



MOVING LIVES FORWARD

SUSTAINABILITY REPORT, 2022

THE BIGGEST CORPORATE DONOR
FOR FLOOD RELIEF AND RESCUE IN 2022
WITH \$10 MILLION

Recognising Bank Alfalah's Glorious



Rah-e-Falah is an initiative of the Bank that embodies a commitment to a sustainable way forward by improving the people's social, economic and environmental capital. It is dedicated to developing innovative and progressive approaches that have a lasting impact on people's lives, communities and the planet.

راه‌فلاح
RAH - E - FALAH

CREATING AN IMPACT

Flood Rescue and Relief

PKR **308** Million

Small Medium Enterprises

PKR **1.5** Billion
subsidised loans to borrowers

CSR and Sustainability

PKR **60.8** Million

Banking on Equality

PKR **600** Million
subsidised loans to 455 women entrepreneurs

Financial Literacy

Trained over
5,000
Participants

Reached
40,000
Farmers

OUR COMMITMENT

Empowering Communities through Education

Expanding Financial Inclusion

Green Banking for a Sustainable Future

Championing Diversity and Inclusion

Creating Sustainable Livelihoods

Improving Healthcare Access

Fostering Social Welfare and Development

PLEDGE OF COMMITMENT

The Bank would like to express its deepest gratitude to Chairman, His Highness Sheikh Nahayan Mubarak Al Nahayan, and the Board for their unwavering support and the generous pledge of USD 10 million towards Bank Alfalah's efforts to help rebuild the flood-affected areas in a sustainable, equitable, and financially inclusive manner.

With the approval of the Board, Bank Alfalah has formulated a comprehensive two-phase plan to provide relief and support to the affected communities. The pledged amount is being distributed through select partners to provide immediate relief, with a significant portion earmarked for the rebuilding of infrastructure in the medium to long term.

The Bank understands that no financial sum can fully compensate for the devastation and irreversible loss faced by the affected communities. However, the support of His Highness Sheikh Nahayan Mubarak Al Nahayan and the Board has brought hope to the lives of many, and Bank Alfalah is confident that their collective efforts will help alleviate the suffering of those affected.

This generous gesture by His Highness Sheikh Nahayan Mubarak Al Nahayan and the Board of Bank Alfalah is a testament to the strong bond between the UAE and Pakistan and reaffirms Bank Alfalah's position as a truly caring bank. The Bank is grateful for their continued trust and support, and Bank Alfalah is committed to upholding its promise to help rebuild the flood-affected areas and make a positive impact on the lives of those in need.





P R E S I D E N T A N D C E O M E S S A G E

Dear Stakeholders,

As the Bank releases its first sustainability report for 2022, I want to reflect on the unprecedented floods that ravaged our country last year. The devastation is overwhelming, showcasing the reality of the challenges we face in creating a sustainable future.

Natural calamities such as floods can cause devastation that extends far beyond the initial disaster. The impact of these events can push people's lives backwards by at least a decade or two, setting them on a downward spiral that can impact future generations. It is crucial to understand that the degradation of flood-impacted communities does not only affect them in isolation. In fact, it has ripple effects that can impact all of us.

As an agricultural-based economy, this degradation has affected our growth trajectory. We can only pursue growth if we all are bonded to grow together. This is the only sustainable way forward!

Hence, in the face of a disaster of such magnitude, it becomes imperative for all of us – people and organisations to come together and provide sustained support to those impacted. We can only build a sustainable future for ourselves by working collectively to give back to the communities and helping them move their lives forward.

During my visits to the flood-impacted areas with the leadership team, we witnessed the resilience and bravery of our people in the face of adversity. It is this strength of character demonstrated by the people of Pakistan that moved our generous Chairman, His Highness Sheikh Nahayan Mubarak Al Nahayan, and the Board, and to alleviate the suffering of those impacted, a pledge of USD 10 million was made to ensure restoration. I would like to take this opportunity to express my sincere gratitude for this contribution. It is this unwavering support that allows us to continue making a meaningful impact in the lives of those affected.

Our approach to moving lives forward sustainably has been two-pronged: rescue and relief, followed by rehabilitation and rebuilding. In 2022, the Bank disbursed the pledged amount to over 21 reliable and trusted partners across Pakistan.

Going forward in 2023, as the efforts enter the rebuilding phase, we are working with renowned foundations to focus on long-term recovery and rebuilding efforts focusing on building the capacity of child healthcare facilities, bringing children back to school, providing sustainable housing and creating income opportunities.

In the face of this crisis, we have shown our resilience, and we remain committed to creating a better future for all. I am proud of the work we have done and the impact we have made, and I am confident that we will continue to make a positive difference in the lives of those we serve.

Sincerely,

Atif Bajwa



**SUSTAINABILITY
FORWARD**

RESCUE AND RELIEF

SAVING LIVES

In 2022, the floods caused extensive destruction and loss of human life, necessitating urgent measures to contain the situation. The top priority was to rescue people stranded in the impacted areas and save their lives.

In the first phase, the Bank collaborated with its partners to support the rescue mission, which aimed to evacuate individuals trapped, injured, or in dangerous situations. The senior management team of the Bank visited the impacted communities to evaluate the gravity of the disaster to develop a road map for the way forward.

ENSURING SURVIVAL

A meticulously planned and well-coordinated relief effort is crucial in aiding impacted communities to recover from the aftermath of a disaster and ensure their long-term survival. Losing homes, personal belongings, and access to basic amenities can leave people feeling vulnerable and helpless. Interacting at the right time is imperative to demonstrate care and compassion. The Bank, leveraging its extensive network of approximately 900 branches, collaborated with its partners to provide critical support to the relief efforts. This included providing essential items such as food, shelter, medical camps, mosquito nets, water filters, and winter supplies.





REHABILITATE AND REBUILD

BRINGING NORMALCY AND RESTORING DIGNITY

The Bank, in collaboration with its partners, is embarking on the second phase of rehabilitation and rebuilding in 2023 to sustainably restore normalcy and dignity to the impacted communities. The Bank's interventions will encompass a variety of initiatives aimed at aiding individuals in recovering from the aftermath of the disaster.

Public-private-NGO tri-sectoral partnerships will be a primary focus of the Bank's efforts, emphasizing investing in child healthcare facilities in remote areas where the flood's impact has been significant. Another concern is the construction of schools in the areas affected by floods. To avoid long-term damage to children's education, the Bank will be working with charities to build schools in clusters which can have a sustainable impact on the community.

The Bank is also collaborating to offer interest-free loans to help people earn livelihood, as well as providing seeds and fertilizers to assist them in getting back on their feet and generating income opportunities. The creation of sustainable clusters, including health and education facilities and income opportunities, will be prioritized to ensure long-term sustainability.

ROLE OF BRANCH NETWORK IN FLOOD RELIEF

The Bank and its vast network of approximately 900 branches made a concerted effort to help those in need, showing our commitment to being a caring Bank. It is at the forefront of providing relief and rehabilitation to the impacted communities by disbursing a significant proportion of the pledged amount to over 21 reliable and trusted partners across Pakistan.

Furthermore, the Bank's colleagues in its widespread branches worked hand-in-hand with these partners in impacted areas to help restore normalcy and provide relief and rehabilitation to affected communities.

Approximately
900
Branches

OVER 21 RELIABLE
AND TRUSTED
PARTNERS ACROSS
PAKISTAN

LEVERAGING TECHNOLOGY FOR LASTING IMPACT

Bank Alfalah has partnered with 12 leading partners across Pakistan to leverage its digital platform, Alfa, to enable customers to contribute digitally and seamlessly. In 2022, Bank's valuable customers' contributed PKR 147 million towards sustainable cause and giving back to society by simply clicking few tabs on the platform.

This innovative approach reflects the Bank's commitment to transforming people's thinking with technology as a key enabler. People can easily contribute anytime and anywhere by using Alfa, eliminating logistical barriers.



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The Bank's sustainability report is available at:
<https://www.bankalfalah.com/sustainability/>



ORGANISATIONAL PROFILE



About Bank Alfalah

Bank Alfalah is one of the largest banks in Pakistan, with a network of 894 branches across more than 200 cities in the country, and an international presence in UAE, Bangladesh, Bahrain, and Afghanistan. The Bank also has a representative office in Abu Dhabi. Bank Alfalah is owned and operated by the Abu Dhabi Group. Incorporated as a public limited company on 21st June 1992 under the Companies Act, 2017, Bank Alfalah commenced its banking operations in the same year.

The Bank provides financial solutions to consumers, corporations, institutions, and governments through a broad spectrum of products and services, including corporate and investment banking, consumer banking and credit, securities brokerage, commercial, small medium enterprises, agrifinance, Islamic, and asset financing solutions!



With 894 branches across 200+ cities, the Bank is a solutions-oriented financial institution with a regional recognition.



Vision

To inspire and empower people to do things differently and shape their own path in life and business.

Producing financially independent, empowered individuals.



Mission

We look at the market with fresh eyes to avail new opportunities and seek newer ways of enabling our customers to succeed and advance the world of finance.

Creating newer opportunities in the market with innovation.



Values

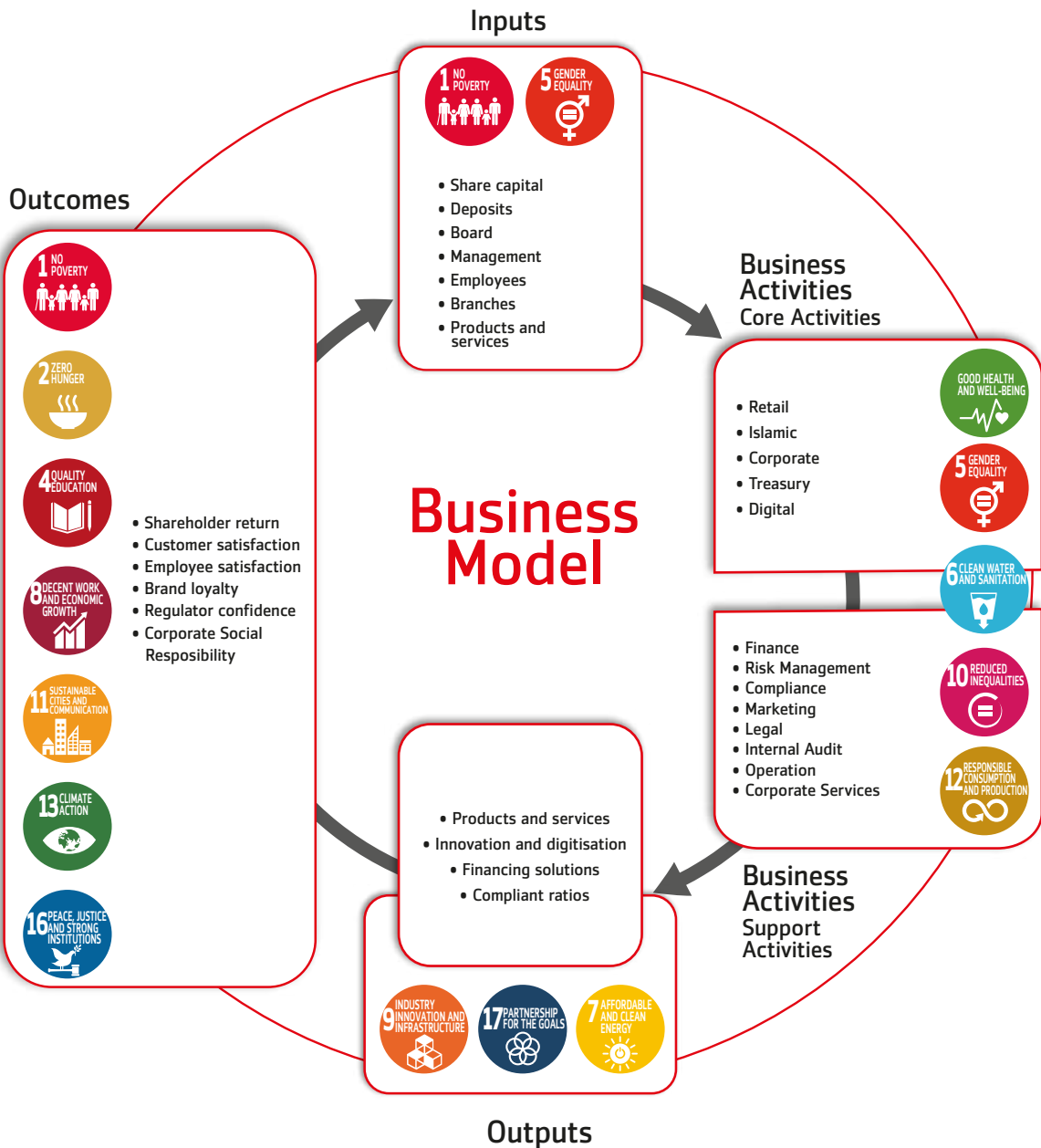


- **YOU – CUSTOMER CARE** We always put the customer and their needs front and centre.
- **YOUR NEEDS – COLLABORATION** We do all we can to understand and anticipate what will help our customers and their own way and achieve their ambitions.
- **YOUR WAY – CREATIVITY AND INNOVATION** We do things differently, challenging the status quo to find new and better ways to move ourselves and our customers forward.
- **THE RIGHT WAY – CONDUCT AND INTEGRITY** We always act with integrity and transparency in everything we do. It is the cornerstone of our business and brand.

