks peak earlier in orderly pathways due to stronger and faster policy response.

8. Portfolio Resilience Implications

The screened Qatar corporate portfolio exposure is concentrated mainly in:

- Contracting
- Engineering
- Other Services

Sector Risk Profile (Indicative)

- Transition Risk:** generally medium through 2060, reducing thereafter.
- Physical Risk:** mostly low to medium until 2080, but may increase in delayed transition scenarios.

9. Recommendations to Improve Resilience

Based on scenario outcomes, the Bank can strengthen resilience through:

- Enhanced client engagement** on transition planning, emissions reduction, and adaptation measures.
- Portfolio rationalization** to reduce concentration in Climate-vulnerable sectors and counterparties.
- Expansion of financing in lower-risk and transition-enabling** sectors, capturing Climate opportunities including:
 - Renewable energy in power & water management
 - Energy management & Energy efficiency
 - Circular economy & recycling
 - Carbon capture and sequestration (CCS) & Flaring mitigation

These measures will help manage near-term transition impacts while improving long-term portfolio sustainability under higher physical risk scenarios.



1. Climate Risk Context

Bahrain is an island nation in the Persian Gulf, with a desert Climate characterized by hot summers, mild winters, and low rainfall. The country’s economy remains significantly reliant on oil and gas extraction, petrochemical and industrial activities, and the power sector.

Key Physical Climate Risks:

Bahrain’s main physical risks include:

Temperature rise, leading to:

- increased water stress (high demand + erratic precipitation),
- heat stress on population and ecosystems,
- increased demand for cooling, raising energy consumption.

Sea level rise, resulting in:

- coastal intrusion and inundation,
- reduced availability of arable land.

Key Transition Climate Risks:

Given the high dependence on fossil fuel-based economic activities, Bahrain is exposed to transition risks driven by:

- Evolving global and domestic Climate policies
- Technological shifts (renewables, energy efficiency)
- Changing market expectations.

2. Climate Mitigation & Adaptation Profile

In 2021, Bahrain announced its long-term commitment to reach net zero emissions by 2060, supported by interim targets for 2035.

2035 Targets

- 30% reduction in greenhouse gas emissions
- renewable energy target increased from 10% to 20% under the National Renewable Energy Action Plan

- Doubling of trees (from 1.8 million)
- Quadrupling of mangrove coverage (from 400,000)

Key National Initiatives

Bahrain is progressing through a combination of mitigation and adaptation initiatives, including:

- **National Energy Strategy** aligned with 2060 net zero (demand optimization, diversification of power mix, decarbonization strategy)
- afforestation and mangrove expansion programs
- **National Adaptation Investment Plan (NAIP)** focused on vulnerable sectors (water, agriculture, ecosystem services/biodiversity, urban development) including identification of funding sources
- **Coastal Resilience Strategy**, including terrain modelling, sea level rise scenarios up to 2100, and an action plan with 190+ actions in five-year intervals until 2040
- National Digital Economy Strategy to support innovation and resilience

3. Scenario Design and Key Assumptions

The analysis uses NGFS-aligned scenarios supported by REMIND-MAGPIE 3.3-4.8 model data, available up to 2100. Integrated physical damages (median) were considered for GDP PPP using a medium chronic physical risk damage estimate.

Key Uncertainty

There is uncertainty in how physical and transition risks may manifest beyond 2050 at a downscaled Bahrain level, as model projections do not provide country-level detail post-2050.

4. NGFS Scenarios Selected

The Bank assessed three NGFS scenarios covering different pathways of policy response, warming outcomes, and risk intensity.

(A) Orderly Transition - Below 2°C

- Climate policies are introduced immediately and gradually become more stringent
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- net zero targets achieved only partially (80%), others follow current policies
- high physical and transition risks overall
- fragmented technology change and high regional policy variation

5. Time Horizons

Time horizons were selected based on scenario alignment and Bahrain’s policy trajectory:

- **Immediate:** 2026–2035 (interim milestones period)
- **Short-term:** 2036–2060 (net zero planning horizon for many countries; Bahrain net zero 2060)
- **Medium-term:** 2061–2080 (post-net-zero impacts continue globally)
- **Long-term:** 2081–2100 (high physical risk period under selected scenarios)

6. Key Trends Observed

Below 2°C Scenario		Nationally Determined Contributions (NDCs)		Fragmented World	
Bahrain Trends to 2050	Global Trends to 2100	Bahrain Trends to 2050	Global Trends to 2100	Bahrain Trends to 2050	Global Trends to 2100
<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines (initial drop then gradual decline), suggesting improved efficiency and mitigation measures • Share of renewables increases steadily, particularly solar and wind • CO₂ emissions decline to -9.6 MtCO₂/yr by 2050 • CCS remains limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases until -2050 then rises towards end-century • Renewables increase strongly, led by solar, followed by wind and biomass • Temperature rises until mid-century then stabilizes and slightly declines towards end of century • Emissions fall substantially, while CCS accelerates post-2035 and overtakes emissions after 2070 • Oil prices increase until -2060 then stabilize (reflecting carbon pricing impacts) • Policy costs peak around mid-century and then decline towards end-century, suggesting transition risks decline post-mid century • GDP with median chronic physical damage remains persistently lower than counterfactual GDP, albeit declining difference towards end-century, reflecting relatively low physical risks 	<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines till 2035 then remains steady, suggesting improved efficiency and mitigation measures • Share of renewables increases steadily, particularly solar • CO₂ emissions decline to -14.3 MtCO₂/yr by 2050 • CCS remains limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases until -2045 then rises towards end-century • Renewables increase considerably, led by solar, followed by wind and biomass • Temperature rises steadily till end century • Emissions fall significantly, while CCS gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions • Oil prices rise steadily and stabilize at end of century (reflecting some carbon pricing impacts) • Policy costs peak around mid-century and decline towards end-century, suggesting transition risks decline post mid-century • GDP with chronic physical damage remains significantly lower than counterfactual GDP, suggesting significant physical risks 	<ul style="list-style-type: none"> • Population increases steadily • Primary energy declines, suggesting some improved efficiency and mitigation measures • Share of renewables increases, chiefly solar • CO₂ emissions decline to -16.5 MtCO₂/yr by 2050 • CCS remains very limited, indicating constraints in large-scale sequestration deployment 	<ul style="list-style-type: none"> • Global population rises until -2080 then declines • Primary energy decreases slightly until -2045 then rises towards end-century • Renewables increase, led by solar, followed by wind and biomass • Temperature rises steadily till end-century • Emissions fall steadily till 2055, then steady towards end-century, while CCS marginal gains till 2080 then stabilize towards end-century, remaining well below total CO₂ emissions • Oil prices rise steadily till end of century (reflecting weaker carbon pricing impacts) • Policy costs incur from 2035 and peaks around mid-century and decline steadily towards end-century, suggesting delayed transition risks • GDP with chronic physical damage remains lower than counterfactual GDP, suggesting high physical risks

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Across scenarios:

- **Below 2°C:** Significant transition risks early/mid-century; physical risks remain material until around 2070 then decline.
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- **Fragmented World:** Physical risks remain high to end-century; transition risks are delayed and fragmented.

Overall, the analysis highlights that physical risks persist longer in delayed transition scenarios, while transition risks peak earlier in orderly pathways due to stronger and faster policy response.

8. Portfolio Resilience Implications

The screened Bahrain corporate portfolio exposure is concentrated mainly in:

- Other Services
- Healthcare
- Manufacturing, Fabrication & Processing

Sector Risk Profile (Indicative)

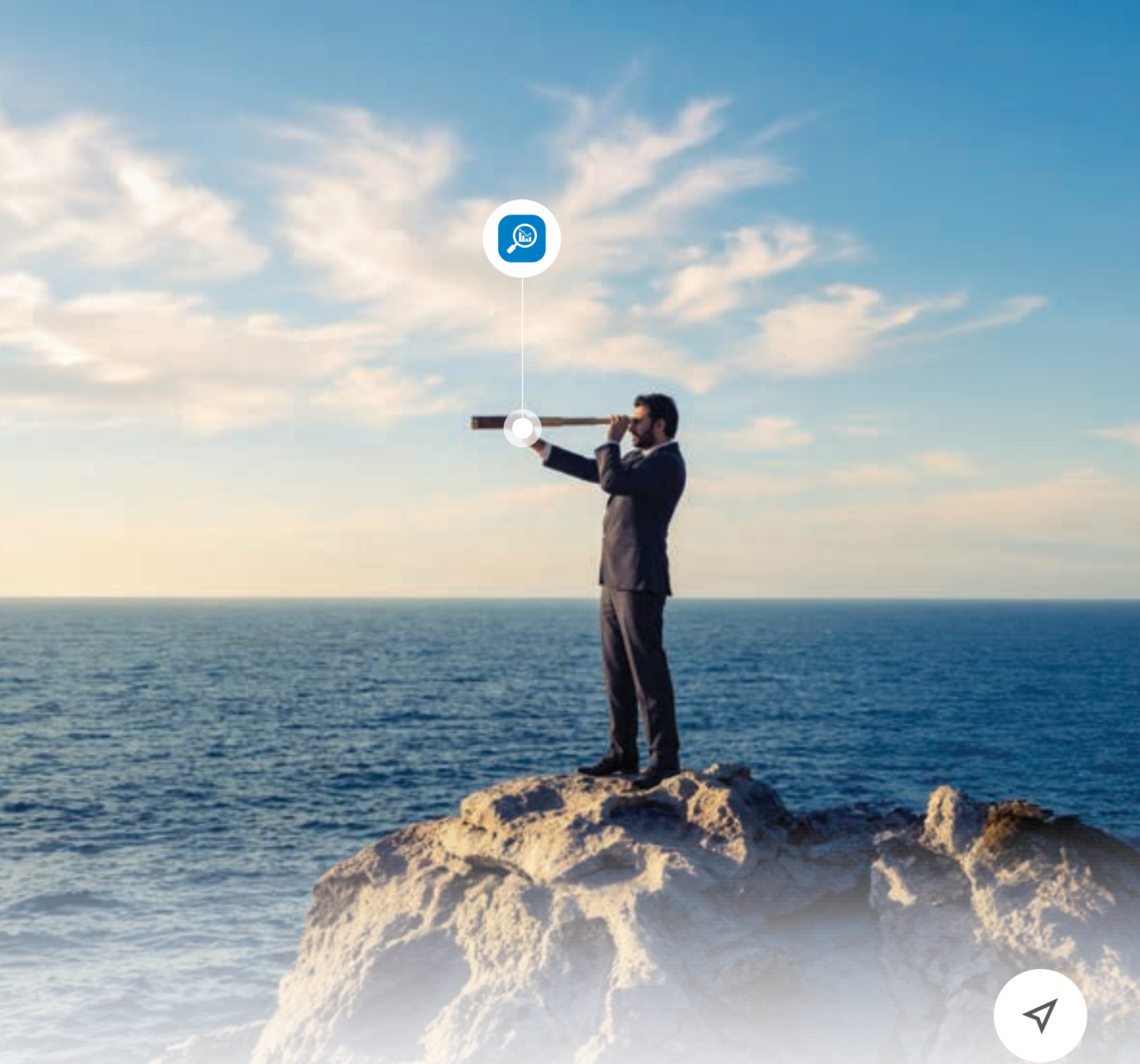
- **Transition Risk:** generally medium through 2060, reducing thereafter.
- **Physical Risk:** mostly low to medium until 2080, but may increase in delayed transition scenarios.

9. Recommendations to Improve Resilience

Based on scenario outcomes, the Bank can strengthen resilience through:

1. **Enhanced client engagement** on transition planning, emissions reduction, and adaptation measures.
2. **Portfolio rationalization** to reduce concentration in Climate-vulnerable sectors and counterparties.
3. **Expansion of financing in lower-risk and transition-enabling sectors**, capturing Climate opportunities including:
 - o Renewable energy
 - o Energy efficiency
 - o ICT / digital economy sectors
 - o Carbon capture and sequestration (CCS)

These measures will help manage near-term transition impacts while improving long-term portfolio sustainability under higher physical risk scenarios.



Tracking Targets With Tangible Results



Sustainability in action



Metrics and Targets x

UBL recognizes that clear metrics and defined targets are fundamental to demonstrating accountability and enabling stakeholders to assess its ESG performance. Aligned with the IFRS Sustainability Disclosure Standards (IFRS S1 and S2) and complemented by globally recognized frameworks such as GRI and SASB, our metrics cover material environmental, social and governance impacts, including operational environmental performance, Climate risk exposure, workforce diversity and development, financial inclusion, and governance effectiveness. Disclosures are supported by transparent methodologies, assumptions and reporting practices to ensure reliability and comparability.

This chapter presents the Bank's Key Performance Indicators (KPIs) and indicative targets across environmental, social, and governance dimensions, covering operational environmental impacts, Climate risk exposure, workforce diversity and capability development, financial inclusion and governance effectiveness. These metrics provide stakeholders with a structured, decision-useful view of UBL's sustainability performance and support continuous improvement in data quality, coverage and regulatory alignment as the Bank continues to strengthen its sustainability maturity.



Environmental and Climate Key Performance Indicators (KPIs)

UBL recognizes its responsibility to manage environmental impacts and Climate-related risks arising from its operations and financing activities. The Bank focuses on energy efficiency, responsible resource consumption, environmental risk integration within credit processes and progressive adoption of sustainable financing practices.

Environmental and Climate KPIs monitor UBL's operational footprint and exposure to Climate-related risks and opportunities across energy consumption, greenhouse gas emissions, water usage, waste management and governance oversight. These indicators support trend analysis, performance management and gradual enhancement of data coverage in line with IFRS S1 and S2 disclosure expectations.

Social KPIs

UBL places strong emphasis on human capital development, employee wellbeing, ethical conduct, customer responsibility, and community engagement across its operating jurisdictions.

Social KPIs assess workforce composition, diversity, capability development, employee engagement and safety, responsible business practices and community investment. These indicators enable consistent monitoring of workforce stability, inclusion, operational resilience and regulatory compliance while supporting progressive alignment with IFRS S1 disclosure requirements. Data coverage continues to mature across all operating locations.

Governance KPIs

UBL's governance framework emphasizes accountability, transparency, ethical conduct, and effective oversight to protect stakeholder interests and support long-term value creation. Governance KPIs monitor Board composition and independence, sustainability oversight, executive accountability, supplier governance, data protection practices, disclosure maturity and assurance mechanisms. These indicators support continuous strengthening of governance effectiveness and regulatory compliance across the Bank's domestic and international operations.

Geographic Coverage

KPIs are presented for Pakistan, UAE, Bahrain and Qatar, where data availability permits. Coverage will continue to expand as systems and reporting maturity improve across jurisdictions.



Pakistan and UAE KPIs

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
E	E.1.1	Total carbon and GHG emissions	220,245 tCO2e	8,872 tCO2e
E	E.1.2	Total GHG emissions (Scope 1,2,3)	Scope 1= 9,263 tCO2e Scope 2= 27,446 tCO2e Scope 3 =183,536 tCO2e	Scope 1=11 tCO2e Scope 2= 28 tCO2e Scope 3= 8,833 tCO2e
E	E.2.1	GHG emissions per output scaling factor	220,245/419,560=0.52 tCO2/million PKR	8,872/471.3= 18.8 tCO2/million AED
E	E.2.2	Non-GHG emissions per output scaling factor	Not relevant and material to nature of business (financial institution)	Not relevant and material to nature of business (financial institution)
E	E.3.1	Total direct energy consumed	31,645 MWh (fuel consumption)	41 MWh (fuel consumption)
E	E.3.2	Total indirect energy consumed	54,892 MWh (electricity consumption)	55 MWh (electricity consumption)
E	E.4	Direct energy usage per output scaling factor	31,645/419,560 = 0.075 MWh/million PKR	41/471.3 = 0.086 MWh/million AED
E	E.5.1	Energy usage by generation type	Not initiated yet	Operational measurement systems being planned; data collection will follow
E	E.5.2	Energy from renewable sources as % of total	Not initiated yet	Renewable energy tracking framework will be developed if required or possible
E	E.6.1	Total water consumed	Not initiated yet	Water usage monitoring mechanism will be developed
E	E.6.2	Total water reclaimed	Not initiated yet	Reclaimed water tracking system in not established yet
E	E.7.1	Formal Environmental Policy followed	Environmental requirements are implemented through the Green Banking Policy across key operational areas, supported by internal governance and compliance mechanisms	Implemented via Green Banking Policy across key areas, supported by internal governance and compliance mechanisms

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
E	E.7.2	Specific waste/water/energy/recycling policies followed	Dedicated policies covering waste, water, energy, and recycling have not yet been formally established;	Dedicated policies covering waste, water, energy, and recycling have not yet been formally established;
E	E.7.3	Waste recycled or reused	Waste generated at facilities is typically transferred to local vendors; however, a formal tracking and verification mechanism for recycled or reused waste is not available yet.	Not available, Normally waste generated at the facilities sold to the local vendors however mechanism for their tracking under ESG roadmap.
E	E.7.4	Use of recognized energy management system	EMS not yet designed; baseline energy data collection underway	EMS not yet designed; baseline energy data collection underway
E	E.8	Board/Management oversight on Climate-related risks	Yes, dedicated ESG Division provides structured and periodic reporting to the BRCC, MRC and CCM on the implementation status and progress of Climate-related initiatives across all locations. These updates support management oversight, performance tracking, and informed decision-making on sustainability priorities	Dedicated ESG Division provides regular reporting to support management oversight, performance tracking, and informed decisions on Climate initiatives.
E	E.9	Board/Management oversight on other sustainability issues	Yes, EHSG matters are formally discussed in Board and CCM meetings, including review of sustainability performance, emerging regulatory requirements, and policy updates. This ensures continuous alignment with regulatory expectations, timely escalation of material ESG risks, and integration of sustainability considerations into strategic and operational planning	ESG matters are discussed in Board and CCM meetings to ensure regulatory alignment, risk escalation, and integration into strategic planning.
E	E.10	Policy/procedure for sustainable sourcing	Not yet established; currently managed via general procurement and compliance processes	Not yet established; currently managed via general procurement and compliance processes

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
E	E.11	Climate-related risks/opportunities, capital deployment, internal carbon pricing	Early stage of Climate risk analytics; formal quantitative assessment and Climate-linked capital deployment not yet implemented	Early stage of Climate risk analytics; formal quantitative assessment and Climate-linked capital deployment not yet implemented
Social				
S	S.1.1	CEO total compensation to median FTE	Not Available	Not Available
S	S.2	Median male to female compensation ratio	Mean Gender Pay Gap: 5% Median Gender Pay Gap: 7%	The relevant information is maintained through functional and policy-level disclosures; consolidation may be considered as part of future reporting enhancements.
S	S.3.1	YoY change full-time employees	37%	56%
S	S.3.2	YoY change part-time employees	Data not disclosed as the organization primarily operates on a full-time employment model	Not available
S	S.3.3	YoY change contractors/consultants	Same as above	59%
S	S.4.1	Total headcount by gender	Male 73% Female 27%	Men: 68% Women: 32%
S	S.4.2	Entry- & mid-level positions by gender	Male 23% Female 77%	Men: 62% Women: 38%
S	S.4.3	Senior executive level by gender	Male 89% Female 11%	Men: 97% Women: 3%
S	S.5.1	Part-time employees headcount	Data not tracked centrally	Not available
S	S.5.2	Contractors/consultants headcount	Data not tracked centrally	11.70%

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Social				
S.6.1		Sexual harassment/non-discrimination policy	Yes, UBL has a comprehensive Diversity, Equality & Inclusion (DEI) Policy in place that promotes non-discrimination, equality, and an inclusive workplace across the organization. The policy applies to all employees and explicitly prohibits discrimination, harassment, and victimization on grounds such as gender, age, disability, ethnicity, religion, and other protected characteristics. It is supported by clear governance through a dedicated DEI Council and senior leadership oversight, ensuring fair recruitment, training, development, promotion, and equal opportunity for all employees.	UBL has a DEI Policy promoting non-discrimination and an inclusive workplace, supported by governance and leadership oversight to ensure equal opportunity and fair treatment for all employees
S	S.6.2	Grievance and non-retaliation mechanism	Yes. UBL has a formal, confidential grievance and workplace harassment mechanism with clear procedures for reporting, resolution, and non-retaliation. Complaints can be lodged through multiple secure channels, including hotline, dedicated email, written submission, or in-person reporting, and are handled confidentially, impartially, and sensitively by the Employee Relations Division (ERD-HR). A structured inquiry process, defined authorities by seniority level, and an independent Inquiry Committee (including female representation) ensure fair investigation and timely resolution. The policy explicitly prohibits retaliation against complainants and provides for appropriate disciplinary action where harassment or violence is established.	UBL has a formal grievance and harassment mechanism with multiple reporting channels, impartial investigation, non-retaliation, and timely resolution.
S	S.6.3	Differently-abled employees	0.40%	Not Available

