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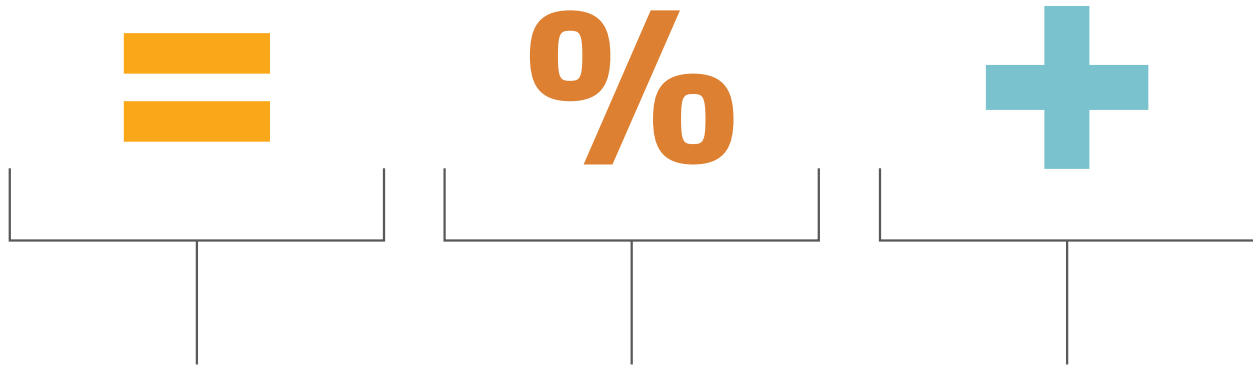


BUILDING STRONGER FOUNDATIONS

ENVIRONMENTAL, SOCIAL & GOVERNANCE
ESG REPORT 2023

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ABOUT THE REPORT

UBL, as a responsible corporate citizen, is committed to creating a sustainable future. This encompasses delivering satisfactory returns to shareholders, caring for employees, meeting customer needs, supporting partners and businesses reliant on us, and establishing a robust corporate governance framework. Additionally, we prioritise improving environmental wellbeing and contributing to communities in alignment with the United Nations Sustainable Development Goals (SDGs).

Our ESG report for 2023 covers UBL activities during the financial year from January 1st, 2023, to December 31st, 2023. It provides a comprehensive overview of our policies, performance, and practices related to Environment, Social, and Governance (ESG) matters. Through our ESG philosophy, we aim to ensure the long-term success of the organization while promoting sustainable economic growth through responsible business initiatives and corporate citizenship.

UBL AT A GLANCE

Founded in 1959, United Bank Limited (UBL) is a leader in the banking and financial services sector in Pakistan, serving over 11 million customers nationwide. UBL operates one of the largest branch networks in Pakistan with over 1400 branches and more than 1450 ATMs along with its branchless banking proposition, UBL Omni, spread all over the country. The Bank's Islamic offering, UBL Ameen's branch network now stands at 209 and is further supported by 501 Islamic Banking Windows (IBWs) within conventional branches.

The network is augmented by the Bank's industry leading digital banking services which have earned it local and international recognition. In 2023, UBL was awarded 'Best Bank for ESG in Pakistan' by Asiamoney, as testament to UBL's efforts to align its business strategies with sustainable development goals and responsible banking practices. Furthermore, it received the award for 'Mobile Banking & Payment Initiative of the Year – Pakistan' by Asian Banking and Finance. In 2023, the Bank also received the coveted 'Top 25 Companies for the Year 2022' by Pakistan Stock Exchange, 'Most Innovative Partnership in Pakistan' by Mastercard MENA East Business Forum.

As a progressive and innovative institution, UBL has taken lead in financial inclusion and economic development of Pakistan through introduction of user-friendly financial products and services based on modern technology. As an institution UBL will always endeavor to deliver best in class services to our valued customers whom we are privileged to serve.

The Bank's upgraded entity rating is AAA/A-1+. UBL is at the forefront of digitization of banking in the country with its Digital Banking App and its feature of digitally onboarding customers to open bank accounts at any time and any place.

OUR PURPOSE

At UBL, the following Core Values drive our success:



1

Customer First

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



2

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.



3

Teamwork

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

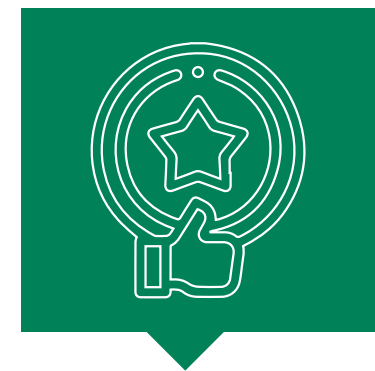
& CORE VALUES



4

Excellence

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



5

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.



UBL BUSINESS SEGMENTS & SERVICES

Our conscientious efforts to create a sustainable and meaningful impact drive our business processes and operating environment. These efforts are reflected in our routine business activities where we are not only concerned about the commercial impact, but also mindful of the long-term sustainable impacts we make as a responsible organization that believes in contributing positively to the communities it operates in. At UBL, we aim to provide a positive working environment that drives the success of our people and helps us achieve our targets.

UBL has five main business segments, Retail Banking, Corporate/Commercial and Investment Banking, Small & Medium Enterprises, Middle Market and UBL Ameen (Islamic Banking).

973,000 customers increase in 2023



Retail Banking business

Being a major financial institution, our Retail Banking serves over 11 million accountholders. With 14,000 nationwide touchpoints in the Branch Banking Group, we maintain a customer-centric approach while actively pursuing a balance between business growth and sustainable practices.

Ongoing investments in our network and workforce, along with higher standards for branch deposits and profitability, underscore our commitment to responsible banking, given which UBL is honored to announce that the bank was successful in onboarding more than 973,000 customers during 2023.

The bank has contributed towards a sustainable nation by emerging into key initiatives in the year 2023. Our UBL Freelancer Account, launched in May 2023, addressed the evolving gig economy, which exemplifies our dedication to sustainable business practices.

UBL Urooj & Asaan Digital Current Account holders amassed financial inclusion of

320,000 Accounts

35 DEDICATED BRANCHES FOR PWDS



The UBL Urooj platform, tailored for women's financial needs, also extended its benefits to women Asaan and Asaan Digital Current Account holders, amassing financial inclusion of 320,000 accounts with nearly PKR 12 billion in deposits, showcasing our commitment to and success in socially responsible banking.

In addition, UBL announced 35 dedicated branches for PWDs (People with Disabilities). This customer base includes physically, visually, and hearing-impaired customers that were extended with facilities such as ramps, railings, wheelchairs, low-heighted counters, spacious locker rooms, talking ATMs with morse code, braille-printed documents, sign language-trained staff, PWD-employed individuals, dedicated restrooms, parking, and a preferred automated Q-matic system which reflects our dedication to accessibility and inclusivity towards our nation.

Building on to our strength of gauging remittances, UBL developed an account opening facility through cash counters whereby Home Remittance beneficiaries were able to open Asaan accounts with safety of their deposits, free general banking waivers and an automatic credit option for their potential incoming remittances. This development encouraged financial inclusion and enhanced customer experience for the beneficiaries.

Corporate and Commercial businesses

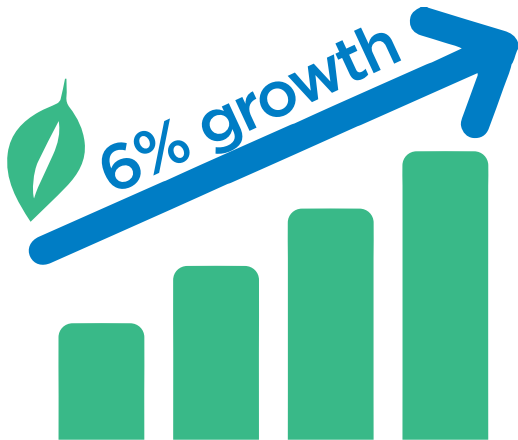
Corporate Banking offers a comprehensive array of financing solutions for more than 400 medium and large sized Corporate Clients. The product offering includes long-term and short-term funded solutions with flexibility for structured products, including, but not limited to, working capital, import-export refinance, commodity refinance, long-term 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, vendor/dealer financing and digital offerings.

UBL has launched a digital corporate portal for its corporate clients. The portal provides real-time, web-enabled access to client's account and transactions in a highly secure environment.



Small and Medium Enterprises businesses

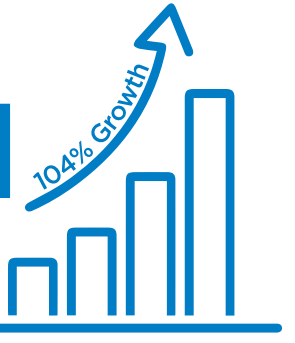
To promote the green banking products under Environmental, Social and Governance (ESG), we have launched SBP Financing Scheme for Renewable Energy in our existing SME Products i.e. Business Mortgage Finance (Karoobar Loan) and Sahulat Loan, etc. to facilitate our new and existing SME clients. UBL integrates financial services across value chains within all major sectors. Deepening customer relationships & fresh disbursement has enabled the Bank to record a 6% growth in overall SME loans vs. 2022. As an initiative in paperless banking, Loan Origination System has been launched (pilot phase) for credit proposals.



Islamic Banking (Ameen) business

UBL Ameen, the Bank's Islamic Banking Division, offers products and services through 209 full-fledged Islamic Banking Branches and 501 Islamic Banking Windows under Shariah guidelines. UBL Ameen's average deposits (PE-balance) reached Rs. 378 billion in 2023, demonstrating strong average growth of 104% over last year.

209 full-fledged Islamic Banking Branches and 501 Islamic Banking Windows



ESG AT UBL

UBL strives to be a catalyst within its operational reach, fostering connections, enriching, and actively supporting the communities where it operates. Embracing Environmental, Social, and Governance (ESG) criteria, the bank aligns its corporate interests with sustainable and ethical impacts. This commitment is reflected through a robust ESG Risk Management and Governance framework at UBL, providing strategic guidance. This framework empowers the bank to make conscientious investment and resource allocation decisions, emphasizing purpose-driven initiatives that contribute to the realization of its long-term sustainability targets.

By adhering to ESG standards, UBL not only demonstrates a commitment to responsible banking practices but also integrates sustainability into its core decision-making processes. The bank's proactive approach to ESG factors not only mitigates risks but also enhances its role as a responsible corporate citizen, ensuring positive contributions to both the environment and the communities it serves.

The framework helps UBL to better understand and manage risks and opportunities related to environmental, social and governance.

ENVIRONMENTAL (E)

The Environmental criteria refers to the environmental impacts of the bank and the measures it takes to address potential risks. This includes efforts towards energy management, emissions and climate change, responsible financing, safeguarding natural resources and the Bank's overall capability to efficiently respond to environmental concerns.



SOCIAL (S)

The social aspect of the ESG framework refers to the bank's ability to maintain favorable relationships with its stakeholders, both internal and external. This includes the organization's engagement with the community and society, development of people-centric policies and practices and emphasis on customer needs.

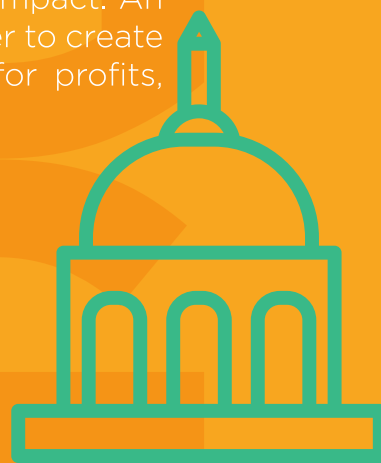
GOVERNANCE (G)

The third pillar of the framework elucidates how the activities of the bank are led and governed. We take pride in keeping the interests of our stakeholders at the heart of what we do. Our aim is to ensure good governance, transparency & accountability and ethical conduct. Honesty of purpose is one of our core values and is reflected in all our work processes and practices.