Business Model Aligned with Sustainable Development Goals (SDGs)

Bank Alfalah is committed to promoting sustainable development and contributing to the achievement of the United Nations' SDGs. The Bank believes insupporting the SDGs is not only the right thing to do but also makes good business sense. The business model is designed to align with the SDGs, and the Bank strive to integrate them into all aspects of the operations.

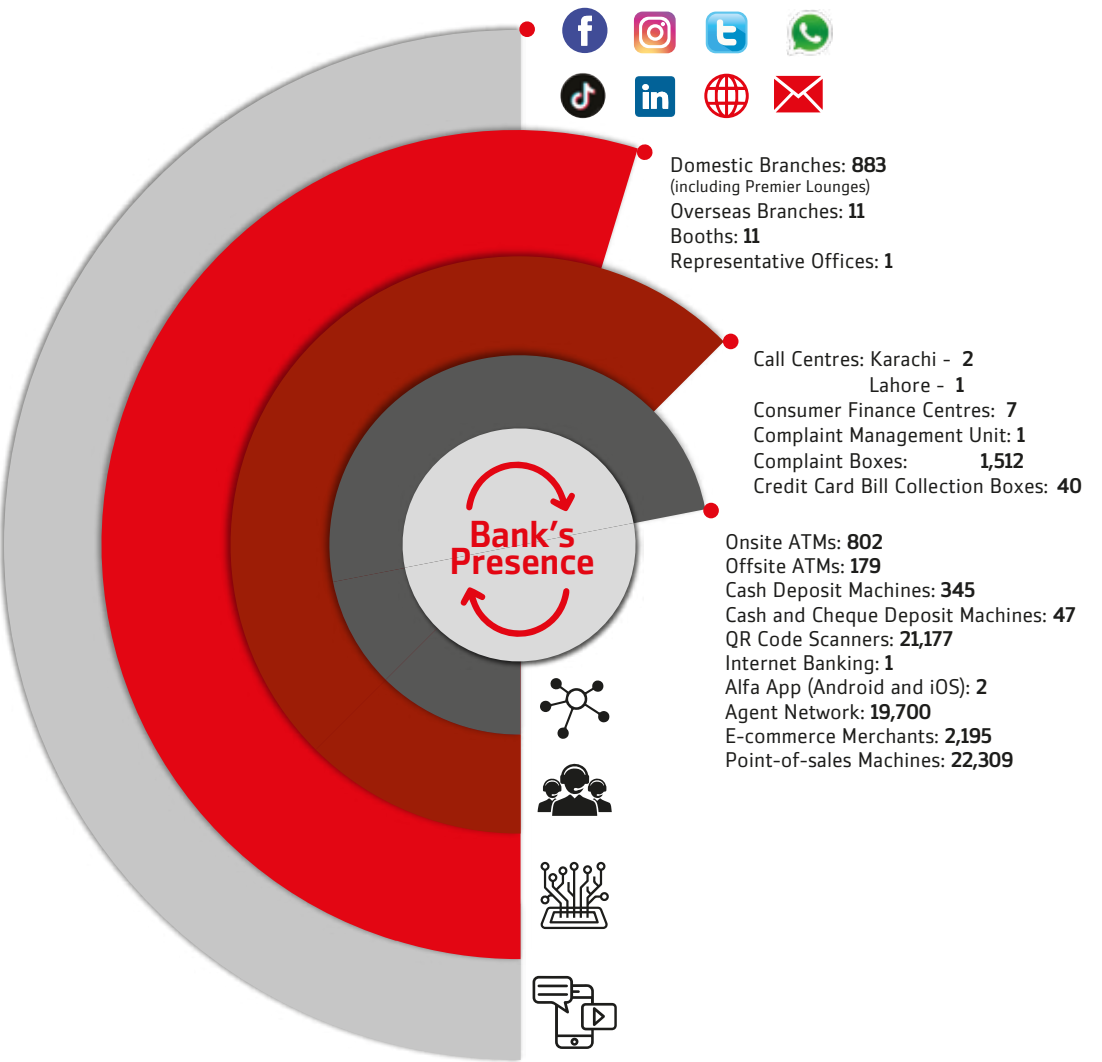
Through the products and services, the Bank creates value for the stakeholders while also addressing social and environmental challenges. Operations are guided by a commitment to sustainability, to minimize the carbon footprint while also promoting diversity, equity and inclusion. Its recognised that the Bank have a critical role to play in contributing to a more sustainable future, and are fully committed to doing so.



Please refer to 'Organisational Overview' section of the Annual Report, 2022 for disclosure on this.

Bank's Presence

Bank Alfalah is connected with you via 60,000+ touchpoints.



Branch Network



CATEGORIES AND TYPES OF BRANCHES		OVERSEAS OPERATIONS-COUNTRIES		PAKISTAN OPERATIONS-PROVINCES		PAKISTAN OPERATIONS-REGIONS*	
Categories	Branch & Sub-Branch	Countries	Branch & Sub-Branch	Provinces	Branch & Sub-Branch	Regions	Branch & Sub-Branch
Conventional	593	Bangladesh	7	Punjab	566	Conventional	
Corporate	5	Afghanistan	2	Sindh	184	North	174
Islamic	285	Bahrain	1	KPK	80	South	161
Domestic	883	UAE	1	Balochistan	38	East	126
Overseas	11	Total	11	Gilgit Baltistan	8	West	132
Grand Total	894	Country	Representative Office	AJK	7	Corporate	5
		UAE (Abu Dhabi)		Grand Total	883	Islamic	
						North	82
						South	65
						East	46
						West	92
						Grand Total	883

*Bank's internal



Significant Changes in Organisation

There are no significant changes from prior years with respect to:

- Ownership (except for change in ownership structure due to buy back of 200 million ordinary shares); and
- Business model of the bank.

Corporate Affiliations



Organisational Value Chain

Please refer to 'Organisational Overview' section of the Annual Report, 2022 for disclosure on this.

Scan here to view the Annual Report, 2022



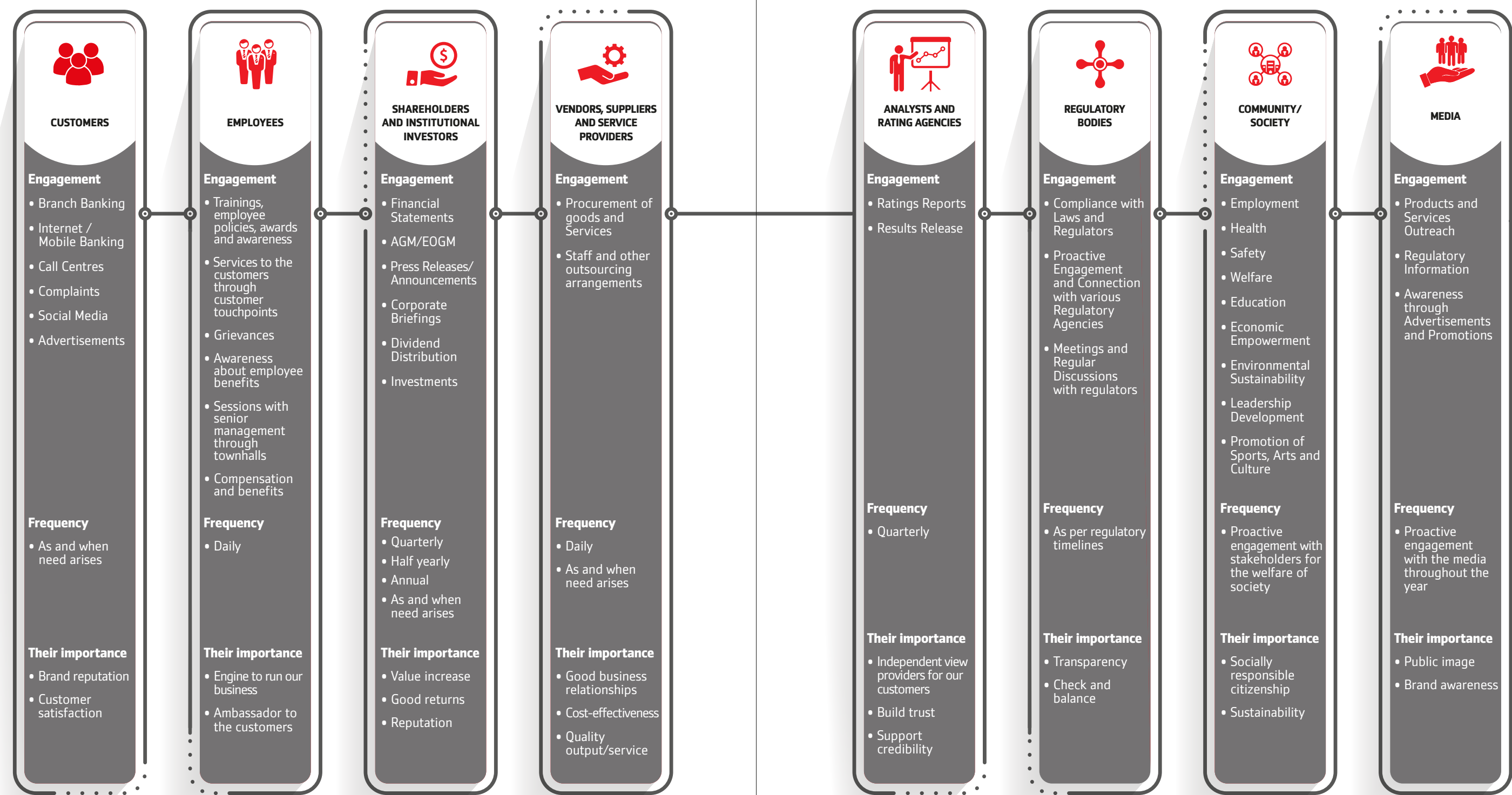


STAKEHOLDER ENGAGEMENT

Stakeholders and Sustainable Development Goals (SDGs)



Stakeholder Engagement Process and Frequency of such Engagements



Customers

Customer experience and complaint management

The Customer Experience Unit functions as the center point for promoting customer interests and serves the customer-centric agenda of the Bank which majorly revolves around the following:

- The Bank’s conduct with customers
- Improving our service levels
- Pushing service innovation
- Understanding the customer via consistent research
- Service culture evolution within the Bank



Factors Customer Centric Culture



Employees

Culture at Bank Alfalah

At Bank Alfalah strongly believes that a conducive culture has the ability to create a satisfied workforce and open the doorway to a more diverse and inclusive environment where employees find their purpose and love coming to work.