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Social				
S	S.7	Occupational health / global H&S policy	A formal global H&S policy is not currently in place; however, occupational health and safety measures are implemented across operations, including workplace safety protocols and employee health coverage	A formal global H&S policy is not currently in place; however, occupational health and safety measures are implemented across operations, including workplace safety protocols and employee health coverage.
S	S.8.1	Child/forced labor policy	Employment is not given to children/minors at UBL.	Employment is not given to children/minors at UBL.
S	S.8.2	Policy coverage on suppliers/vendors	Not initiated yet	Not initiated Yet
S	S.9	CSR activities: list + allocation	CSR contributions were distributed across community welfare, education, and healthcare institutions nationwide, with a primary focus on strengthening access to quality education and healthcare services. Support was extended to multiple cities including Karachi, Lahore, Islamabad, Mianwali, Tharparkar, and Hyderabad, reflecting broad geographic outreach and community impact. The total CSR allocation amounted to PKR 660.15 million, supporting sustainable social development initiatives.	During 2025, a total amount of AED 185,600 was invested in CSR and financial literacy initiatives across the UAE, covering cities such as Dubai, Abu Dhabi, Fujairah, Sharjah, Ajman, Ummul Quwain, Ras Al Khaimah, Sonapur and Dibba. Activities included Ramadan Iftaar programs, National Day and Pakistan Day cake-cutting events, musical community engagements, World Cup live screenings, and sports tournaments under the Tezraftaar League, all aimed at promoting legal remittances, financial awareness, and community engagement among blue-collar workers. Major outreach highlights included a UAE flag world-record community event (AED 50,000) and large-scale sports events, ensuring consistent engagement, awareness building, and social impact throughout the year.
S	S.10.1	Training sessions: skill, soft skills, health & safety	Skill Upgradation = 5234 Soft Skills = 6023 Health and Safety Measures= 254	Soft Skills Session 1: 26 Session 2: 23
S	S.10.2	Promotion of women & men	Male 81% Female 19%	Men: 14% Women: 10%

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Social				
S	S.11.1	Human rights policy	UBL is committed to upholding human rights across its operations. Its Human Resource Policy Manual incorporates key human rights principles, including non-discrimination, diversity and inclusion, workplace harassment prevention, fair practices, grievance redressal, and employee welfare.	UBL is committed to upholding human rights across its operations. Its Human Resource Policy Manual incorporates key human rights principles, including non-discrimination, diversity and inclusion, workplace harassment prevention, fair practices, grievance redressal, and employee welfare
S	S.12.1	Complaints on working conditions	We have received 5 complaints in 2025 falling under the violation of workplace conditions.	No complain received
S	S.12.2	Complaints resolved	5	Nil
S	S.13.1	Frequency of injury events	Nil	Nil
S	S.13.2	Safety incidents & lost production hours	No work related incident were reported	No work related incident were reported
S	S.13.3	Employees covered with H&S insurance	All permanent Employees covers under health insurance Policies	All permanent Employees covers under health insurance Policies
S	S.14	Gender-sensitive marketing policy	Yes, UBL is actively working on gender-sensitive marketing. The Bank aims to develop customized gender-inclusive products and services, with respective business departments responsible for reviewing and designing these products and marketing strategies. Additionally, UBL has introduced initiatives like "Women Champions" at customer touch points to make women feel more comfortable accessing financial products and services. This approach reflects UBL's commitment to enhancing women's financial inclusion and addressing their specific needs in marketing and product offerings	Yes, UBL UAE is actively working on gender-sensitive marketing. The Bank aims to develop customized gender-inclusive products and services, with respective business departments responsible for reviewing and designing these products and marketing strategies

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Governance				
G	G.1.1	Board seats by gender	08 by Men (88.9%) and 01 by Women (11.1%), Total = 9	Governance structure is consistent across all geographical locations, with 8 men and 1 woman on the Board.
G	G.1.2	Committee chairs by gender	05 by Men (83.3%) and 01 by Women (16.7%), Total = 6	Committee leadership is consistent across all locations(5 men and 1 Woman); diversity among chairs will be progressively improved
G	G.2.1	CEO prohibited from board chair	As per the Banking License issued by SBP the CEO cannot hold office of the Chairman of the Board	CEO role separation from Board Chair is maintained across all locations in line with regulatory requirements.
G	G.2.2	Board seats occupied by independents	3 (33.33%) of seats occupied by independent seats	Independent board representation is the same across all locations to ensure neutral oversight;
G	G.3	ESG-certified board members	The Board is well informed on ESG-related matters through ongoing briefings and oversight activities. Formal External ESG training for Board members is planned for 2026.	Board members are briefed on ESG matters and their external training will be scheduled this year
G	G.4	Executives incentivized on sustainability	ESG-linked incentives not yet integrated	ESG-linked incentives not yet integrated
G	G.5	Employees covered by collective bargaining agreements	180	Not Available
G	G.6.1	Suppliers follow Code of Conduct	Formal ESG-aligned Supplier Code of Conduct has not yet been implemented, and supplier compliance against ESG requirements has not been systematically assessed. The Bank plans to establish a standardized supplier governance framework as part of its ESG integration roadmap.	ESG-aligned supplier code is on ESG roadmap and will be implemented progressively across all locations as per regulatory expectations.

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Governance				
G	G.6.2	% suppliers formally certified	This will be initiated once the ESG will be integrated in Procurement and Supply chain	This will be initiated once the ESG will be integrated in Procurement and Supply chain
G	G.7	Ethics / Anti-Corruption policy compliance	UBL has Code of Conduct & Ethical Standards and Anti-Bribery and Corruption (ABC) policy in place. All employees are required to comply with the code and the Group ABC policy.	Ethics and anti-corruption policies are applied uniformly; compliance will be ensured across all locations.
G	G.8.1	Data Privacy policy	Yes, UBL Data Privacy Policy is designed to ensure the confidentiality and security of customer information	Data privacy policy is implemented across all locations to ensure confidentiality and security of customer information
G	G.8.2	Steps to comply with data protection frameworks	Following are steps taken by UBL for data protection <ul style="list-style-type: none"> • Data Security: Strong encryption is used to protect data at rest and in transit. • Access Controls: Customer information is shared only with authorized individuals after identity verification. • PII Protection: Personal data is protected and not shared without consent, in line with local laws. • Staff Training: Employees receive regular training on data protection and system security. • Incident Response: An incident response plan is in place and reviewed annually. • Backup & Recovery: Robust backup and recovery mechanisms, including ransomware protection, are implemented. 	Data protection measures including encryption, access controls, PII protection, training, and incident response are applied consistently; system maturity will be enhanced over time.
G	G.9.1	Sustainability report published	UBL publishes a standalone Sustainability / ESG report on an annual basis to enhance transparency and stakeholder engagement.	Annual ESG / Sustainability report is published covering all locations; reporting scope and KPI detail will be enhanced progressively.

			Pakistan	UAE
Category	KPI Code	KPI Description	Current Value	
Environment				
Governance				
G	G.9.2	Data in line with reporting frameworks	Sustainability-related disclosures have been progressively incorporated into regulatory and public disclosures in Pakistan since 2023, in line with evolving voluntary ESG reporting practices and regulatory expectations	Sustainability-related disclosures have been progressively incorporated into regulatory and public disclosures in Pakistan since 2023, in line with evolving voluntary ESG reporting practices and regulatory expectations.
G	G.10.1	Data in line with reporting frameworks	The Bank's sustainability disclosures are progressively aligned with IFRS Sustainability Disclosure Standards (IFRS S1 and S2), GRI, and SASB frameworks, with ongoing enhancements to improve data depth and consistency.	Sustainability disclosures are aligned with IFRS S1/S2, GRI, SASB across all locations; granularity and consistency will be improved.
G	G.10.2	Focus on specific UN SDGs	UBL has not formally adopted specific UN Sustainable Development Goals as strategic targets. However, the Bank maps relevant sustainability initiatives to applicable SDGs for internal monitoring and alignment purposes.	Not initiated yet however formal adoption of priority SDGs will be considered once baseline systems mature
G	G.10.3	Targets & progress on UN SDGs	Formal target setting and performance tracking against selected SDGs are currently under development as part of the Bank's sustainability framework enhancement	SDG target setting and tracking is under development across
G	G.11	Sustainability disclosures assured/ validated	No external assurance is currently obtained over the ESG Report. Independent assurance is expected to be introduced progressively as data quality, reporting processes, and underlying systems continue to mature.	No external assurance is currently obtained over the ESG Report. Independent assurance is expected to be introduced progressively as data quality, reporting processes, and underlying systems continue to mature.

Bahrain KPIs

Environment

S.#	KPI's	Description	Status (2025)
1	KPI - E.I. Environmental Oversight	1. A statement on how the company addresses its environmental impact (e.g., explain whether senior management and/or the board address sustainability issues in meetings or have dedicated committees to do so.)	.The Board and Senior Management have been reviewing implementation progress status of Environmental, Social and Governance Risk Management Framework of the Bank through its quarterly Board and management committee meetings. *Board Risk & Compliance Committee (BRCC) *Compliance Committee of Management (CCM) & *Management Risk Committee (MRC).
		2. A statement of purpose and approach of the board/management towards sustainability matters	The Bank has ESG/Green Banking Strategy and Policy which is approved by the Board and Senior Management. These key governing document clearly define Bank purpose to embed environmental, social, and governance (ESG) principles into the core of our decision-making processes and operational strategies and approach to ensure timely and effective implementation of Environmental, Social and Governance Risk Management Framework.
		3.The company should describe its management and board oversight on Climate related risks and opportunities Impact ties.A description of the following (where applicable):	
		3.1 Policies	ESG/Green Banking Policy
		3.2 Commitments	The Bank has defined its commitment in ESG Strategy Document which defines Banks targets and goals related to ESG with different time horizon i.e. short, Medium and Long term. The strategy document is approved by the Board.

S.#	KPI's	Description	Status (2025)
		3.3 Goals and targets (e.g., a description of how management/the board oversee progress against Climate/sustainability related targets)	The Bank has ESG materiality assessment and strategy document, with sustainability goals and targets, which is approved by the Board.
		3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer(s); Board committees etc.)	The responsibilities have been delegated to the BRCC, CCM and MRC for oversight and management of ESG related matters. The Bank has a dedicated ESG Division under existing Risk Group with appointment of Head of Sustainability, ESG and Climate Risk-Pakistan & GCC.
		3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about Climate/sustainability targets and processes	On quarterly basis, implementation progress status of Environmental, Social and Governance Risk Management Framework is reported to Senior Management Committees and the Board
2	KPI - E.2: Energy Consumption UNO Impact: megawatt hours (MWh) or gigajoules (GJ) or multiples	1. Report total energy consumed and breakdown by type; 1.1 Indirect energy consumed in the form of electricity, heating, cooling (i.e., total of energy purchases) 1.2 Direct energy consumed, classified by renewable and nonrenewable sources 2. State the standards, techniques, assumptions, and/or calculation tools utilized.	121,458 kWh 17,955 kWh (Fuel consumption for official commute) Electricity consumption was obtained from monthly bills. Fuel consumption for official commute was obtained internally.
3	KPI - E.3: Energy Intensity: gigawatt-hours (GWh) per million BHD/USD or multiples.	Report total energy consumed during the year divided by the selected scaling factor (e.g., sales, revenue etc.) State the standards, techniques, assumptions, and/or calculation tools utilized.	0.013 kWh/BHD (Total energy consumption divided by UBL Bahrain revenues for the year)
4	KPI - E.4: Energy Mix: Percentage(%)	Report the percentage of energy used by source, as part of total energy consumption. Report the percentage of renewable and non-renewable energy used, as part of total energy consumption.	Grid Electricity (87%) Motor vehicle fuel / petrol (13%) 13% is non-renewable. Grid electricity bifurcation into renewable and non-renewable sources not available.

S.#	KPI's	Description	Status (2025)
5	KPI - E.5: Green House Gas (GHG) Emissions: metric tons of CO2 or equivalent	Report total absolute emissions by scope; 1. Total amount, in CO2 equivalents, for Scope 1 2. Total amount, in CO2 equivalents, for Scope 2 3. Total amount, in CO2 equivalents, for Scope 3 (if applicable).	5 tCO2e 61 tCO2e 28 tCO2e
6	KPI E.6: Emission Intensity	1. Report total annual GHG emission during the year divided by the selected scaling factor. 2. State the standards, techniques, assumptions, and/or calculation tools utilized.	9xe-6 tCO2e/BHD (Total emissions was divided by UBL Bahrain revenues for the year) UBL Bahrain's 2025 GHG inventory was calculated in accordance with the GHG Protocol using activity data and standard emission factors, with all gases converted to CO ₂ e using IPCC GWPs. It includes Scope 1 emissions fuel consumption for official commute, Scope 2 emissions from purchased electricity, and Scope 3 emissions from employee commuting and business air travel.
7	KPI E.7: Climate Risk Mitigation: Statement / Description and monetary value in BHD/USD.	1. Describe how your company identifies, assesses, and manages Climate-related risks (including physical risks and transition risks). 2. Report the amount invested annually in Climate-related issues (in BHD or USD) (e.g., research and product innovation).	Bank has initiated Climate risk screening of its funded exposures. No amount was invested in year 2025 in Climate related issues e.g. research and product innovation
8	KPI E8: Water Usage	1. Report the total annual amount of water consumed by the organization 2. Report the total annual amount of water withdrawn by the Org. 3. Report the total annual amount of water recycled/ reclaimed by the Org.	Data of annual amount of water consumed is not available. UBL has a single branch operation in Bahrain. Data not available. Data not available.

S.#	KPI's	Description	Status (2025)
9	KPI E.9: Waste Generation: Statement /Description and weight in metric tons or equivalent.	<p>1.Total weight of waste generated in metric tons, and a breakdown of this total by composition of the waste (hazardous and nonhazardous).</p> <p>2.Description of the company's waste disposal method(s).</p> <p>3. State the standards, techniques, assumptions, and/or calculation tools utilized.</p>	<p>Paper and cardboard waste is disposed at the government available disposal sites. There is no hazardous waste generated. However data related to their weight is not available.</p> <p>The waste is collected by municipal Agency.</p> <p>Waste is simply disposed of through municipality.</p>
10	KPI E.10: Emission Targets Unit: Statement/Description	<p>1. A statement on how the company addresses its total emission.</p> <p>2. A statement of the board/management approach towards its total emissions, including whether it is subject to any country, regional, or industry-level emissions regulations and policies</p> <p>3. A description of the following (where applicable):</p> <p>3.1 Policies</p> <p>3.2 Commitments</p> <p>3.3 Goals and targets (e.g., a description of how management/the board oversee progress against Climate/sustainability related targets)</p>	<p>Bank addresses its emission reductions through energy efficient measures such as LED lights and digitalization of Operations.</p> <p>The Board of Directors at UBL is fully aware of its responsibilities regarding emissions and environmental risk management. The Bank has set its own emission reduction targets defined in the strategy document approved by the Board.</p> <p>ESG/Green Banking Policy</p> <p>The Bank has defined its commitment in ESG Strategy Document which defines Banks targets and goals related to ESG with different time horizon i.e. short, Medium and Long term. The strategy document is approved by the Board.</p> <p>The Bank has ESG materiality assessment and strategy document with sustainability goals and targets which is approved by the Board.</p>

S.#	KPI's	Description	Status (2025)									
		<p>3.4 Responsibilities (e.g., if responsibilities are delegated to management-level positions; dedicated sustainability officer; Board committees etc.)</p> <p>3.5 Specific actions, such as processes, projects, programs, initiatives, and frequency at which the board is informed about emission targets and process.</p>	<p>The responsibilities have been delegated to the BRCC, CCM and MRC for oversight and management of ESG related matters.</p> <p>The Bank has a dedicated ESG Division under existing Risk Group with appointment of Head of ESG & Chief Green Banking Official</p> <p>On quarterly basis, implementation progress status of Environmental, Social and Governance Risk Management Framework is reported to Senior Management Committees & the Board, however no specific reporting yet on emission targets.</p>									
Social												
1	KPI S. 1;S.1: Total Workforce by sex, age-group, and employment type Unit: Amount and Percentage (%)	<p>1. Report total number of employees currently employed within the organization and the composition of the total workforce as per the below:</p> <p>1.1 By sex, as percentage of the total workforce</p> <p>1.2 By age-group (as per the GRI's employee age group categories: (a) under 30 years old, (b) 30-50 years old, and (c) over 50 years old), as a percentage of the total workforce</p> <p>1.3 By employment type (e.g., full-time, part-time, intern etc.), as a percentage of the total workforce</p>	<table border="1"> <tr> <td>Total</td> <td>Staff</td> <td>19</td> </tr> <tr> <td>Male</td> <td></td> <td>16</td> </tr> <tr> <td>Female</td> <td></td> <td>3</td> </tr> </table> <p>Under 30 = 2 30-50 Years Old= 15 Above 50= 2</p> <p>All 19 employees are fulltime employed</p>	Total	Staff	19	Male		16	Female		3
Total	Staff	19										
Male		16										
Female		3										
2	KPI S.2: Child and Forced Labour Unit: Statement/Description	<p>1. A statement on how the organization addresses prohibition of child and or/forced labour.</p> <p>2. A statement of the board/ management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies.</p>	<p>The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.</p> <p>The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.</p>									

Social																													
		3. A description of the following (where applicable)																											
		3.1 Policies	Bank HR Policy																										
		3.2 Commitments	The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.																										
		3.3 Goals and targets	The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.																										
		3.4 Responsibilities	The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.																										
		3.5 Specific actions, such as processes, projects, programs, initiatives and frequency at which the board is informed about any issues concerning child and or/forced labour relating to the company.	The Bank Policy does not allow hiring staff less than 18 years and / or any child and forced labor.																										
3	KPI S.3: Employee Turnover Unit: Amount and Percentage (%)	1. Report total annual employee turnover rate (whether voluntary or involuntary) during the reporting period, as per the below categories:	<table border="1"> <thead> <tr> <th colspan="2">Attritions</th> </tr> </thead> <tbody> <tr> <td>Banks over all Attritions</td> <td>22%</td> </tr> <tr> <td>Male Turnover</td> <td>20%</td> </tr> <tr> <td>Female Turnover</td> <td>33%</td> </tr> </tbody> </table>	Attritions		Banks over all Attritions	22%	Male Turnover	20%	Female Turnover	33%																		
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Age	Count																												
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Female	1																												
Total	4																												
		1.3 By employment type (e.g., full-time, part-time etc.)	<table border="1"> <thead> <tr> <th colspan="2">Group wise Attrition Permanent</th> </tr> </thead> <tbody> <tr> <td>Finance</td> <td>1</td> </tr> <tr> <td>Retail Banking</td> <td>2</td> </tr> <tr> <td>Operations</td> <td>1</td> </tr> <tr> <td>Total</td> <td>4</td> </tr> </tbody> </table> <p>(Full-time)</p>	Group wise Attrition Permanent		Finance	1	Retail Banking	2	Operations	1	Total	4																
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Total	4																												

Social			
4	KPI S.4: Gender Pay Ratio Unit: Ratio	1. Report the median total compensation for women compared to the median total compensation for men (as a ratio).	Data is not available however the Bank is working on gender pay ratio to compare compensation for men and women employees
5	KPI S.5: Health and Safety Unit: Amount and Description	1. Report on the total number of injuries and fatalities occurred in each of the past three years including the reporting year.	Currently there is no injuries and fatalities occurred
		2. Report lost days due to work injury in each of the past three years including the reporting year.	Nil
		3. A description of occupational health and safety measures adopted, and how they are implemented and monitored	UBL is ensuring the health and safety of employees is a top priority. The Bank promotes and maintains a culture where employees feel safe and are provided with a healthy work environment that ensures work-life balance. Bank HR policy ensures implementation of occupational Health and Safety measures and monitors through different review and audit processes.
6	KPI S.6: Non-Discrimination Unit:	1. A statement on how the organization addresses harassment and discrimination matters.	<p>UBL has non-discriminatory recruitment/selection policy according to which appointment of staff shall be on the basis of skills and experience. It shall be free from discriminatory biases against religion, sex, race, color, ethnic, origin, nationality, disability, marital status, or social class, and based soundly on the principle of equality of opportunity.</p> <p>To maintain the culture of non-discrimination, our HR Manual has comprehensive policies on Workplace Harassment, Grievance, Diversity, Equality & Inclusion, and Accountability & Discipline," violations of which can lead to disciplinary actions.</p>

Social			
			Employees are always encouraged to report any incidents of harassment and discrimination to the respective authority as defined in the policy. Complaints are taken seriously and are dealt with in accordance with the policy. HR also conducts awareness sessions on work ethics and employee conduct for its employees.
		2. A statement of the board/management approach, including whether it is subject to any country, regional, or industry-level regulations and policies	The above mentioned policies duly approved by the Board are implemented across the Bank
7	KPI S.7: Nationalization Unit: Amount and Statement/Description	1. A statement of the board/management approach to increase nationalization, including whether it is subject to any country regulations and policies.	The board and management ensures applicable government directives on nationalization are being followed.
		2. Report the number and percentage of national employees, as part of the total workforce.	2 Nationals (28%)
8	KPI S.8: Community Investment Unit: Description and Percentage (%)	1. Report the amount invested in the community as a percentage of company revenues.	Due to limited operations in Bahrain there is no amount invested in Community however, at group level 0.15% of company revenue is invested in the community in 2025.
		2. Provide a description of the scope and impact of its community investment initiatives.	The scope of community investment is in healthcare, education and community welfare which benefited to underprivileged patients, students and extended community.
9	KPI S.9: Human rights Unit: Statement /Description	1. A statement on how the organization addresses human rights.	UBL has an approved HR policy which addresses human right related matters which include fair wages, healthcare, safety and security and ensures diversity equity and inclusion.