OUR STRATEGY

ESG Risks are variables that could have a significant impact on a Bank's financial position or operating performance. Regardless of industry or size, every organization remains vulnerable to ESG risks. UBL aims to act as a catalyst across its footprint connecting, enriching and supporting the communities in which we live and work.

The purpose of this ESG Strategy is to generate long-term competitive financial returns along with positive social and environmental impact. An effective ESG Strategy creates a structure and discipline in order to create a framework that guides decisions that are mutually good for profits, people and the planet.



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 principles into our business operations, investment processes and stewardship.

MISSION

Our bank is committed to integrating Environmental, Social, and Governance (ESG) principles into lending, investments, and overall operations to yield competitive financial returns while fostering positive social and environmental impacts. We are actively implementing an ESG Risk Management Framework to address climate change, setting goals for carbon neutrality and increased renewable energy use. 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.

OUR POLICY

ESG/Green Banking policy has been developed as a documented approach of dealing with ESG risks. United Bank Limited (UBL) is committed to managing 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.

It encompasses three priority areas;

ESG RISK MANAGEMENT AND GOVERNANCE FRAMEWORK

UBL is pioneering in developing a comprehensive ESG Risk Management and Governance Framework/System, that will integrate ESG related risks and controls into Bank's core business processes. It will be a set of actions and procedures which will be implemented concurrently with the Bank's existing risk management procedures. In addition to exclusion list, national, provincial and applicable international laws, UBL may choose to implement global best practices on financing long term projects and corporate 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 will impact on long term cost reduction benefits.

OUR STRATEGIC GOALS

An ESG strategy is a critical component of socially responsible business practices. UBL's ESG strategic goals align with our vision and values that are derived by our corporate philosophy. The Bank focuses on creating a business model that emphasises social responsibility in each facet. We believe a successful ESG strategy is the driving force behind all our actions, rather than it being a system that drives a few business activities.

The Strategy aims to integrate environmental, social and governance factors into important business and operations decisions. It also provides guidance and direction to deal with ESG related impact and risks.

The bank has clearly bifurcated its ESG Strategic Goals on the basis of its Environmental Impact, Social Responsibility and Governance Accountability.

- UBL aims to minimize the impact of its own activities and supply chain, with a focus on carbon emissions and pollution reduction, eventually putting efforts towards carbon neutrality.
- UBL's social agenda is to support the physical and mental health and wellbeing of its staff and supply chain and continue its culture of giving back through volunteering. The Bank encourages continuous professional learning and development across all aspects of business and operations and in turn leave a lasting positive legacy, based on the percepts of UN Sustainable Development Goals.
- 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.



OUR 2023 HIGHLIGHTS

Being a bank that has always been at the forefront of making a notable impact to 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 organization present a very clear picture of how we have been able to translate our vision into our actions.

ENVIRONMENTAL



Water Conservation
Investment in Water conservation projects



Energy Conservation
Awareness and sensitization activities to ensure conservation of energy wherever possible



Discourage Deforestation
Rationalising new financing to clients directly connected with deforestation



Contribution to Eco-Friendly businesses
PKR 12 billion invested in renewable energy projects



Digital Banking
Increased digitization through UBL Digital App to minimize the use of paper and energy



Paper-less Banking
46,000+ digital accounts were opened during 2023 under the Digital and Paperless Banking initiatives



Tree Plantation Drive
UBL Employees planted mangrove trees in Karachi – essential for the functioning of the eco-system, in collaboration with WWF



Beach Cleaning Drive
For Earth Hour 2023, UBL in association with WWF organised a Beach Cleaning exercise at the Sandspit Beach, Karachi



Branches converted to Solar energy
78 branches converted from conventional to solar energy



Branchless Banking/Omni Account
162,000+ accounts were opened with UBL Omni which offers branchless banking solutions and ease of deposits and cash withdrawals

SOCIAL



DEI Policy
Implementation of a well-defined DE & I policy. Our workforce constitutes of people with diverse religious background. Special emphasis on providing opportunities to minorities is one of our prime agendas for the coming years



Active CSR Agenda
CSR activities carried out throughout the year in areas of education, healthcare and community welfare



Urooj Account and Financing with Urooj
Specially tailored products for women with the aim of women empowerment



Employees Development and Training
The bank has an ongoing training and development program for the employees where they are encouraged to participate in trainings in areas they want to excel



Sponsored Sporting Activities
UBL partnered with Pakistan Eye Bank Society (PEBS) Hospital to sponsor their Run and Walk. UBL was also the proud sponsor of the Women's League of Basketball held in Karachi



People with Disabilities
PwDs are employed across the Bank in various roles. Training sessions pertaining to Disability Sensitivity are conducted bank-wide in collaboration with ConnectHear. PWD focused bank products were also launched/enhanced



Female Representation
Women represent 21% of our total workforce with targets to increase their representation to 45% by 2024



DEI Trainings
Learning & Talent Management division organized sessions on Diversity, Equality & Inclusion to help employees understand the importance of equitable and inclusive work culture



Breast Cancer Awareness
In October, globally observed as a month of Breast Cancer Awareness, UBL conducted informative seminar in collaboration with Shaikat Khanum Memorial Hospital, arranged for free mammography screenings and shared breast cancer awareness messages to all employees throughout the month



Employees Health & Safety
100% medical insurance coverage
Marriage grants Children Care allowance
Increase two to five years protection, support and assistance to the families of employees

GOVERNANCE



Governance & Integrity
98% of the staff trained annually on risk and compliance



Ethics and Code of Conduct
A Code of Conduct is developed for Directors & Employees revised every year. SBP & Board approved guidelines for all businesses and departments is in place

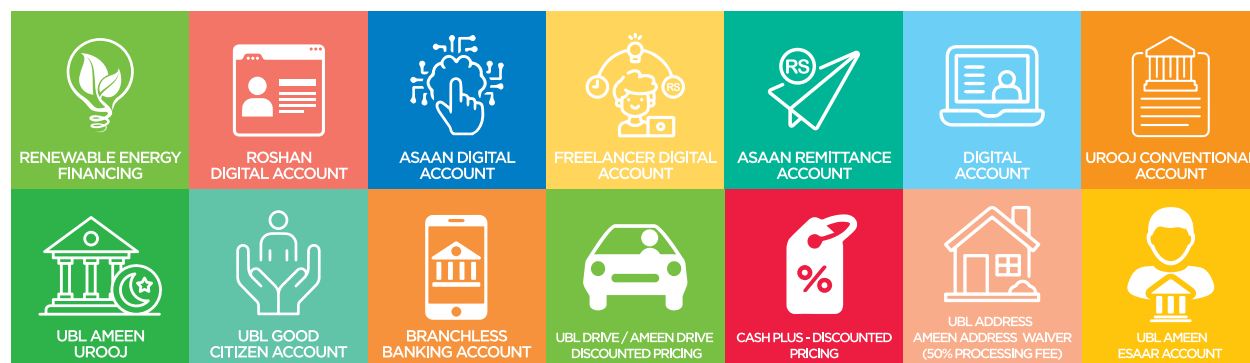


Board Independence and Diversity
A Code of Conduct is developed for Directors & Employees revised every year. SBP & Board approved guidelines for all businesses and departments is in place



Regulatory Compliance
Ensuring strict compliance with ESG regulatory standards set by local authorities like SBP and SECP, as well as regulatory bodies in key international locations such as the UAE, Bahrain, and Qatar

UBL SUSTAINABLE PRODUCTS DEVELOPMENT



In alignment with our commitment to sustainability and environmental responsibility, UBL has implemented various initiatives and introduced a range of innovative financial products to contribute to the global fight against climate change. Notably, we have collaborated with regulators to offer subsidised financing for renewable energy projects encompassing solar, wind, biomass, biogas, and biofuel.

As part of our digital banking portfolio, we have launched several accounts tailored to diverse customer needs, fostering financial inclusion and embracing the era of digitisation.



RENEWABLE ENERGY FINANCING

UBL collaborated with regulators to offer subsidized financing for renewable energy projects encompassing solar, wind, biomass, biogas, and biofuel to its individual, SME and Corporate clients.



ROSHAN DIGITAL ACCOUNT

Geared towards Non-Resident Pakistanis (NRPs), this account provides a seamless digital platform for investment and day-to-day banking activities.



ASAAN DIGITAL ACCOUNT

Designed for individuals with basic banking needs, this account allows for easy and efficient digital account management.



FREELANCER DIGITAL ACCOUNT (FDA)

Tailored specially for freelancers with diverse banking needs, this account allows for easy and efficient digital account management.



ASAAN REMITTANCE ACCOUNT

Offering basic banking functionalities with a digital twist, this account simplifies the process of receiving remittances within applied regulatory limits.



DIGITAL ACCOUNT

This account serves as a quick and branch-free banking solution, ensuring accessibility and convenience for customers.

Inclusivity is a core value, as reflected in our specially crafted accounts:



UROOJ CONVENTIONAL ACCOUNT

Targeted towards women, this account encourages financial inclusivity and offers a 2% cashback on auto financing.



UBL AMEEN UROOJ

An Islamic financing product tailored for women, providing a 2% cashback on auto financing.



UBL GOOD CITIZEN ACCOUNT

A current account for active tax filers. As an active tax payer, our customers can avail multiple benefits.



BRANCHLESS BANKING ACCOUNT

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



UBL DRIVE / AMEEN DRIVE DISCOUNTED PRICING

This account serves as a quick and branch-free banking solution, ensuring accessibility and convenience for customers.



CASH PLUS - DISCOUNTED PRICING

Furthering our commitment to PWD inclusion, a 2% discount on standard pricing is extended to PWDs opting for Cash Plus.



UBL ADDRESS / AMEEN ADDRESS WAIVER (50% PROCESSING FEE):

Demonstrating our dedication to inclusivity, Persons with Disabilities (PWDs), opting for UBL Address or Ameen Address benefit from a 50% waiver on the processing fee.



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 fields of Health, Infant Care, Education and Employment for onwards spending among deserving people.



UBL ZINDAGI ACCOUNT

The UBL Zindagi Account is a unique monthly savings account tailored for senior citizens, offering competitive high-yield saving rates, ensuring financial security and well-being in their golden years.

These initiatives and products underscore our dedication to Environmental, Social, and Governance (ESG) principles, contributing to a sustainable and inclusive financial ecosystem.



ENVIRONMENTAL

UBL, recognizing its environmental responsibility, actively mitigates potential risks through strategic measures. These encompass energy management, investments in eco-friendly projects, ethical financing, and safeguarding natural resources. The bank's proactive policies underscore its commitment, enhancing its overall capability to effectively address and respond to environmental concerns. Through these initiatives, UBL stands as a steadfast advocate for sustainable and responsible banking practices.

PROMOTING RESPONSIBLE FINANCING



UBL actively endorses regulatory and government-led efforts to reduce carbon footprint. Our commitment is demonstrated through subsidized financing for Small & Medium Enterprises and Corporate clients, specifically targeting solar, wind, biomass, biogas, and biofuel projects. The bank has strategically assumed lending exposure in these sectors, aligning our financial initiatives with environmental responsibility to nurture a greener and more sustainable future. This dedication forms a pivotal aspect of our Environmental, Social, and Governance (ESG) principles.

CARBON FOOTPRINT MANAGEMENT

In embracing a sustainable future, our commitment extends across various fronts. We actively prioritise lending and investing in eco-friendly projects, supporting initiatives that champion environmental responsibility and innovation. Additionally, our dedication to fostering a green economy is evident in the introduction of new environmentally conscious products, aligning our offerings with the principles of sustainability.

ENERGY EFFICIENCY AND CONSERVATION

To further minimise our ecological footprint, we have implemented solarised branches, harnessing renewable energy sources to power our operations. Beyond that, we continuously explore energy efficiency measures, adopting technologies and practices that reduce our overall environmental impact. By integrating these elements into our core practices, we strive to contribute meaningfully to a greener and more sustainable tomorrow.