Bank's culture strategy rests on the following pillars:

- One Bank, One Team
- Focus on Customers
- Inspiring and Empowering our People

Values are a subcategory of the culture with which all the employees have to align themselves:

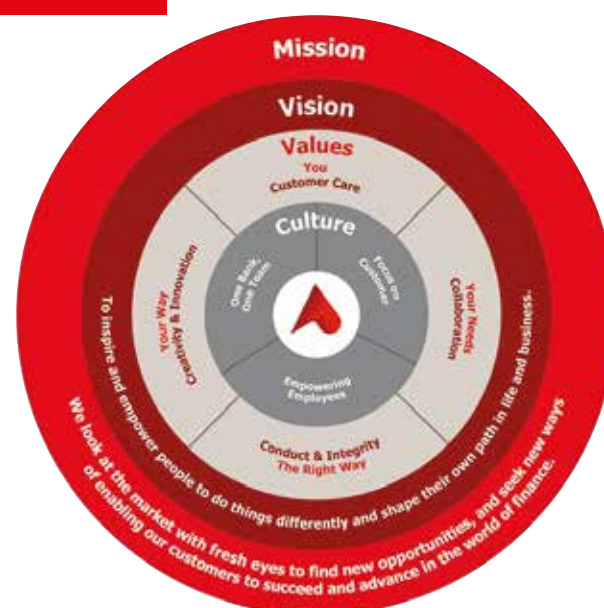
- You (Customer Care)
- Your Needs (Collaboration)
- Your Way (Conduct and Integrity)
- The Right Way (Conduct and Integrity)

All Values have been well-defined by allotting behaviours and competencies to them, to help people develop a holistic understanding of them. This facilitates an alignment to the values leading to a positive culture and a workplace that provides a conducive environment for everyone, irrespective of an employee's age, race, religion, gender, ability, and other attributes.

All initiatives proposed are a product of the feedback received from the employees have a direct impact on the business, behavioural aspects, and customer loyalty. The devised strategy has been inculcated into the Bank's overarching 5 year strategy, evidencing senior management's commitment and zeal towards ensuring a positive culture.

The Bank is embarked upon a journey to clearly define its culture, values, and create subsequent awareness of them within the organisation. In order to achieve this, each month is dedicated to a value or cultural pillar, structured with the following elements:

- engage
- empower
- embed



Talent Acquisition and Advisory

- **Talent Acquisition** - To maintain an uninterrupted talent pipeline and to support the diverse business operations, the Bank inducts mid-level and fresh graduates through hiring programmes. All prospective candidates are evaluated through a structured recruitment process. This year, 4,616 individuals were onboarded through lateral and batch programs with the primary focus on ramping up the frontline workforce.



Onboarded
4,616 individuals
through lateral and
batch programmes in 2022



- **Human Resource Advisory** - The HR Advisory function continues to support all business functions in areas such as employee retention, handling grievances, conducting employee engagement sessions, etc. As part of this function, the talent classification exercise was successfully carried out for critical positions in order to maintain bench strength of senior talent. There is a focused approach to build a talent pipeline through succession planning to ensure successors at all leadership levels and critical positions. Development plans are devised for high performers, which included their training and coaching needs.

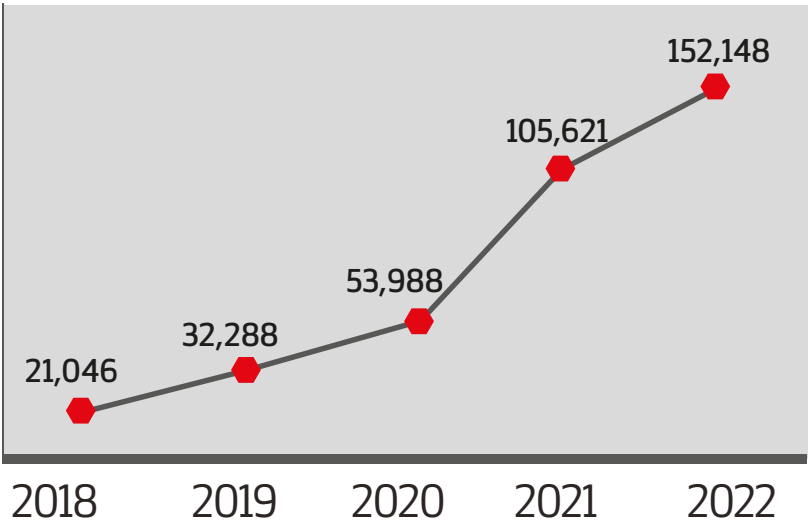
Learning and Development

'Opportunity to Learn and Grow' is one of the main pillars of the Bank's People Happiness Charter. The aim is to invest in employee development and training opportunities so that the employees continue to hone their skills and advance their careers. Specific focus is placed on job role enrichment, upskilling employees and professional development to enhance the skillset of the workforce.

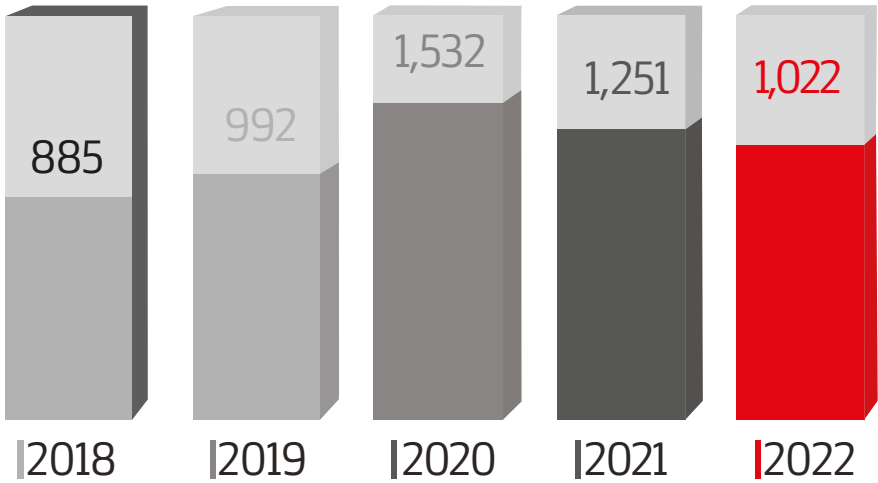
Strengthening the employee induction programs is another focus area to ensure smooth transition of new joiners by equipping them with knowledge about code of conduct, culture, systems, policies and compliance. The Bank hosts two programmes by the name of Start Right – for all new joiners, and 'Ready to Perform' – for front line employees.

2022 remained an exceptional year for learning and development. The year witnessed digital transformation of learning methodologies, revamping the physical learning spaces. From virtual infrastructure up-gradation to extending innovative learning opportunities, the learning division made concerted efforts to equip employees with the best skill-set, enabling them to discover new and better ways to serve the customers.

Number of participants



Number of training programmes



Diversity, Equity and Inclusion (DE&I)

Bank Alfalah aims to become the employer of choice, by creating a conducive environment where people love coming to work and are respected and valued.

The organization's focus on inclusion is evident from the fact that culture has been placed as a central pillar of Bank Alfalah's 5-year strategy demonstrating senior leadership's commitment to improving diversity.

Bank Alfalah believes in diversity of ideas and highly encourages employees to do things differently which is an integral part of the organization's vision and mission.

Bank's values are well defined by allotting behaviors and competencies to the employees providing a holistic understanding to them. This facilitates an alignment to the values leading to a positive culture and a workplace that has a conducive environment for everyone, irrespective of their diversities.

DE&I inspires creativity and innovation, unlocks productivity, and enhances profitability.

Our DE&I strategy rests on the following four pillars:

-  Developing gender intelligent leaders
-  Introducing and monitoring diversity indicators
-  Creating measures to facilitate work-life balance and conducive work culture
-  Helping women succeed and nurture their ambition



The Bank's commitment to build a diverse workforce and an inclusive work culture where everyone is valued, made it win the following awards and accolades in 2022.

GDIB (Global Diversity, Equity and Inclusion Benchmarks) Awards.

Best Practice Awards

- Vision, Strategy and Business Impact
- DEI structure and implementation
- Work-life Integration, Flexibility, and Benefits
- DEI Communications
- Community, Government Relations and Philanthropy
- Services and Products Development
- Marketing and Customer Service
- Progressive Awards
- Leadership and Accountability
- Assessment, Measurement and Research
- DEI Learning and Development



Global Diversity, Equity and Inclusion Benchmarks have been developed by the Centre of Global Inclusion, USA, and serve as standards for organisations around the world to compare and improve their D&I practices. In Pakistan, GDIB Awards are conducted by HR Metrics to recognise organisations' commitment towards DE&I.

The Bank is humbled to receive these awards, and will continue to advance its journey of becoming one of the most diverse and inclusive employers of Pakistan.



Women are
19.13%
of our
entire
workforce

• Female Representation in our Workforce

The Bank is proud to share that women now make up 19.13% of the entire workforce. Women are at the following key roles in the Management Committee and top leadership positions:

- Chief Financial Officer
- Group Head Retail Banking
- Secretary, Central Management Committee
- Head Corporate South
- Head Premier Proposition
- Head Service Distribution
- Head Systems, Policies and Procedures
- Head Corporate Credit Risk
- Head Cash Products
- Head Digital Operations
- Head Cost Control and Secretary CMC
- Head Proximity Payments and Secretary Digital Council
- Head Corporate Communications
- Area Manager(s)
- Team Leader(s) Asset Sales



Since 2018, the focus has been on DE&I policies and programmes. The following initiatives were launched:

a) Childcare Allowance

In pursuit of becoming a family-friendly organisation, Bank Alfalah provides childcare allowance to its women employees and single parents. This initiative fulfills commitment to working mothers/single parents as it helps them arrange day-care/care taker facilities, while setting their sights on their careers.

b) Maternity and Paternity Leave

Both parents have unique roles to play during the first few days with a newborn. Women employees are eligible for a 6-month long maternity leave, while the male employees can avail 7-day paternity leave.

c) Maternity Cover Incentive

Bank launched a maternity cover policy to ensure continuity of work while a woman is away on maternity leave. Employees are offered the opportunity to serve as 'Maternity Cover' for 6 months to take over work of the employees going away on maternity leave. The employee serving as maternity cover gets a special monetary incentive at the end of 6 months. Serving as the maternity cover offers development opportunities for employees as it diversifies their experience and gives them the chance to learn new skills.

d) Iddat Leave

This is a unique type of leave that Bank Alfalah is offering across all industries. A fully paid 130-day long iddat leave for the women employees in the unfortunate event of their spouse's death so they may have job security and peace of mind during their grieving time.

e) Flexible Working Hours

Bank Alfalah aims to create an environment where the value of flexible working hours is understood and managers are receptive to the needs of their teams. This policy reinforces a culture of meritocracy through focus on outcomes rather than location or hours worked.

f) Communication Channel for Women

Bank Alfalah has a channel specifically dedicated to women through which the Bank regularly stays engaged with its employees by sharing articles, counseling services, and reinforcing policies on how to handle harassment. This interactive approach helps create a more conducive work environment for them.

g) Employee Volunteering Leave

Bank Alfalah offer leave of upto 2 working days during which employees can donate their time and talents to the communities around them.

h) Celebrating International Women's Day

In 2022, the Bank celebrated the entire month of March as the month of happiness for women during which we:

- Sent out celebratory chocolates to all women
- Rolled out communications to emphasize on the benefits for women
- Re-launched e-learning for gender stereotypes
- Launched a logo for Diversity, Equity and Inclusion

i) Meet and greet sessions

Conducted high impact meet and greet engagement sessions in Karachi and Lahore covering over 70% women bank-wide by engaging the masses and creating awareness on the DE&I.



People Happiness and Employee Engagement Survey

Bank Alfalah believes that having a data-driven approach to every project proposed, ensures all the initiatives are people-orientated at their core. The Bank has a multi-faceted approach to measure culture at Bank Alfalah. To ensure a healthy work culture and seamless employee experience, Happiness and Engagement survey is conducted. The significance of the survey is as follows:

- Measures Engagement - A valid assessment of how engaged or disengaged the employees are using scales from validated psychometric surveys.
- A Venue for Open Feedback - Participants' direct voice reaches management.
- The 'How' to 'Increasing Employee Engagement' - Create direct initiatives and interventions to address problem areas and reduce attrition.
- Direct Organisational Growth - Receiving valuable actionable data to implement for organisational growth in all areas of business.



Employee Relations

• Conduct and Integrity

At Bank Alfalah, employees are expected to conduct themselves in accordance with high standards of personal and professional integrity, and in compliance with all the laws, regulations, corporate policies and procedures in force. In order to instill the employees with true spirit of the culture based on the corporate values, its considered one of the prime responsibilities to organise awareness sessions on conduct and integrity on a regular basis.