Social			
		2. A statement of the board/management approach's direction, including whether it is subject to any country, regional, or industry-level regulations and policies.	All our HR policies are duly approved by the Board for effective implementation.
		3. A description of the following (where applicable):	
		3.1 Policies (and if it also covers suppliers and vendors).	UBL has established HR policies that address employee rights and non-discrimination, which are clear, understandable, and accessible to all employees. Local Labor Laws are followed and complied.
		3.2 Commitments	UBL is always committed to promote a safe and healthy work environment while ensuring compliance with its policies and procedures, the laws, regulatory requirements, and human rights regulations.
		3.3 Goals and targets	UBL is very much focused on continuous improvement of its work culture and invest significantly in employees' training and development programs.
		3.4 Responsibilities	HR ensures compliance of HR policies and report material issues and matters to senior management and Board.
10	10 KPI S.10 : Management Composition/Diversity Unit: Percentage (%)	1. Report percentage of male to female metrics, as per the below categories	17%
		1.1 Entry-level	20%
		1.2 Mid-level	17%
		1.3 Senior/Executive level positions	14%
11	KPI S.11: Development and Training Unit: Percentage (%)	1. Report average hours of training, as per the below categories:	Average training hours are 15 hours including e-learnings
		1.1 By Sex	3-Females and 15 Males
		1.2 By Employee category (Full-time, part-time, in-ternship etc.)	All employees are full time hired.

Governance			
1	KPI G.1: Board Composition Unit: Statement/description	1. Report Board size	The Board size of United Bank Limited (UBL) is 9 directors
		2. Report female Board directors by number and percentage of the Board size.	There is 1 female Board director, which constitutes approximately 11.1% of the Board size
		3. Report composition of the Board and its committees by:	
		3.1 Executive or non-executive.	The Board comprises both Executive and Non-Executive Directors. The President & CEO, Mr. Muhammad Jawaid Iqbal, is the Executive Director, while the remaining directors are non-executive.
		3.2 Independence.	3 of the Directors are Independent Directors
		3.3 Tenure.	3 years
		3.4 Representation (appointed or elected)	President / CEO is appointed by the Board in line with the regulatory requirements, while all other Directors are elected through the election in general meeting in line with the applicable regulatory instructions.
2	KPI G.2: Collective Bargaining Unit: Description and amount	1. Report total enterprise headcount covered by collective bargaining agreements (Unions) (if applicable).	Not Applicable
		2. Provide a description of the process by which employees negotiate their contracts with the organization to determine their terms of employment (e.g., compensation, benefits, hours, leave, occupational health and safety standards, initiatives to balance work and family etc.)	Not Applicable

Governance			
3	KPI G.3: Whistleblowing Unit: Statement / Description	1. Provide a description of internal and external mechanisms for seeking advice and reporting concerns on organizational integrity.	<p>UBL has an approved whistleblowing Policy whereby employees, vendors, Bank customers, shareholders, and other stakeholders can report concerns regarding unethical or inappropriate business conduct through various mechanisms. Internally, individuals can use the following channels:</p> <p>UBL Website: Access the whistleblowing tab for filing complaints. Hotline: Call the dedicated hotline number (021-9033-2005) during designated hours. Email: Send an email to whistleblowing@ubl.com.pk or to the Chairman of the Board Audit Committee at chairman.bac@ubl.com.pk. Written Complaints: Fill out a complaint form available in branches and mail it to the Whistle Blowing Committee Members at UBL Head Office, Karachi.</p> <p>In-Person Representation: Concerns can be raised directly to any member of the Whistle Blowing Committee. Externally, individuals may also seek advice from regulatory bodies or legal advisors if they believe their concerns are not being adequately addressed within the organization.</p>
		2. Provide a description on awareness initiatives conducted by the organization.	<p>Awareness Initiatives Conducted by the Organization: UBL conducts various awareness initiatives to promote the Whistleblowing Policy and ensure all employees understand their rights and responsibilities regarding reporting unethical behavior. These initiatives may include:</p>

Governance

			<p>Training Sessions: Regular training programs to educate employees about the Whistleblowing Policy, including how to report concerns and the protections available to whistle-blowers.</p> <p>Communications and Circulars: Dissemination of information through circulars and memos that outline the whistleblowing process and reinforce the importance of ethical conduct. Workshops and Seminars: Organizing workshops to discuss real-life scenarios and the significance of maintaining integrity within the organization.</p> <p>Visibility Campaigns: Promoting the whistleblowing channels and encouraging a culture of openness and accountability through posters, intranet updates, and other communication channels. These efforts aim to create a safe environment where employees feel empowered to report misconduct without fear of retribution.</p>
4	KPI G.4: Data privacy Unit: Statement / Description	1. Provide a description of the company's Data Privacy policy.	The UBL Data Privacy Policy is designed to ensure the confidentiality and security of customer information. UBL takes various measures to enhance data protection, including the implementation of protocols such as 3D Secure, two-factor authentication, and encryption techniques to safeguard data from unauthorized access and cyberattacks.

Governance

		2. Provide a statement of the steps taken to comply with Personal Data Protection Law (PDPL) rules.	<p>UBL has implemented various measures to enhance data protection, which likely align with PDPL requirements. These include:</p> <p>Data Security Measures: Implementation of secure and up-to-date cryptographic algorithms to encrypt data both in transit and at rest, ensuring the confidentiality and integrity of personal data.</p> <p>Access Controls: Customer account information is disclosed only to the customer or authorized individuals, with security questions asked to verify identities before divulging any information.</p> <p>Protection of Personally Identifiable Information (PII): UBL takes necessary precautions to protect PII and complies with local laws, ensuring that customer data is not shared with third parties without prior consent. Regular Training: Staff receives appropriate training for data protection, systems use, and security, which helps in ensuring compliance with PDPL obligations.</p> <p>Incident Response Plan: UBL has established an incident response plan, which is tested and reviewed annually with cybersecurity as a key consideration.</p> <p>Backup and Recovery: Implementation of a reasonable backup and testing mechanism, including ransomware protection, to ensure recovery of personal data in case of incidents.</p>
5	KPI G5: Disclosure Practices Unit: Statement / Description	1. Report if the company provides its sustainability data to sustainability supporting organizations such as the Global Reporting Initiative (GRI) Secretariat, United Nations (UN), CDP etc.	Currently the Bank doesn't provide data to these specific organization, however Bank's annual ESG group report is aligned with the requirements of GRI etc.

Governance			
5		2. Report if the company focuses on specific UN Sustainable Development Goals (SDGs), including setting targets and reporting progress	Currently the Bank have not set targets against SDGs and progress reporting however Bank suitability related activities in group ESG report has been aligned with UN SDGs broader objectives.
		3. State whether the company publishes a sustainability report and/or how it integrates sustainability data in its disclosures.	At group level the Bank publishes ESG/ Sustainability report and also made it part of Annual financial report
6	KPI G.6: Conflict of interest Unit: Statement /Description	1. Report whether conflicts of interest are disclosed to stakeholders, including, at a minimum, conflicts of interest relating to:	
		1.1 Cross-board membership	The Board of Directors (BOD) is mandated not to be on the board of more than three listed companies, especially in the same industry. This suggests a level of transparency regarding cross-board membership, although specific disclosure practices to stakeholders are not explicitly mentioned.
		1.2 Cross-shareholding with suppliers and other stakeholders;	UBL is a public listed company, with its shares being freely traded on the Stock Exchange. For the purposes of this reporting, we need to know some specific threshold. Regarding major shareholders, their relationships with UBL, beyond routine Banking transactions, if occurs, are closely monitored / controlled under various regulatory instructions.

Governance			
		1.3 Existence of controlling shareholders;	The Bank is a subsidiary of Bestway International Holdings Limited, which is incorporated in Guernsey. This indicates the presence of controlling shareholders, as Bestway International Holdings Limited would likely have significant influence over UBL.
		1.4 Related parties, their relationships, nature, transactions, and outstanding balances.	The Bank has related party transactions with its parent, directors, key management personal, subsidiaries, associated and other parties including employee benefit schemes of the Bank.
7	KPI G.7: Supplier Code of Conduct Unit: Statement / Description and Percentage (%)	1. Provide a description of or the company's Supplier Code of Conduct.	The Supplier Code of Conduct at UBL emphasizes ethical behavior and integrity in dealings with suppliers, vendors, and service providers. It requires that all parties involved in procurement adhere to fair business practices, ensuring that they do not engage in any corrupt business practices. Suppliers must declare any fees, commissions, or brokerage payments and commit to not offering any bribes or kickbacks in connection with obtaining contracts or benefits from UBL. This Code aligns with UBL's broader commitment to professionalism and ethical conduct in all operations.
		2. Report the percentage of suppliers that comply with the company's code of conduct and the compliance assessment mechanism.	100%
8	KPI G.8: Incentivised Pay Unit: Statement / Description	1. Report if executives are formally incentivized to perform on sustainability.	Not yet initiated
		2. Report the percentage of executive compensation tied to ESG performance metrics	Nil

Governance			
		3. Provide a description of other links between executive performance and sustainability performance (if any).	Nil
9	KPI G.9: Ethics & Anti- corruption Unit: Statement / Description and Percentage (%)	1. Report if your company follows an Ethics and/or Anticorruption policy.	UBL has Code of Conduct & Ethical Standards and Anti-Bribery and Corruption (ABC) policy in place. All employees are required to comply with the code and the Group ABC policy.
		1.1 If yes, report the percentage of the workforce that has formally certified its compliance with the policy (provide description of certification and process).	We ensure annual commitment to the code every year from each and every employee through their declaration whereas Compliance Essentials - a mandatory annual training covering ABC Policy, every employee has to complete.
		2. Provide a statement of the company's commitment towards its ethics and/or anti-Corruption policy/position.	The Bank has established comprehensive code of conduct & ethical standards and policies to comply with anti-bribery laws and ensure that all employees are adequately trained on these policies through mandatory annual training sessions. UBL's anti-corruption stance is part of its broader commitment to uphold integrity, transparency, and accountability in all business dealings. The Bank actively monitors compliance with these policies and takes disciplinary action against any breaches, reinforcing its dedication to ethical conduct and responsible Banking practices.
10	KPI G.10: Assurance Unit: Statement / Description	1. Provide a description of the process by which sustainability disclosures are assured or validated.	
		1.1 Report if the company's sustainability disclosures are assured or validated by an independent third party	The ESG disclosures in UBL's annual financial report are assured by independent third party.



Qatar KPIs

Section Name	Measure Name	Measure Description	Unit	2025
E-emissions	GHG absolute - Scope 1	Direct GHG emissions occur from sources that are owned or controlled by the company, for example, emissions from combustion in owned or controlled boilers, furnaces, vehicles, etc.; emissions from chemical production in owned or controlled process equipment	tCO2e	4
E-emissions	GHG absolute - Scope 2	GHG emissions from the generation of purchased electricity consumed by the company. Purchased electricity is defined as electricity that is purchased or otherwise brought into the organizational boundary of the company. Scope 2 emissions physically occur at the facility where electricity is generated	tCO2e	198
E-emissions	GHG absolute - Scope 3 (excluding category 15- Financed emissions)	Amount of indirect emissions from identified scope 3 sources	tCO2e	24
E-emissions	GHG (scope 1 and scope 2)	intensity per employee -The amount of Scope 1 and 2 GHG emitted (tCO2e) per unit of organization-specific metrics, i.e. number of employees.	tCO2e/head	8
E-energy	Total energy consumption by source (e.g., renewable versus non-renewable)	Total energy consumed from renewable and non-renewable sources (GWh) as a composition of total electricity consumption (GWh)	MWh	395
E-energy	Energy intensity	Total energy consumed (MWhs or GJ) per unit of organisation-specific metrics i.e. number of employees	MWh/head	16
E-waste	Energy efficiency of Bank's own real estates	Average energy efficiency rating of Bank's own real estate weighted by m2	Rating	Not yet measured
E-waste	Total weight of waste generated	Total weight of waste generated	t	Waste generation is limited, however not yet measured
E-waste	Waste intensity per employee	Total waste generated/ Number of employees	kg/employee	Waste generation is limited, however not yet measured

Section Name	Measure Name	Measure Description	Unit	2025
E-waste	Total recycled waste	total recycled and reused waste produced in tonnes	kg	Waste generation is limited, not yet measured
E-waste	Total paper consumption	Total weight of paper consumed	kg	1,250
E-waste	Paper consumption intensity per employee	Total weight of paper consumed/Total number of employees	t/head	54
E-waste	Total water consumption	Total water consumption	m3	498
S-Responsible procurement and supply chain	Percentage of total procurement from local suppliers in Qatar	Monetary amount spent on procurement from Qatari suppliers/ Total monetary amount spent on procurement	%	95
S-Community investment	Total number of employee volunteering hours	Total number of employee volunteering hours	Hours	0
S-Quality of employment	Number of grievances (legal complaints) filed against UBL Qatar in the reporting period	Number of grievances (legal complaints) filed against UBL Qatar in the reporting period	Number	0
S-Quality of employment	Number of grievance filed addressed or resolved	Number of grievance filed addressed or resolved	Number	0
S-Quality of employment	Percentage of employee turnover	Number of employees who left the Bank/Total number of employees	Percentage	20%
S-Quality of employment	Breakdown of gender of staff by level (e.g., Board members, Assistant Governors, Directors, Heads of departments, employees)	Percentage of female staff by level/ Total number of staff per level	%	Manager: 14.5% Staff: 50%

Section Name	Measure Name	Measure Description	Unit	2025
S-Gender equality	Ratio of median male salary to median female salary	Median male salary/ Median female salary	%	121%
S-Nationalization	Percentage of Qatari nationals in the workforce	Number of Qatari employees/Total number of employees	%	20%
S-Nationalization	Breakdown of ethnicity of staff by level	Number of employees in each ethnicity group/Total number of employees	%	Pakistani: 72% Indian: 4% (1 RM staff) Sudanese: 4% (1 PRO staff) Local/GCC: 20% (2 Qatari + 1 Saudi + 2 Bahraini)
S-Equality of opportunities	Legal cases taken against QCB for discrimination	Number of legal cases taken against QCB for discrimination	Number	0
S-Youth employment	Breakdown of employment by age	Number of employees in each age range	%	18 - 25: 2 26 - 35: 9 36 - 45: 7 +45 : 7
S-Trainings	Average number of training hour per employee (broken down by gender and career level)	-Total number of training hours/ number of employees -Total number of training hours per career level/ number of employees -Total number of training hours per gender/ number of employees	Number of hours	- 8 hrs. per employee (online mandatory) -N/A -8 hrs. per Female staff & 8 hrs. per Male staff.
G-Anti-Corruption	Total number of confirmed incidents of bribery or corruption	Total number of confirmed incidents of bribery or corruption	Number	0
G-Anti-Corruption	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Total number of confirmed incidents in which employees were dismissed or disciplined for corruption	Number	0

Section Name	Measure Name	Measure Description	Unit	2025
G-Anti-Corruption	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Total number of confirmed incidents when contracts with business partners were terminated or not renewed due to violations related to corruption	Number	0
G-Anti-Corruption	Public legal cases regarding corruption brought against the organization or its employees during the reporting period	Number of public legal cases regarding corruption brought against the organization or its employees during the reporting period	Number	0
G-Anti-Corruption	Total number of employees that have received training on anti-corruption, broken down by career level and region	Total number of employees that have received training on anti-corruption at each career level and in each region	Number	25
G-Responsible procurement and supply chain	Number of suppliers assessed for ESG impacts	Total number of suppliers assessed for ESG impacts	Number	Not yet initiated
G-Responsible procurement and supply chain	Percentage of suppliers identified as having significant actual and potential negative ESG impacts with which improvements were agreed upon as a result of assessment	Total monetary amount spent on suppliers identified as having significant actual and potential negative ESG impacts with which improvements were agreed upon as a result of assessment/ Total monetary amount spent on procurement	Percentage	0

Sustainability Commitments & Targets

Key Areas	Commitments	Targets
Environmental	<ul style="list-style-type: none"> Commit to lower greenhouse gas emissions through energy-efficient practices and sustainable operations. Offer environmentally friendly financial products that encourage sustainable investments and eco-conscious choices. Promote digital Banking to reduce paper usage and minimize waste. Perform E&S due diligence of applicable transactions alignment with Bank's materiality assessment. Support projects and businesses that prioritize environmental sustainability and renewable energy. Implement waste reduction, recycling programs, and sustainable resource management within Bank branches. Invest in initiatives to offset the Bank's carbon emissions, contributing to Climate action. Educate and engage employees in environmental responsibility and sustainable practices both at work and in the community. 	<ul style="list-style-type: none"> Reduce overall carbon emissions within the next 5 years through energy-efficient systems and green building practices. Increase the share of environmentally sustainable financial products in Bank's portfolio. Achieve reduction in paper usage across all Banking services within the next 5 years. Ensure all applicable transactions undergo E&S due diligence in line with the Bank's materiality framework. Train maximum employees in environmental sustainability practices. Our overarching ambition is to achieve Net Zero across Scope 1, 2 and 3 GHG emissions by 2050.
Social	<ul style="list-style-type: none"> To ensure financial inclusion access to Banking services for underserved communities and individuals. Invest in educational initiatives and providing training opportunities to enhance the financial literacy and skills of employees and communities. Prioritize employee health, safety, and work-life balance, fostering a supportive and inclusive workplace culture. Create an inclusive environment that celebrates diversity and ensures equal opportunities for all employees, clients, and stakeholders. Support local communities through philanthropy, volunteering, and partnerships with non-profits and social enterprises. Contribute to community healthcare programs and supporting initiatives aimed at improving public health and well-being. 	<ul style="list-style-type: none"> Expand Banking services to reach underserved communities, ensuring they have the tools and support needed to access financial resources. Develop and implement educational programs aimed at improving financial literacy and skills, benefiting employees and community members alike. Create a workplace environment where employee well-being is prioritized, ensuring access to health and safety measures while promoting a healthy work-life balance. Foster a diverse, equitable, and inclusive environment by ensuring all individuals have equal opportunities to contribute and thrive within the Bank. Strengthen community engagement through ongoing philanthropic efforts, volunteer opportunities, and meaningful partnerships with non-profits and social enterprises.

Key Areas	Commitments	Targets
Governance	<ul style="list-style-type: none"> Ensure clear, transparent communication of financial performance, policies, and business operations to stakeholders. Implement robust risk management frameworks to identify, assess, and mitigate risks effectively across all areas of operation. Uphold the highest standards of ethics, integrity, and compliance in all business dealings, ensuring adherence to legal and regulatory requirements. Ensure effective governance practices with a diverse and independent board, overseeing strategic direction and decision-making processes. Implement policies and training programs to prevent corruption, fraud, and unethical behaviour within the organization. Establish strong internal control systems to safeguard the Bank's assets, ensure accurate reporting, and prevent fraud. Prioritize the protection of customer data and maintain compliance with data privacy regulations to prevent breaches and ensure trust. Integrate sustainability into governance structures, ensuring environmental, social, and economic sustainability is at the core of business strategies. 	<ul style="list-style-type: none"> Foster regular and comprehensive reporting practices to ensure stakeholders are consistently informed about the Bank's performance and strategic decisions. Develop and maintain a comprehensive risk management framework that is continuously reviewed and adapted to address emerging risks and challenges. Establish a culture of ethical conduct across all levels of the organization, with ongoing training to ensure full compliance with legal and regulatory obligations. Strengthen the governance structure to include diverse perspectives and ensure independent oversight that supports effective decision-making and long-term strategic goals. Create and implement a comprehensive anti-corruption and ethics training program for all employees, ensuring Strong internal policies to prevent unethical behaviour. Continuously enhance internal control systems, ensuring they are resilient and capable of safeguarding assets, ensuring transparency, and preventing fraudulent activities. Continuously strengthen data security measures, ensuring the highest standards of customer data protection are met and that the Bank complies with all relevant

Net Zero & Portfolio De-Carbonization Roadmap

UBL is committed to aligning its financing activities with global Climate goals and supporting Pakistan's transition to a low-carbon economy. This roadmap outlines our Net Zero commitment, interim targets, operational sustainability, client engagement approach, and science-based emissions pathway.

Commitment to align portfolio to Net Zero by 2050

UBL commits to align its lending and investment portfolio with Net Zero emissions by 2050, consistent with the Paris Agreement. We are integrating financed emissions measurement, Climate risk assessment, and transition considerations into credit and portfolio management processes. Progress will be reviewed periodically to ensure alignment with evolving science and policy frameworks.

Strategic levers to drive UBL's transition to net-zero operational emissions

Energy Efficiency



UBL is implementing a structured transition to energy-efficient infrastructure across its branches and corporate facilities, including the replacement of conventional lighting with LED systems and the upgrade of air-conditioning, electrical equipment, and office hardware to high-efficiency models. The Bank aims to progressively convert its entire network to energy-efficient systems, reducing operational energy consumption and associated emissions in line with its net-zero objectives.

Renewable Energy



UBL is progressively transitioning its branches and office buildings to solar-powered electricity to reduce reliance on conventional energy sources and lower operational emissions. Over the coming years, the Bank aims to expand solar installations across its network, with the long-term objective of converting all branches and facilities to solar energy, supporting its transition toward low-carbon operations and net-zero goals.

Sustainable Finance



Beyond operational measures, UBL is strengthening its role as a financial enabler of the low-carbon transition by expanding financing for electric vehicles and renewable energy ventures. Through targeted lending and investment, the Bank supports the growth of clean transport solutions and sustainable power generation, contributing to economy-wide de-carbonization while advancing its overall net-zero ambition.

Portfolio Transition



UBL actively engages clients to promote lower-carbon practices and emissions reduction, supporting their transition to sustainable operations and gradually reducing financed emissions. In parallel, UBL intends to progressively rebalance its portfolio by limiting exposure to carbon-intensive sectors and increasing financing toward low-carbon and sustainable industries, aligning its lending activities with its net-zero ambition.