GREEN BUILDING INITIATIVES

The Bank is initiating Green Branch Certification Program that will serve as a comprehensive evaluation model for our branches based on key sustainability criteria. This program aims to underscore our commitment to environmental responsibility while fostering operational efficiency and innovation. Green Branch Certification factors;

- Sustainable Site
- Renewable Energy
- Resource Efficiency
- Waste Management
- Indoor Environmental Quality

Implementing the Green Branch Certification Program will not only showcase our dedication to environmental stewardship but will also provide a benchmark for continuous improvement. It aligns with our corporate values and positions us as a responsible and forward-thinking financial institution.



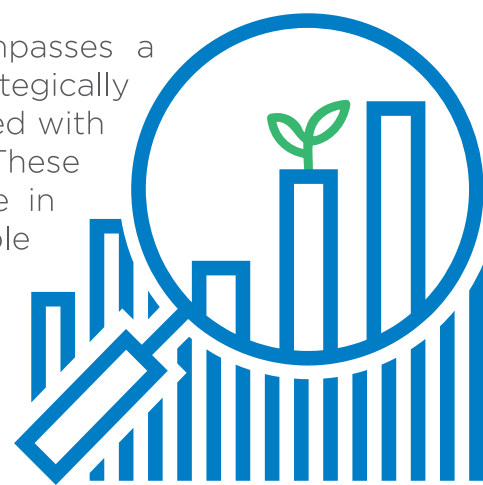
DEVELOPING A SUSTAINABLE LENDING & INVESTMENT FRAMEWORK

As a socially conscious market leader, our long-term lending and investment strategy prioritises the development of a robust sustainable lending and investment framework. This framework, crucial for identifying environmentally positive ventures, focuses on key dimensions:

- **Sustainable Lending and Investment Policies:** Establishing clear lending and investment objectives, preferences, and streams to guide decision-making.
- **Sustainable Lending and Investment Facilitation:** Providing a defined policy for business units, guiding day-to-day conduct, and facilitating expansion while maintaining sustainability standards.
- **Sustainable Development Impact:** Evaluating outcomes to foster growth without compromising natural ecosystems, ensuring our business practices align with sustainable goals.
- **Sustainable Finance Mobilization:** Making strategic financing decisions to efficiently utilize resources, ensuring finances contribute to positive business outputs in line with sustainability principles.

SUSTAINABLE DEBT AND LOAN CAPITAL MARKET TRANSACTIONS

The Bank's sustainable debt portfolio encompasses a diverse range of fixed-income instruments strategically employed to secure funding for initiatives aligned with economic, environmental, and social goals. These capital market transactions play a pivotal role in supporting projects that contribute to sustainable development.



OUR CLIMATE COMMITMENTS

In response to the pressing global environmental crisis, UBL is actively leading efforts to conserve energy and combat climate change. The escalating threats of climate change have manifested in disruptive weather patterns, upsetting the delicate balance of nature with rising temperatures, intense droughts, sea-level rise, melting glaciers, and warmer oceans, causing widespread natural calamities and jeopardizing the livelihoods of millions.



UBL'S INNOVATIVE DIGITAL BANKING PRACTICES

To manage our environmental footprint effectively, the bank has undertaken targeted initiatives, utilizing technology as a catalyst for positive change. Through these efforts, we strive to set new benchmarks in responsible and eco-friendly banking practices.

DIGITAL FRONT-END SYSTEM

Since its inception, UBL has adapted to changes in the market and needs of its customers through continuous innovation in technology, products and processes to become Pakistan's leading bank. In line with its commitment to transform banking services for its customers and provide them with the ultimate banking experience, the bank has initiated a transformative journey of moving to the Digital Front-end (DFE), which is a platform for business transformation that helps to accelerate digital transformation initiatives, bringing world-class front and middle office transactional capabilities. It enables banks to reimagine the way they engage with their customers, through both digital and physical channels, creating a consistent and seamless experience.



As part of this journey, all customer and branch facing applications are being moved to DFE and will form part of the Customer Lifecycle Management (CLM) module, which will include all client related processes from the start of customer relationship. In this regard, the first process being launched on DFE is the Customer Onboarding Process for Asaan Accounts at Branches. This is a Straight-through and Paperless journey, designed to enable branches to directly open Asaan accounts without any intervention from CPU. Paperless Account Opening - Customer and account details are captured digitally on an Electronic Form, eliminating the use of paper based Account Opening Form (AOF).

UBL DIGITAL APP

UBL launched enhanced Digital App which includes features such as Smart Watch Banking, wealth management, Digital check deposit and augmented reality based car finance. UBL Digital App brings the exciting features of Digital banking on smartphones and Wear OS. UBL Digital enhances the financial liberty of our customers and enables them to manage their digital lifestyle anytime, anywhere while on the go.

CUSTOMER CARBON FOOTPRINT CALCULATION

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 minimize their carbon footprint by transacting digitally hence saving time, money, fuel and the environment.



PAPERLESS APPROVAL MANAGEMENT SYSTEM

In 2023, we launched the “Paperless Approval Management” System, which has been developed in-house and transformed our approval process. It eliminated the need for paper-based approvals and enhanced efficiency for both financial and non-financial memos/requests. This Paperless Approval Management System will significantly streamline our approval processes and greatly reduce paper usage, aligning with our commitment to sustainability.

Digital initiatives such as these align seamlessly with our commitment to sustainability, significantly contributing to a greener future.

DIGITAL CORPORATE PORTAL

In December 2023, UBL UAE launched the Digital Corporate Portal (DCP) for its corporate clients in the region. The UBL Digital Corporate Portal offers corporate customers real-time, web-enabled access to detailed account and real-time transaction information in a highly secure environment. It highlights our commitment to innovation and enhanced services, reshaping the future of corporate banking experiences for our valued clients.



DIGITAL ACCOUNTS OPENING

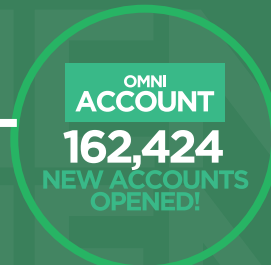
In 2023, several digital initiatives were successfully launched by the Bank, showcasing significant strides in expanding financial inclusion and embracing the digital landscape.

The Roshan Digital Account led the way with 11,560 new accounts opened, accumulating a total of 103,867 account holders by the end of the year, with a substantial total deposit of PKR 9 billion. The UBL Digital Account brought 2,743 new accounts.

The UBL Asaan Digital Account and Freelancer Digital Account also demonstrated notable success, with 23,903 and 6,543 new accounts, respectively. The Asaan Digital Account attracted a total of 36,725 account holders, accumulating deposits totaling PKR 169 million and PKR 325 million. Meanwhile, the Freelancer Digital Account garnered 10,711 account holders and secured deposits amounting to PKR 132 million and PKR 233 million.

Additionally, the Asaan Digital Remittance Account recorded 1,338 new accounts, ending the year with 1,661 account holders and total deposits of PKR 44 million and PKR 56 million.

The Branchless Banking Accounts, specifically Omni Account, proved to be a popular choice, boasting a substantial 162,424 new accounts and a total of 3,031,028 account holders. These initiatives collectively underscore UBL’s commitment to fostering financial accessibility and convenience through innovative digital channels.



DIGITAL ACCOUNT OPENING FACILITY VIA WEBSITE

UBL’s digital account opening facility through its website has been operational for over a year. The service is well-received by our customers and has helped us to better serve our community. This facilitates customer to open an account digitally even after banking hours and on Saturdays and Sundays.



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

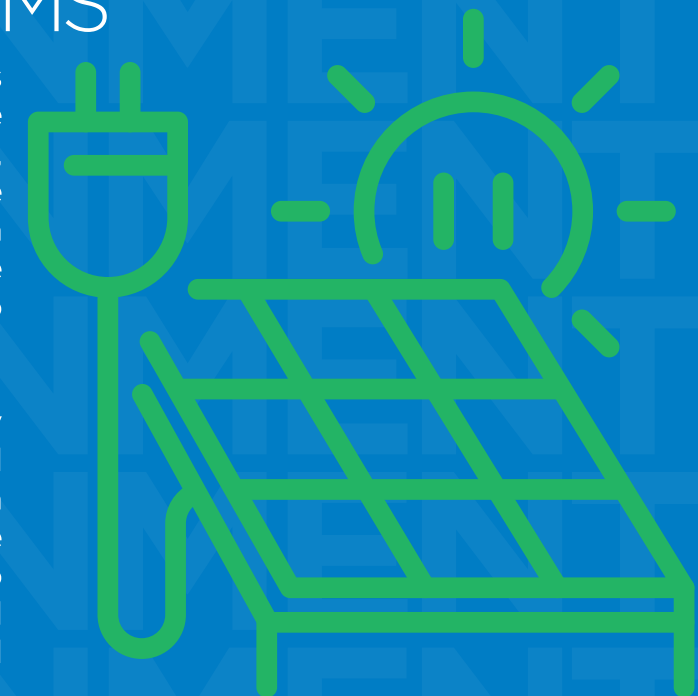
The Go-Green SMS Alert feature aims to reduce carbon footprints by encouraging customers to avail instant SMS alert facility for the transactions they make instead of visiting a bank branch to get information regarding their transactions

OTHER SUSTAINABLE PRACTICES

SOLARISATION OF BRANCHES AND ATMS

In pursuit of sustainable energy practices, UBL has made significant strides in adopting renewable technologies across the branch network. Currently, 98 branches are powered by solar energy, in line with our commitment to reduce our carbon footprint. Moreover, a total of 1401 branches are utilizing energy-saving LED lights, contributing to overall energy efficiency.

Notably, in 2023, we intensified our efforts by installing solar energy systems in 56 branches and 45 ATMs, further amplifying our reliance on clean energy sources. A total of 74 ATMs now operate with solar power, exemplifying our dedication to fostering a greener banking infrastructure and aligning with our Environmental, Social, and Governance (ESG) objectives.



WATER CONSERVATION

Water conservation has become more important than ever. Pakistan is already a water-stressed country and the situation can exacerbate in the forthcoming years. UBL recognizes the importance of efficiently preserving, controlling and managing water resources to lessen the burden on the already limited freshwater resources so that they may still be available to utilize by the generations to come.



RESOURCE EFFICIENCY AND POLLUTION PREVENTION



The unsustainable use of resources has caused scarcities and environmental deterioration, which is negatively impacting the well-being of the planet and its people. At the same time, more than 30 per cent of the Pakistan’s population continues to live in poverty, unable to meet even their most basic needs. In this regard, UBL is cognizant that responding to this challenge will require innovative policies, redirected investment, environmentally sound technologies, stakeholders’ cooperation, and capacity development. As part of UBL’s ESG (Environmental, Social & Governance) agenda, UBL participates in projects that pertain to preserving the environment. Furthermore, the Bank always encourages employee engagement and volunteerism in its various CSR projects. This year, for Earth Hour 2023, UBL in association with WWF organized another Tree Plantation activity followed by a Beach Cleaning exercise at the WWF Reserve at Sandspit Beach, Karachi.



DEFORESTATION, BIODIVERSITY AND NATURAL CAPITAL

To preserve biodiversity and natural capital, UBL aims to finance and support only sustainable forest management activities to protect forests while offering direct benefits to people and the environment. Sustainable forest management contributes to local livelihoods as well as benefits the environment with carbon sequestration, conserving water, soil and biodiversity. The unchecked deforestation has profound impacts on country’s environment, ecology and agriculture which already has low forest cover with substantial chunk of it is lost every year. UBL aims to not finance illegal logging and logging operations.



SOCIAL

The social aspect of the ESG framework refers to our ability to maintain favorable relationships with our stakeholders, both internal and external. Being a socially concerned leading player of the industry, UBL prioritises the well-being of people associated with it in any capacity by putting great emphasis on human capital management as well as managing external partners. UBL is cognizant of the impact it makes on the communities it operates in by ensuring strict adherence to social ethical standards.