Every possible effort is made to cover all aspects of the conduct an employee is expected to follow at the Bank. Regular engagement sessions on treating employees fairly with line managers are hosted to acquaint them with the skills and competencies required to enable a conducive environment. A process to raise a grievance is in place and internal campaigns happens to reinforce and create awareness about Employee Relations and its processes.

This aims to create a safe working space for all employees with a solution-based approach where employees can raise their concerns regarding:

- Discrimination
- Maltreatment
- Harassment
- Intimidation
- Unfair Treatment
- False Accusations

Sessions were organised for the staff to minutely cover the topic of 'Protection against Harassment of Women' at workplace to make them realise that Bank Alfalah is uncompromisingly committed to offering a work environment where all its staff feel safe and have equal growth opportunities.

These sessions are meant to empower the employees so that they are able to make informed decisions and work with their full potential towards organisational growth, while securing against internal and external compliance issues.



HR Rewards and Services

- **Remuneration Policy Implementation**

Bank Alfalah has a Remuneration Policy in place. The policy was prepared in accordance with the directives of the SBP. For details about the Remuneration Policy, please see the Governance section of this Annual Report.

- **HR Quick Connect**

The Bank has provided employees with a centralised platform where they can access updated HR policies and documents with a single click. This provides hassle-free access to important documents.

- **Adhoc Allowance**

Owing to the rising inflationary pressures, BAFL gave an ad-hoc relief allowance for employees for 6 months. The allowance ranged from 11% to 22% of their base salary

- **Bank Alfalah Employee Welfare Programme**

The Employee Welfare Programme, which is contributory in nature and aims at providing financial assistance to employees in need for the following purposes:

- Medical Grant: Provides funds for medical emergencies/treatment of employees and their families (insured dependents), where health insurance limit is exhausted as per the Bank's hospitalization policy.
- Marriage Grant: Provides funds for daughters' marriages.
- Educational Grant: Provides funds to pay admission fee for professional/postgraduate degrees of employee's children.

Employees contribute to the fund on a monthly basis and the monthly contributions are matched by the Bank. During 2022, 453 employees were facilitated through BAF Employee Welfare Programme.

- **Assistance to staff affected by floods**

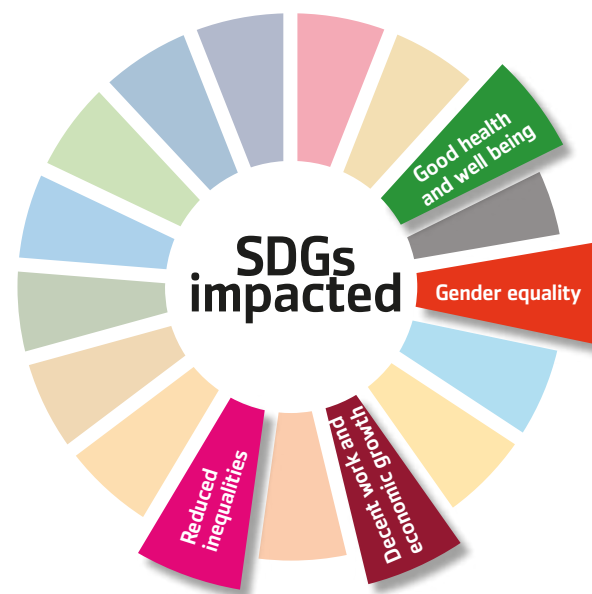
In addition to this, special consideration was given to employees affected by the 2022 floods to support them during these testing times.

- **Community Building**

The organization is socially responsible and is generous in partnering with or supporting other social organizations to advance the holistic objective of uplifting the community. Employees are encouraged to participate in and support various community projects. Some examples include:

1. All employees make a monthly contribution to the Employee Welfare Program. Any permanent or third-party employee can avail support in times of financial hardships.
2. Collaborated with different foundations to conduct blood donation drives across Pakistan. All employees have access to blood provision in case of emergency.

Actions in Human Capital relate to following SDGs:



3
To ensure safe & healthy workplace & overall well-being of our employees, various initiatives have been undertaken

5 10
Fair hiring process & no discrimination irrespective of locality, gender or ethnicity of employees

8
To improve professional efficiency Bank Alfalah gives highest importance on training & workshop

31st Annual General Meeting

Monday, March 20, 2023



Shareholders and Investors

Bank Alfalah, being a public listed company, ensures timely disclosure of all material information to the shareholders through Pakistan Stock Exchange. The Bank has an Investor Relations (IR) Department to effectively inform all stakeholders of any material development through various forums and organises quarterly presentations on results, operations, and concerning material developments. Investors can easily access our financials and analyst briefings, which are available on the Bank's official website.

Steps taken to encourage minority shareholders to attend General Meetings

The Bank organises shareholders' meetings in order to have proper communication with its shareholders, especially minority shareholders. Each shareholder, irrespective of holding and voting power is important to the Bank. The Bank values them, their concerns, suggestions and grievances, if any. At each Annual General Meeting (AGM) or Extraordinary General Meeting (EOGM), the Bank ensures two-way communication with shareholders.

Steps taken about redressal of investors' complaints

Questions, grievances, or concerns made by shareholders

Review all logs honestly and objectively, and provide a quick answer.

Send information to the concerned shareholder when the share department has resolved the issue.

Society

Bank Alfalah considers contributing to society a prime responsibility of the Bank as a responsible corporate citizen.

Please refer to the Sustainability Strategy section of this Sustainability Report for details on the engagement with community/society.

Media

The media is instrumental in communicating the Bank’s vision, mission and core beliefs in order to inform and educate customers and stakeholders. The Bank utilises conventional and digital media to reach its audience. Whether its television and print or the increasingly popular social media, the Bank aspires to expand its footprint, establish its brand, and inform and update its customers regarding its initiatives and tailor-made offerings. Without the press, the Bank would not be able to develop a relationship of trust with its stakeholders.

The Bank fully uses the impact of media to keep all its stakeholders informed and aware of its performance. The role of the media is immense in the spread of information pertaining to the Bank, whether it’s information on financial literacy, green banking, digitisation, DE&I initiatives, regulations, advertisements or promotions. The Bank strives to maintain frequent and open communication with the media at all times to create brand awareness and strengthen its brand image.

Media engagement plays a vital role in the reputation and growth of a company. The company's media coverage can be an indication of its success, brand image, and impact on society. In 2022, the Bank received over 1000 media hits in various blogs, newspapers, radio and TV channels.

Impact Created

The highest coverage was received by the press conference in which the President and CEO announced that the Bank would be donating 10 million dollars for flood relief and rehabilitation efforts. This coverage was significant, as it highlights the company's social responsibility and commitment to community welfare. This coverage also reflects positively on the company's brand image and reputation.

Other topics that received coverage include partnerships, sustainability, Bank winning accolades, financial results, employer branding, and stock buyback. These topics indicate that the company is engaged in various activities that are of interest to the media and the public.

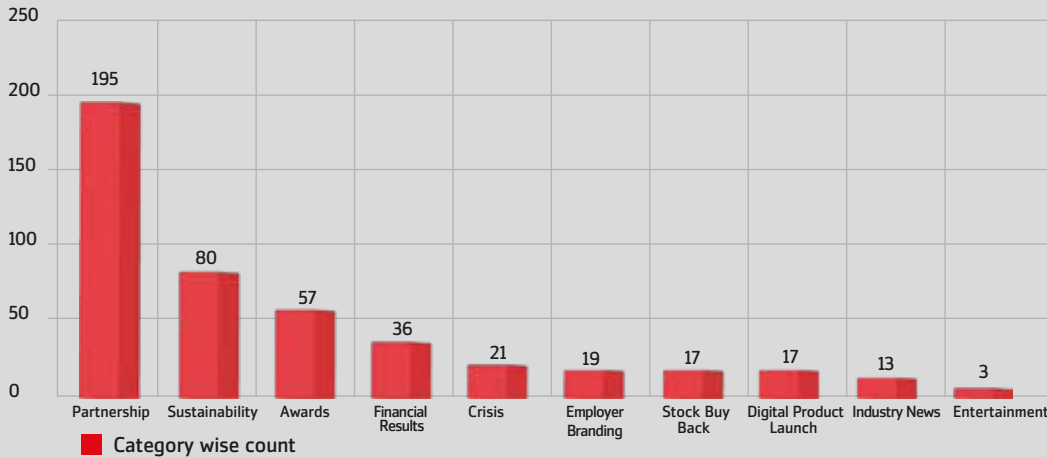
Media Coverage

The Bank received over 1000 media hits in newspapers and TV channels. This number indicates a high level of media engagement and interest in the company's activities. The coverage was primarily positive, with over 90 percent of the mentions being positive, 8 percent neutral, and 2 percent negative. This is an excellent outcome as positive media coverage can enhance the company's reputation and increase customer trust and loyalty.

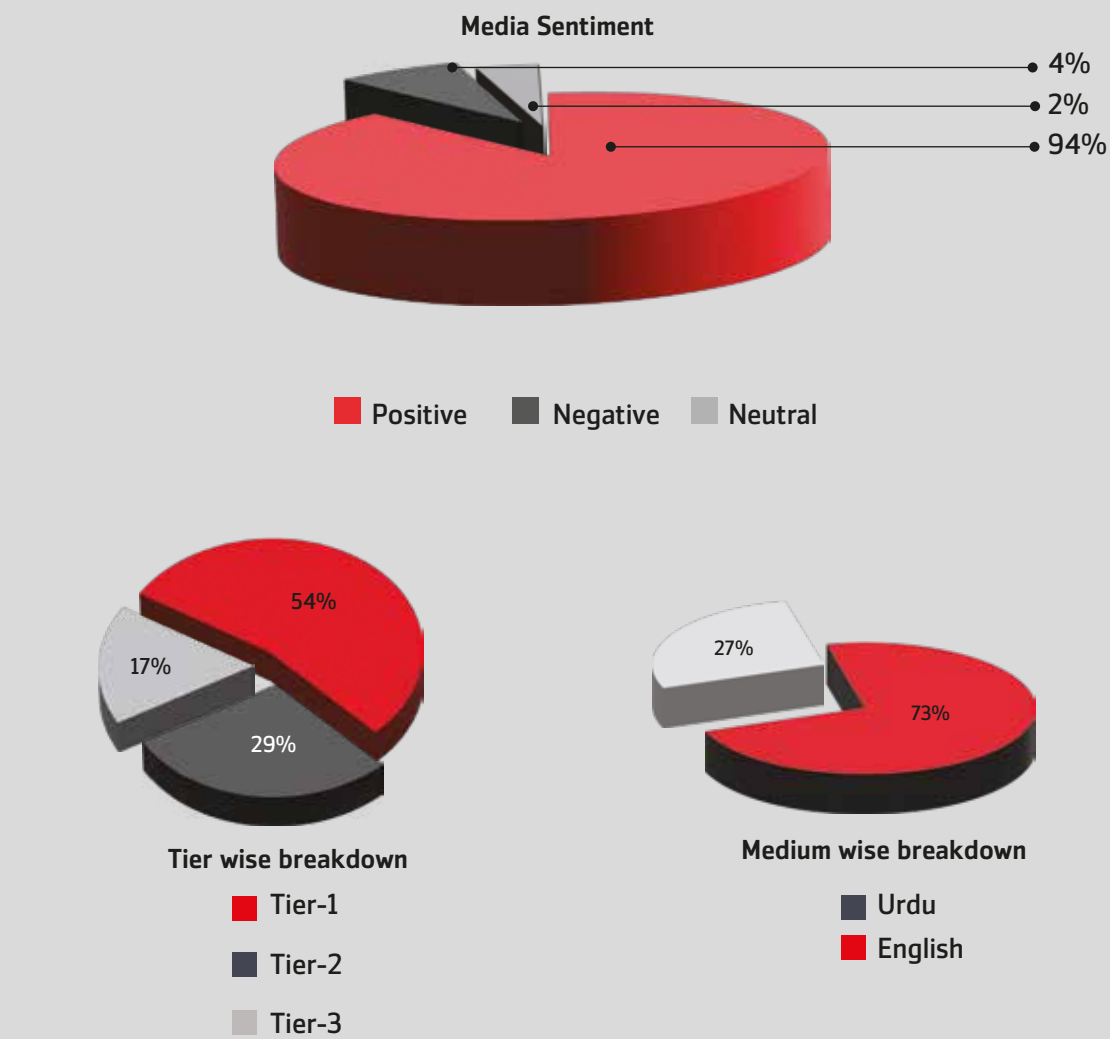
The coverage was primarily in English newspapers, with 73 percent of the mentions in English and 27 percent in Urdu. This indicates that the company has a strong presence in the English-speaking market, but it also needs to increase its outreach to the Urdu-speaking audience.