Methodology, Data Boundaries and Limitations



The metrics disclosed in this chapter are compiled in accordance with internal data governance protocols and aligned with applicable regulatory guidance, including SECP's adoption of IFRS S1 and IFRS S2, SECP's ESG Disclosure Guidelines, CBB's ESG KPIs and Operational ESG KPIs by QCB. Data is collected from operational systems, business units, and international branches through standardized reporting templates and validation controls. Environmental indicators, including energy consumption and emissions, are calculated using recognized conversion factors and internally approved methodologies to ensure consistency and comparability across reporting periods.

Data Boundaries and Coverage

The reported metrics primarily cover UBL's owned and operated facilities across Pakistan, United Arab Emirates, Bahrain, and Qatar. Data boundaries include branch operations, offices, selected operational activities, and available utility consumption records. International operations are reported based on data availability and regulatory reporting maturity. Where complete datasets are not available, reasonable estimates and management assumptions have been applied to maintain continuity and trend analysis.

Data Limitations and Assumptions

Certain metrics are subject to data availability constraints, manual data collection dependencies, and variations in data quality across locations. In some instances, proxy data, estimations, or extrapolation techniques have been used due to system limitations or incomplete historical records. These limitations may affect absolute precision; however, management believes the data provides a reasonable representation of operational performance and trends. Continuous system enhancements and automation initiatives are underway to improve data accuracy and coverage in future reporting cycles.

Data Validation and Internal Controls

All reported metrics undergo internal review, validation, and management approval prior to publication. Cross-functional verification is performed by finance, operations, sustainability, and risk teams to ensure consistency, completeness, and accuracy. Selected indicators are subject to limited external assurance in line with applicable international standards. Ongoing improvements in data governance, audit trails, and system integration are being implemented to strengthen reliability and audit readiness.

Future Enhancements

UBL continues to enhance its sustainability data architecture, automation capabilities, and analytical capacity to support expanded disclosures, improved granularity, and stronger alignment with evolving regulatory expectations. Future improvements include broader coverage of financed emissions, enhanced Climate metrics integration, and increased use of digital reporting platforms to strengthen transparency and decision-usefulness.



Bridging Responsibility With Social Impact



Corporate Social Responsibility



Strategy



Risk Management



Metrics & Targets



Governance



Reporting & Disclosures



Sustainability in action



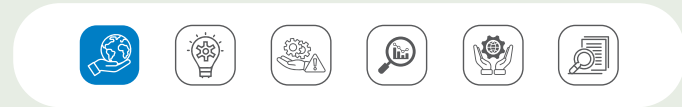
- Governance
- Strategy
- Risk Management
- Metrics & Targets
- Corporate Social Responsibility**
- Reporting and Disclosures



Corporate Social Responsibility at UBL

UBL is committed to creating sustainable social impact through a structured Corporate Social Responsibility (CSR) framework aligned with its ESG strategy and national priorities. Guided by the Board and senior management, the Bank actively supports initiatives across education, healthcare, social welfare, community development, and other priority areas, contributing to inclusive and equitable growth.

Through targeted programs and partnerships, UBL enhances access to education and healthcare, supports vulnerable segments, promotes financial inclusion, and delivers broader community and social initiatives. The Bank integrates CSR into its core strategy by aligning programs with stakeholder expectations and regulatory guidance, while monitoring their impact and effectiveness. This approach reinforces UBL's commitment to social resilience and long-term value creation.



Corporate Social Responsibility within the ESG Framework



Corporate Social Responsibility (CSR) forms the backbone of the 'Social' pillar of the Environmental, Social and Governance (ESG) framework, representing an organization's commitment to ethical conduct, social equity, and inclusive development. While environmental stewardship focuses on safeguarding natural resources and governance emphasizes accountability and transparency, the social dimension reflects how institutions engage with people—employees, customers, communities, and society at large.

For financial institutions, CSR holds particular significance. Banks act as economic enablers, intermediating capital, facilitating enterprise, and supporting livelihoods. As such, their responsibility extends beyond commercial success to ensuring that economic growth translates into broader societal benefit. Effective CSR initiatives help address systemic challenges such as poverty, unequal access to education, inadequate healthcare, and social exclusion, particularly in developing economies like Pakistan.

Globally, CSR has evolved from discretionary philanthropy into a strategic function aligned with sustainable development, risk management, and stakeholder expectations. Institutions are increasingly expected to demonstrate measurable impact, alignment with national priorities, and contribution towards global frameworks such as the United Nations Sustainable Development Goals (SDGs). Within this context, CSR initiatives are no longer evaluated solely on financial value but on their ability to generate long-term, sustainable social outcomes.

UBL's CSR philosophy reflects this evolution. The Bank views social investment not as an obligation, but as an integral component of responsible Banking and sustainable value creation. By directing resources towards education, healthcare, and community welfare, UBL seeks to strengthen human capital, improve quality of life, and foster resilient communities—thereby reinforcing the social foundations necessary for sustained economic development.

UBL's Legacy of Social Responsibility

United Bank Limited (UBL) has a longstanding tradition of contributing to national development and community wellbeing. Over decades of operations, the Bank has consistently demonstrated that financial success and social responsibility are mutually reinforcing objectives. UBL's CSR initiatives are rooted in empathy, inclusivity, and a deep understanding of the socio-economic challenges faced by communities across Pakistan.

The Bank's approach to social responsibility is guided by three core principles:

- **Strategic Alignment** - Ensuring CSR initiatives align with UBL's values, ESG priorities, and national development needs.
- **Credible Partnerships** - Collaborating with reputable institutions that possess strong governance, proven impact, and deep community reach
- **Sustainable Impact** - Prioritizing long-term solutions over short-term relief, with emphasis on capacity-building and systemic change

UBL's CSR governance framework emphasizes transparency, accountability, and outcome-oriented decision-making. Contributions are carefully evaluated to ensure that funds are utilized effectively and directed toward initiatives that deliver tangible and lasting benefits to underserved populations.

2025: A Landmark Year in UBL's Sustainability Journey

The year 2025 stands out as a defining milestone in UBL's sustainability and CSR journey. During the year, the Bank's total social investments reached PKR 647.65 million, marking the highest annual CSR contribution in UBL's history.

CSR Contributions - Year-on-Year Comparison.

Year	Total CSR Contributions (PKR MM)
2024	205.00
2025	647.65

This represents an increase of over 216% year-on-year, reflecting both UBL's strong financial performance and its deliberate decision to scale up social investments in response to growing societal needs.

The 2025 CSR portfolio was strategically diversified across three core sectors:

Sector	Amount (PKR MM)	Share of Total
Education	445.29	69%
Healthcare	186.80	29%
Community Welfare	15.56	2%
Total	647.65	100%

This allocation underscores UBL's strong belief in education as a catalyst for long-term national progress, supported by critical investments in healthcare and targeted community welfare initiatives.



EDUCATION

Empowering Individuals, Strengthening Institutions, Transforming Futures

The Importance of Education in Social Development

Education is universally recognized as one of the most powerful drivers of socio-economic mobility. It equips individuals with knowledge, skills, and confidence, enabling them to participate meaningfully in the economy and society. In Pakistan, disparities in access to quality education—particularly for girls, rural populations, and low-income households—continue to pose a significant challenge to inclusive development.

Recognizing this, UBL has placed education at the center of its CSR strategy. The Bank's education initiatives in 2025 addressed multiple dimensions of the education ecosystem, including:

- Access and affordability
- Institutional capacity and infrastructure
- Digital inclusion
- Gender equality
- Long-term financial sustainability of education providers

Through partnerships with leading universities, schools, and education-focused NGOs, UBL contributed to strengthening both demand-side access and supply-side capacity within the education sector.

Education Initiatives Detailed Case Studies



Lahore University of Management Sciences (LUMS)

Donation: PKR 275 million

Location: Lahore

Lahore University of Management Sciences (LUMS) is one of Pakistan's most prestigious institutions of higher education, recognized for academic excellence, research leadership, and contribution to public policy and national discourse. Since its establishment in 1984, LUMS has played a pivotal role in developing future leaders across business, economics, law, social sciences, and technology.

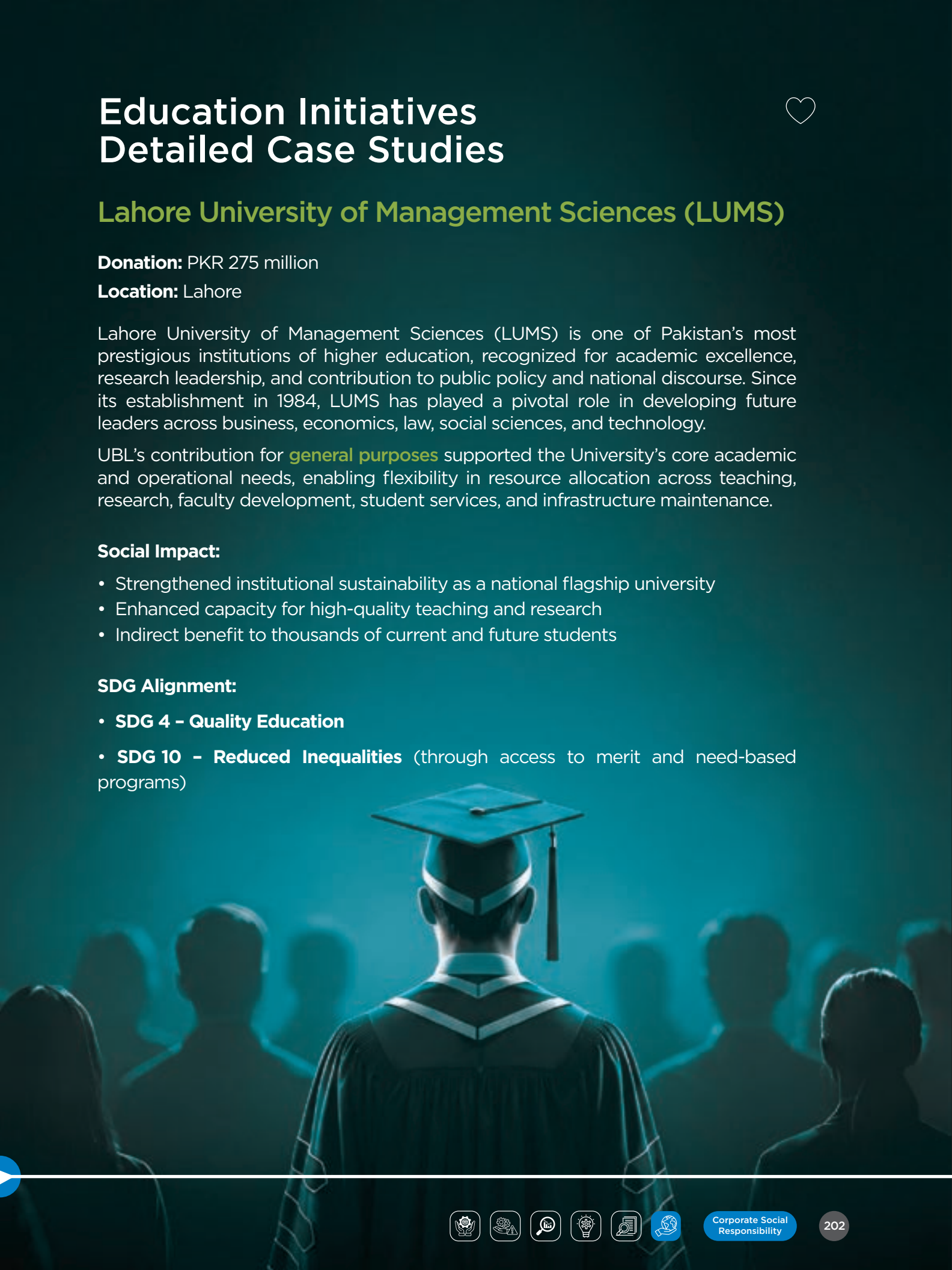
UBL's contribution for **general purposes** supported the University's core academic and operational needs, enabling flexibility in resource allocation across teaching, research, faculty development, student services, and infrastructure maintenance.

Social Impact:

- Strengthened institutional sustainability as a national flagship university
- Enhanced capacity for high-quality teaching and research
- Indirect benefit to thousands of current and future students

SDG Alignment:

- **SDG 4 - Quality Education**
- **SDG 10 - Reduced Inequalities** (through access to merit and need-based programs)



Namal Education Foundation – Academic Block Construction



Donation: PKR 100 million

Location: Mianwali

Namal Education Foundation operates Namal College, a higher education institution located in Mianwali, one of Pakistan's relatively underserved regions. The institution aims to provide internationally benchmarked education to talented students from rural and low-income backgrounds, many of whom are first-generation university attendees.

UBL's contribution supported the construction of a **new Academic Block**, significantly expanding Namal College's physical infrastructure and academic capacity.

Social Impact:

- Improved learning environment for students and faculty
- Increased enrollment capacity
- Strengthened regional access to quality higher education

SDG Alignment:

- **SDG 4 – Quality Education**
- **SDG 10 – Reduced Inequalities**



Namal Education Foundation Scholarships



Donation: PKR 19.25 million

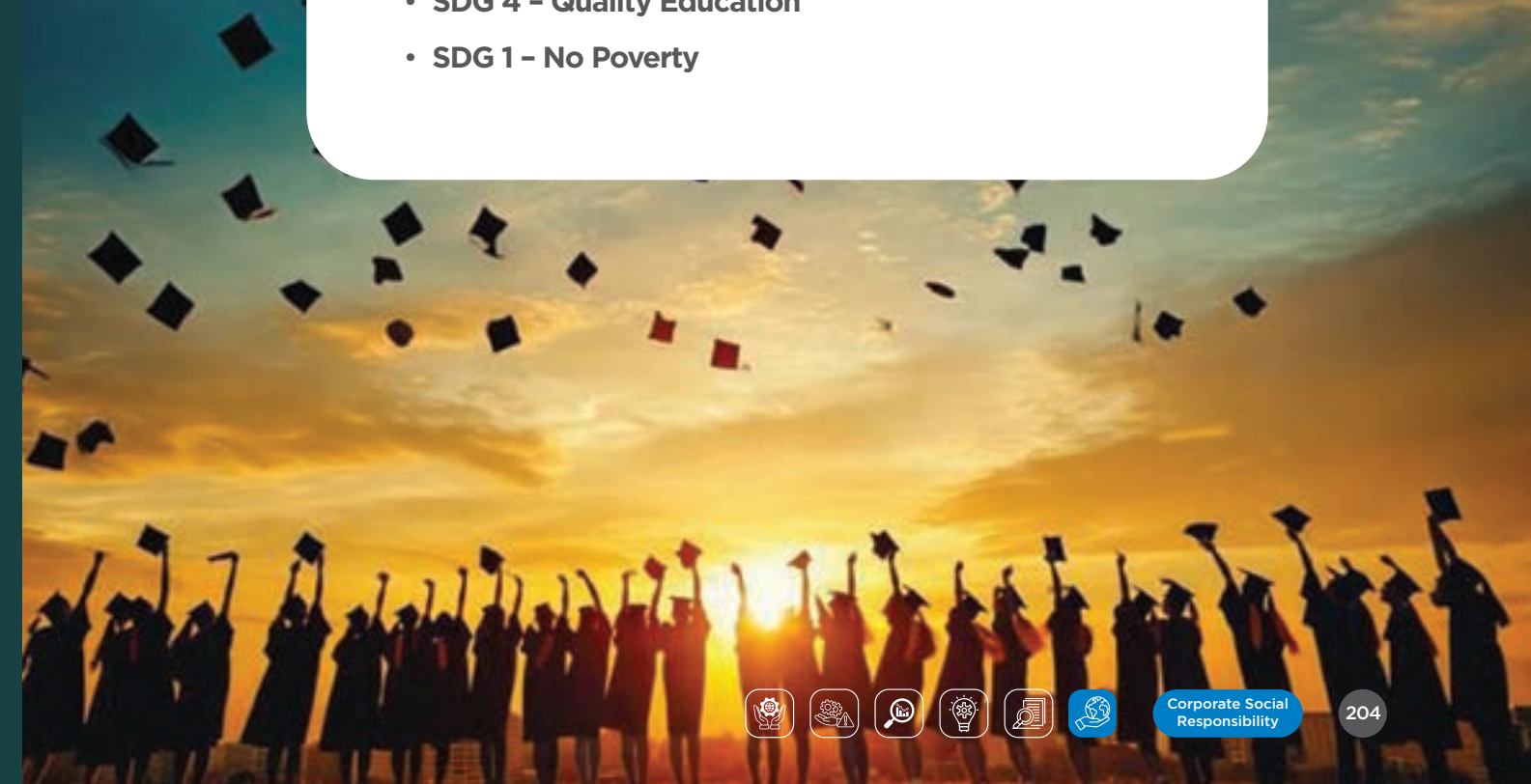
In addition to infrastructure support, UBL funded scholarships for **35 deserving students** for the upcoming academic year. These scholarships were targeted at students from financially constrained households, ensuring that economic barriers do not impede academic potential.

Social Impact:

- Enabled continuity of education
- Reduced dropout risk
- Enhanced upward social mobility

SDG Alignment:

- **SDG 4 – Quality Education**
- **SDG 1 – No Poverty**



Success Stories

Namal University

Namal, Pakistan, is transforming lives through accessible, high-quality education and community-driven development.

By nurturing future leaders, supporting deserving students and fostering innovation and social responsibility, Namal helps bridge educational gaps and unlock socio-economic opportunities.

Its efforts contribute to sustainable community growth while empowering individuals to create meaningful impact within society and beyond.

Through UBL's CSR support, talented students from underserved backgrounds have gained access to quality higher education, creating opportunities for academic achievement, personal growth and a brighter future.



Hammad Shabbir

From Bahawalnagar |
Class of 2028 |
BS Computer Science

UNLOCKING POTENTIAL THROUGH OPPORTUNITY

Supporting access to higher education for deserving students

Hammad Shabbir is currently pursuing his undergraduate degree in Computer Science at Namal University. Coming from a humble background, with his father working as a factory labourer, he faced significant challenges and limited opportunities to continue his education.

Despite these circumstances, Hammad demonstrated exceptional academic performance, securing 94.82% in matric and an outstanding 99.64% in intermediate (FSc). His journey reflects determination and a strong commitment to academic excellence.

With the support of UBL, he continues his education without compromise, maintaining a CGPA of 3.93. He aspires to build a career in a leading technology company and create a brighter future for his family.

CGPA: 3.93

Opportunity can transform ambition into achievement



Nishat Quddoos

From Mianwali |
Class of 2028 |
BS Computer Science

PROMOTING INCLUSIVE EDUCATION — PAKISTAN

Empowering Futures Through Education

Breaking barriers to enable academic excellence

Nishat Quddoos comes from a modest household where her father works as a driver and financial resources are limited. Despite these challenges, she achieved 94.18% in matric and 91% in intermediate (FSc), reflecting her dedication and perseverance.

With UBL's support, Nishat is now pursuing her BS in Computer Science at Namal University. She has maintained a CGPA of 3.30 and continues to demonstrate strong academic commitment.

She aspires to become a data scientist, with the ambition to build a better future for herself and inspire others facing similar challenges.

CGPA: 3.30

Opportunity can transform ambition into achievement



Syeda Marjan Fatima

From Multan |
Class of 2024 |
BS Computer Science

ENABLING CAREER PATHWAYS — PAKISTAN

From Education to Professional Achievement

Bridging education with meaningful career opportunities

Syeda Marjan Fatima graduated from Namal University with a BS in Computer Science, achieving a CGPA of 3.27. Her academic journey equipped her with the knowledge and skills required to succeed in a competitive professional environment.

She is now working as a Junior Data Scientist at UBL, marking a key milestone in her career. Her journey reflects perseverance and the successful transition from education to professional growth.

Her father expressed immense pride in her achievements, highlighting the role of Namal University in shaping her future. Marjan's story demonstrates how access to education can unlock meaningful career opportunities.

Now at UBL – IT Head Office

From student to professional success

Kiran Foundation – Bridge the Gap School

Donation: PKR 20 million

Location: Karachi

Kiran Foundation is a Karachi-based nonprofit organisation dedicated to improving educational outcomes for children living in urban slums. Its “**Bridge the Gap School**” program focuses on out-of-school children, providing accelerated learning to prepare them for reintegration into mainstream education systems.

UBL’s support enabled the continuation and strengthening of this program, directly addressing learning poverty and educational exclusion.

Social Impact:

- Improved literacy and numeracy among marginalized children
- Increased transition into formal schooling
- Reduced long-term education inequality

SDG Alignment:

- **SDG 4 – Quality Education**
- **SDG 10 – Reduced Inequalities**

NJV School Digital-Classrooms

Donation: PKR 9.00 million

Location: Karachi

NJV School is one of Karachi’s oldest public schools, serving students from low-income households. UBL funded **five fully equipped digital classrooms**, benefiting approximately **1,000 students**.

Social Impact:

- Improved digital literacy
- Enhanced teaching effectiveness
- Reduced digital divide

SDG Alignment:

- **SDG 4 – Quality Education**
- **SDG 9 – Industry, Innovation and Infrastructure**

Akhuwat College Chakwal for Women

Donation: PKR 9.90 million

Akhuwat College Chakwal for Women provides free, high-quality residential education to young women from disadvantaged backgrounds, with a strong emphasis on character-building and leadership.

UBL sponsored **15 female students** for the academic year, directly supporting gender inclusion in higher education.