PEOPLE - EMPLOYEES

We believe that our thousands of employees spread across the country are the cornerstone of our success. Their engagement and commitment makes us who we are. It is our constant endeavor to create great employee experiences that distinguish us. We have a comprehensive board approved Diversity, Equality and Inclusivity (DE&I) policy that covers all aspects of our decision making and is considered when recruiting, training and developing our people. Throughout the year, the Bank engages in practices which highlight our principles to these commitments as we believe that a diverse workforce and an equal and inclusive culture amplifies our effectiveness and enhances performance.

UBL ensures that its initiatives support and enable people of different ethnicities, languages, religions, education, gender, abilities, family status and age.

DIVERSITY, EQUALITY AND INCLUSION (DE&I)

UBL is committed towards encouraging Diversity, Equality and Inclusion (DE&I) by eliminating discrimination, harassment and victimization at workplace. UBL's aim is to have a workforce that is truly representative of all segments of the society. In order to further strengthen our Diversity, Equality & Inclusion Framework at UBL, Learning & Development division launched "Capacity Building Program - Diversity, Equality & Inclusion (DE&I)" for selected staff. Under this capacity building program, participants will be trained to become "Master Trainers" and will be responsible to conduct bank-wide sessions.

IMPLEMENTATION OF THE DE & I POLICY WITHIN OUR WORKPLACE

Putting our vision into practice within the organization is the first step towards advancing to a more diverse and inclusive world with equal opportunities. We have taken a number of initiatives that translate our commitment to our DE & I objectives. Over the course of the last year, we have identified key areas of focus and have established metrics to assess progress in the years to come.



PEOPLE AND CULTURE

Cultural diversity is regarded as a concept of equal cultural opportunity and representation. Developing a robust diversified culture helps in constructing effective and efficient organization. Successful implementation of DEI policy depends on how quickly and effectively business leaders recognize the importance of creating DEI programs to achieve success at work. The following presents various noticeable characteristics of People & Culture diversity in the organization.

WOMEN REPRESENTATION IN WORKFORCE

Our Diversity, Equity, and Inclusion (DE&I) mission prioritises year-on-year growth in women representation. Projections for female representation until 2024 include a 15% raise in 2022, 30% in 2023, and 45% in 2024 over the base year (2021). Beyond recruitment, our initiatives for a gender-inclusive workplace include the Female Alumni Reach-Out Programme starting in 2023, aiming to reintegrate former women employees.

We also focus on elevating women to senior roles through internal processes and merit-based promotions, as well as identifying and developing female talent for leadership positions, exemplified by the CA Trainee Program with an increased emphasis on female induction at UBL.



FINANCIAL INCLUSION FOR WOMEN

To enhance our outreach to women customers, we are committed to developing tailored gender-inclusive products. Business teams are actively involved in product design, while outreach targets for women-centric services are prioritised in sectors such as agricultural and housing finance. We are also focusing on digital financial products for specific segments, including startups with a special emphasis on women. Key performance indicators (KPIs) at regional and branch levels now include targets for female-specific products, with weightages on account openings and financing.

Our commitment extends to partnerships with statutory bodies, government programs, universities, and FinTechs to create opportunities for women-centric products. Initiatives include simplifying loan processes and documentation, as well as increasing financial inclusion for persons with disabilities, particularly women with physical, visual, hearing, and speech impairments.



INTERNATIONAL WOMEN'S DAY

UBL celebrated International Women's Day with a week of activities and events across its offices and branches across the country. Such events reaffirm our commitment to diversity, inclusion and equality and acknowledge the incredible work done by women who play a vital role in the success of the Bank. We recognize and celebrate the talented women at UBL and look forward to continuing our efforts to create a more equitable and just society for all.

UBL asked its female workforce to share their success stories and how the organization has contributed to their professional success. This was circulated within UBL, published on social media and rotated internally within UBL staff.



WOMEN CHAMPIONS - GENDER SENSITISATION & FINANCIAL PRODUCTS FOR WOMEN

According to the State Bank's "Banking with Equity - BOE" policy, every female customer should feel comfortable in contacting UBL and receiving financial solutions as per individual requirements. The bank has been striving to build an inclusive environment where all customers are always dealt with respect, regardless of their gender orientation.

Capacity building and preparing UBL personnel on an ongoing basis to actively engage them in building an inclusive culture bank-wide and combat workplace discrimination are amongst the top priorities at UBL. In this regard, a half-day training session titled "Women Champions - Gender Sensitization & Financial Products for Women" was arranged for identified Women Champions in accordance with SBP regulatory guidelines.



FACILITATING PERSONS WITH DISABILITIES (PWDS)/ DIFFERENTLY ABLED PEOPLE



We believe that every person having cognitive abilities should have a right to employment regardless of their physical constraints. We also realize that differently-abled people face severe limitations in their professional journeys and are not provided with career opportunities. Therefore, we have made it our agenda to provide opportunities to these people in hiring, career development, progression and fair compensation by providing a conducive work environment. We have also made this initiative a substantial part of our DE&I policy, vis-à-vis we not only aim to adhere with the Government prescribed PWD job quota i.e. 2% of the entire staff, but also aim to initiate a batch hiring program to make differently-abled people a significant part of our workforce.

UBL announced 35 PWD specialized branches that extend tailored support to physically, visually and hearing impaired customers. The facilities in these branches include ramps and railings, wheelchairs, low-heighted counters, spacious locker rooms for wheelchair users, talking ATM with Morse Code for visually impaired individuals, account opening and transactional documents in Braille print, sign language trained staff, PWD employed individuals, dedicated PWD specialized restrooms, dedicated parking for PWDs and preferred automated Q-matic system.

UBL SIGNS A MEMORANDUM OF UNDERSTANDING (MOU) WITH CONNECTHEAR

United Bank Limited (UBL) has signed an agreement with ConnectHear to facilitate differently abled customers and society at large. UBL is proud to offer quality products and services to customers under the umbrella of Diversity, Equality and Inclusivity (DEI) and through its PWD model branches spread nation-wide.

UBL BRANCHES OBSERVE INTERNATIONAL DAY OF PERSONS WITH DISABILITIES ACROSS THE NATION



International Day of Persons with Disabilities is celebrated worldwide on December 3. The theme for IDPD 2023 is “United in action to rescue and achieve the SDGs for, with and by persons with disabilities”. The celebrations aimed to promote the inclusion of disabled individuals in all facets of society and increase awareness of the challenges faced by them.

As part of its Diversity, Equality and Inclusive (DEI), UBL is committed to supporting and celebrating People with Disabilities (PWD)

As a result, UBL commemorated the day by extending all the celebrations to an entire week. The bank honored its customers through following:

CUSTOMER ENGAGEMENT EVENTS

PWD customers across the nation were invited to our PWD specialized branches for a tour of the branch, discussion on the banking challenges that they face and a hi-tea event followed by giveaway presentation to them to celebrate their moments.



ENHANCEMENT IN PRODUCT FEATURES

PWD customers can avail discounts and waivers on existing Auto Loan, Home Loan and Personal Loan from any of the UBL branches nationwide. Furthermore, in case of any uncertain event of partial or permanent disability, the UBL current account holders are also covered up to PKR 2.5 Million. Thank you to the support of our PWD customers and employees.

SENSITIVITY TRAINING

PWD Sensitivity Training is an essential initiative enabling to build an inclusive work culture. In collaboration with ConnectHear, a series of sessions on disability sensitivity are being held promoting the DE&I policy. By encouraging a more respectful and open atmosphere for everyone, this training program aims at increasing understanding of the difficulties and problems that people with disabilities encounter within a range of situations, including the workplace, while interacting with the bank as a customer and in other social settings.

The training program emphasized on educating how an individual is required to delicately align his/her own behaviours, and have an inclusive mindset by showing respect and patience for those with disabilities. The trainer emphasized on various disabilities, associated myths and stereotypes, along with providing practical guidance on appropriate language, behavior, and etiquettes.

PERSON WITH DISABILITIES (PWDS) FACILITATION

UBL donated six wheelchairs to the Sindh Infrastructure Development Company Limited (SIDCL) to be used by differently abled and senior citizens. This worthy initiative, initiated by the Corporate Banking and Investment Group (CIBG), is aimed at providing a better and more comfortable way of transportation for those who need it the most.



DIVERSITY, EQUALITY & INCLUSION TRAINING

Diversity, Equality, and Inclusion Training is a crucial initiative aimed at fostering a more equitable and inclusive workplace or community of employees. The program is envisioned to educate employees about the importance of embracing diversity, respecting different perspectives, and valuing each individual's unique capabilities. By promoting empathy, we can combat discrimination and natural biases, to cultivate a culture that celebrates diversity and ensures equal opportunities for everyone.

Apart from DE&I, the Bank is committed to its ongoing training and development program for employees where they are encouraged to participate in trainings in areas they want to excel.

EMPLOYEES HEALTH AND SAFETY

At UBL, it is all about our people who work diligently to achieve the organizational objectives and therefore, ensuring their health and safety is our topmost priority.

We aim to promote and maintain a culture where employees feel safe and are provided with a healthy work environment that ensures work-life balance. Additionally, all our employees and their dependents are entitled to health insurance coverage by the bank.

COMPLIANCE WITH UN UNIVERSAL DECLARATION & GUIDING PRINCIPLES ON HUMAN RIGHTS

The United Nations Universal Declaration on Human Rights (UDHRs) is a set of common standards that is fundamental for all institutions to comply with, as they set a foundation for universally protected human rights. UBL ensures meticulous compliance with this Declaration which predominantly recognizes equality and dignity of all individuals irrespective of their backgrounds, entitlement of freedom, right to security and other fundamental human rights.

IMPROVED CODE OF CONDUCT AND ETHICAL STANDARDS

UBL Code of Conduct spells out what is expected from every member of the UBL family. This Code of Conduct serves to define the behavioral framework for our conduct at work. It describes how we put our values of Customer First, Honesty of Purpose, Teamwork, Excellence and Meritocracy into practice. The Code defines expectations from employees towards all stakeholders and provides guidance for employees and everyone who works on our behalf.

Our reputation is integral to our success and reputation comes from our actions on a continuous basis. Our performance in conducting the Bank's business in a manner that is consistent with the principles contained in the Code enables us to keep and enhance that reputation.

SOLAR FINANCING OPPORTUNITIES

All UBL employees can benefit from discounted staff rates for solar financing solutions. In 2023, a total of PKR 7.2M were disbursed in loans.

PEOPLE – CUSTOMERS

As a leading institution, UBL values and promotes diversity, equality and inclusivity (DEI) across all avenues, be it in its customer base, workforce or across society. It is proud to cater to customers of different ethnicities, languages, religions, education, gender, disabilities, family status and age and ensures that they feel heard, valued and their needs are met.

FAIR TREATMENT OF CUSTOMER (FTC) FRAMEWORK

Our aim is to be the premier bank, providing customers with high quality personalized services and products, to offer meaningful and rewarding opportunities for all our staff, to meet the expectations of all our stakeholders and to ensure Fair Treatment to all Customers (FTC) at the core of our objectives. The Bank has formulated the Consumer Protection Framework to ensure this. The objective of this framework is to adopt and maintain the principle of fairness across the bank and in all its dealings including business strategies, product design, financial promotion, sales, complaints handling and customer services.




FINANCIAL INCLUSION THROUGH UBL **Omni**

In an age where being financially inclusive has become the need of the hour for every individual, it is unfortunately still an enigma in Pakistan. Despite the broad-scale transformation of conventional banking methods into digital over the last decades, a huge population of Pakistan is still not part of the financial stream.



To promote financial inclusion for the unbanked population of the country, UBL took the much-needed initiative and launched UBL OMNI in the year 2010. This one-of-a-kind wallet account provides ultimate convenience to a segment who is otherwise reluctant to open a bank account because they either:

-  Lack financial literacy
-  Lack access to formal financial channels
-  Are unwilling to adopt banking methods
-  Prefer cash transaction

UBL Freelancer Account



UBL is taking its commitment to empower freelancers to new heights with a series of nationwide road shows to promote the UBL Freelancer Account. These road shows are a testament to UBL's dedication in reaching out to freelancers across the country and providing them with a tailored banking solution. UBL aims to showcase the unique features and benefits of the Freelancer Account, enabling freelancers to unlock their full potential in the digital economy.