The Bank received coverage in both tier-1 and tier-2 and 3 news outlets. Tier-1 news outlets covered more than 50 percent of the company's media mentions, while tier-2 and 3 outlets covered over 40 percent. This indicates that the company is successful in engaging with both mainstream and niche media outlets

Media Coverage Synopsis



Media Coverage - Snapshot





SUSTAINABILITY STRATEGY

Sustainability and CSR Policy

Philanthropic investments and donations are instrumental in enhancing Bank Alfalah’s reputation, projecting a positive image amongst its internal and external stakeholders. These initiatives portray Bank’s commitment towards long-term, sustainable initiatives. The priority areas for Bank Alfalah include education, health, social welfare, environmental sustainability, leadership development, promotion of sports, arts and culture.

Bank’s policy outlines the procedures pertaining to processing, approval, disbursement and monitoring of Philanthropic Investments and Donations.

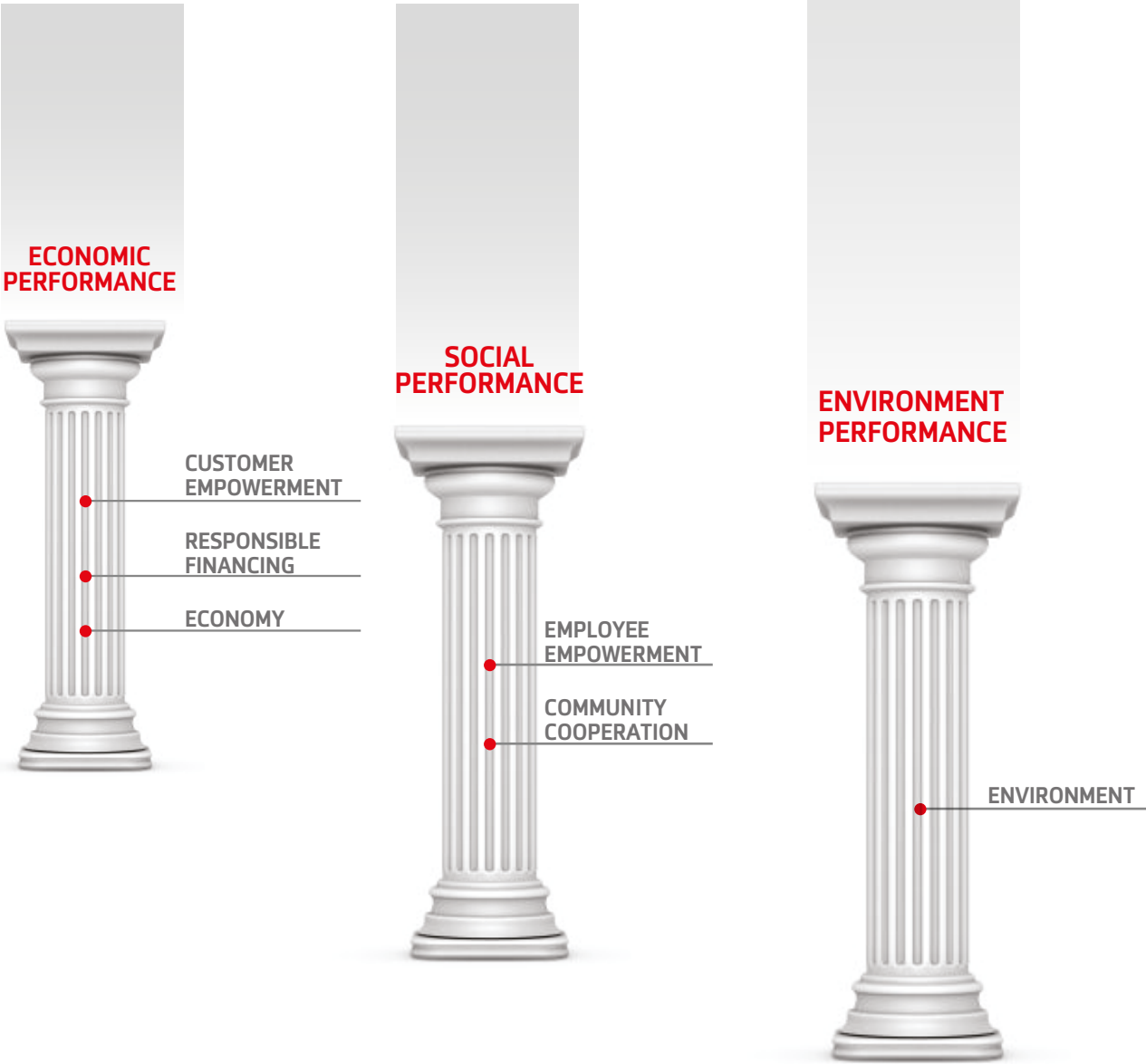


Pillars of Sustainability Strategy

Sustainability is one of the key area of Bank's focus. Everyday the Bank works hard to ensure that operations are directed towards creating a more sustainable, healthier, safer, and community-caring organisation. As part of our sustainable approach, the Bank is keen to ensure effective controls, efficient procedures, community care, ethics and natural capital protection.

The Bank strive to increase the scale, efficiency and profitability of the operations in a way that enables the Bank become a socially responsible corporate citizen.

Highlights of the Bank’s Sustainability Programme:



Role of the Board and the Management

The Chairman of the Board and the Chief Executive Officer of the Bank, play a substantial and significant role in creating a sustainable impact on the society by providing the Management with strategic direction and helping it materialise its Mission and Vision.

In this regard, key roles and responsibilities of the Chairman and the CEO are described below.



Key Roles and Responsibilities of the Chairman

The Chairman of the Board acts as a leading figure for both the Board of Directors, and is entrusted with numerous responsibilities and roles ranging from monitoring Board level decision-making activities to safeguarding the Bank’s commercial interests.

Other responsibilities include:

- To serve as a leader and driving agent of the Board of Directors, monitoring and managing all of its activities, and aligning the Board’s goals and decisions with that of the Management;
- To ensure that the Board stays in the right direction with respect to achieving its objectives;
- To preside over the Board’s meetings and general meetings, and ensure that these meetings are executed productively and key agenda is discussed along with a valuable conclusion/decision. The Chairman also oversees the Board’s key decision-making activities; and
- To exercise powers and authorities that are vested in and conferred to the Chairman under the Terms of Reference of Board Committees as approved by the Board of Directors



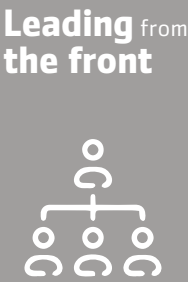
Key Roles and Responsibilities of the President and CEO



The Chief Executive Officer at Bank Alfalah also plays a critical and significant role, and is entrusted with numerous responsibilities, subject to the control and supervision of the Board of Directors.

Key responsibilities include:

- To serve as the link between the Board and Senior Management for execution of Board driven vision and strategies;
- To manage and administer the affairs of the Bank in accordance with laws, rules, regulations, and the Memorandum and Articles of Association of the Bank;
- To comply with and ensure bank-wise implementation of and compliance with all policies, procedures and manuals approved by the Board of Directors, and any directives given by the Board of Directors or Board Committee(s);
- To prepare plans for growth and expansion of the Bank’s operations in Pakistan and abroad, and submit the same for consideration and approval of the Board of Directors;
- To appoint, promote, transfer, suspend or dismiss employees of the Bank and x their remuneration and other entitlements in accordance with the policies and procedures approved by the Board of Directors;
- To deal with, represent, and act on behalf of the Bank before the State Bank of Pakistan, Securities and Exchange Commission of Pakistan, federal and provincial ministries, government departments, local bodies, corporations, courts, stock exchanges, and any other competent authority; and
- To ensure that the Bank performs to the highest levels of ethical, legal and business standards in order to execute the Bank’s strategies effectively in line with all applicable laws.
- To ensure that the culture and values of the Bank are upheld at all times, the Board receives timely, accurate and complete information, shareholders’ interests are protected in compliance with laws and regulations, meetings are duly recorded, productive participation of board members, and effective resolution of issues.





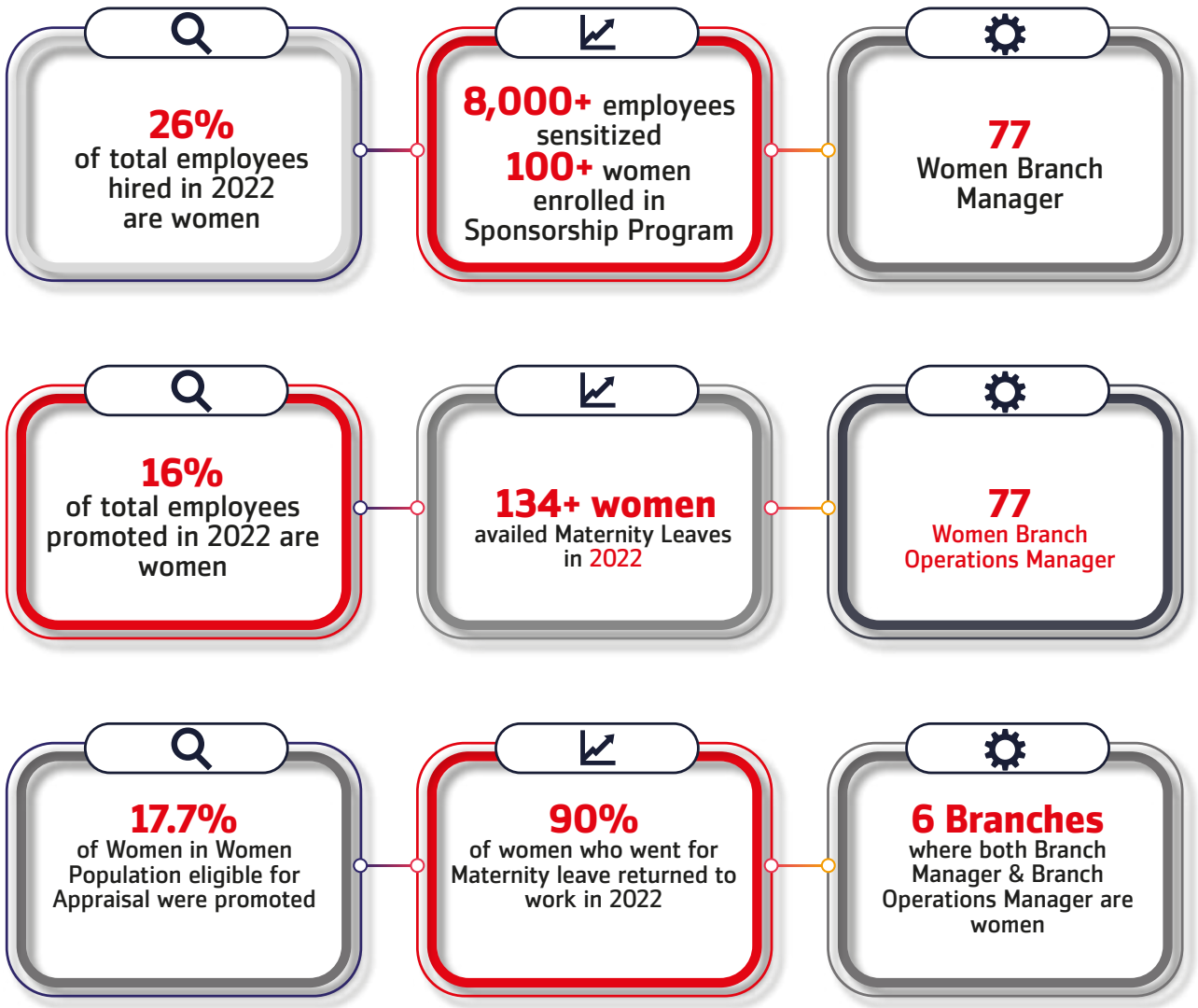
Board's Policy on Diversity



The Bank recognises and embraces the benefits of having a diverse Board, and sees increasing diversity at Board level as an essential element in maintaining a competitive advantage. A truly diverse Board will include, and makes good use of, differences in the knowledge & skills, competencies, regional and industry experience, background, gender, race, caste, creed and other distinctions between Directors. These differences determine the optimum composition of the Board, and should be balanced appropriately, when possible.