Social Impact:

- Increased female participation in higher education
- Enhanced long-term economic empowerment

SDG Alignment:

- **SDG 4 – Quality Education**
- **SDG 5 – Gender Equality**





The Citizens Foundation (TCF)



Donation: PKR 6.70 million

Location: Sindh

TCF operates a nationwide network of schools providing quality education in underserved areas. UBL adopted a TCF school in Sindh for one year.

Social Impact:

- Continuity of education for marginalized children
- Improved school operations and learning outcomes

SDG Alignment:

- **SDG 4 – Quality Education**

Anjuman-e-Atfaal-O-Naunehaal

Donation: PKR 3.30 million

Location: Karachi

The institution provides education to underprivileged girls at primary and secondary levels. UBL funded school fees, removing financial barriers to continued education.

SDG Alignment:

- **SDGs 4 & 5**

Education Trust Nasra Schools

Donation: PKR 2.64 million

Location: Karachi

Scholarships for 40 students ensured continuity of education for children from low-income households.

SDG Alignment:

- **SDG 4 – Quality Education**



HEALTHCARE

Strengthening Healthcare Systems and Saving Lives

The Importance of Healthcare Investment in Social Sustainability

Access to quality healthcare is a cornerstone of social wellbeing and economic productivity. In Pakistan, a significant proportion of the population relies on public or charitable healthcare institutions due to high out-of-pocket medical costs and limited insurance coverage. Vulnerable groups—particularly children, women, and low-income households—are disproportionately affected by gaps in healthcare access, infrastructure constraints, and shortages of specialised medical services.



Recognising healthcare as a critical social determinant, UBL's CSR strategy prioritises interventions that strengthen healthcare delivery systems, improve access to essential medical services, and support life-saving treatment for underprivileged patients. The Bank's healthcare contributions in 2025 were designed to address both **immediate patient needs and long-term institutional capacity**, ensuring sustainable improvements in healthcare outcomes.

UBL's healthcare initiatives focused on:

- Expansion and strengthening of healthcare infrastructure
- Emergency and critical care for underserved populations
- Paediatric and neonatal healthcare
- Preventive healthcare and community awareness

Healthcare Initiatives Detailed Case Studies



Aga Khan University Hospital (AKUH)

Donation: PKR 10.50 million

Location: Karachi

Aga Khan University Hospital is internationally recognised for clinical excellence, medical education, and research. Through its patient welfare programmes, AKUH provides subsidised and free treatment to patients from financially disadvantaged backgrounds.

UBL funded the **treatment of 70 paediatric patients** for one year, ensuring access to specialised care for children whose families would otherwise be unable to afford treatment.

Social Impact:

- Life-saving medical care for children
- Improved child health outcomes
- Reduced long-term health complications

SDG Alignment:

- **SDG 3 – Good Health and Well-being**
- **SDG 10 – Reduced Inequalities**

Dow University of Health Sciences (DUHS)

Donation: PKR 20.00 million

Location: Karachi

Dow University of Health Sciences is a major public-sector healthcare and medical education institution, operating several hospitals that cater primarily to low-income populations. Emergency departments at Dow-affiliated hospitals serve as critical access points for patients who cannot afford private healthcare.

UBL's contribution supported **emergency medical care for underprivileged patients**, enabling timely treatment for life-threatening conditions.

Social Impact:

- Improved access to emergency healthcare services
- Reduced financial burden on vulnerable patients
- Enhanced survival outcomes through timely intervention

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

Shaukat Khanum Memorial Cancer Hospital and Research Centre (SKMCH&RC)

Donation: PKR 75.00 million

Location: Karachi

Shaukat Khanum Memorial Cancer Hospital and Research Centre is one of Pakistan's most prominent charitable healthcare institutions, providing comprehensive cancer care regardless of a patient's ability to pay. Since its establishment, the hospital has played a transformative role in improving access to oncology services across the country.

UBL's contribution supported the **construction of the Management Wing of the Karachi hospital**, a critical component of the facility's expansion plan. By strengthening administrative and operational capacity, the donation indirectly enhances patient care delivery across the institution.

Social Impact:

- Strengthened institutional capacity at a leading oncology hospital
- Improved operational efficiency supporting thousands of cancer patients annually
- Long-term enhancement of cancer care infrastructure in Karachi

SDG Alignment:

- **SDG 3 – Good Health and Well-being**



Alkhidmat Foundation – Neonatal Intensive Care Unit (NICU)



Donation: PKR 10.00 million

Location: Karachi

Alkhidmat Foundation is a well-established humanitarian organisation providing healthcare, disaster relief, and social services across Pakistan. Neonatal mortality remains a critical challenge, particularly among premature and low-birth-weight infants.

UBL's contribution enabled the **procurement of essential medical equipment for a Neonatal Intensive Care Unit**, strengthening the Foundation's capacity to provide specialised neonatal care.

Social Impact:

- Improved survival rates for newborns
- Enhanced maternal and child healthcare services
- Strengthened neonatal care infrastructure

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

Behbud Association

Donation: PKR 10.00 million

Location: Karachi

Behbud Association is a long-standing welfare organisation focused on healthcare, education, and social support for women and families. Through its medical centres, Behbud provides affordable primary healthcare services to underserved communities.

UBL's support enabled the provision of **essential primary healthcare services to over 11,700 patients** during the year.

Social Impact:

- Expanded access to basic healthcare
- Early diagnosis and treatment of common illnesses
- Reduced burden on tertiary hospitals

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

Dr. Ruth K. M. Pfau Civil Hospital / Dow University of Health Sciences

Donation: PKR 10.00 million

Location: Karachi

Civil Hospital Karachi is one of the largest public-sector hospitals in Pakistan, serving a vast population of low-income patients. UBL's contribution supported the **provision of critical medical care for deserving patients**, addressing urgent treatment needs.

Social Impact:

- Enhanced access to specialised medical care
- Reduced financial hardship for patients
- Strengthened public healthcare delivery

SDG Alignment:

- **SDG 3 – Good Health and Well-being**



Layton Rehmatullah Benevolent Trust (LRBT)

Donation: PKR 10.00 million

Location: Khanewal

LRBT is the largest provider of free eye care services in Pakistan, operating hospitals and clinics across the country. Preventable blindness remains a major public health issue, particularly in rural areas.

UBL's contribution funded the **purchase of medical equipment** for LRBT's Khanewal Hospital.

Social Impact:

- Improved access to specialised eye care
- Prevention and treatment of avoidable blindness
- Enhanced quality of life for patients

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

The Health Foundation

Donation: PKR 9.00 million

Location: Hyderabad

The Health Foundation focuses on preventive healthcare through community outreach, education, and awareness programmes.

UBL supported the **conduct of healthcare awareness and outreach sessions** in Hyderabad.

Social Impact:

- Increased health literacy
- Early detection of health conditions
- Promotion of preventive healthcare practices

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

Memon Medical Institute Hospital (MMI)

Donation: PKR 7.50 million

Location: Karachi

MMI Hospital is a not-for-profit tertiary care hospital serving a diverse patient population. UBL's contribution supported the purchase of medical equipment, strengthening diagnostic and treatment capabilities.

SDG Alignment:

- **SDG 3 – Good Health and Well-being**

National Institute of Child Health (NICH)

Donation: PKR 2.40 million

Location: Karachi

NICH is Pakistan's premier paediatric hospital. UBL funded the purchase of four neonatal incubators, enhancing intensive care facilities for critically ill infants.

SDG Alignment:

- **SDG 3 – Good Health and Well-being**



Success Stories

Behbud Sina Health (BSH), Pakistan

Behbud Sina Health (BSH) provides accessible primary healthcare services to underserved communities, focusing on early diagnosis, treatment and long-term care. Through its partnership with UBL, these efforts are strengthened to improve patient outcomes and expand access to quality healthcare.



Ms. Nusrat Tariq

PROMOTING PRIMARY HEALTHCARE & EARLY DIAGNOSIS – PAKISTAN

Ms. Nusrat Tariq, a 50-year-old patient, presented at the BSH Clinic with recurring dizziness, weakness and fainting episodes that were significantly affecting her daily life. Following a comprehensive clinical assessment, she was diagnosed with diabetes and promptly placed on a structured treatment plan.

With consistent monitoring, medical management, and lifestyle guidance under continuous supervision, her condition began to stabilize. Regular follow-ups ensured adherence to treatment, enabling a steady improvement in her overall health and energy levels.

Today, Ms. Tariq reports a significant reduction in symptoms and expresses strong satisfaction with the care provided. Her journey highlights the critical importance of early diagnosis and sustained management in addressing chronic conditions



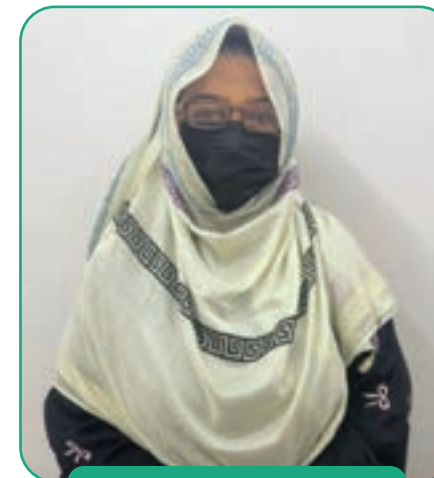
Ana, Andrew and Ignacious

EXPANDING ACCESS TO CHILD HEALTHCARE -PAKISTAN

Three siblings—**Ana (4)**, **Andrew (6)**, and **Ignacious (8)**—were brought to the BSH Clinic with severe and progressively worsening skin conditions, causing intense discomfort and distress. Their symptoms had spread across multiple parts of the body, impacting their daily lives.

Upon assessment, a clinical diagnosis was established and treatment was initiated alongside caregiver guidance on hygiene and skin care. With structured intervention and consistent follow-up, the children responded positively to treatment.

Over time, their symptoms subsided significantly, with itching brought under control and overall comfort restored. The family expressed deep appreciation for the timely and compassionate care, reflecting the importance of accessible primary healthcare services for underserved communities.



Ms. Samina Qadir

STRENGTHENING LONG-TERM HEALTH MANAGEMENT - PAKISTAN

Ms. Samina Qadir, a 50-year-old patient with a history of hypertension and hyperlipidemia, has been receiving ongoing care at the BSH Clinic. Her condition required regular monitoring and a structured treatment approach to manage long-term health risks.

Through consistent consultations, adherence to treatment, and guided lifestyle modifications, her blood pressure and cholesterol levels have shown marked improvement. Continuous supervision has played a key role in stabilizing her condition and enhancing her overall well-being.

Ms. Qadir reports high satisfaction with the care received and acknowledges the positive changes in her health since beginning treatment. Her story reflects the importance of sustained primary healthcare in managing chronic conditions and preventing long-term complications.

Success Stories

The Health Foundation

The Health Foundation Pakistan, is dedicated to improving healthcare access for underserved and vulnerable communities across the country. Through preventive care, disease screening, treatment support and health awareness initiatives, the Foundation addresses critical healthcare challenges faced by low-income populations. By bringing essential medical services closer to those in need, it helps restore health, strengthen families, and enhance the overall well-being of communities.

UBL's support has enabled the Foundation to expand its outreach and provide life-changing healthcare interventions, empowering individuals to lead healthier and more productive lives.



Restoring Health & Rebuilding Families

Chughi, a young mother of three from Tando Allahyar, comes from a household where financial stability is uncertain. With her husband working as a daily wage earner, even basic necessities are not always guaranteed. When a screening camp by The Health Foundation reached her village, she discovered she was living with Hepatitis C- something she had not previously suspected. Prioritizing her children's well-being over her own, Chughi had never sought medical care. Through The Health Foundation's efforts, supported by UBL's CSR contribution, she was screened, diagnosed, and provided with a full 12-week antiviral treatment—completely free of cost.

Today, Chughi is healthy and able to care for her children,

12-week Hepatitis C treatment provided free of cost

"For families like Chughi's, access to care means more than recovery—it means continuity of life and hope."



Underserved Communities - From Uncertainty to Security.

Healthcare access can redefine the future of entire households.

Mukesh is a 25-year-old from a rural area in Union Council Shah Inayat Rizvi, living below the poverty line. A husband and father of two, he is the sole provider for his family. He had no idea he was carrying Hepatitis C until a THF screening camp came to his village. The cost of diagnostic blood tests and full antiviral treatment was simply impossible for this family with no savings and no safety net.

Through The Health Foundation, backed by UBL's CSR funding, Mukesh was able to complete his full course of antiviral treatment, free of charge. Today, Mukesh is cured, healthy and working. His liver is no longer under threat and his family has a provider who can look after them and be present in their lives.

Full Hepatitis C treatment enabled through CSR support

"A single intervention can transform vulnerability into stability—for individuals and the families who depend on them."

Advancing Community Welfare Through Meaningful Impact



Community Welfare

Building Resilient and Inclusive Communities

Community welfare initiatives play a vital role in protecting vulnerable populations, particularly during periods of economic stress and social vulnerability. Beyond immediate relief, effective community welfare programmes promote dignity, self-reliance, and social cohesion.

UBL's community welfare initiatives in 2025 focused on:

- Child welfare and protection
- Food security
- Skills development and livelihood generation

Community Welfare Initiatives - Detailed Case Studies

SOS Children's Villages - Premnagar, Tharparkar

Donation: PKR 17.46 million

SOS Children's Villages Pakistan provides family-based care to orphaned and abandoned children. Tharparkar is one of Pakistan's most underserved regions, facing chronic poverty and Climate vulnerability.

UBL supported the construction of a residential house unit, providing a safe and nurturing environment for vulnerable children.

Social Impact:

- Improved living conditions
- Enhanced child protection
- Long-term community development

SDG Alignment:

- **SDG 10 - Reduced Inequalities**
- **SDG 11- Sustainable Cities & Communities**

Saylani Welfare International Trust UBL Ramzan Drive 2025



Donation: PKR 15.00 million

Established in 1999, Saylani Welfare International Trust is one of Pakistan's largest charitable organisations, focusing on food security, healthcare, and livelihoods.

UBL's Ramzan Drive 2025 supported food distribution to over 700 families and implemented the Rozgar Scheme, enabling 188 individuals to establish small-scale income-generating activities.

Social Impact:

- Enhanced food security
- Promotion of self-reliance
- Reduced poverty and vulnerability

SDG Alignment:

- SDG 1 - No Poverty
- SDG 2 - Zero Hunger
- SDG 8 - Decent work & Economic Growth
- SDG 10 - Reduced Inequalities

The Hunar Foundation (THF)

Donation: PKR 5.00 million

The Hunar Foundation provides vocational and technical training aligned with industry needs. UBL supported the establishment of a fully equipped computer lab, enabling youth to acquire market-relevant digital skills.

Social Impact:

- Improved employability
- Enhanced digital literacy
- Youth economic inclusion

SDG Alignment:

- SDG 4 - Quality Education
- SDG 8 - Decent Work & Economic Growth



Success Stories

Hunar Foundation

The Hunar Foundation Pakistan, works to break the cycle of poverty by providing quality technical and vocational training to marginalized youth. Through skill development, career placement support and industry linkages, the Foundation enables individuals to secure meaningful employment, improve household incomes and build brighter futures. Its initiatives contribute to workforce development while creating lasting social and economic impact within communities.



Naheeda Akram

FROM SOCIAL MOBILISER TO HR ADMINISTRATOR

Naheeda Akram

Naheeda Akram, with strong determination and resilience, balanced her mornings as a Social Mobiliser at Civil Hospital with evenings of training at The Hunar Foundation. Through the Office Assistant program, she strengthened her professional and administrative skills, preparing herself for better career opportunities. Today, she is working as an HR Administrator at RDMC, building a more secure and promising future for herself. She is deeply grateful to UBL for its support in empowering individuals like her to enhance their skills and achieve professional growth.

“Empowered with skills, she transformed her career path”



Omar Ikram

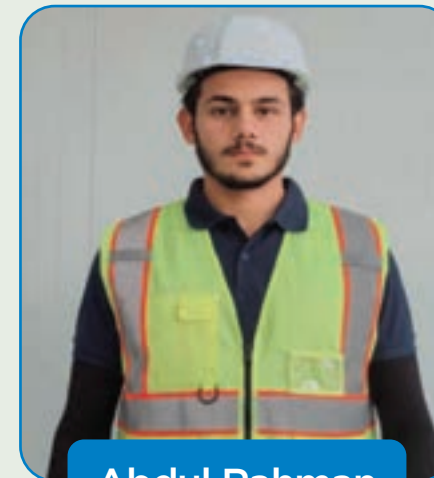
TURNING CREATIVITY INTO A HIGH-GROWTH CAREER

Omar Ikram

Omar Ikram, a graduate of THF-HKTI's Digital Marketing Program, stepped confidently into the digital industry equipped with practical knowledge and industry-relevant skills. His training enabled him to understand market trends, branding strategies, and creative direction.

Today, he is working as a Creative Director at Sygnea Digital and earning Rs. 130,000 per month — a true reflection of how market-driven training can transform skills into meaningful and rewarding careers. He sincerely thanks UBL for supporting initiatives that empower youth to build successful professional journeys.

“Market-driven skills can open doors to rewarding careers.”



Abdul Rahman

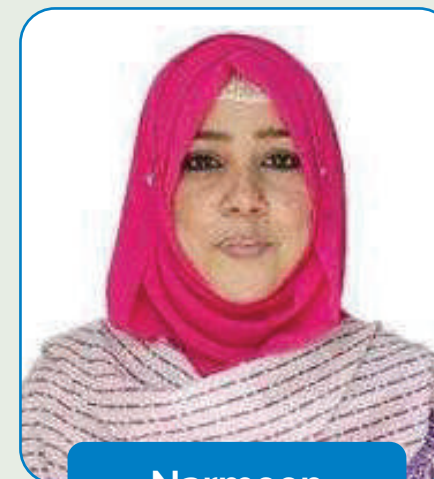
FROM TECHNICAL TRAINING TO GLOBAL OPPORTUNITIES

Abdul Rahman

From the workshops of THF's Heating, Ventilation & Air Conditioning (HVAC) trade to the global stage, Abdul Rahman has turned technical skills into remarkable success. With hands-on training and industry-focused expertise, he prepared himself for international opportunities.

Today, he is employed as a Commercial HVAC Technician at Carrier, Qatar, earning PKR 350,000 per month. His journey truly embodies THF's mission — transforming technical training into life-changing opportunities. He expresses his heartfelt appreciation to UBL for supporting skill development programs that enable individuals to achieve success at both national and international levels.

“Skills can take you from local workshops to global success.”



Narmeen

FROM PASSION TO ENTREPRENEURSHIP

Narmeen

A graduate of Fashion Designing Level 3 at The Hunar Foundation, Narmeen has successfully transformed her creative passion into purpose. Equipped with technical expertise and business insight, she now runs her own in-house clothing business while also teaching tuitions from home. Her journey is a powerful example of how skill-based education builds confidence, independence, and entrepreneurial spirit. She is sincerely grateful to UBL for supporting initiatives that empower women to achieve self-reliance and professional growth.

“Skill-based education empowers independence and creativity.”





Shaheer Ali

BUILDING A CAREER WITH DATA & ANALYTICS SKILLS

Shaheer Ali

THF's Advanced Excel & Data Analytics program empowered Shaheer Ali to polish his technical and analytical skills and confidently enter the professional world. The practical exposure and structured learning environment prepared him to meet industry expectations. Today, he is working as an Intern Recruiter at CloudLogically, a US-based company, where he is contributing meaningfully to the organization.

He extends his heartfelt thanks to UBL for supporting programs that equip youth with future-ready skills and open doors to global opportunities.

“Future-ready skills open doors to global opportunities.”



Timmer Gill

FROM ASPIRATION TO FINANCIAL INDEPENDENCE

Timmer Gill

Timmer Gill, who completed her education up to middle school and belongs to a middle-class family, always aspired to become financially independent and create a better future for herself. With limited exposure to professional fashion design, she chose The Hunar Foundation to refine her passion and turn it into a practical skill set. Through structured training and hands-on experience, she gained the confidence and expertise needed to move forward in her field. She is thankful to UBL for playing a vital role in supporting skill development opportunities that help individuals like her move toward financial independence.

“With the right skills, passion can become a pathway to independence.”

ESG MAPPING OF UBL'S 2025 INITIATIVES



Environmental (E)

While primarily social in nature, investments in education and healthcare infrastructure promote long-term resource efficiency and institutional sustainability.

Social (S)

- Education access and affordability
- Healthcare access for underserved populations
- Gender inclusion
- Skills development and livelihoods

Governance (G)

- Transparent partner selection
- Accountable fund utilisation
- Alignment with ESG governance frameworks

Category	Individuals Benefited
Education	1,090
Healthcare	11,770
Community Welfare - Rozgar	188
Community Welfare - Ration Distribution (estimated)	4,200
Total Estimated Beneficiaries	17,248



Employee Engagement

Involving the UBL Family in Social Causes and Awareness Initiatives

At UBL, sustainability is not limited to financial contributions alone; it is equally reflected in the active participation and commitment of the Bank's employees. Throughout 2025, UBL colleagues across functions and geographies demonstrated strong ownership of the Bank's social responsibility agenda by engaging wholeheartedly in awareness campaigns and community outreach initiatives. These efforts reinforced a culture of empathy, volunteerism, and shared purpose across the UBL family.

Breast Cancer Awareness Campaign

In October, UBL joined the global movement to raise awareness about breast cancer through a month-long internal and external awareness campaign. The initiative focused on educating employees and the wider community on the importance of early detection, prevention, and regular screening. Through targeted communications, educational materials, and awareness messages, the campaign encouraged informed conversations around women's health and wellbeing.