UBL LAUNCHES NEW
FREELANCER ACCOUNT TO
EMPOWER INDEPENDENT
PROFESSIONALS

In today's evolving
job market,
**the Rise of
Freelancing
has Changed**

the way people work. UBL has taken the lead by launching 'UBL Freelancer Account' and empowering freelancers by offering them a comprehensive banking solution that caters to their unique needs.

UBL UROOJ ACCOUNT FOR WOMEN

Despite ongoing efforts to promote gender diversity in financial institutions and introduce women-centric products, a significant percentage of women in Pakistan remain financially underserved. To address this gap, UBL launched the Urooj Account, a unique current account designed to support women in meeting their daily needs and enhancing their lifestyles. This initiative aims to make banking more gender-inclusive and convenient for women, providing ease of banking with tailored features.

UBL’s Urooj Account includes a debit card with discounts, no minimum balance requirement, free locker for the first year, competitive rates on personal and auto loans, cashbacks, free school fee insurance, and mutual fund discounts. Within a year of its launch, the account garnered over 21,000 users, with a portfolio size of PKR 3.6 billion.

The UBL Urooj platform, tailored for women’s financial needs, also extended its benefits to women Asaan and Asaan Digital Current Account holders, amassing financial inclusion of 320,000 accounts with nearly PKR 12 billion in deposits, showcasing our commitment to and success in socially responsible banking.



FINANCING WITH UROOJ ACCOUNT

This flagship women-specific financing product extends collateral-free support to small business owners, offering up to PKR 5 million for SME and Rural customers. Business teams possess approval authority for collateral-backed loans up to PKR 10 million, ensuring swift approval and disbursement.



PROVIDING SOLUTIONS TO DIFFERENTLY ABLED CUSTOMERS

BRAILLE BASED ACCOUNT OPENING PROCESS

Across advanced global financial jurisdictions, it is illegal to discriminate against anyone on the basis of disability. It is obligatory to make banking services accessible for the people with disabilities specially those who are visually impaired/blind.

In order to alleviate the difficulties being faced by the visually impaired/blind persons in availing their genuine banking needs, braille based account opening is being implemented to assist visually impaired individuals.



**This initiative is a major step
towards making banking
more accessible for everyone**

PERSONS WITH DISABILITIES (PWDS) FRIENDLY BRANCHES



Persons with Disabilities (PWDs) normally face severe limitations while accessing services offered by financial institutions because of a combination of physical constraints and perceptions about their abilities to handle these matters. There is a need to make banking easy and convenient for them through supportive physical infrastructure, accessible products and services, assistive technologies, and supportive staff interactions.

**At UBL, we strive to make
banking easy and accessible
for everyone**

Therefore, we have designated 6 model branches in each region to assist differently-abled individuals. These branches include special features including ramps and railings for approaching the branch and ATMs, dedicated parking space, height-adjusted counters and PWD-friendly washrooms.

PEOPLE – COMMUNITY



UBL’s Board-approved Sustainability Policy Statement declares that 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.

CORPORATE SOCIAL RESPONSIBILITY (CSR)

UBL Corporate Social Responsibility (CSR) efforts are geared toward fulfilling its long-standing commitment to community development, promoting financial literacy and championing volunteer work.

The Bank’s solid CSR framework is in full force as it conducted various activities across Pakistan with the strong support of its hard working team of employee-volunteers. All these initiatives were also made possible by the firm commitment shown by highly regarded corporate partners and non-governmental organizations in rendering initial assistance, as well as sustaining the efforts that had been started in the communities.

UBL’s CSR initiatives have always reflected its dedication to active community participation with the aim of uplifting the lives of the people it serves. Below are highlights of the initiatives undertaken by UBL with regards to Corporate Social Responsibility in 2023.

HEALTHCARE

UBL donates compassionately to healthcare facilities across Pakistan in order to ensure that no patient in need of medical treatment is turned away due to lack of funds or facilities. Alongside to supporting patients through quality and free of cost healthcare, in 2023, UBL worked with various healthcare providers by providing them with much needed medical equipment or helping them in infrastructural construction so that they could in turn provide the best possible care to the deserving patients who visit them. These projects included:

- Construction of the IV Antibiotics Dilution Lab at Dr. Ruth K.M. Pfau Civil Hospital, Karachi
- Purchase of Equipment for JPMC’s Radiology Department, Karachi through Patients Aid Foundation
- Sponsoring the treatment of Pediatric Cancer patients at Indus Hospital in Karachi
- Purchase of a Slit Lamp for eye surgeries at Shahpur LRBT Secondary Eye Hospital Layton Rahmatullah Benevolent Trust
- Support for the construction of the SIUT Children’s Hospital at Sindh Institute of Urology & Transplantation (SIUT)

QUALITY EDUCATION

UBL believes that education is not a privilege but a right. Students all across Pakistan are entitled to education regardless of gender, religion, ethnicity, social class or economic background. With education as one of the basic foundations of its sustainability agenda, UBL works towards providing needed funds through scholarships to various types and levels of educational institutions so that deserving students can achieve their ambition of getting a quality education.



Some of our 2023 activities under this ambit included:

- Scholarships for 4 students under Institute of Business Administration (IBA) National Talent Hunt Program
- Towards the construction of a new school by Kiran Foundation in Swabi, KPK
- Sponsoring 75 students in KPK for the 2023-24 academic year by Million Smiles Foundation

PROMOTING ECONOMIC INCLUSION THROUGH VOCATIONAL TRAININGS

In order to economically mobilize marginalized or untrained workers UBL works with Sustainability partners in order to provide vocational training to enable them to secure entry-level employment or move forward in their existing jobs with enhanced knowledge. Through such partnerships those who receive such trainings can better support their families and live with dignity. In 2023 UBL proudly donated to the following programs in this area:

- Partnered with Habib University for the sponsorship of students of Innovation in Pakistan through the UBL Level Up Program
- Provided high quality education and healthy food in collaboration with SOS Children's Village in Islamabad

GIVING BACK TO THE COMMUNITY DURING THE HOLY MONTH OF RAMZAN

As a follow up to 2021 and 2022's activity, in 2023 UBL took its annual Ramzan Drive to a different level by:

- Provision of Sehr and Iftar/Dinner to 15,000 individuals across 9 cities: Karachi, Hyderabad, Islamabad, Faisalabad, Dadu, Quetta, Bahawalpur, Multan and Peshawar
- Distribution of ration packets, filled with essential dry food items, to 1000 families in 8 cities including Karachi, Hyderabad, Mardan, Quetta, Lahore, Faisalabad, Islamabad, Peshawar
- Distribution of Eid gifts comprising of toys, water bottles, stationary pouch, chocolate and milk powder to children undergoing thalassemia treatment through SWIT in Karachi
- Distribution of stationery sets and dry food items as Eid gifts to children at the Al Mohsin Academy



SOCIAL INITIATIVES

Being a socially responsible organization, UBL aims to play its role towards uplifting the communities it operates in. The bank is taking conscientious measures to create meaningful environmental and social impacts.

SPONSORED “SAADHAY 14 AUGUST” PLAY

SAADHAY AUGUST
ساڈھے
اگست 14



Saadhay 14 August has now wrapped up its local run in Karachi, Lahore and Islamabad. It was enjoyed by thousands, including UBL staff and customers nationwide. Those who attended gave tribute to UBL for its support of literature & arts and Mr. Anwar Maqsood for his brilliant writing.

UBL LITERARY AWARDS

The UBL Literary Awards (ULA) is an initiative through which the Bank supports Pakistani writers and literature by awarding the best of them on an annual basis. With each successive ceremony, the ULA has come to be recognized as a benchmark of literary excellence in Pakistan.

The UBL Literary Awards platform, pioneered by UBL and unique to any institution in Pakistan recognizes emerging Pakistani talent in different literary categories along with the nascent love of books in the country. The UBL Literary Excellence Award was introduced by the bank in 1967 as a commitment to elevate the literary standards of the country. Discontinued after the bank's nationalization in the mid-1970's this award was re-instituted at the bank's Golden Jubilee Year - 2009. This revival was a clear indicator of UBL's progressive sustainability agenda towards providing the much needed impetus to Pakistani writers and encouraging the publication of books in Pakistan.

In 2022, UBL hosted the largest edition of this award competition to mark a decade of this distinctive initiative. With 14 awards, it was the most comprehensive Pakistani awards celebrating the field of literature and arts. This included a life-time achievement award presented to the pride of Pakistan Mr. Anwar Maqsood.

SUPPORTING CLASSICAL MUSIC

UBL was the Platinum Sponsor for Abida Parveen's 'Jhoom For A Cause' fundraiser. This concert was organized by Shaukat Khanum Memorial Cancer Hospital and the proceeds went towards funding the completion of the organization's third and Karachi's largest Cancer Hospital. This exclusive event was attended by High Net Worth UBL customers, along with local socialities and business leaders.

Continuing our celebration of Pakistani art & artists, UBL was the exclusive sponsor of Raavi - 'A Fusion of East & West', a concert by Shallum Xavier, featuring Zara Madani and many emerging artists that were part of the famous Fuzon brand. This high profile musical event fused classical music with traditional instrumentals to create memorable tunes and unique sounds.



BREAST CANCER AWARENESS



UBL has been providing its unwavering support towards breast cancer awareness and has made it a mission to educate all internal and external stakeholders about its impact to prevent the disease, and how timely detection and treatment can save lives. The bank has taken numerous measures in its fight against breast cancer which range from educating employees and customers regarding the causes, symptoms and cure for breast cancer to collaborating with health organizations to conduct awareness sessions with medical professionals.



In 2023, during the month of October which is globally observed as the month of Breast Cancer Awareness, we conducted an informative seminar in collaboration with Shaukat Khanum Memorial Hospital at the UBL Head Office in Karachi.

To encourage early detection and prevention, we collaborated with Shaukat Khanum Diagnostic Center and arranged free mammography screenings.



PINNACLE PERSPECTIVE SERIES



At UBL, we are committed to fostering a culture of diversity, equity, and inclusion and know that our success depends on the diverse perspectives and experiences that our employees bring to the table. We launched the 'Pinnacle Perspective' series consisting of empowering sessions featuring charismatic role models who offer insights into their career, successes and triumphs, advice for young professionals, and their areas of expertise and passion. Speakers, hailing from different industries, highlighted career journey, mentors, work-life balance, challenges at the workplace, tips for staying motivated and advice for those wanting to advance in their careers.

UBL AMEEN SPONSORS WOMEN ENTREPRENEURSHIP EXHIBITION

UBL Ameen sponsored a women entrepreneurship exhibition organized by The Creators Network. Held in the Arts Council Karachi, this was a cause based event to promote women entrepreneurs including small enterprises, home based chefs, female freelancers, women retailers/wholesalers, handicrafts makers and other diversified fields.

SUPPORT OF CULTURAL ARTS

UBL partnered with Citizen's Archive of Pakistan for its annual Carnival. Through this sponsorship, the Bank exhibited its support for the cultural spirit of Pakistan by being a continuous well-wisher of the preservation of cultural arts. This was a family event where people of all ages could attend and enjoy art bazaars, food stalls, immersive experiences and much more.

INTERNATIONAL DAY OF PERSONS WITH DISABILITY (PWD)

UBL's model PWD branches throughout Pakistan hosted a celebration and invited customers to mark the International Day of Persons with Disabilities. The events featured discussions and activities centered around the PWD-specific facilities available, along with a celebratory cake-cutting ceremony that brought both staff and customers together to honor and support individuals with disabilities. UBL takes pride in creating an equitable and inclusive culture by respecting and catering to the diverse needs of all customers.



SUPPORT OF PEBS HOSPITAL RUN



UBL partnered with Pakistan Eye Bank Society (PEBS) Hospital to sponsor their Run and Walk. This activity was organized to raise awareness & funds for an Intensive Procedure Operation Theatre, an HDU and a General Ward for free-of-cost complex surgical treatment of Oral Cancer. Once completed, this will be the only service of its kind in all of Pakistan. The event drew in participants of all ages and fitness levels around the city, who appreciated the healthy outdoor activity and the chance to support such a cause.