All Board appointments are merit-based, in the context of the skills, experience, independence and knowledge, which the Board as a whole requires to be effective.

Banking on Equality - Human Resource





Training and Awareness Programs on Sustainability

In 2022,
ESMS/ESRM training
covered about
100
employees

In 2022, the Bank has developed an e-learning training module on 'Green Banking' covering all the three components of SBP's Green Banking Guidelines for existing staff. For new joiners, the orientation program has a portion of 'Green Banking' training. In total 9,464 employees attended a training on 'Green Banking' during the reporting period.

Bank has also conducted:

- 'Environmental and Social Management System' (ESMS) refresher training for Business Relationship staff and
- 'ESMS training for Credit Staff to review Category C (low risk) cases' were imparted.
- One-day Training on SBP's Environmental & Social Risk Management (ESRM) Implementation manual' was also imparted to the concerned Bank staff by IFC Senior Environmental Specialist.

During 2022, ESMS/ESRM training covered in total about 100 employees. They were fully explained the three components of ESMS framework which are IFC exclusion list, national laws and regulations and IFC performance Standards.



Trained
9,464
employees on
'Green Banking'



Social and Environmental Responsibility Policy

Bank Alfalah has very high regard for its social and environmental responsibility. The Bank is committed to understanding, monitoring and managing its social, environmental and economic impact to enable it to contribute to society's broader sustainable development goal. This commitment is deeply ingrained in its core values, and the Bank aims to demonstrate these responsibilities through its actions and corporate policies.

The following are the guiding principles for the Bank's activities:

- Ingrained our vision for a safe, environment-friendly and socially-responsible culture into the organisation;
- Effective management of our activities to minimise the impact on the environment;
- Support local employment and entrepreneurship;
- Support the development of infrastructure, health, education, training and cultural activities in collaboration with the community;
- Compliance with local and international social and environmental laws;
- Increase the frequency of social welfare activities;
- Introducing top-of-the-line products that support environment-friendly procurements;
- Continuous emphasis on safe and clean building designs;
- Collaborate with employees, customers and all other stakeholders for mutual benefits; and
- Develop mechanisms and processes for the preservation of natural capital.

Employee Health, Safety and Protection

Bank Alfalah takes keen interest in the health, safety and protection of its employees. It has an established and dedicated unit to implement and monitor health & safety related matter. For more details, please refer to 'Sustainability and Corporate Social Responsibility' section of the Annual Report.

Sustainability Champions



Mehreen Ahmed
Group Head Retail Banking

“Enhancing financial literacy is imperative for everyone, as it has the power to enhance their autonomy and economic welfare greatly.”



Mohammad Yahya Khan
Group Head Digital Banking

“Bank Alfalah acknowledges the crucial role of digital financial solutions in advancing financial inclusion in today's dynamic financial landscape. We are thankful to our customers for using Alfa to donate in 2022, for charitable and sustainable causes.”



Imran Asad Khan
Head- Branch Banking Operations Division

“Small contributions and gestures can send big signals about who we are and what we care about.”



Faisal Farooq Khan
Chief Human Resource Officer

“We pledge to provide continuous support to those impacted through our collective contribution.”



Faisal Rabani
Chief Risk Officer-Credit & Risk Management Group

“Green banking is now a necessity for a sustainable future. Banks must adopt sustainable practices to stay relevant in today's changing economy. It's not just a passing trend, but an essential requirement for the banking industry.”



Ahsan Mankee
Head Learning and Development

“The momentum of financial inclusion in women is a priority area at Bank Alfalah, and this topic is receiving a growing amount of attention on economic, social and development issues, led by Bank Alfalah.”



Rehan Naeem
Head Culture Enablement Department

“Our People's Happiness Framework focuses on five areas of well-being: mental, physical, emotional, financial, and career development. We prioritize working with our people to maintain and improve their overall well-being.”



Faisal Rauf
Head Digital Corporate & Small, Medium, Micro Enterprises

“We take great pride in working with BISP to ensure adequate financial assistance is provided to marginalized segments of society. Our partnership with them focuses on promoting financial inclusion, women's empowerment, and poverty alleviation through various initiatives.”



Shaykh Zeeshan Rauf
Head SME & Commercial Division

“Small and Medium Enterprises (SME) are the fundamental building blocks for sustainable growth of any developing economy. At Bank Alfalah, we have always focused on financial inclusion and serving the underserved sectors of this segment, through the most diversified and unique product offering and one of the largest distribution channels in the industry.”



Fatima Tauseef
Unit Head Diversity, Equity and Inclusion

“At Bank Alfalah, we choose to be diverse as it is not only important for creating a just and equitable workplace, but we embrace and value the unique perspectives which open doors to innovative solutions and a more sustainable future for all.”



Aneeqa Kayani
Head Premier Proposition Department

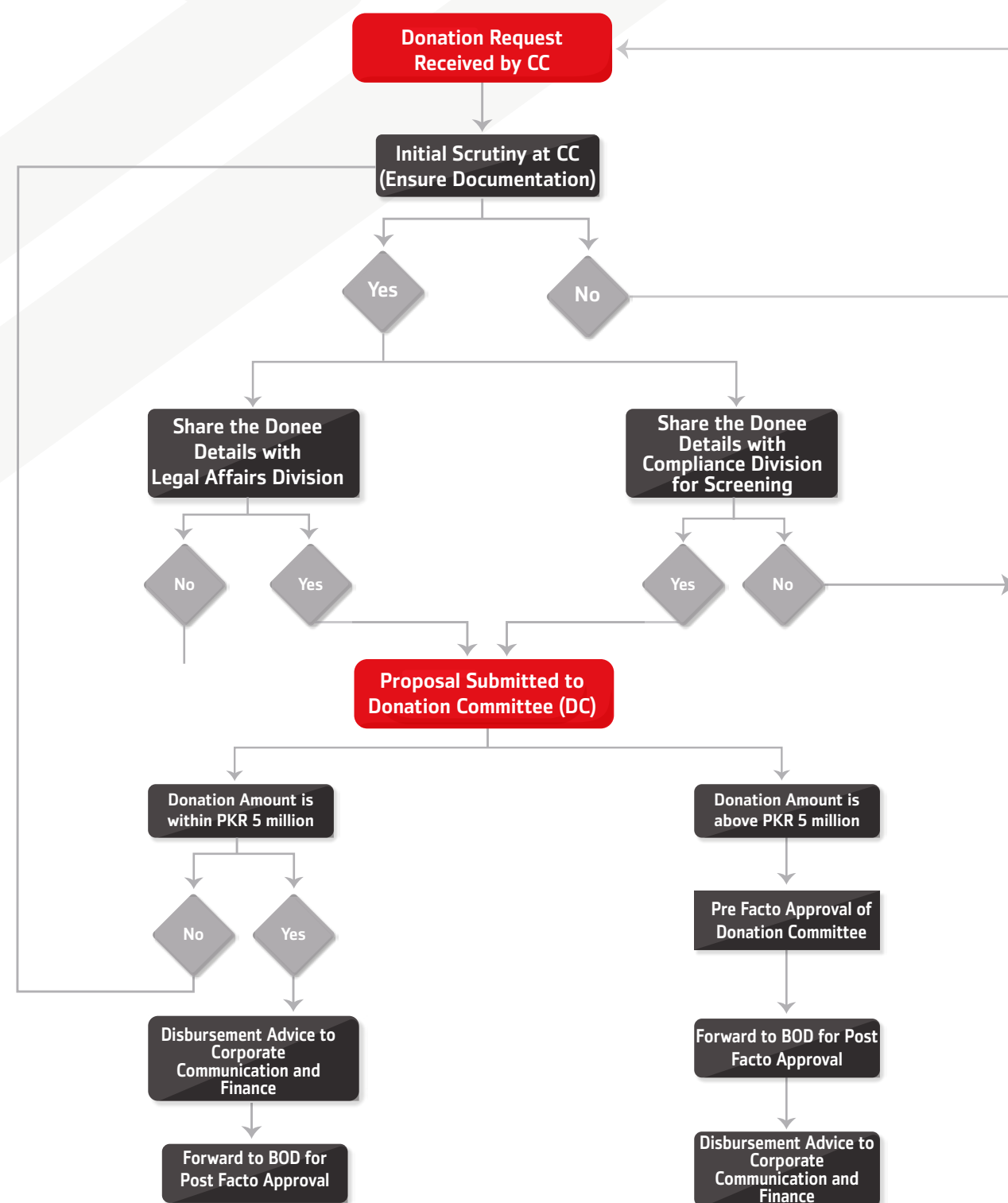
“At Bank Alfalah, we strongly believe in the business and social impact created by a diverse workforce and customer base. We recognise the importance of women in the workforce and ensure they have equal access to opportunities and resources, policies that support their requirements and an environment where they are treated fairly and respectfully.”



Talha Hyder
Assistant Manager Corporate Communications

“At Bank Alfalah, we are committed to advancing the SDG goals and promoting sustainability in how we conduct our business. We believe that our success as a bank is tied to the success of our customers and the communities we serve, and we are dedicated to creating shared value for all stakeholders.”

Monitoring Mechanism of Sustainability Performance



After the disbursement of doantions amount the NGO submits the utilisiation report within a year.

Sustainable Development Goals and the Bank's Contribution



Background

Sustainable Development Goals (SDGs) are a universal movement to end poverty, protect the climate, and ensure that all people enjoy peace and prosperity. The United Nations member states adopted the 2030 Agenda for Sustainable Development to provide a better and sustainable future for all. There are 17 SDGs, the scope of which is to address climate change, economic inequality, health provisioning, quality education, gender equality, clean water and sanitation, decent work and economic growth, sustainable cities and communities, and other matters related to building and sustaining a prosperous, peaceful and environment-friendly world. The SDGs provide clear guidelines and targets for all countries to adopt in accordance with their own challenges and requirements.

Global Reporting Initiatives (GRIs) are Sustainability Reporting Standards designed to be used by organizations to report about their impacts on the economy, the environment, and/or society.

Statement of Adoption

The Bank follows these goals/reporting initiatives and strives to establish itself as a contributor to environmental safety.