Employee engagement played a central role in amplifying the campaign's impact, with colleagues actively participating in awareness activities and helping disseminate key messages within their networks. By fostering awareness and promoting preventive healthcare practices, UBL sought to contribute meaningfully to improved public health outcomes and early intervention.

Social Impact Focus: Preventive healthcare and public health awareness

SDG Alignment: SDG 3 – Good Health and Well-being

UBL Ramzan Drive 2025

During the holy month of Ramzan, UBL employees actively participated in the UBL Ramzan Drive 2025, implemented in partnership with Saylani Welfare International Trust. Employees from multiple cities across Pakistan volunteered their time and efforts to distribute ration bags to over 700 deserving families, ensuring food security during a period of heightened need.

The wholehearted involvement of UBL colleagues went beyond logistics, reflecting genuine compassion and solidarity with vulnerable communities. Through direct interaction with beneficiaries, employees experienced first-hand the impact of collective action and community service, reinforcing UBL's values of empathy, dignity, and social inclusion.

Social Impact Focus: Food security and community support

SDG Alignment: SDGs 1, 2 and 10

This active employee participation underscores UBL's belief that meaningful social impact is achieved not only through financial resources, but also through the time, energy, and commitment of its people. By engaging employees in CSR initiatives, UBL continues to strengthen a culture where social responsibility is shared, lived, and embraced across the organisation.



FINAL CONSOLIDATED IMPACT STATEMENT

In 2025, UBL's CSR initiatives directly benefited an estimated 17,248 individuals across Pakistan. During the year, the Bank invested PKR 647.65 million across education, healthcare, and community welfare initiatives, strengthening institutions, improving access to essential services, and supporting vulnerable communities.

Beyond these quantifiable figures, UBL's investments in education institutions, healthcare infrastructure, and community development continue to generate long-term social value for thousands more.

UBL's sustainability efforts in 2025 demonstrate a clear commitment to inclusive growth, social equity, and responsible Banking, reinforcing the Bank's role as a trusted corporate citizen aligned with national priorities and the United Nations Sustainable Development Goals.

Over **17,000**
individuals across
Pakistan were
positively assisted
through UBL's
CSR Programme'

SPONSORED EVENTS AND SOCIAL PARTNERSHIPS – 2025

Advancing ESG Impact through Community Engagement and Strategic Sponsorships

Beyond direct philanthropic contributions, strategic sponsorships and partnerships play an important role in advancing UBL's Environmental, Social, and Governance (ESG) agenda. By supporting initiatives that promote education, entrepreneurship, cultural preservation, sports development, and social inclusion, UBL seeks to create platforms that empower communities and amplify positive social impact.

Event sponsorships enable financial institutions to extend their reach beyond traditional CSR initiatives by facilitating dialogue, enabling participation, and strengthening community networks. Through carefully selected partnerships, UBL ensures that sponsored events align with its broader sustainability priorities, including:

- **Gender equality and women's empowerment**
- **Education and youth development**
- **Cultural preservation and intellectual engagement**
- **Sports, health, and community wellbeing**
- **Minority inclusion and social cohesion**
- **Entrepreneurship and economic participation**

UBL's approach to event sponsorship emphasizes purpose-driven engagement, ensuring that supported initiatives contribute meaningfully to societal progress while aligning with internationally recognized frameworks such as the United Nations Sustainable Development Goals (SDGs).

During 2025, UBL sponsored a diverse range of initiatives across Pakistan and internationally, supporting platforms that promoted inclusion, creativity, education, and economic opportunity.

Event Sponsorship Initiatives – 2025



Sargodha Women Chamber of Commerce and Industry (SWCCI) Exhibition

The Sargodha Women Chamber of Commerce and Industry (SWCCI) organized an exhibition aimed at supporting women entrepreneurs by providing a platform to showcase their businesses, products, and services.

UBL sponsored the event as part of its commitment to promoting women-led enterprises and strengthening female participation in economic activity. The exhibition enabled women business owners to connect with potential customers, investors, and business networks while enhancing their understanding of financial services and entrepreneurial opportunities.

Social Impact

- Strengthened visibility of **women-owned businesses**
- Facilitated **market access for female entrepreneurs**
- Encouraged **women's participation in the SME ecosystem**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 8 – Decent Work and Economic Growth**
- **SDG 10 – Reduced Inequalities**



All Pakistan Music Conference – Annual Festival

UBL supported the **Annual Festival of the All Pakistan Music Conference**, a prestigious cultural event celebrating classical and contemporary music traditions.

The festival brings together renowned musicians, emerging artists, and audiences from across the country, fostering appreciation for Pakistan's rich cultural heritage.

Social Impact

- Preservation and promotion of **traditional performing arts**
- Encouragement of **creative expression and cultural dialogue**
- Strengthening of **community engagement through arts**

ESG Alignment

- **SDG 11 – Sustainable Cities and Communities**
- **SDG 4 – Quality Education (Cultural learning and heritage preservation)**

Saylani Welfare Podcast Studio

UBL supported the development of the **Saylani Welfare Podcast Studio**, a digital platform dedicated to promoting discussions on education, freelancing, IT skills, and social welfare.

The platform frequently features conversations around digital empowerment, faith-based philanthropy, and community development initiatives.

Social Impact

- Promoted **digital literacy and knowledge-sharing**
- Encouraged awareness of **freelancing and IT-based livelihoods**
- Provided a platform for **social dialogue and community learning**

ESG Alignment

- **SDG 4 – Quality Education**
- **SDG 8 – Decent Work and Economic Growth**
- **SDG 9 – Industry, Innovation and Infrastructure**

Pakistan Blind Cricket Council – Women Blind Cricket Tournament (Australia)

UBL sponsored the Pakistan Blind Cricket Council's Women Blind Cricket Tournament, an international sporting event held in Australia featuring blind female cricketers.

The initiative highlighted the talent and determination of differently-abled women athletes while promoting inclusivity in sports.



Social Impact

- Empowered differently-abled female athletes
- Promoted **inclusive sports participation**
- Strengthened international representation of **Pakistan's women athletes**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 10 – Reduced Inequalities**
- **SDG 3 – Good Health and Well-being**

Mir Chakar Khan Rind University – Student Facilities Support

UBL sponsored the **construction of a student parking shed and installation of air-conditioning facilities** at Mir Chakar Khan Rind University. This initiative contributed to improving the campus environment and enhancing the overall student experience.

Social Impact

- Improved **student infrastructure and comfort**
- Enhanced **learning environment and campus safety**
- Supported institutional development in higher education

ESG Alignment

- SDG 4 – Quality Education
- SDG 9 – Industry, Innovation and Infrastructure

Karachi Festival of Books and Libraries

UBL sponsored the **Karachi Festival of Books and Libraries**, an initiative designed to promote reading culture, literary engagement, and knowledge-sharing among the general public.

The event brought together authors, publishers, libraries, and readers to celebrate literature and intellectual exploration.

Social Impact

- Encouraged **literacy and reading culture**
- Strengthened **access to books and educational resources**
- Promoted **public intellectual engagement**

ESG Alignment

- **SDG 4 – Quality Education**
- **SDG 11 – Sustainable Cities and Communities**

KarMuqabla Program for Schools

UBL supported the KarMuqabla educational program, which provides learning activities, competitions, and educational tools designed to enhance the learning experience of school children.

The program promotes creativity, problem-solving, and collaborative learning among students while supporting educators with additional teaching resources.

Social Impact

- Encouraged **academic engagement and healthy competition**
- Enhanced **learning outcomes for school students**
- Provided **educational support tools for teachers**

ESG Alignment

- **SDG 4 – Quality Education**



Women Law Conference 2025

UBL sponsored the **Women Law Conference 2025**, an event dedicated to advancing dialogue around gender equity within the legal profession. The conference brought together legal professionals, policymakers, and academics to discuss the challenges and opportunities for women in law.

Social Impact

- Promoted **women's leadership in the legal sector**
- Encouraged dialogue on **legal rights and gender justice**
- Strengthened awareness of **inclusive governance**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 16 – Peace, Justice and Strong Institutions**

Padel for Purpose – Hisaar Foundation

UBL supported **Padel for Purpose**, a sports initiative organized by the Hisaar Foundation to promote health, community engagement, and philanthropic fundraising. The event encouraged participation in sports while raising awareness for social causes supported by the foundation.

Social Impact

- Promoted **healthy lifestyles and physical activity**
- Strengthened **community engagement through sports**
- Generated support for **philanthropic initiatives**

ESG Alignment

- **SDG 3 – Good Health and Well-being**
- **SDG 17 – Partnerships for the Goals**

ED Expo 2025

UBL participated as a sponsor of **ED Expo 2025**, an educational exhibition connecting students with universities, vocational institutions, and career development resources. The event enabled students to explore educational pathways and employment opportunities.

Social Impact

- Enhanced **career awareness and guidance**
- Connected students with **education providers and employers**
- Encouraged **skills development and workforce readiness**

ESG Alignment

- **SDG 4 – Quality Education**
- **SDG 8 – Decent Work and Economic Growth**

National Women's Swimming Championship

UBL supported the **National Women's Swimming Championship** through promotional sponsorship. The competition encouraged women athletes to participate in competitive sports and promoted physical fitness.

Social Impact

- Increased **female participation in sports**
- Promoted **youth development and athletic excellence**

Encouraged **healthy lifestyles among women**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 3 – Good Health and Well-being**

PNWA Exhibition / Mela

UBL sponsored the **Pakistan Navy Women Association (PNWA)** Exhibition, a community carnival featuring stalls operated by women entrepreneurs showcasing locally produced goods. The event created an opportunity for women artisans and small businesses to access broader markets.

Social Impact

- Strengthened **grassroots entrepreneurship**
- Supported **local crafts and small businesses**
- Promoted **women's economic participation**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 8 – Decent Work and Economic Growth**

PHC Job Fair

UBL supported the **Pakistan Hindu Council Job Fair**, which aimed to connect minority community job seekers with employers. The initiative focused on improving employment opportunities and financial inclusion for marginalized groups.

Social Impact

- Promoted **employment opportunities for minorities**
- Strengthened **financial inclusion**
- Encouraged equitable participation in the labour market

ESG Alignment

- **SDG 8 – Decent Work and Economic Growth**
- **SDG 10 – Reduced Inequalities**

The Mayor's Independence Women's Cricket Tournament

UBL sponsored the **Mayor's Independence Women's Cricket Tournament**, an initiative designed to promote women's participation in sports and celebrate national pride through athletic engagement.

Social Impact

- Encouraged **women's participation in cricket**
- Promoted **confidence and teamwork among female athletes**
- Strengthened **community engagement through sports**

ESG Alignment

- **SDG 5 – Gender Equality**
- **SDG 3 – Good Health and Well-being**

Voice of Her – Pink Ribbon Pakistan

UBL supported **Voice of Her**, a musical concert organized by Pink Ribbon Pakistan to raise awareness about breast cancer.

The event combined artistic expression with public health advocacy, encouraging conversations about early detection and women's health.

Social Impact

- Raised awareness about **breast cancer prevention**
- Promoted **women's health advocacy**
- Encouraged community dialogue on **preventive healthcare**

ESG Alignment

- **SDG 3 – Good Health and Well-being**
- **SDG 5 – Gender Equality**



Pakistan Hindu Council Marriage Program 2025

UBL supported the **Pakistan Hindu Council Marriage Program**, a large-scale social welfare initiative facilitating weddings for **approximately 150 underprivileged couples** from the Hindu community.

The program covered all wedding-related expenses, ensuring that financially disadvantaged families could celebrate marriages with dignity and cultural respect.

Social Impact

- Provided **financial relief for low-income families**
- Promoted **minority inclusion and dignity**
- Strengthened **community cohesion and social harmony**

ESG Alignment

- **SDG 10 – Reduced Inequalities**
- **SDG 16 – Peace, Justice and Strong Institutions**



ESG Contribution of UBL's Sponsored Events

UBL's sponsorship initiatives in 2025 demonstrate how strategic partnerships can contribute meaningfully to the three pillars of ESG.

Environmental (E)

While primarily social in nature, many sponsored events promoted sustainable community engagement and responsible resource use through educational and awareness initiatives.

Social (S)

- Women's empowerment and gender equality
- Education and youth development
- Cultural preservation and artistic expression
- Sports and health promotion
- Minority inclusion and social equity

Governance (G)

- Support for legal empowerment initiatives
- Strengthening dialogue around rights, leadership, and institutional participation
- Partnerships with credible organizations and community institutions



Community Engagement Impact – 2025

Through these sponsorship initiatives, UBL supported platforms that collectively:

- Promoted **women’s entrepreneurship and leadership**
- Encouraged **education, literacy, and youth development**
- Strengthened **sports participation and healthy lifestyles**
- Preserved **Pakistan’s cultural and artistic heritage**
- Advanced **minority inclusion and social cohesion**

These initiatives reinforce UBL’s commitment to ensuring that its engagement with society goes beyond financial services, contributing to **sustainable and inclusive national development**.

UBL Ameen Esaar Account – Enabling Customers to Contribute to Social Impact

As part of its commitment to responsible Banking and inclusive social development, UBL introduced the **UBL Ameen Esaar Account** in 2023. The account integrates everyday Banking with philanthropy, enabling customers to contribute to societal wellbeing while meeting their financial needs.

Under the product’s mechanism, a contribution equivalent to **PKR 5 on a daily balance of PKR 250,000** is allocated towards charitable causes. These contributions are distributed among carefully selected partner institutions that have been onboarded following comprehensive due diligence to ensure transparency, governance, and measurable social impact.

The beneficiaries include organizations working across critical social sectors in Pakistan:



The Citizens Foundation (TCF)

A leading non-profit organization dedicated to improving access to quality education for underserved communities through its nationwide network of schools.



Akhuwat Foundation

A pioneer in interest-free microfinance, focused on poverty alleviation and economic empowerment of marginalized communities.



Indus Hospital & Health Network (IHHN)

A major charitable healthcare provider delivering free-of-cost medical services through a nationwide network of hospitals and health facilities.



ChildLife Foundation

An organization providing emergency and primary healthcare services for children, particularly in underserved and low-income communities.

Through the **Esaar Account**, UBL empowers customers to participate directly in social impact initiatives while strengthening partnerships with credible institutions working in the fields of **education, healthcare, and poverty alleviation**. This initiative reflects UBL’s broader ESG commitment to promoting **inclusive growth, responsible finance, and sustainable community development**.

Supporting Literature and the Arts

As part of its Sustainability agenda, UBL remains committed to promoting literature, creativity, and intellectual development in Pakistan. The UBL Literature & Arts Awards (ULA) serve as a flagship initiative through which the Bank recognizes and celebrates the achievements of Pakistani writers, artists, and literary contributors. Over the years, the awards have evolved into a respected platform that honours excellence across multiple literary and artistic disciplines, encouraging both established and emerging talent.

The initiative traces its origins to the UBL Literary Excellence Awards, first introduced in 1967 to promote literary standards and encourage the publication of quality books in Pakistan. Although the awards were discontinued following the Bank's nationalization in the mid-1970s, they were revived during UBL's Golden Jubilee year in 2009, reflecting the Bank's renewed commitment to supporting Pakistan's literary landscape.

The first ceremony after the revival was held in Karachi in 2010, and since then the awards have steadily grown in stature. Today, the UBL Literature & Arts Awards recognize talent across fourteen categories, celebrating literary achievement while also nurturing a broader culture of reading and appreciation for the arts. With each successive ceremony, the platform has strengthened its reputation as a benchmark for literary excellence and a meaningful contribution by UBL to Pakistan's cultural development.

Work has now commenced on the 12th iteration of the UBL Literature & Arts Awards, which has received more than 300 entries from across Pakistan as well as international submissions. These entries are currently under evaluation by a distinguished panel of judges. The ceremony to announce and celebrate the winners is scheduled to be held in 2026.

UBL & Sports

UBL has long been recognized not only as one of Pakistan's leading financial institutions but also as a steadfast supporter of sports and athletic development. Over the years, the Bank has cultivated a rich legacy of encouraging sporting excellence and fostering a culture of healthy competition. UBL firmly believes that sports play a vital role in building character, discipline, teamwork, and resilience—qualities that are essential both on and off the field. Through consistent engagement with sporting communities, partnerships with sports organizations, and the promotion of grassroots initiatives, the Bank has remained dedicated to nurturing athletic talent while strengthening its connection with communities across Pakistan.

In 2025, UBL continued this legacy by supporting a wide range of sporting events across multiple disciplines. From cricket and football to golf, swimming, and emerging sports such as padel, the Bank's sponsorships reflected its commitment to promoting both established and growing sports in Pakistan. By partnering with clubs, federations, universities, and community organizations, UBL helped create platforms for athletes to compete, develop their skills, and celebrate the spirit of sportsmanship.

Cricket

Cricket, widely regarded as Pakistan's most beloved sport, remained a key focus area for UBL's sporting initiatives in 2025. The Bank supported the participation of the Air Sial Cricket Team in the Pakistan Premier League (PPL), helping facilitate competitive cricket at the corporate and professional level. UBL also sponsored the Ghani Cricket Tournament organized by Ghani Glass Limited, contributing to a competitive environment where emerging and seasoned players could showcase their talent.

UBL's commitment to inclusivity in cricket was further demonstrated through its support of the Women Blind Cricket Tournament organized by the Pakistan Blind Cricket Council. This initiative highlighted the Bank's dedication to empowering athletes with disabilities and ensuring that sports remain accessible to everyone. Additionally, UBL supported the Mayor's Independence Women's Cricket Tournament, reinforcing its commitment to promoting women's participation and representation in the sport.

Football



Football development also formed an important part of UBL's sports engagement in 2025. The Bank supported the Just Play Football Tournament 2025, an initiative designed to encourage grassroots participation and provide young footballers with an organized platform to compete and develop their skills. By backing such tournaments, UBL continues to contribute to the growth of football in Pakistan while encouraging youth to actively engage in sports.

Padel

As padel continues to gain popularity across Pakistan, UBL played a role in supporting the sport's growth through multiple initiatives. The Bank sponsored the Vibora Padel Championship 2025, initiated by AW Group, and the Pakistan Padel Ranking Cup organized by the Pakistan Padel Federation. These tournaments brought together professional and amateur players, helping expand awareness and participation in this fast-growing sport.

UBL also supported "Padel for Purpose," a charity sporting event organized by the Hisaar Foundation. The initiative combined competitive play with social impact, demonstrating how sports can serve as a platform to support meaningful causes while fostering community engagement.

Golf

Golf tournaments also featured prominently among UBL's sporting partnerships in 2025. The Bank supported the 3rd Annual THF Golf Tournament organized by The Health Foundation, an event that brought together corporate leaders, amateur golfers, and sports enthusiasts. UBL also extended its support to the Rumanza Golf & Country Club tournament organized by DHA Multan / Dham Developers, as well as the Mangla Amateur Golf Championship hosted by Mangla Golf Club. These tournaments contribute to strengthening Pakistan's golfing community and provide valuable opportunities for golfers to compete and network.

Multi-Sport and Community Events

UBL's support for sports extended beyond individual disciplines to multi-sport and community-based initiatives. The Bank sponsored the AKU Sports Olympiad organized by Aga Khan University, a multi-sport event that promotes teamwork, wellness, and athletic competition among students and faculty.

In addition, UBL supported the KBC Raft Regatta hosted by the Karachi Boat

Club. The event is one of the city's most anticipated water sports competitions and promotes teamwork, endurance, and outdoor sporting culture.

Swimming

UBL also demonstrated its support for aquatic sports by participating in the National Women's Swimming Championship organized by the Pakistan Women's Swimming Association. Through its presence and visibility at the event, the Bank reinforced its commitment to encouraging women athletes and promoting competitive swimming at the national level.

UBL Sports Complex

UBL's commitment to sports development is not limited to event sponsorships; it is also deeply embedded in the infrastructure it has built to nurture athletic talent. The UBL Sports Complex, established in 1990, stands as a testament to the Bank's long-standing dedication to promoting sports in Pakistan. Spread across a covered area of more than sixteen acres, the facility provides well-maintained grounds and courts for multiple sports, including cricket, hockey, basketball, and tennis. Over the years, the complex has become an important hub for sporting activity, training, and community engagement.

One of the most prominent features of the complex is the UBL Cricket Academy, which focuses on the promotion and development of cricket at the grassroots level. Based within the Sports Complex, the academy has flourished as an institution dedicated to nurturing young talent. Every day, approximately 800 students receive structured training across three different levels, helping beginners and aspiring cricketers build strong technical and athletic foundations.

The impact of UBL's investment in cricket development is evident in the success of its players. Over the years, 32 cricketers associated with UBL have gone on to represent the Pakistan national cricket team at the highest level. Among them are six captains who have led the national side to significant victories, reflecting the strong cricketing culture fostered within the institution.

Among the most celebrated figures associated with UBL cricket is Younis Khan, widely regarded as one of Pakistan's most prolific batsmen. His association with UBL cricket underscores the Bank's deep-rooted



connection with the sport and its contribution to the country's cricketing legacy.

Through initiatives such as its sponsorship of national sporting events and the continued development of the UBL Sports Complex and Cricket Academy, UBL remains committed to fostering athletic excellence and empowering the next generation of athletes. The Bank's sustained investment in sports reflects its broader vision of supporting communities, encouraging healthy lifestyles, and strengthening Pakistan's sporting future.