WOMEN'S LEAGUE OF BASKETBALL



UBL was a proud sponsor of the Women's League of Basketball held in Karachi. The league spanned over 2 months with some of the city's best women basketball players competing head to head every week. The event also topped off with an all-stars event, teaming the best players of the leagues in two in a celebratory showdown to highlight the best of the best.

VOLUNTEERING ACTIVITIES

As part of UBL's ESG (Environmental, Social & Governance) agenda, UBL participates in projects that pertain to preserving the environment. Furthermore, the Bank always encourages employee engagement and volunteerism in its various CSR projects. This year, for Earth Hour 2023, UBL in association with WWF organized another Afforestation Drive followed by a

BEACH CLEANING EXERCISE AT THE WWF RESERVE AT SANDSPIT BEACH, KARACHI.



Thirty employees from the Head Office in Karachi planted mangrove trees – essential for the functioning of the eco-system – and took part in the beach cleanup activity.

AWARDS & ACHIEVEMENTS

PAKISTAN STOCK EXCHANGE AWARDS

As the country's most progressive and innovative Bank, UBL is proud of its legacy of being recognized for its achievement at domestic and international forums. Continuing its winning streak, the Bank was presented with the Pakistan Stock Exchange's (PSX) 'Top Companies of the Year' Award. To achieve this honor, companies have to meet and exceed quantitative and qualitative criteria, including profitability and dividend related ratios, turnover of shares, Corporate reporting on SDGs, ESG related initiatives, CSR initiatives and Diversity & Inclusivity, among other considerations. UBL has won this award many times before as well, especially on a continuous basis from 2015 to 2018.



Top Company of the Year Award

PAYMENT GROWTH (ALLIANCES) AND AGENT OF GREEN CHANGE AWARDS 2023

UBL has been recognized by Visa with Payment Growth (Alliances) and Agent of Green Change awards for 2023. These accolades spotlight our commitment to financial advancement through strategic alliances and our role as champions of eco-friendly practices. UBL is excited to continue pioneering positive change in the payments landscape.

PAKISTAN REMITTANCE SUMMIT



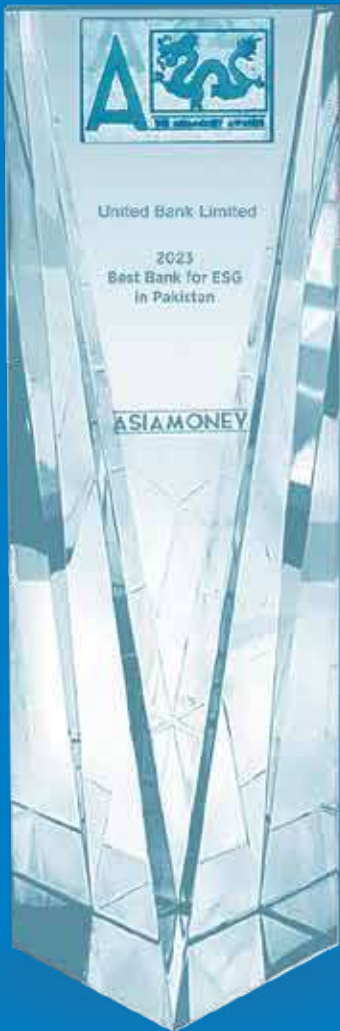
Highest Remittance Mobilizing Bank of Pakistan

UBL has been recognized by Visa with Payment Growth (Alliances) and Agent of Green Change awards for 2023. These accolades spotlight our commitment to financial advancement through strategic alliances and our role as champions of eco-friendly practices. UBL is excited to continue pioneering positive change in the payments landscape.

BEST BANK FOR ESG BY ASIA MONEY

UBL was declared Best Bank for ESG in Pakistan for 2023 by AsiaMoney, an associate of EuroMoney. UBL, considered as one of the most progressive and innovative banks of Pakistan is the fastest growing digital bank in the country.

The Best ESG award is a testament to UBL's initiatives across various areas, including environmental conservation, social responsibility, corporate governance, and financial inclusion. It demonstrates the bank's active participation in environmental preservation, community development, ethical practices and responsible lending. In line with the Bank's ESG Guidelines, Diversity, Equality and Inclusion (DE&I) continue to be important components of UBL's strategy. Initiatives taken in areas of financial inclusion for women and differently abled people are testament to our long-term strategy of making banking more accessible and inclusive.



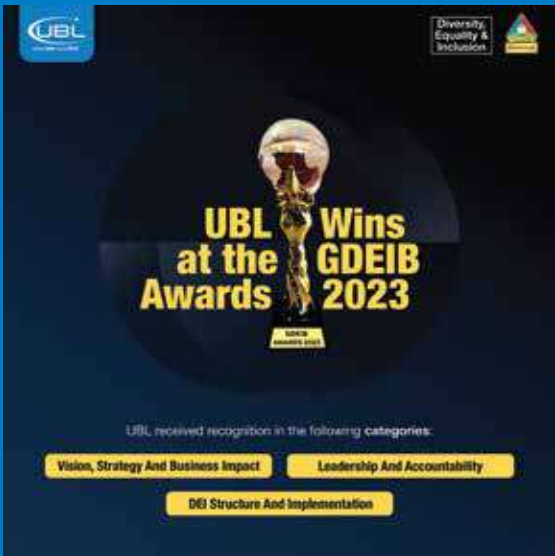
Best Bank for ESG in Pakistan for 2023

UBL remains dedicated to upholding ESG principles and advancing sustainable development in the banking sector. The bank will continue to innovate and collaborate with stakeholders to drive positive change and contribute to a better future.

GLOBAL DIVERSITY EQUITY & INCLUSION BENCHMARK (GDEIB) AWARDS

UBL's achievements were recently recognized at the Global Diversity Equity & Inclusion Benchmark (GDEIB) awards where UBL participated for the first time and received accolades in three distinguished categories: Vision, Strategy & Business Impact; Leadership & Accountability; and DEI Structure and Implementation.

This achievement is in line with our vision of becoming a Bank famous for its diversity, equality and inclusivity and becoming the 'Best Bank for the People'.



UBL PARTICIPATES IN SBP'S SESSION ON 'BANKING ON EQUALITY'

An awareness session titled 'Banking on Equality' was held at the State Bank of Pakistan. UBL was one of the two banks that participated to create awareness about its SME financing scheme and female-centric products. UBL set up a stall and presented the salient features of its Urooj account and its digital related features.

UBL DIGITAL MILESTONE OF 1 MILLION DIGITAL TRANSACTING CUSTOMERS

UBL Digital achieved a remarkable feat by surpassing 1 million digital transacting customers, marking a pivotal milestone in their journey.

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GOVERNANCE

The third pillar of the framework elucidates how the activities of the bank are led and governed. We take pride in keeping the interests of our stakeholders at the heart of what we do. We aim to ensure good governance, transparency, accountability, and ethical conduct. Honesty of purpose is one of our core values and is reflected in all our work and practices.

BOARD COMPOSITION, NOMINATION AND SELECTION



The Board of Directors and the management of UBL are committed to leadership in corporate governance. The Bank is committed to proactive, open and responsive communication with stakeholders, other interested parties and the public.

The directors of the Bank are elected by the shareholders while casual vacancies are filled by the directors in accordance with the articles of association and the applicable laws and regulations. Furthermore, every new director has to pass through the assessment criteria of 'Fit and Proper Test' as set and advised by the State Bank of Pakistan.

The nomination committee is fully composed of non-independent members. Only half are independent members in the audit committee. While, a majority independent committee in charge of remuneration is in place.

BOARD INDEPENDENCE AND DIVERSITY

The Board of Directors has diversity in terms of expertise, knowledge and age. UBL has obtained professional indemnity insurance cover. None of the directors is on the Boards of more than seven listed companies. 06 directors and the President & CEO have the Certification required under the CCG while two are exempted from training requirement. The Chairman and the CEO of the bank are not the same person.

BUSINESS ETHICS AND POLICIES

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

CONFLICTS OF INTEREST

- Our BOD is mandated to not be on the board of more than 3 listed companies especially in the same industry
- No prohibition and/or approval is made by a single controlling shareholder
- Financial powers delegation according to grade with certain costs requiring board approval

ESG (ENVIRONMENTAL, SOCIAL, AND GOVERNANCE) DIVISION

UBL established a dedicated ESG Division reporting into Chief Risk Officer of the Bank to manage ESG risks. The purpose of a dedicated ESG Division is to proactively assess and manage the bank's environmental, social, and governance risks. With a vision to integrate sustainable practices into the core of the bank's operations, the ESG Division strives to enhance stakeholder value by promoting responsible business practices, ensuring ethical conduct, and fostering a positive impact on the environment and society.



REGULATORY COMPLIANCE

UBL ensures strict compliance with ESG regulatory standards set by local authorities like SBP and SECP, 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 standards.

TRAINING AND CAPACITY BUILDING

UBL prioritises the comprehensive training of its staff in ESG and Green Banking to build robust expertise within the workforce. This commitment aims to enhance awareness and equip employees with the skills needed to proficiently handle ESG matters at the portfolio level. The bank conducts both in-person and online training sessions for staff across domestic and international locations, developing global understanding of sustainable practices. This proactive approach ensures that UBL's human resources are adequately capacitated to effectively manage and execute ESG-related activities.

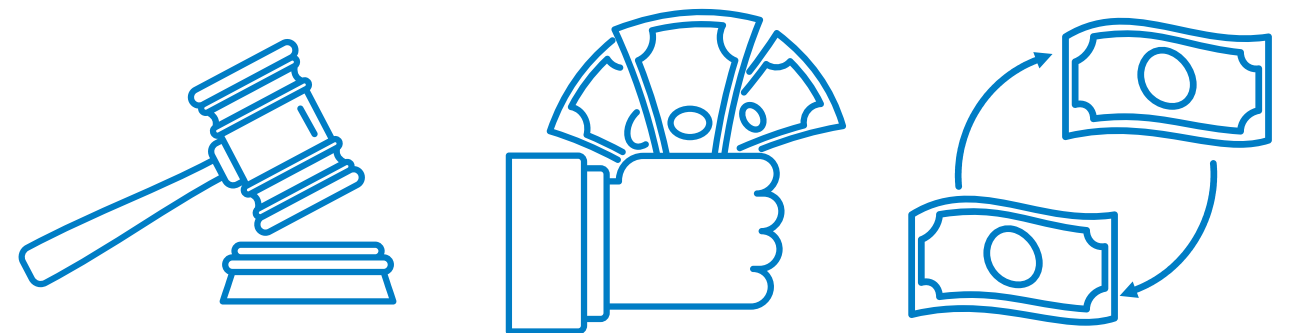


RISK MANAGEMENT AT UBL

Through our enterprise risk management, we identify and manage risks related to UBL financial ability to achieve our strategic, financial, compliance and operational objectives.

Our key risks and mitigation strategies are documented, monitored and reviewed periodically by Risk Committee of the Board of Directors. Our Board of Directors, as a whole and through its committees, maintains responsibilities for oversight of risk management, including monitoring the 'tone from the top' and our risk culture and overseeing emerging and strategic risks.

UBL has robust policies and practices to thwart money laundering, corruption, bribery, frauds, ESG and data & consumer privacy. These rigorous practices enable us to grow a successful, respected business that delivers the best possible results for our clients, customers and communities.



ANTI-MONEY LAUNDERING POLICY AND TRAINING

UBL has Anti-Money Laundering(AML)/Counter Financing with Terrorism (CFT)/Proliferation Financing (PF) policy and controls to comply with international and local regulatory requirements. We provide mandatory annual training to all Bank staff on AML/CFT/PF course.

ANTI-BRIBERY AND CORRUPTION POLICY AND TRAINING

UBL has a policy and controls to comply with anti-bribery laws. We provide mandatory annual training to all Bank staff on anti-bribery course.