By contributing to these goals, the Bank aims to achieve the following:

1. Align itself with the priorities of the Government of Pakistan, which in turn is required to achieve the goals set by the UN
2. Mitigate business risks by addressing empirical risks
3. Attract new customers by building brand image
4. Increase the loyalty of its customers due to better brand reputation
5. Establish new business opportunities and markets
6. Bolster the company's financial performance
7. Access new capital

Bank's Initiatives



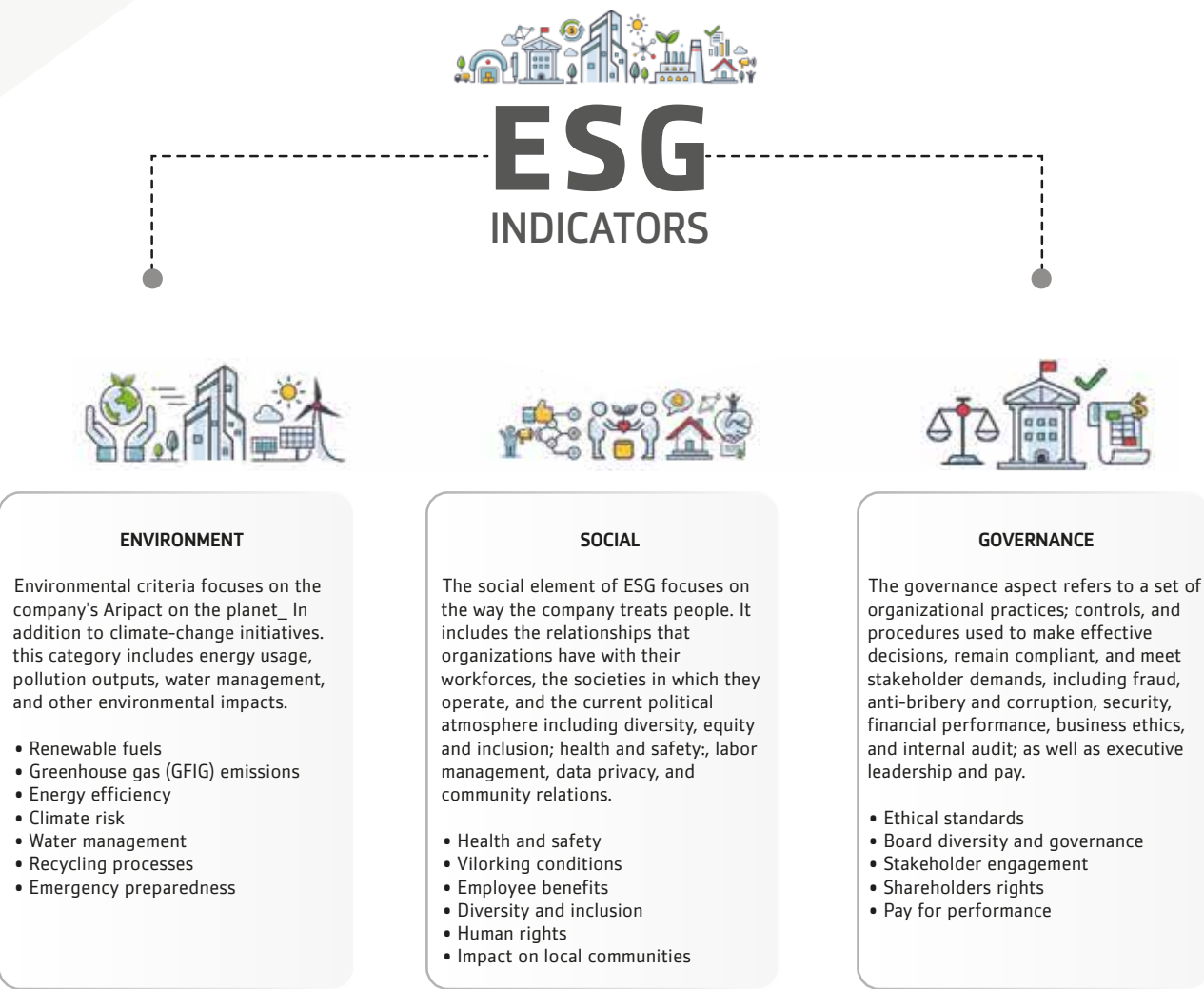
Economic	Partnership with Akhuwat	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Ensuring Living Wage and ad-hoc allowance to meet inflationary pressure	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Implementing government and State Bank initiatives	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Integrating Charity Partners on App	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Subsidised agricultural loans	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Distribution of ration to Bank employees	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Subsidised loans through Kamyab Jawan Youth Entrepreneurship Programme	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Growth through expansion in branches and hiring of employees	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnership with Pakistan Microfinance Investment Company to promote small loans	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnership with Mobilink Microfinance Bank to provide small ticket loans	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Financial Inclusion via Agent Network, QR payments, Cash Deposit Machines, RAPID and RDA	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Collaborating with SBP's Temporary Economic Refinance Facility to promote exports	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Amplify digital infrastructure by expanding the network of ATMs, CDMs, POS machines, QR payments	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Subsidised loans for house building	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Bank Alfalah's Chairman and Board Pledged USD 10 million to support flood-impacted communities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Social	Not lending money in the tobacco, arms and ammunition industry	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	No financing for an organisation with child labour involved in the supply chain	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	100% compliance with labour laws	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Medical coverage to all employees, including dependents	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employee Well-Being at the core via Happiness Framework	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnering with primary, secondary, professional and vocational educational institutes	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Employees volunteered as mentors at schools	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnered with IBA for Alfalah Islamic Scholarship	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Banking on Equality	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Launched a Returnship Programme	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Launched SheLead Leadership Development Programme	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	6 months maternity leave and child care allowance	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Launched Falah Asaan Women Digital Accounts	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Work From Home policy on Fridays to reduce carbon footprint	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Tree Plantation Drive	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
Environment	150 ATMs on Solar power	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Distributed 5,000 water filters to flood-impacted communities	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Financing Sapphire Wind Power Company	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Alfalah Green Energy to Facilitate Green Businesses	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Financing for Ghara Solar, Gull Ahmed Wind Power, Metro Power, Master Green Energy and Din Energy	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnered with over 21 renowned organisations for creating a sustainable future	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Collaborating with SBP's initiative for sustainable banking practices in Pakistan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
	Partnering with IFC and benchmarking global standards of banking in Pakistan	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓
		✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓	✓

Please refer to the 'Sustainability' section of the Annual Report, 2022 for details on SDG initiatives.

Environment, Social and Governance Initiatives

Background

All three ESG disciplines have distinct set of standards and practices but at a consolidated level, they indicate an organization's dedication to achieving the greater good for the environment, society and the organisation itself. Shareholders/investors, customers, employees, and other stakeholders expect companies to reduce impacts that their businesses have on environment and be more transparent about ESG reporting. ESG program looks at business practices to ensure that the companies actually do what they are required to do. There are important components within each ESG discipline:



Statement of Adoption

The Bank contributes towards each of the three pillars of ESG to the maximum possible extent.

Compliance Status

Bank believes in sustainable growth while adhering to best ESG practices. The Bank also takes guidance from ESG Indicators from the Pakistan Stock Exchange (PSX). Given below are the contributions made by the Bank and steps in progress:

Pillars	Indicators	Supporting Activities in year 2022
Environment	Climate Risk	The Bank identifies Environmental Risk and takes mitigation strategies to protect the business and the environment surrounding it. For further details, refer 'Risk and Opportunities' section of the Annual Report.
	Renewable Fuels	The Banks supports for Renewable Fuels like 1) Green Financing (Renewable Energy) and 2) Green Projects. For further details, refer 'Sustainability' section of the Annual Report.
	Recycling Processes	The Bank has taken various measures to adopt recycling processes to reduce the impacts on climate. This includes responsible waste management through recycling processes, conservative paper printing and reusage of printed papers throughout the organization. For further details, refer 'Sustainability' section of this Sustainability Report.
	Emergency Preparedness	The Bank assesses and remains adaptable to crisis. The Bank has Board and management level Crisis Management Committees to oversee emergencies and Business Continuity Plans are in place. For further details on committee TORs, meetings, performance and BCP plans, refer 'Governance' section of the Annual Report.
	Water Management	The Bank takes action to conserve water during its daily operations. Refer Water Conservation and Sanitation measures in 'Sustainability' section of the Annual Report.
	Greenhouse Gas (GHG) Emissions	The Bank is working with WWF to identify its carbon footprints.
	Energy Efficiency	The Bank has taken various steps in this regard: 1. Conversion of normal ACs to Inverter ACs/Solar ACs 2. Work from Home on Fridays for all head office buildings in Karachi & Lahore 3. Opening green branches where the branch has lesser dependency on power grid 4. Making more use of solar energy to fulfill power needs of the Bank 5. Financing for modernized farming resulting in more crops production with less waster utilization.
Social	Health & Safety	The Bank's dedicated HSE team endeavors for safety of its employees and customers. Further, the Bank has Employee Welfare Programs to support medical expenses of employees in need and 2) Donations to health sector and donations to employees affected by floods. For further details, refer 'Sustainability' section of the Annual Report.

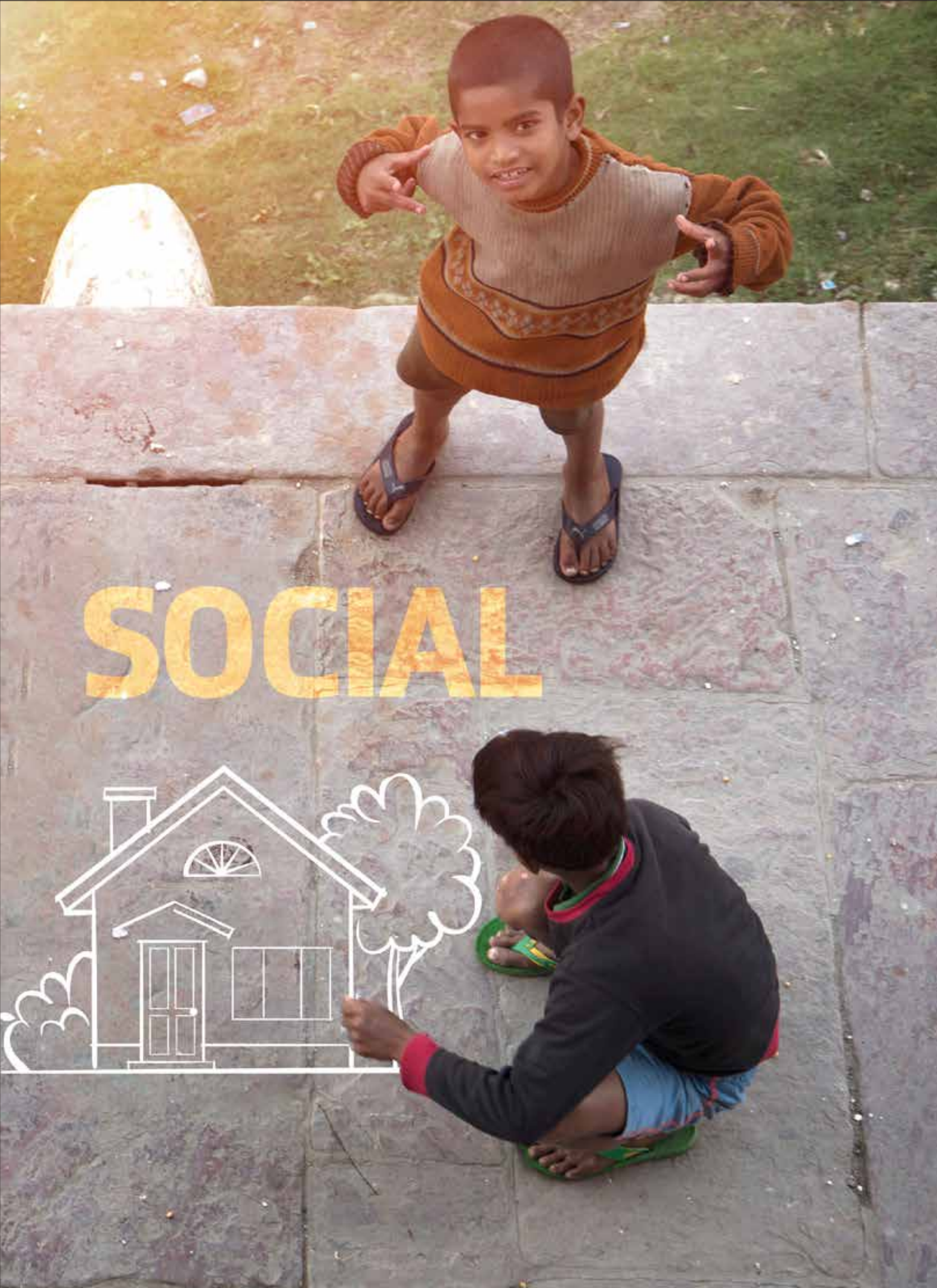
Pillars	Indicators	Some Possible Activities
Social	Employee Benefits	Employees are key stakeholders of the Bank. They Bank takes all necessary steps to implement employee friendly policies, conducive working environment, health and safety and fair remuneration. For further details, refer 'Stakeholders' section of the Annual Report.
	Human Rights	<p>The Bank takes all necessary measures to promote human rights on all fronts. Given below are bank's contributions</p> <ol style="list-style-type: none">1. Bank Alfalah complies with IFC guidelines whereby it does not lend money to organisations involved in activities pertaining to child labour;2. Bank Alfalah is one of the only two banks in Pakistan that offers a six month paid maternity leave to all our women employees, and the only bank to offer a maternity cover incentive to the employees who serve as maternity covers for the women availing maternity leaves; and3. Bank Alfalah actively supports its female and single parent employees through our child care policy. This initiative anchors the Bank's commitment to working mothers/single parents as it provides them ease in arranging for a day care/care taker whilst setting their sights on their careers. <p>For further details, refer 'Stakeholders' and 'Sustainability' sections of the Annual Report.</p>
	Diversity & Inclusion	We at Bank Alfalah embarked upon a Diversity and Inclusion (D&I) journey because we strongly believe in the business and social impact created by a diverse workforce and an inclusive work culture. We want to build a workforce that is representative of different genders, ages, backgrounds, experiences, working styles and abilities. We harbour a commitment towards fostering a workplace culture where people can bring their best and authentic selves every day. We believe that D&I inspires creativity and innovation unlocks productivity, and enhances profitability. For further details, refer 'Stakeholders' section of the Annual Report.
	Working Conditions	Our professional and experienced HSE (Health, Safety and Environment) and Business Resilience teams continually strive to create a culture which ensures that our services are made available to customers in a safe manner, despite any disruptive events or crises. Our frameworks and emergency protocols, proactive planning, trainings, exercise programmes, advisories and alerts, premises inspections and hazard mitigation plans distinguish us as a standard setter in the industry. For further details, refer to the 'Sustainability' section within the Annual Report.
	Impact on Local Communities	Bank Alfalah is committed to Corporate Social Responsibility (CSR). Our CSR initiatives have enhanced the Bank's reputation by contributing positively to the society. Throughout the year, Bank Alfalah remained committed and contributed to economic, social and environmental development. Above all, Bank Alfalah was at the forefront of efforts to support the vulnerable and underserved segments of society affected by floods. The Bank is responsible for funding institutions, projects and facilities that share the same belief of philanthropy, aligned with our motto of 'giving back to our communities', and adhere to our CSR policies. These community services create a ripple effect and alleviate hardships for the less privileged in our society. Priority CSR areas for the Bank include education, health, social welfare, environmental sustainability, leadership development, and promotion of sports, arts and culture. For further details, refer to the 'Sustainability' section within this Sustainability Report.