Persons with Disabilities & Women Empowerment

PERSONS WITH DISABILITIES (PWD) INITIATIVES

Branch Accessibility Expansion

Current Status	Target Year	Target Branches	Growth
35 Branches	2024	35	Baseline
Scaling Up	2027	100	+65 Branches

Physical Accessibility Features

Feature	Description	Availability
Parking	Dedicated PWD parking spaces	All 35 branches
Mobility	Ramps, elevators, and low-height counters	All 35 branches
Facilities	Specialized PWD restrooms and lockers	All 35 branches
Signage	Clear external PWD identification	All 35 branches
Queue Management	Preferred Q-Matic system with priority access	All 35 branches

Accessibility Technologies

Technology	Purpose	Status
Talking ATMs	Assistance for visually impaired customers	Deployed
Morse Code Machines	Support for hearing-impaired customers	Deployed
Braille Stationery	Documents in Braille format	Available

Financial Benefits for PWD Customers

Product	Benefit	Savings
Cash Plus Personal Loans	Discount on standard pricing	2% Reduction
Address Home Loans (UBL)	Processing fee waiver	50% Waiver
Ameen Address Home Loans	Processing fee waiver	50% Waiver

WOMEN EMPOWERMENT & FINANCIAL INCLUSION

Branch Accessibility Expansion

Initiative	Women Reached	Year Launched	Product Type
UBL Urooj Account	2.5 Million	Ongoing	Savings Account

Female Workforce Growth Strategy

Metric	Current	Target	Timeline
Gender Pay Gap (Mean)	5%	Narrowing	Continuous Improvement

Entrepreneurship & Business Support

Program	Financing Commitment	Target Year	Scope
SME Financing (SBP Schemes)	PKR 5 Million	Ongoing	Female Entrepreneurship

Women Customer Products & Benefits

Product	Benefit 1	Benefit 2	Benefit 3
UBL Urooj / Ameen Urooj	Free Debit Cards	Locker Waivers	Cashbacks

Workplace Support & Benefits

Benefit	Duration/Amount	Purpose	Status
Maternity Leave	6 Months	Child Care	Available
Childcare Allowance	PKR 10,000/month per child	Financial Support	Available
Valet Parking	Available	Convenience	Active
SheRise Platform	Email Reporting	Safety & Communication	Active
SheConnects Network	Regional	Employee Connection	Active

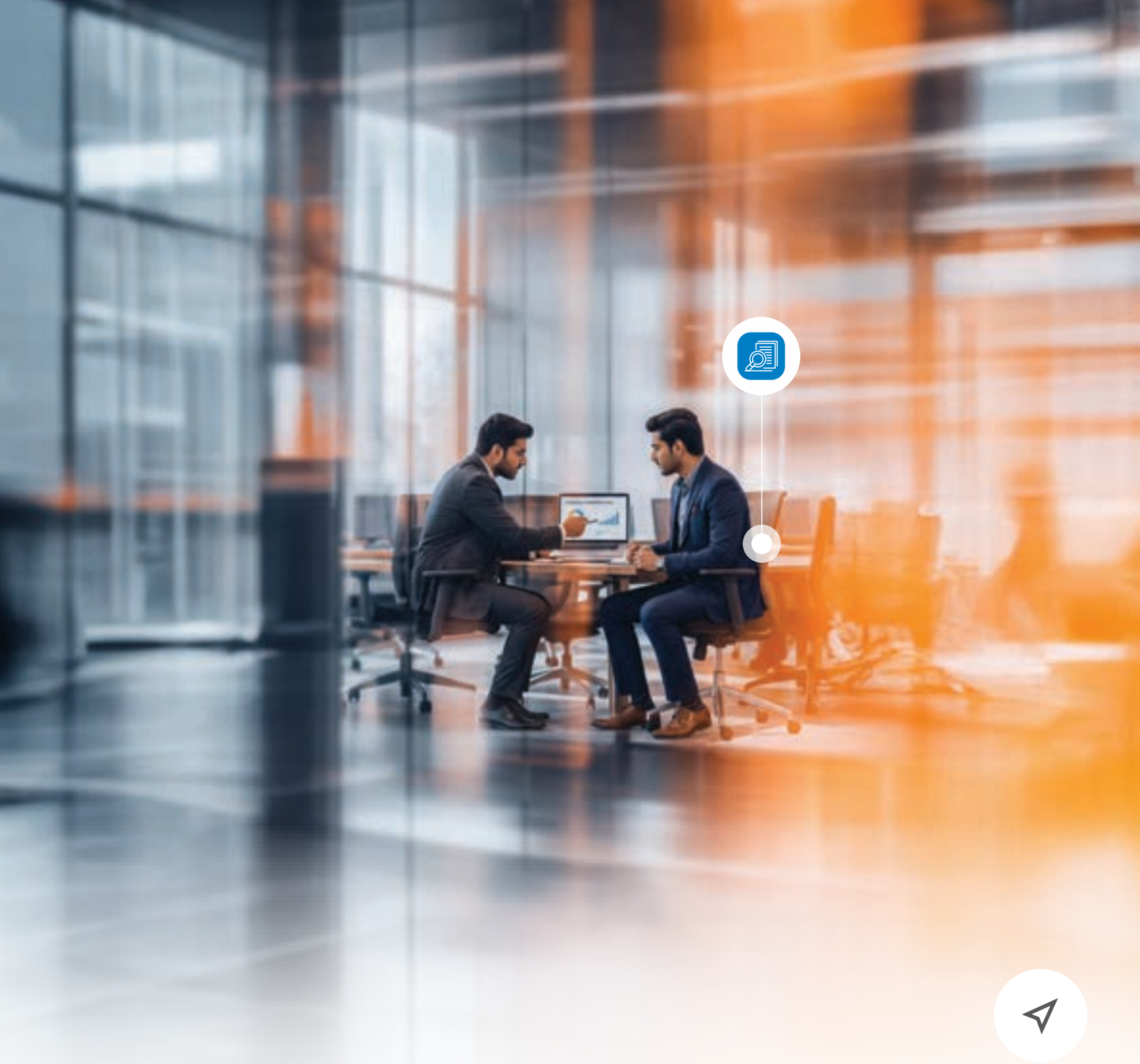
Community Social Responsibility Investments

Initiative	Organization	Contribution	Impact
Breast Cancer Awareness	Pink Ribbon Pakistan	Annual Campaign	Early Detection
Awareness Concert	Pink Ribbon Pakistan	Voice of Her Concert	Community Engagement

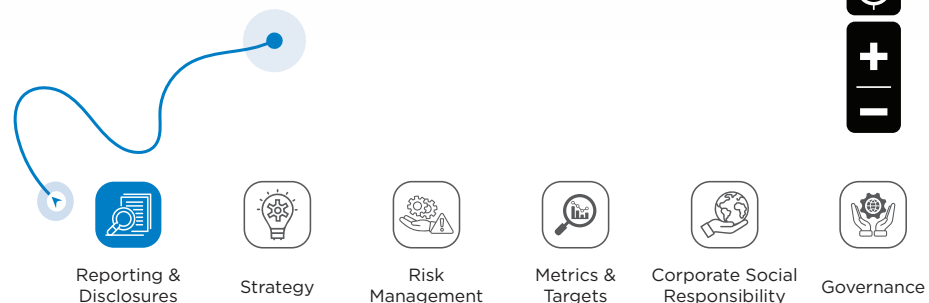
COMMITMENT TO INCLUSIVE BANKING

These comprehensive initiatives reflect our deep commitment to creating a banking experience that is seamless, respectful, and empowering for all members of society. Through continuous innovation, strategic partnerships, and dedicated investments, we are transforming financial inclusion from a goal into a lived reality.





Delivering Disclosure With Full Transparency



Sustainability in action



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Reporting and Disclosures

UBL's reporting framework provides transparent and reliable sustainability disclosures aligned with global and national standards. It is structured around governance, strategy, risk management, and performance metrics. Strong data systems and Board oversight ensure accuracy and consistency. This approach improves stakeholder trust, strengthens regulatory alignment, and positions UBL as a leader in sustainability reporting.

Report Alignment with IFRS S1&S2

UBL's sustainability reporting framework is aligned with IFRS S1 General Requirements for Disclosure of Sustainability-related Financial Information and IFRS S2 Climate-related Disclosures, which together provide a global baseline for consistent, comparable, and decision-useful sustainability reporting for investors.

The Bank's disclosures are structured around the four core pillars prescribed by these standards; Governance, Strategy, Risk Management, and Metrics & Targets, ensuring sustainability-related risks and opportunities are systematically identified, assessed, and transparently reported, with clear linkage to overall business performance.

UBL maintains Board-level oversight and management accountability for sustainability matters, supported by defined roles, reporting lines, monitoring mechanisms, and disclosure controls, consistent with IFRS S1 and S2 governance expectations. Additionally, Climate-related considerations are integrated into enterprise risk management, internal data systems, and reporting processes, supported by recognized methodologies such as the GHG Protocol and industry-based guidance.

Recommended Disclosure	Internal Metric	Covered in (Report Section)
Governance (S1 & S2)		
Describe the board committee or equivalent governance bodies responsible for oversight of sustainability-related risks and opportunities.	Board and Management Committees are responsible for overseeing environmental, social, and Climate-related risks, providing strategic direction, monitoring performance, and ensuring that sustainability considerations are integrated into decision-making processes across the organization.	1. Corporate Governance Framework 2. Board Oversight of ESG
Describe management's role in assessing and managing sustainability-related risks and opportunities	Senior management is accountable for ESG performance, with clearly delegated responsibilities assigned to relevant leadership roles to ensure effective implementation, monitoring, and continuous improvement of environmental, social, and governance initiatives across the organization.	1. ESG Governance Structure; 2. Management Committees
Describe the skills, competencies and training of governing bodies and management on sustainability	UBL conducts ESG and Climate-related training programs for the Board, senior management, and staff to enhance awareness, build technical capacity, and ensure informed decision-making aligned with sustainability objectives and regulatory expectations.	1. Human Capital Development 2. ESG Capacity Building
Disclose the frequency of meetings and attendance related to sustainability oversight	UBL maintains records of Board and management meeting frequency and attendance to ensure effective oversight, transparency, and accountability in the governance of strategic, operational, and sustainability-related matters.	1. Board Committees; 2. Governance Performance KPIs
Disclose the frequency and process for reporting sustainability-related matters to the Board and management	ESG and Climate matters are reported to senior governance forums on a periodic basis to support effective oversight and informed decision-making.	1. ESG Reporting and Escalation Mechanism

Recommended Disclosure	Internal Metric	Covered in (Report Section)
Strategy (S1 & S2)		
Disclose the sustainability-related risks and opportunities and their integration into business strategy	UBL has established ESG strategies and policies that are integrated into the overall corporate strategy to ensure sustainability considerations are embedded in decision-making, risk management, and long-term value creation.	1. ESG Strategy 2. Sustainability Policy Framework
Disclose the impact of sustainability-related risks and opportunities on the entity's business model and value chain	Environmental, social, and Climate risks are aligned with the credit strategy and portfolio composition to ensure risk-informed lending decisions, portfolio resilience, and consistency with the organization's sustainability objectives.	1. Credit Risk Framework; 2. Portfolio Risk Assessment
Disclose the Identification of Climate-related risks and opportunities (physical and transition)	Inherent physical and transition Climate risks are assessed to identify potential vulnerabilities and inform risk mitigation and strategic planning.	1. Climate Risk Assessment
Disclose the resilience of strategy under Climate-related scenarios	Qualitative assessments are conducted to evaluate the potential impact of Climate risks on the lending portfolio and operations.	1. Climate Risk Analysis 2. Strategic Risk
Risk Management (S1 & S2)		
Disclose the Processes used to identify, assess and manage sustainability-related risks	Environmental and Social Due Diligence (ESDD) procedures are used to identify, assess, and manage sustainability-related risks, enabling structured evaluation of environmental and social impacts and supporting risk-informed decision-making.	1. ESRM Manual 2. Credit Approval Process
Disclose the Integration of sustainability risk processes into overall enterprise risk management	ESG and Climate risks are integrated into the enterprise risk management framework to ensure sustainability considerations are systematically incorporated into risk identification, assessment and mitigation processes across the organization.	1. Risk Management Framework
Disclose the Processes for identifying, assessing and managing Climate-related risks	The Environmental, Social and Climate Risk Assessment methodology defines the processes and criteria used to identify, evaluate, and manage sustainability-related risks across operations and investments.	1. Climate Risk Governance
Metrics & Targets (S1 & S2)		
Disclose the Metrics used to monitor sustainability performance and progress	Green products, digital initiatives, and financial inclusion indicators are tracked and evaluated to measure progress toward sustainability objectives.	1. Sustainable Finance 2. Digital Banking Initiatives
Evaluation of sustainability-related risks on financial position and future performance	E&S and Climate risks on major lending exposures and investments are assessed to ensure prudent risk management and portfolio resilience.	1. Portfolio Risk Review 2. Stress Testing
Disclose the Climate-related targets and performance indicators	Carbon reduction initiatives are implemented and aligned with net-zero targets to minimize greenhouse gas emissions and support UBL's long-term Climate commitments.	1. Environmental Performance 2. Climate Targets

Report Alignment with SECP

This report is fully aligned with the Key Performance Indicators (KPIs) outlined by the Securities and Exchange Commission of Pakistan (SECP) for sustainability and ESG reporting. All relevant metrics, spanning environmental, social, and governance dimensions, have been systematically captured and presented in the report, demonstrating UBL's adherence to regulatory expectations. The alignment covers operational and financed emissions, energy and water consumption, waste management, workforce diversity, social initiatives, governance structures, and risk management frameworks. Through this comprehensive mapping, the report provides a transparent and verifiable view of UBL's performance against SECP sustainability standards, enabling stakeholders to track progress and assess compliance with established regulatory benchmarks.

S.#	KPI	Description	Relevant section in the Report
Environment			
1	Green House Gas (GHG) Emissions	Total Amount of Carbon and Green House Gas Emissions in Metric Tons	Risk Management (Green House Gas/ Carbon Footprint Calculation)
		Total Amount, in CO2 equivalent, for Scope 1 Scope 2 and Scope 3 (if Applicable)	Risk Management (Green House Gas/ Carbon Footprint Calculation)
2	Emission Intensity	Total GHG Emissions per output scaling factor (e.g. revenues, sales, units produced)	Risk Management (Green House Gas/ Carbon Footprint Calculation)
3	Energy Usage	Total Amount of Energy directly consumed	Metrics and Targets
		Total Amount of Energy indirectly consumed	Metrics and Targets
4	Energy Intensity	Total direct energy usage per output scaling factor	Metrics and Targets
5	Energy Mix	Percentage: Energy usage by generation type	Metrics and Targets
		Disclose the energy consumption from renewable energy sources as a percentage of total energy consumption	Metrics and Targets
6	Water Usage	Total amount of water consumed	Metrics and Targets
7	Environmental Operations	Does your company follow a formal Environmental Policy?	Yes
		Specify the quantity of waste recycled or re-used as a percentage of total waste for the current and comparative period.	Metrics and Targets
8	Environmental Oversight	Does your Board/Management Team oversee and/or manage Climate related risks?	Yes
		Does your Board/Management Team oversee and/or manage other sustainability issues?	Yes

S.#	KPI	Description	Relevant section in the Report
9	Climate Risk Adaptation and Mitigation	Total amount invested, annually, in Climate-related infrastructure, resilience, and product development?	Metrics and Targets
Social			
10	Employee Turnover	Percentage: Year-over-year change for full-time employees	Metrics and Targets
11	Gender diversity	Percentage: Total enterprise headcount held by men and women	Metrics and Targets
		Percentage: Senior and executive level positions held by men and women	Metrics and Targets
12	Temporary Worker Ratio	Percentage: Total enterprise headcount held by contractors and/or consultants	Metrics and Targets
13	Non-Discrimination	Does your company have a sexual harassment and/ or non-discrimination policy?	Yes
		Is there a confidential grievance, resolution, reporting and non-realization mechanism and procedure to address and respond to incidence of harassment and violence?	Yes
14	Child and Forced Labor	Does your company follow a child and/or forced labor policy?	Metrics and Targets
15	Corporate Social Responsibility	Please share a list of CSR activities undertaken along with total time spent on these and amounts (PKR) allocated.	Metrics and Targets
16	Employee Training and Succession Planning	Number of training sessions held on the following. Please also mention the Number of employees and workers trained on these: -Skill Upgradation -Soft Skills -Health and Safety Measures	Metrics and Targets
17	Human rights	Does your company follow a human rights policy?	Yes
		If , does your human rights policy also cover suppliers and vendors?	Metrics and Targets
18	Working Conditions	Number of employee complaints on working conditions (during reporting period) Number of working condition complaints resolved (during reporting period)	Metrics and Targets
19	Injury rate	Percentage: Frequency of injury events relative to total workforce time	Metrics and Targets
		Number of lost production hours as a result of safety related incidents	
		Disclose the percentage of employees/ workers covered with Health and Safety Insurance?	
20	Marketing	Do you have responsible gender sensitive marketing communication policy or a commitment embedded in larger corporate policy?	Yes

S.#	KPI	Description	Relevant section in the Report
Governance			
21	Board Diversity	Percentage: Total board seats occupied by men and women	Metrics and Targets
		Percentage: Committee chairs occupied by men and women	
22	Board Independence	Does company prohibit CEO from serving as board chair	Yes
		Percentage: Total board seats occupied by independents	Yes
23	Board competence	Percentage of ESG certified board members	Metrics and Targets
24	Incentivized Pay	Are executives formally incentivized to perform on sustainability?	Metrics and Targets
25	Collective Bargaining Percentage	Total enterprise headcount covered by collective bargaining agreement(s)	Metrics and Targets
26	Ethics & Anti-corruption	Does your company follow an Ethics and/or Anti-Corruption policy?	Yes
		If , what percentage of your workforce has formally certified its compliance with the policy?	Metrics and Targets
27	Data privacy	Does your company follow a Data Privacy policy?	Yes
		Does your company taken steps to comply with general data protection rules/ framework?	Metrics and Targets
28	Sustainability Reporting	Does your company publish a sustainability report?	Yes
		Is sustainability data included in your regulatory filings?	
29	Disclosure practices	Does your company provide sustainability data in line with any sustainability reporting frameworks?	Yes

Report Alignment with GRI

UBL is committed to ensuring that its ESG reporting and operations reflect globally recognized sustainability standards. The Bank has aligned its disclosures, processes, and practices with the Global Reporting Initiative (GRI) framework, demonstrating transparency, accountability, and a structured approach to managing environmental, social, and governance impacts. This section outlines how UBL's ESG Report meets GRI standards.