ANTI-FRAUD POLICY AND TRAINING

UBL has a comprehensive policy, procedures and controls to comply with anti-fraud international and local requirements. We provide mandatory annual training to all Bank staff on anti-fraud course.

FINANCIAL CRIME COMPLIANCE (FCC) TRANSFORMATION PROGRAMME

The Bank had initiated and successfully completed FCC Transformation Programme. The primary objective of the programme is to define the FCC controls required to strengthen its control environment across FCC processes, human resource and technologies. The engagement consisted of three phases i.e. a- Design Phase, b- Implementation Phase, and c- Independent Quality Assurance Phase.

Through FCC Transformation programme, UBL uplifted its FCC related controls by designing and implementing policies, standards, risk assessment methodologies, capacity assessment and staff training plan.

DATA MANAGEMENT

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.



CYBER SECURITY

UBL has always strived to keep 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.



DIGITAL FRAUD PREVENTION POLICY AND RISK MANAGEMENT FRAMEWORK

In response to escalating digital and cyber threats, the bank has developed a comprehensive Digital Fraud Prevention Policy and a robust Risk Management Framework. Key components of the framework are as follows;

- Risk Appetite Statement
- Role and Responsibilities
- Digital Fraud Prevention Policy and Procedure
- Digital Fraud Governance Forum
- Digital Fraud Prevention Programme
- Digital Fraud Risk Recognition and Assessment
- Vigilance and Digital Fraud Risk Monitoring
- Digital Fraud Incident Management
- Post Digital Fraud Measures (Investigation, Recovery, Payment, Write Off, Prevention and Staff Disciplinary Actions)
- Digital Fraud Liability Framework
- Digital Fraud Data Management and Reporting
- Digital Fraud Training and Awareness



DATA PROTECTION

From data collection to data disposition, data management, information security and data privacy protocols are holistically applied. With increasing threats of data breaches and loss of customers’ sensitive information, it becomes crucial for us to safeguard our banking systems and customers’ trust in our processes. To ensure data protection, a thorough and collaborative approach is used to reduce customer data breaches and uphold our institution as a trusted institution.

UBL has been taking various measures to enhance data protection of customers, such as implementation of 3D Secure protocol, two-factor authentication and encryption techniques to protect the data from unauthorized access and cyberattacks.

ENTERPRISE INFORMATION AND CYBER SECURITY POLICY

This policy specifies the requirements for establishing, implementing, maintaining and continually improving an information / cyber security management system at UBL Pakistan and UBL International. Requirements to protect the integrity and confidentiality of information / data assets including Personally Identifiable Information (PII) and associated information technology resources are its core elements.



COMPLIANCE WITH INTERNATIONAL FINANCE CORPORATION (IFC) PERFORMANCE STANDARDS

International Finance Corporation (IFC) performance standards define organizations’ ability to manage their sustainability risks and impacts and how they can avoid and mitigate them to operate in a more sustainable manner. At UBL, one of our major environmental and social goals is to ensure meticulous compliance with IFC performance standards, whereby we are undertaking the following key measures:

- Assess and manage risks and impacts of our processes
- Foster a positive working environment
- Ensure resource efficiency
- Focus on employee health, safety and security
- Ensure biodiversity conservation and sustainable resource management
- Protect cultural heritage by supporting initiatives and institutions that are dedicated to cultural and historic preservation.

COMPLIANCE WITH BASEL COMMITTEE ON BANKING SUPERVISION – PRINCIPLES FOR THE EFFECTIVE MANAGEMENT AND SUPERVISION OF CLIMATE-RELATED FINANCIAL RISKS

Banks are potentially exposed to climate-related financial risks regardless of their size, complexity or business model. Climate-related financial risk drivers can translate into traditional financial risk categories. Principles provide banks with guidance on effective management of climate-related financial risks. The principles seek to achieve a balance in improving practices related to the management of climate-related financial risks and providing a common baseline for internationally active banks, while maintaining sufficient flexibility given the degree of heterogeneity and evolving practices in this area.

In UBL, through our ESG Risk Management and Governance Framework we will ensure compliance with the following key requirements of the principles which are as follows;

- Develop and implement a sound process for understanding and assessing the potential impacts of climate-related risk drivers on their businesses and on the environments and consider the climate-related financial risks in their overall business strategies and risk management framework
- Assign climate-related responsibilities to members and/or committees and exercise effective oversight of climate-related financial risks by the board and senior management
- Adopt appropriate policies, procedures and controls that are implemented across the entire organisation to ensure effective management of climate-related financial risks
- Incorporate climate-related financial risks into their internal control frameworks across the three lines of defence

- Identify and quantify climate-related financial risks and incorporate those assessed as material over relevant time horizons into their internal capital and liquidity adequacy assessment processes
- Identify, monitor and manage all climate-related financial risks that could materially impair their financial condition, including their capital resources and liquidity positions and ensure that their risk appetite and risk management frameworks consider all material climate-related financial risks
- Ensure that risk data aggregation capabilities and internal risk reporting practices should account for climate-related financial risks
- Understand the impact of climate-related risk drivers on their credit risk profiles and ensure that credit risk management systems and processes consider material climate-related financial risks
- Understand the impact of climate-related risk drivers on their market risk positions and ensure that market risk management systems and processes consider material climate-related financial risks
- Understand the impact of climate-related risk drivers on their liquidity risk profiles and ensure that liquidity risk management systems and processes consider material climate-related financial risks
- Understand the impact of climate-related risk drivers on their operational risk and other risks and ensure that risk management systems and processes consider material climate-related risks
- Make use of scenario analysis to assess the resilience of their business models and strategies to a range of plausible climate-related pathways and determine the impact of climate-related risk drivers on their overall risk profile



UBL ESG RISK MANAGEMENT AND GOVERNANCE FRAMEWORK

In order to ensure that the Bank’s activities are in compliance with accepted social and environmental risk assessment procedures and standards, the management is proposing Environmental, Social and Governance Risk Management and Governance Framework (ESG RMGF) which ensures that ESG related risks and controls are integrated into Bank’s core business processes. It is a set of actions and procedures that are implemented concurrently with the Bank’s existing risk management procedures.

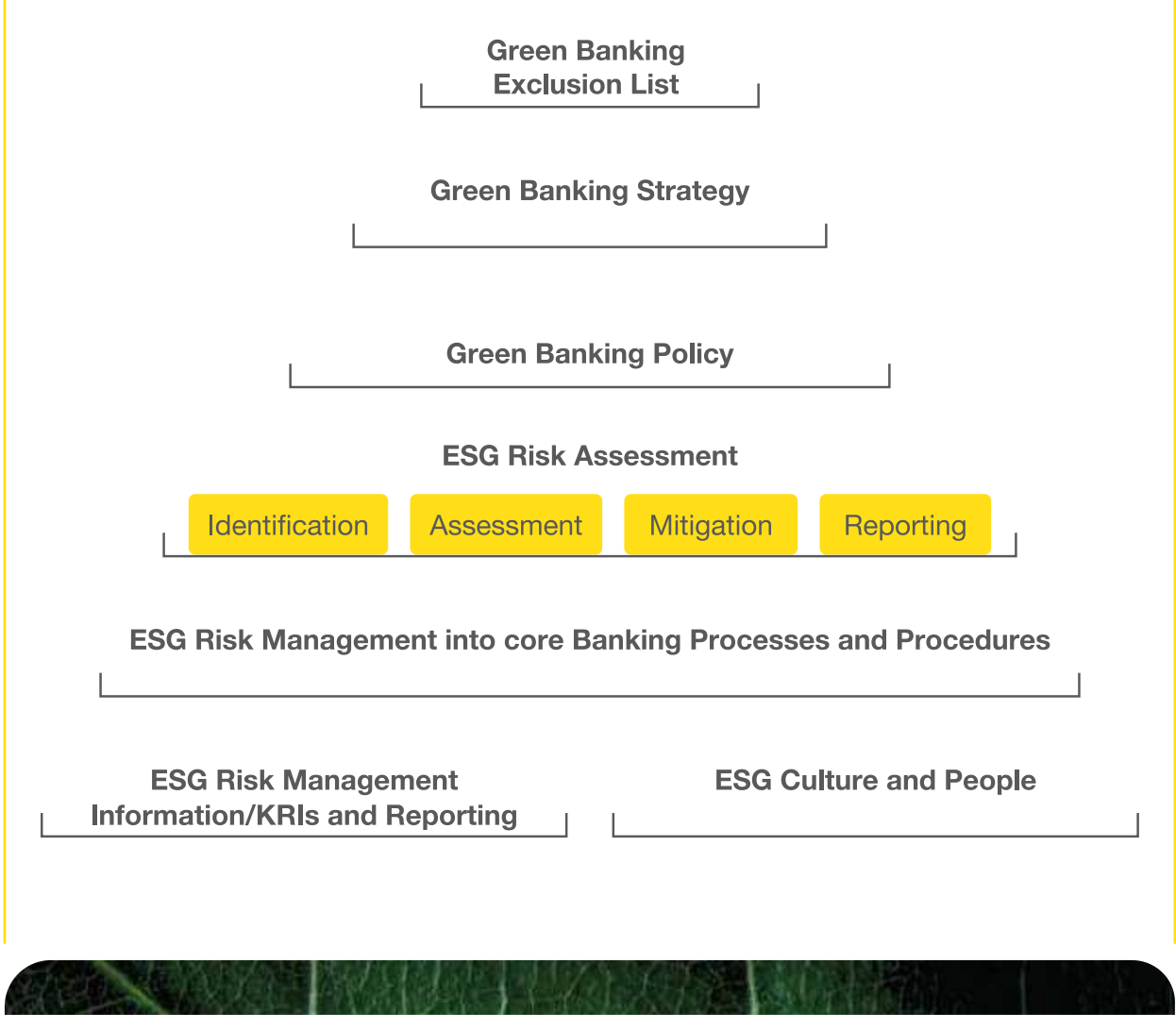
ESG RMGF is aimed to assist the Bank to avoid and/or manage any social and environmental risks likely to arise from a project or activity which the Bank performs. By conducting social and environmental due diligence prior to loan approval/disbursement and other activities, ESG RMGF’s proactive approach serves as a deterrent during the term of the loan agreement and other activities that Bank performs, which imposes adequate ESG risk mitigation and supervision.

ESG RMGF OBJECTIVES

ESG RMGF shall complement the Bank’s existing policies, risk management practices and operational procedures and will thereby be aligned with the Bank’s typical loan management cycle. Under the ESG RMGF, the main objectives are to;

- Define the Bank’s Green Banking Strategy with short and long term goals and a comprehensive Green Banking Policy, Strategy and Procedures for the Bank in line with the requirements and expectations of regulators, investors, and other internal and external stakeholders.
- Establish ESG RM and Governance related controls required to strengthen overall ESG control environment across Processes, People and Technologies along with identifying and assessing social and environment impacts on Bank’s lending portfolio and other activities through customer’s ESG Risk Assessment and due diligence methodology/guidelines.
- Enhance Bank’s understanding of ESG Risks associated with Bank’s transactions, portfolio and clients and promote improved social & environmental performance of client companies which arises from gaps in implementation of local legislation and other factors.
- Referring to IFC’s Performance standards (PS), as international best risk management practices, when financing the private sector activities, thereby significantly reduce the Bank’s ESG risks and support the implementation of new controls for ESG Risk Management across the Bank, as and when required.

THE APPENDED DIAGRAM WILL EXPLAIN THE KEY COMPONENTS OF THE FRAMEWORK;



AMBITIONS TOWARDS 2023 - 2040

TRANSITIONING TO A CARBON-NEUTRAL FINANCIAL INSTITUTION

Our commitment to sustainability is deeply embedded in our corporate values, and a pivotal aspect of our comprehensive Environmental, Social, and Governance (ESG) strategy is the pursuit of carbon neutrality.

As one of the leading banks in the industry, we recognize the environmental implications of our operations and are persistent in our mission to transform into a carbon-neutral financial institution by the year 2040.