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
The organization and its reporting practices			
GRI 2-1	Organizational details	This report outlines the organization's legal name, operational footprint (domestic and international), service offerings (retail, corporate, and Islamic Banking), number of branches, business segments, and overall geographic presence and operational scale.	UBL at a Glance
GRI 2-2	Entities included in the organization's sustainability reporting	The report covers the domestic and international operations details for sustainability.	About the Report
GRI 2-3	Reporting period, frequency and contact point	The report specifies its reporting period and frequency, confirms alignment with the Bank's financial year, and provides designated contact details for stakeholder queries and report-related communications.	About the Report
Activities and Workers			
GRI 2-6	Activities, value chain and other business relationships	The report outlines revenue streams, stakeholder groups, and services. UBL operates in the Financial Services/Banking sector, offering Retail, Corporate & Investment, SME, Islamic, and Digital Banking	Our Business Model
GRI 2-7	Employees	UBL maintains a predominantly full-time workforce across domestic and international operations, promoting stability, diversity, inclusion, and pay equity, with employment data managed through standardized internal reporting systems for accuracy and compliance.	Metrics and Targets
GRI 2-8	Workers who are not employees	UBL engages contractors and consultants for specialized expertise and project-specific operations, and is enhancing enterprise-wide tracking systems to ensure accurate and transparent reporting in future cycles.	Metrics and Targets
Governance			
GRI 2-9	Governance structure and composition	The report describes Board committees (BRCC, CCM, MRC) and oversight in full detail.	ESG & Sustainability Governance at UBL

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
Governance			
GRI 2-11	Chair of the highest governance body	UBL maintains a separation between the Board Chairman and President & CEO roles, in line with State Bank of Pakistan regulations, ensuring independent oversight, preventing conflicts of interest, and reinforcing the Board's responsibility for ESG strategy and long-term value creation.	ESG & Sustainability Governance at UBL
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	The BoD oversees UBL's ESG and Climate risk management, guiding strategy and embedding ESC considerations, while management committees implement initiatives and the BoD reviews key risks and controls quarterly.	Governance
GRI 2-13	Delegation of responsibility for managing impacts	UBL's BoD oversees ESG and Climate risks, delegating management to executives and committees, with the Head of ESG leading operations and standardized reporting keeping the BoD informed.	Governance
GRI 2-14	Role of the highest governance body in sustainability reporting	The BoD reviews and approves UBL's ESG disclosures, with internal validation, senior management review, and external assurance where applicable, ensuring accountability and alignment with international standards.	Governance
GRI 2-16	Communication of critical concerns	UBL manages critical concerns via a multi-channel Whistleblowing Policy, with ESG and Climate issues reviewed by senior governance forums and monitored by the Board, focusing on compliance, conduct, and risk oversight.	Governance
GRI 2-17	Collective knowledge of the highest governance body	The BoD enhances sustainability expertise through ESG and Climate training, briefings, and quarterly ESC risk reviews, ensuring diverse expertise informs strategic decisions and regulatory alignment.	Governance
GRI 2-18	Evaluation of the performance of the highest governance body	The BoD's ESG and Climate oversight is regularly evaluated, supported by training, a dedicated ESG Division, diverse expertise, and enhanced reporting.	Governance

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
Strategy, policies and practices			
GRI 2-22	Statement on sustainable development strategy	The President & CEO reaffirms UBL's commitment to ESG and UN SDGs, prioritizing ESG & Climate Risk Management, sustainable finance, IFRS S1 & S2-aligned Climate disclosures, and inclusive, community-focused initiatives.	Strategy
GRI 2-23	Policy commitments	UBL promotes responsible business conduct via its ESG Framework, Code of Conduct, and HR policies, aligning with global standards and integrating ESG into risk and credit processes, with enterprise-wide focus on human rights and equity.	Governance
GRI 2-24	Embedding policy commitments	UBL applies a "Three Lines of Defense" model for ESG, embedding policies across operations, oversight, and audit, extending standards to clients and suppliers through sustainable finance and ESG due diligence, supported by continuous training.	Governance
GRI 2-26	Mechanisms for seeking advice and raising concerns	Employees can report unethical conduct via the ESG Division, training programs, or a Whistleblowing Policy through multiple channels.	Metrics and Targets
GRI 2-28	Membership associations	UBL engages with local and international associations, including PBA, OICCI, MAP, IBP, UN Global Compact, and SBP working groups, to support compliance, sustainable finance, and sector development.	Governance
Stakeholder Engagement			
GRI 2-29	Approach to stakeholder engagement	UBL engages key stakeholders through multi-channel dialogue and partnerships, supporting ESG transparency, risk management, and long-term value creation.	Strategy
Economic Performance			
GRI 201-1	Direct economic value generated and distributed	UBL supports economic development via responsible Banking, financial inclusion, SME and Islamic Banking, expanding financial access, maintaining a strong credit profile, and contributing to national revenue.	Strategy
GRI 201-2	Financial implications and other risks and opportunities due to Climate change	UBL acknowledges Climate-related physical and transition risks affecting credit and assets and addresses them by expanding green financing and supporting renewable energy and sustainable mobility initiatives.	Strategy

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
Indirect Economic Impacts			
GRI 203-1	Infrastructure investments and services supported	UBL advances financial inclusion through extensive branch and digital networks, inclusive products, and community initiatives supporting women and persons with disabilities.	Operational footprint
GRI 203-2	Significant indirect economic impacts	UBL drives economic development by financing SMEs, modernizing agriculture, enabling remittances, and promoting sustainable growth via green finance and workforce development programs.	Governance
Anti-corruption			
GRI 205-1	Operations assessed for risks related to corruption	UBL manages corruption risks via its Compliance and Management Risk Committees, integrating governance into ESG and Climate Risk Management, with internal conduct validated by business units and experts to ensure integrity.	Governance
GRI 205-2	Communication and training about anti-corruption policies and procedures	UBL promotes ethical conduct through clear policies and processes, provides governance and sustainability training for employees, and runs awareness programs on digital fraud prevention and information security for stakeholders.	Governance
Biodiversity			
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside projected areas	UBL's operations are mainly in urban and semi-urban areas, with no sites located in or adjacent to protected or high-biodiversity zones; its footprint is largely in built environments with minimal wild biodiversity value.	Strategy
Energy			
GRI 302-1	Energy Consumption within the organization	UBL tracks its total energy use across its domestic and international branches and offices and is provided in detail in this report.	Metrics & Targets
GRI 302-3	Energy Intensity	UBL tracks its energy intensity and discloses in this report.	Metrics & Targets
Water and Effluents			
GRI 303-1	Interactions with water as a shared resource	UBL is committed to improving water efficiency through strengthened monitoring, operational controls, and conservation initiatives.	Metrics & Targets

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
GRI 303-2	Management of water discharge-related impacts	UBL aligns operations with environmental regulations on waste and effluent management, emphasizing impact mitigation through its ESG policy, while integrating water discharge impacts into its broader risk management framework	Metrics & Targets
GRI 303-5	Water Consumption	UBL plans to provide more detailed qualitative and quantitative disclosures regarding water consumption.	Metrics & Targets
Emissions			
GRI 305-1	Direct (Scope 1) GHG Emissions	UBL tracks and discloses its Scope 1 emissions across all operations, including Pakistan and International. These emissions primarily result from the combustion of fuels in the Bank's owned or controlled assets, such as diesel for generators and fuel for the Bank-owned vehicles.	Metrics & Targets
GRI 305-2	Energy indirect (Scope 2) GHG Emissions	UBL tracks and discloses its Scope 2 emissions across all operations, including Pakistan and International. These emissions are associated with the generation of purchased electricity consumed by UBL's network of branches and its various head office buildings.	Metrics & Targets
GRI 305-3	Other indirect (Scope 3) GHG Emissions	UBL tracks and discloses its Scope 3 emissions across all operations, including Pakistan and International which represents the largest portion of UBL's footprint. This scope includes, emissions through employee commute, employee business travel and financed emissions.	Metrics & Targets
GRI 305-4	GHG emissions intensity	Emission intensity has been calculated and disclosed within the report.	Metrics & Targets
Waste			
GRI 306-1	Waste generation and significant waste-related impacts	Waste arises mainly from administrative operations, including paper use and e-waste, with associated environmental impacts.	Metrics & Targets
GRI 306-2	Management of significant waste-related impacts	UBL mitigates impacts through digital transformation (paperless initiatives), dedicated paper recycling programs, an e-waste management system, and sustainable procurement practices.	Metrics & Targets
GRI 306-3	Waste generated	UBL is currently working on monitoring paper and e-waste generation to better track and manage its operational impacts	Metrics & Targets

GRI Standard #	GRI Standard Title	ESG Report Reference / Disclosure	Reference section in ESG Report
Occupational Health and Safety			
GRI 403-1	Occupational health and safety management system	UBL implements occupational health and safety (OHS) measures as part of its Board-approved Human Resource (HR) policy and operational processes. The Bank ensures that workplace safety protocols and health coverage are provided to employees across its operations.	Metrics & Targets
GRI 403-3	Occupational health services	The Bank provides health coverage and medical support through its employee benefits program. UBL focuses on healthcare as a key pillar of its social interventions, ensuring that employees and communities have structured support for health-related needs.	Metrics & Targets
Training and Education			
GRI 404-2	Programs for upgrading employee skills and transition assistance programs	In 2025, UBL focused on leadership development and ESG capacity building, ensuring employees can manage sustainability and governance, supporting productivity and economic growth.	Metrics & Targets
Diversity and Equal Opportunity			
GRI 405-1	Diversity of governance bodies and employees	UBL promotes diversity in governance and workforce, with one female Board member, a male-majority senior management, significant female workforce representation, and internationally aligned diversity across all operations.	Metrics & Targets
Child Labor			
GRI 408-1	Operations and suppliers at significant risk for incidents of child labor	UBL enforces zero tolerance for child labor via HR policies, ESG supplier standards, and social risk-integrated credit assessments.	Metrics & Targets
Forced or Compulsory Labor			
GRI 409-1	Operations and suppliers at significant risks for incidents of forced or compulsory labor	UBL enforces a zero-tolerance policy against forced or compulsory labor, embedded in its Board-approved HR Policy and broader Human Rights commitments.	Metrics & Targets
Local communities			
GRI 413-1	Operations with local community engagement, impact assessments and development programs	UBL engages with local communities through its extensive branch network and specialized CSR programs. Key pillars include Education, Healthcare and Vocational Training.	Metrics & Targets

Report Alignment with International Human Rights Declarations

The UBL ESG Report reflects the Bank's commitment to responsible business practices and respect for human rights across its operations. In line with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and Pakistan's National Action Plan on Business and Human Rights (NAP-BHR), the report incorporates policies and practices that support the protection of human rights.

Category	Human Rights Declaration Point	UBL ESG Report Reference	Summary of Alignment
Human Rights			
Human Rights Policy (General Commitment)	Formal commitment to respect human rights	Human Capital / HR Policy Manual	ESG report confirms commitment to human rights embedded in HR policies including employee welfare, diversity, grievance mechanisms and fair practices.
	Publicly accessible human rights policy	Human Capital / HR Policy Manual	HR Policy is available publically.
	Understanding business impact on human rights	Risk Management	ESG integration in credit risk and operations implies awareness of social and human rights risks
	Coverage of key human rights areas in policy	HR Policies / Human Capital Section	Policies address non-discrimination, diversity, workplace harassment, and employee welfare.
Labor and Employee Rights			
Child Labour	Prohibition of child labour	Metrics & Targets - Child Labor	ESG report confirms zero-tolerance policy and integration into HR policies and supplier standards.
Forced Labour	Prohibition of forced labour, modern slavery, human trafficking	Metrics & Targets - Forced Labor section	Zero-tolerance policy embedded in HR policy and human rights commitments.
Non-Discrimination	Protection from discrimination and harassment	Metrics & Targets - Non-Discrimination policy	ESG report confirms sexual harassment and non-discrimination policies
Diversity & Inclusion	Promotion of diversity and inclusion	Metrics & Targets - Diversity and Equal Opportunity	Workforce diversity statistics and governance representation disclosed.
Working Conditions	Mechanisms to address employee complaints	Metrics & Targets -Grievance Mechanism	Formal grievance and harassment reporting system exists with multiple reporting channels and non-retaliation protections.
Employment Status & Fair Practices	Official employment status, written contracts, fair dismissals, working hours, overtime compliance	Metrics & Targets -Human Rights	UBL's HR Policy ensure all employees have official contracts, fair dismissal procedures and regulated working hours.

Category	Human Rights Declaration Point	UBL ESG Report Reference	Summary of Alignment
Labor and Employee Rights			
	Code of Conduct, non-punitive transfers, consideration of family during relocations	Governance- Employee code of conduct	UBL maintains a Code of Conduct and relocation policies respecting employee needs and family considerations
Training and Employee Development			
Employee training	Skill development and education programs	Metrics & Targets -Training and Education	Leadership development, ESG training, and employee skill programs disclosed.
Health and safety training	Safety training for employees	Metrics & Targets - Health and Safety training	ESG report discloses number of training sessions conducted.
Access to Remedy and Grievance Mechanism			
Internal grievance mechanism	Confidential employee complaint system	Metrics & Targets - HR grievance and harassment mechanism	ESG report confirms structured grievance process with investigation procedures.
Impartial resolution	Gender-neutral and fair resolution process	Metrics & Targets - Non-Discrimination	Non-retaliation and impartial investigation framework referenced.
Community and Social Impact			
Community engagement	Community Impact Assessment	Local Communities / CSR	Community engagement programs in education, healthcare, and vocational training.
Social investment	CSR initiatives and spending	CSR activities	Report disclosed the amount allocated to social development initiatives across Pakistan.
Ethics, Governance and Anti-Corruption			
Anti-bribery and corruption policy	Written anti-corruption commitment	Governance	ESG report confirms anti-corruption and ethics policies across workforce.
Whistleblower protections	Reporting mechanisms for misconduct	Governance & Code of Conduct	Whistleblower channels and compliance framework disclosed.
Data privacy	Protection of customer data	Metrics & Targets - Data Privacy	Data privacy policies and cybersecurity governance disclosed.

Integration of SASB Standards in UBL ESG Practices

UBL is committed to aligning its ESG reporting and operations with recognized international and national standards. The Bank has structured its processes, disclosures, and practices to demonstrate compliance with frameworks such as SASB, ensuring transparency, accountability, and integration of sustainability considerations across its business activities. This section highlights how UBL's ESG Report aligns with SASB standards.

SASB Standard / Topic	ESG Report Reference	Summary of Disclosure	Quantitative / Qualitative
FN-CB-230a.1 Data Security: Number of data breaches & affected customers	Risk & Compliance section; Cybersecurity narrative (ESG Material Topics mapping section)	Report discusses cybersecurity governance, controls, and data protection frameworks.	Qualitative
FN-CB-230a.2 Data Security: Description of approach to identifying & addressing risks	Risk Management / IT Governance / Cybersecurity section	Report describes cybersecurity risk management, monitoring systems, internal controls, and board oversight mechanisms.	Qualitative
FN-CB-240a.1 Financial Inclusion & Capacity Building: Number and amount of loans to underserved populations	Financial Inclusion / CSR / Sustainable Finance section (Material Topics mapping)	Report outlines financial inclusion initiatives and SME/agriculture support.	Mixed
FN-CB-240a.2 Description of financial literacy initiatives	CSR & Community Investment section	Report describes financial literacy, community outreach, and digital Banking awareness initiatives.	Qualitative
FN-CB-410a.1 Integration of ESG risks in credit analysis	Risk Governance & Credit Risk Management sections	ESG considerations are incorporated into credit evaluation and risk frameworks as described in the report.	Qualitative
FN-CB-410a.2 Commercial & industrial credit exposure by industry	Risk & Portfolio Overview sections	Significant portfolio segmentation provided in the report.	Qualitative
FN-CB-510a.1 Employee Engagement, Diversity & Inclusion	Human Capital / Diversity section	Diversity ratios, hiring, training hours, and engagement initiatives discussed. Numerical workforce data provided.	Mixed

SASB Standard / Topic	ESG Report Reference	Summary of Disclosure	Quantitative / Qualitative
FN-CB-510a.2 Voluntary & involuntary turnover rate	HR / Workforce Metrics section	Turnover and workforce statistics provided.	Quantitative
FN-CB-550a.1 Business Ethics: Total monetary losses from legal proceedings	Governance & Compliance section	Compliance culture and ethics framework described.	Qualitative
FN-CB-550a.2 Description of whistleblower policies	Governance & Code of Conduct section	Whistleblowing mechanisms and grievance channels disclosed.	Qualitative
FN-CB-000.A Number of checking/savings accounts by segment	Business Overview section	General customer base size described.	Quantitative
Cross-Industry: Energy Management (IF-EU-130a.1 equivalent for operations)	Environmental KPIs – Electricity Consumption Table	Electricity consumption and energy intensities disclosed.	Quantitative
Cross-Industry: Scope 1 & 2 GHG Emissions (IF-EU-110a.1 equivalent)	GHG Emissions Table	Scope 1,2 and 3 detailed breakdown provided.	Quantitative
Cross-Industry: Water Management	Environmental KPIs – Water Consumption	Water consumption described and will be quantified as planned.	Quantitative
Climate Risk Management (TCFD-aligned, SASB Climate Risk Integration)	Climate & Sustainability section	Describes Climate risk awareness and sustainability integration along with scenario analysis.	Qualitative
Operational Waste Management	Environmental KPIs – Waste generation	Waste generation disclosed.	Quantitative

Alignment with United Nations Sustainable Development Goals (UN SDGs)

UBL aligns its initiatives, projects, and strategic decisions with the principles of the Sustainable Development Goals (SDGs), ensuring that sustainability remains embedded across its operations. This approach enables the Bank to create long-term value by supporting environmental and climate stewardship, social inclusion, and responsible economic growth, while contributing meaningfully to national and global development priorities.

The SDGs, adopted by all United Nations Member States in 2015 as part of the 2030 Agenda for Sustainable Development, comprise 17 interconnected goals designed to address the world's most pressing challenges, including poverty, inequality, climate change, environmental degradation, peace, and justice. These goals provide a universal framework for governments, businesses, and institutions to drive inclusive and sustainable development. By aligning with the SDGs, UBL not only strengthens its role as a responsible financial institution but also contributes to a collective global effort aimed at building a more resilient, equitable, and sustainable future for all.



Alignment with United Nations Sustainable Development Goals (UN SDGs)

	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	
Environmental																		
Sustainable Agriculture Mechanization Financing		2									11		13					
Green Branch Certification Initiative												12	13					
Efficient Energy Use and Conservation Practices						6							13					
Water Stewardship and Conservation Practices						6						12	13					
Digital Banking Ecosystem									9	10							17	
Paperless Management System												12					16	
Solar-Powered Branch Network and ATMs							7						13					
Climate																		
Climate Scenario Analysis													13					
Greenhouse Gas (GHG) Emissions Accounting and Monitoring												12	13					
Commencement of Climate Risk Assessment Integration													13				17	
Green Financing (Renewable Energies and EVs)							7		9		11							
Climate KPIs Reporting													13				17	
Social																		
Job Creation & Workforce Expansion									8									
Breast Cancer Awareness & Employee Health			3							10	11							
Community & Youth Development through Sports			3								11							
Youth Athlete Health Screenings			3								11							
Expansion of Pakistan's Largest Branch Network									8	9								
Deployment of Preferred Q-Matic for PWDs & Senior Citizens										10								
Inclusive Youth Employment and Development					4				8	10								
UBL Ameen Financial Literacy Student Ambassador Program					4				8	10								
Science and Engineering Associate Program (SEAP)									8	9								
SME Market Access & Regional Entrepreneurship Initiative									8	9								
Humanitarian Partnership with Al-Khidmat Foundation	1	2															17	
National Ramzan Ration Distribution Drives	1	2								10								
UBL-Saylani Rozgar Scheme	1												12				17	
ESG Linked Products									8			12					17	
Governance																		
Signature Customer Engagement Sessions																		17
ESG & Climate Capacity Building					4													17
Responsible Sourcing & Partnership Standards												12	13					17
Regulatory ESG Compliance & Reporting																	16	17
Strategic Board Governance & Diversity					4													17
Enterprise ESG Risk Integration													13				16	17
Data Integrity & Cyber Resilience									9								16	17
Digital Financial Security & Fraud Prevention																	16	17
Fair treatment of customers										10							16	17
Corporate Governance Framework																	16	17

Appendices

Appendix I - Methodology for GHG Emissions Calculations

Scope 1:

Scope 1 greenhouse gas (GHG) emissions were calculated using fuel consumption data (for Pakistan, diesel consumption data at branches and buildings, for international, fuel consumption for official commute). Emissions of carbon dioxide (CO₂), methane (CH₄), and nitrous oxide (N₂O) were calculated by multiplying fuel consumption with the respective emission factors for each gas. Representative emission factors were taken from GHG Protocol - Cross-sector Emission Factors. To ensure consistency and comparability in reporting, emissions of CH₄ and N₂O were converted into carbon dioxide equivalent (CO₂e) using Global Warming Potential (GWP) values published by the Intergovernmental Panel on Climate Change (IPCC), AR6 report. Total Scope 1 emissions were determined by aggregating emissions across greenhouse gases.

Scope 2:

Scope 2 emissions were calculated using electricity consumption data. For Pakistan, centralized electricity billing data was available for some branches, primarily located in major cities. Measured Scope 2 emissions were calculated for these branches using reported consumption figures. For the remaining branches, where centralized electricity data was not available, emissions were estimated using averages. The average electricity consumption derived from available data were applied to estimate Scope 2 emissions for all remaining branches across Pakistan. For international, total electricity consumption was obtained for respective jurisdiction for the year.

GHG Protocol was referred for available emission factors & average of 0.5 kg CO₂/kWh for electricity was used to calculate total CO₂e emissions. This approach enabled the estimation of total Scope 2 emissions while maintaining methodological consistency.

Scope 3 (Employee Commute)

Scope 3 emissions from employee commuting were estimated using total employee headcount for the year 2025. A survey-based assessment of common commuting patterns was used to estimate the proportion of employees using motorcycles, cars, and public transport.

Key assumptions included:

- 23 working days per month (for Pakistan), 22 for other jurisdictions
- Average daily commuting distance of 40 km per employee (varying distances for other jurisdictions)

Average fuel mileage of:

- 30 km/l for motorcycles
- 10 km/l for cars
- 5 km/l for buses

These vary slightly for other jurisdictions.

Based on these assumptions, total fuel consumption was estimated for each mode of transport. Emission factors were sourced from the GHG Protocol Cross-Sector Tool, using motor gasoline (household) emission factors for cars and motorcycles, and diesel emission factors for buses and factors for metro. Emissions of CO₂, CH₄, and N₂O were calculated by multiplying fuel consumption with the respective emission factors, and total emissions were aggregated and converted into CO₂e.

Scope 3 (Business Travel)

Business travel data for employees was obtained. The dataset included both domestic and international business trips (by air) undertaken by employees during the reporting year. For each trip, the total travel distance was calculated from the point of departure to the final return destination, including distances covered through layover countries where applicable. Monthly travel distances were determined by aggregating distances from all trips undertaken during each month, resulting in an estimate of the total annual business travel distance for 2025.

An average fuel efficiency of 44.49 km per liter for passenger aircraft was referred to and applied uniformly across all trips. Total distance traveled was converted into estimated fuel consumption, and emissions were calculated by applying the relevant emission factors from GHG Protocol to determine total CO₂e emissions.

Scope 3 (Financed Emissions)

To calculate UBL's financed emissions, available Client-level greenhouse gas (GHG) emissions data were extracted from publicly available annual reports and sustainability disclosures. Methodology of Partnership for Carbon Accounting Professionals (PCAF) were followed to calculate financed emissions.

For the reporting period corresponding to the disclosed emissions, listed client's Enterprise Value Including Cash (EVIC) was calculated using market capitalization, minority interest, and total debt. Funded outstanding exposure to each client for the same reporting period was then identified from loan book.

Attribution factor was calculated by dividing UBL's outstanding exposure by the client's EVIC. Financed emissions were determined by multiplying the client's reported Scope 1 and Scope 2 emissions by the attribution factor. The same methodology was applied to Scope 3 emissions, where data was publicly available. This approach follows the principles outlined in the GHG Protocol & PCAF and aligns with internationally recognized financed emissions accounting practices. For unlisted clients/private companies, EVIC was replaced by total equity plus debt.

This methodology ensures proportional attribution of emissions in accordance with UBL's financial exposure and supports transparent and comparable reporting.