UBL'S STRATEGIC PLAN FOR LOW CARBON EMISSION

Embarking on a transformative journey, UBL is firm in its commitment to curbing ESG risks across business portfolios, procurement practices, and internal operations.

The roadmap leading to net-zero status by 2040 underscores our dedication to robust ESG risk management and governance. The implementation of a comprehensive framework will guarantee that all facets of the bank's operations align with predefined ESG risk parameters, staying well within UBL's established ESG risk appetite.

ANALYZING OUR FINANCED EMISSION

Our commitment to responsible corporate practices extends beyond our internal operations, encompassing a comprehensive evaluation of the core business activities of our stakeholders. UBL aligns itself with businesses that share our dedication to understand and mitigate their environmental impact.

In response to the accelerating pace of environmental change, we recognize the imperative of incorporating non-financial criteria into our investment and financing decisions.

Rigorous scrutiny of our financing choices is a pivotal component of our strategy, allowing us to gauge emissions stemming from the industrial and business activities of diverse clients operating at varying scales.

The bank mandates essential documents such as Environmental Monitoring Reports, Health and Safety Policies, and Solid Waste Disposal Certificates to ensure our clients adhere to stringent environmental standards, underscoring our commitment to a sustainable future.



EMPOWERING CUSTOMERS ON A SUSTAINABLE JOURNEY

Recognizing the pivotal role our customers play in navigating collective efforts toward a more sustainable future, we see ourselves as uniquely positioned to assist them throughout the transition process.

The bank is dedicated to facilitating a seamless transition by actively educating and encouraging customers to embrace sustainable banking practices. Our commitment extends to the introduction of more digitized banking solutions and a strong emphasis on process transformation, making banking more accessible than ever before.

UNLOCKING CLIMATE SOLUTIONS AND ACCELERATING INVESTMENT IN NATURAL RESOURCE, TECHNOLOGY AND SUSTAINABLE INFRASTRUCTURE

To expedite our investment in sustainable solutions, we are implementing various strategies:

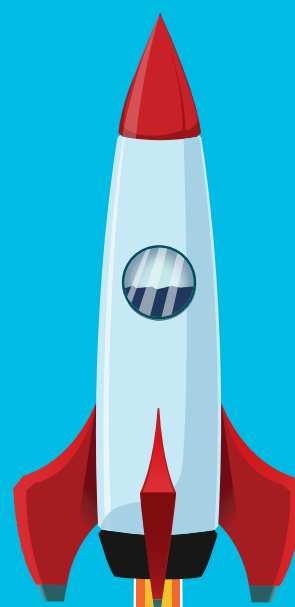
- Channeling investments into renewable energy projects
- Prioritising energy conservation through initiatives like the Green Building Initiative
- Digitizing processes to minimize carbon footprint and optimize resource usage
- Committing to sustainable and resilient infrastructure, spanning processes, equipment, financing decisions, and innovation

Through these proactive measures, we are not just investing; we are unlocking climate solutions and accelerating our contribution to a sustainable future.

EMBEDDING ESG PRINCIPLES INTO CORE BANKING PROCESSES

Ensuring that ESG principles are at the core of our banking processes, our commitment to ESG is beyond mere compliance with environmental and ethical standards. It involves integrating these principles into the core of our day-to-day operations as a responsible corporate entity.

Our goal is to successfully incorporate this strategy into our banking processes promoting meaningful change throughout our organization.



UBL'S COMMITMENT TO BUILDING A BALANCED WORKFORCE

UBL has embarked upon a longstanding mission to champion gender equality across all levels of its workforce, placing a particular emphasis on achieving balance in senior roles.

Gender diversity and the provision of equal opportunities stand as cornerstone objectives for our organization. Our commitment to nurture a more gender-balanced workplace involves comprehensive measures aimed at eliminating gender disparity:

- Creation of additional employment opportunities for women
- Improvement of the gender diversity ratio to ensure equal representation
- Creating a work environment free from all forms of prejudice
- Support for women-led initiatives, fostering empowerment
- Continuous exploration of avenues to enhance inclusivity and diversity

Through these initiatives, UBL not only envisions but actively works towards creating a workplace that exemplifies and promotes gender balance, recognizing the pivotal role it plays in encouraging a more equitable and dynamic organizational culture.

OPPORTUNITIES TO PERSONS WITH DISABILITIES (PWDS)

Going beyond mere inclusivity, our social commitment to persons with disabilities (PWDS) is rooted in the principle of equalizing opportunities for everyone, including those with special needs. It is an important part of our comprehensive Diversity, Equity, and Inclusion (DEI) agenda, ensuring that PWDS are afforded equitable chances in hiring, career development, progression, and fair compensation.

Being a responsible corporate citizen extends beyond our employees; it encompasses our customers as well. In recognition of this, we are proud to have commitment to implement the following initiatives to integrate differently abled individuals into the banking stream:

- Establishment of branches designed to cater to differently abled customers
- Provision of Braille documents for visually impaired customers
- Installation of ATMs equipped with a voice recognition system

Through these measures, UBL not only embraces inclusivity within its workforce but also ensures that its services are accessible and accommodating to the diverse needs of all customers, thereby contributing to a more inclusive and equitable society.

UBL'S DEDICATION TO CULTIVATING AN INCLUSIVE WORKPLACE ENVIRONMENT

UBL is dedicated to cultivating a workplace culture that is not only equitable but also embraces inclusivity. Our goal is to create an environment where each employee is valued irrespective of gender, age, disability, ethnicity, religion, education, or sexual orientation.

We aim to establish a workplace where every individual is respected, and their contributions are not only recognized but also deeply appreciated.

ADVANCING SUSTAINABILITY IN BANKING OPERATIONS AND PROCUREMENT

In the pursuit of sustainability across its vast network and a substantial workforce, UBL is dedicated to integrate environmental governance into its procurement processes and general operations.

The bank has implemented a range of strategies to instill sustainable practices at every level:

- Pioneering paperless banking initiatives to safeguard the environment and curb CO2 emissions
- Mitigating negative environmental impacts within the supply chain by engaging low-impact suppliers offering eco-friendly business solutions
- Prioritising energy conservation through the use of energy-efficient appliances and water usage limitations
- Undertaking process transformation by embracing digitization to minimize resource wastage
- Supporting paperless banking and digitizing various banking processes, reinforcing the bank's commitment to eco-friendly practices

By adopting these measures, UBL is not only enhancing its operational efficiency but is also actively contributing to the larger goal of sustainable and responsible business practices in the banking sector.

DISCLOSURE FRAMEWORK

This ESG report encompasses subjects that are crucial to our operations and the interests of our stakeholders. UBL has conducted a materiality assessment to pinpoint economic, environmental, and social matters that could profoundly influence the Bank’s business performance and broader society.

The materiality determination is grounded in continuous conversations with pertinent stakeholders throughout the entirety of the Bank. Our materiality assessment process is structured to address both enduring issues from the past that remain pertinent and emerging topics of significance.

CONTRIBUTION TO UNITED NATIONS SUSTAINABLE DEVELOPMENT GOALS (UN SDGS), GRI STANDARDS AND UN GLOBAL COMPACT

UN SDG Goals	GRI Standards	UN Global Compact	Bank’s Contribution
	GRI – 412 Human Rights Assessment	UN GC Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights	<ul style="list-style-type: none">• Provision of Sehr and Iftar/Dinner to 15,000 individuals across 9 cities• Distribution of ration packets, filled with essential dry food items, to 1000 families in 8 cities• Distribution of Eid gifts comprising of toys, water bottles, stationary pouch, chocolate and milk powder to children undergoing thalassemia treatment through SWIT• Distribution of stationary sets and dry food items as Eid gifts to children at the Al Mohsin Academy
	GRI – 403 Occupational Health and Well Being	UN GC Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	We aim to promote and maintain a culture where employees feel safe and are provided with a healthy work environment that ensures work-life balance. Additionally, all our employees and their dependents are entitled to health insurance coverage by the bank.
	GRI – 404 Training & Education	UN GC Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining	Some of our 2023 activities under this ambit included: <ul style="list-style-type: none">• Scholarships for 4 students under Institute of Business Administration (IBA) National Talent Hunt Program• Towards the construction of a new school by Kiran Foundation in Swabi, KPK• Sponsoring 75 students in KPK for the 2023-24 academic year by Million Smiles Foundation
	GRI-405 Diversity and Equal Opportunity	UN GC Principle 6: the elimination of discrimination in respect of employment and occupation	Projections for female representation until 2024 include a 15% raise in 2022, 30% in 2023, and 45% in 2024 over the base year (2021)
	GRI-405 Diversity and Equal Opportunity	UN GC Principle 6: the elimination of discrimination in respect of employment and occupation	Adopted & implemented State Bank’s Banking on Equality policy along with Diversity & Inclusion policy within the bank <ul style="list-style-type: none">• Offering unbiased services to people regardless of gender, ethnicities, religions• Developed products that improve banking access for women and procedures that are inclusive for disabled people
	GRI – 303 Water & Effluents	UN GC Principle 8: undertake initiatives to promote greater environmental responsibility	UBL recognizes the importance of efficiently preserving, controlling and managing water resources to lessen the burden on the already limited freshwater resources so that they may still be available to utilize by the generations to come <ul style="list-style-type: none">• Beach cleaning and mangrove plantations activities were carried out in collaboration with WWF
	GRI – 302 Energy	UN GC Principle 9: encourage the development and diffusion of environmentally friendly technologies	UBL is in partnership with multiple alternative energy companies and leading the portfolio in offering our customer low-cost solutions for green power <ul style="list-style-type: none">• 1401 Branches were using LED lights in 2023 which resulted in energy savings compare with conventional lighting systems• UBL Go Green Service encouraging customers to opt for eco-friendly banking methods
	GRI – 201 Economic Performance GRI-405 Diversity and Equal Opportunity	UN GC Principle 6: the elimination of discrimination in respect of employment and occupation	UBL contributes greatly to the progress of the country; we are also the largest remittance bringer as a Bank <ul style="list-style-type: none">• There is constant investment in our people in order to elevate their career path• Strong emphasis on a diversified work-force hired on the basis of merit• Nationwide banking access with 24/7 digital banking• Batch of A-levels/FSc qualified workforce has been recruited in 2023 on office grade roles
	GRI – 204 Procurement Practices	UN GC Principle 9: encourage the development and diffusion of environmentally friendly technologies	<ul style="list-style-type: none">• Pakistan’s only Digital Lab established by UBL to tackle banking’s most pressing challenges• UBL is one of the biggest lenders to corporates in Pakistan, enabling large-scale business transactions and industrialization• Conceived and hosted Pakistan’s first banking industry Datathon to present ideas that will utilize AI & Tech to solve the banking industry’s most pressing problems
	GRI – 406 Non – Discrimination	UN GC Principle 6: the elimination of discrimination in respect of employment and occupation	Pakistan’s largest branchless banking system with 33,000+ touch-points <ul style="list-style-type: none">• Multiple innovative banking breakthroughs to include the disadvantaged in the banking pool• SME loans• Focus on Digital banking and Digital App to offset physical and perceived barriers
	GRI – 307 Environmental Compliance	UN GC Principle 7: Businesses should support a precautionary approach to environmental challenges	Mangrove forestation initiatives in collaboration with organizations such as the World Wildlife Fund (WWF).

Alignment With United Nations Sustainable Development Goals (UN SDGs)

The United Nations formally adopted the 2030 Agenda for Sustainable Development that includes 17 Sustainable Development Goals (SDGs) out of which we have successfully achieved 16. The SDGs center around the principle of “leaving no one behind” and emphasize on a holistic approach to achieve sustainable development that benefits individuals, organizations and communities.



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Employee and Community Healthcare																
Educational Initiatives																
Sponsoring Sports and Art																
Fair Treatment of Customers																
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ESG Report 2023

#BeyondBanking



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
 /UBLdigital  /UBLdigital  /UBLdigital  /United-Bank-Limited