Pillars	Indicators	Some Possible Activities
Governance	Board Diversity and Governance	The Bank follows diversity in the formation of Board and senior management including committees. Further, it covers all governance aspects through formation of policies. For further details, refer to the Governance section within the Annual Report.
	Pay for Performance	The Bank follows remuneration guidelines given by the State Bank of Pakistan. Further, it has Board level committees (Human Resource, Remuneration and Nominations Committee and Compensation Committee) to monitor and ensure transparency in all aspects. For further details on their TORs, meetings and performance of these committees, refer to the Governance section the Annual Report.
	Stakeholder Engagement	The Bank identifies its stakeholders and monitors its relationships through a multitude of communication channels, including regular dialogue. The Bank's primary stakeholders are the employees, customers, shareholders/institutional investors, suppliers/vendors, analysts and rating agencies, regulatory bodies and society/community and media. For further details, refer Stakeholders Engagement section of this Sustainability Report.
	Shareholder Rights	The Bank protects rights of all of its shareholders by fair policies, transparent disclosures, constant engagement to ensure effective communication and informed decision making. For further details, refer Stakeholders Engagement section of this Sustainability Report.
	Ethical Standards	The Bank adopts fair business practices. Its utmost objective is to protects the rights of customers. The Bank has Business Ethics and Anti-Corruption Measures in place. For further details, refer 'Governance' section of the Annual Report.

Certifications Acquired and International Standards Adopted

The Environmental Risk Unit is responsible for identifying, vetting and approving projects from an Environmental & Social Management Risk (ESRM) perspective. Key personnel in the unit have acquired IFC online certification of Sustainability Training and E-Learning Programme (STEP).

Our Business Resilience and Health and Safety team has acquired reputable, industry-wide and internationally recognised degrees and certifications, including NEBOSH International General Certification, HABC Level 2-International Certification in Fire Safety, HABC-Certified International First Aider, Diploma (HSE), ISO 22301, ISO 45001, CEH, etc.



Social Performance



Employees Empowerment

01

Total Employees
13,862
Female Employees
2,658

02

Medical Facility
Rs. 588 Mn
to employees and
dependents

03

Education Assistance
to **246** Employees
Rs. 13.6 Mn
Training to **13,320**
Employees



Community Cooperation

01

Donation Paid
Rs. 332.1 Mn
Charity Paid
Rs. 22 Mn

02

Zakat Paid
Rs. 144 Mn

03

Employee Welfare
Rs. 61.5 Mn
Staff Benefited: **453**
Flood Relief to Staff
Rs. 39.3 Mn
Staff Benefitted: **279**

Employees Empowerment



Human Capital Group focuses on establishing a link between people, strategy and performance in order to execute the Bank's overall strategy and make Bank Alfalah an employer of choice.

- **Equal Opportunity Employer**

As a progressive organisation, we strongly believe in providing everyone with an equal opportunity to work, learn, grow, and succeed. The Diversity and Inclusion strategy and practices enable the Bank to be an organisation offering equal opportunities for people from all kinds of backgrounds to join us, learn through targeted learning programs, and ascend through the ranks.

- **Education and Well-being of Staff**

Inculcating a culture of 'Learning Something New' is a focal point at Bank Alfalah. The Bank consistently work towards improving the learning of employees to drive engagement, productivity, and improve their performance. We continue to develop and enrich human capital - from upskilling new joiners to offering employees competency-based learning programmes and courses on employee well-being.

The learning framework ensures that our people are equipped with the right capability to deliver results.

- **Business Ethics and Anti-corruption Measures**

Ethics at Bank Alfalah are a value that is embedded in the DNA of the people. The value conduct and integrity ensures that we not only comply with external and internal compliance guidelines, but also maintain ethical behaviour in our everyday interactions with our colleagues.

- **Employee Engagement through Celebration of National Events**

The Bank engages with employees through celebration of international days, national and religious events, and team successes. They also roll out various well-being activities and learning initiatives. These practices enable them to create an environment where people enjoy coming to work.

- **Gender Diversity**

We have embarked upon a DE&I journey because we strongly believe in the business and social impact created by a diverse workforce and an inclusive work culture. We believe that DE&I inspires creativity, unlocks productivity, and enhances profitability.

The strategy is to increase diversity internally as well as improve financial inclusion of customers. Based on this there are multiple products and services to cater to specific target audiences. The Bank has specific targets for financial inclusion such as account opening, creating financial awareness, providing non-financial advisory and so on.

Similarly, the internal employee strategy is driven by specific targets and KPIs that rest on the following pillars:

- Regularly Monitor Diversity Analytics
- Recruitment
- Learning and Development
- Retention and Engagement

- **Competitive Reward**

Competitive reward system has a major impact on an organization's ability to acquire, retain and motivate high potential employees and ultimately get a higher level of performance. Performance of employees may include quality of work, quantity of work, presence of work and timelines of the output. Market competitive salaries, rewards, and convenient staff financing are our key milestones.

This is the best guarantee for the Bank's success and performance.

- **Employees' Welfare**

The Bank has comprehensive health and life insurance benefit policies in place for employees. The post-retirement funds also reward employees for their services and association with the organisation. In addition, the Bank offers pay continuation benefits to employees suffering from medical issues.

- **Diversity for All – life experience, age, group, abilities and thoughts**

The Bank strongly believes in the business and social impact of a diverse workforce and an inclusive work culture. It wants to build a workforce that is representative of different genders, ages, ethnicities, backgrounds, experiences, working styles, thinking styles and abilities. Being a responsible corporate citizen, value differently-abled employees and facilitate them in achieving their life goals. The Bank also value differently-abled employee and help them fulfill their endeavors.



- **HR Quick Connect**

HR Quick Connect is a centralised platform where employees can access updated HR policies and documents with a single click, ensuring hassle-free availability of important documents.

- **Education**

Bank Alfalah encourages its employees to enhance their professional competence and offers multiple rewards, early achiever allowances, reimbursements of professional courses and membership fees, besides educational financial assistance to meritorious staff.



Corporate Social Responsibility and Community Cooperation



Total Donation in 2022:
PKR 60.8 million

Education:
PKR 3.10 million

Health:
PKR 43.68 million

Social Welfare:
PKR 14.00 million

Bank Alfalah CSR Programme

Over the years, Bank Alfalah has been active in giving back to the society and communities where it operates and continues to build responsible business practices across its activities. There is an opportunity to focus activities and raise the impact of the sustainability programmes. Creating a more robust business model that supports programs that solve societal problems, while also creating value and advantage for Bank Alfalah is essential.

Building on the past philanthropic investments, the priority CSR areas for the Bank include education, health, social welfare, environmental sustainability, leadership development, and promotion of sports, arts and culture.

Social Welfare

The Bank is keen to support causes that work towards the social welfare of the country. This includes extending support to underprivileged segments of the society so they may have access to the basic necessities of life, i.e. food, education and health, leading towards a better standard of living.

Alamgir Welfare Trust

Alamgir Welfare Trust International has been serving the downtrodden community for the past 25 years. Their services include medical facilities, educational assistance, providing cooked food and Ration packages to destitute families. Last year in Ramadan, Bank Alfalah collaborated with Alamgir Trust and distributed Ration packages to the lower-level staff of Bank Alfalah and Alamgir Trust. The ration distribution was carried out in 8 major cities; Lahore, Karachi, Islamabad, Rawalpindi, Multan, Faisalabad, Quetta and Peshawar. The total donation amount was PKR 8 Million.



Make a Wish Foundation

Make-A-Wish Pakistan is an affiliate member of Make-A-Wish Foundation International, dedicated to granting the most cherished wishes of critically ill children. Since its inception Make-A-Wish Foundation Pakistan has granted thousands of wishes to critically ill children, thereby enriching their lives with hope, strength and joy. At the request of Make a Wish Foundation, Bank Alfalah donated PKR 250,000 to the NGO, to fulfill the wish of Syed Ahsan, who is 15 and wished to perform Umrah. Ahsan is a patient of Ewing Sarcoma Major, and the bank is grateful to support him in fulfilling his noble wish.

Aziz Jehan Begum Trust

Aziz Jehan Begum Trust is a public charitable trust, working for the education of blind people. An educational institute Aziz Jehan Begum Trust Institute for the Blind is a mega project of the AJB Trust, established in 1996. The Institute is dedicated to the noble cause of alleviating the sufferings of blind and visually impaired people by training, educating and rehabilitating them to live lives of honour and dignity with financial and physical independence. At the request of Aziz Jehan Begum Trust, Bank Alfalah provided financial assistance in the form of donation.



Education

Pakistan suffers from an extensive education crisis that needs attention. Through Bank's philanthropic investments, we aim to uplift our people's lives and empower them on their journey to gain education and technical knowledge. In 2022, we provided funds to the following institutes:

Karigar Training Institute

Karigar Training Institute is accredited with the Trade Testing Board, Sindh and is involved in the training of young, illiterate and semi-literate men and women from less privileged sections of society. At present training is provided for motorcycle mechanics, electricians, pipefitters/plumbers, and refrigeration & air conditioning mechanics. The Institute also offers Qarz-e-Hasna to those who wish to work on their own. At the request of Karigar Training Institute, Bank Alfalah donated PKR 500,000 for the vocational training. The donation amount helps in training the youth, so they can earn a sustainable livelihood and create a positive impact on economic development.



Zafar and Atia Foundation

College of Nursing and Allied Health Sciences, which is a project of Zafar and Atia Foundation Charitable Trust completed its structure with the support and donations of generous individuals. They required the funds to purchase world-class equipment, provision of the latest teaching & learning facilities, institutional furnishing and a year's operational cost to run the institution efficiently in developing its alumni.



On the request of the College of Nursing and Allied Health Sciences, Bank Alfalah provided financial assistance in the form of donations. The contribution will help future generations in receiving essential support towards imparting proper health care. It will also help to create lucrative job opportunities locally and internationally for the much-needed qualified nurses, technicians and midwives for upcoming youths across the board, thereby economically uplifting all segments of society and the nation.

The Friends of Education Foundation

Friends of Education Foundation, formed by the DOW'80 graduates is working in the health and education sectors. Currently, they are serving mid-day meals to more than 300 students of Montessori and Kindergarten every day. They have installed a Reverse Osmosis plant to provide clean and healthy water to all students and teaching staff to prevent them from Water Borne Diseases. FOEF have five schools, out of which four are in Karachi and one is in a village near Kot Dijji. The total strength of the students is more than 1400 (Girls/Boys). Two schools are from Montessori to Matric, while the other 3 are primary sections only.



FOEF is working on having a school in the village of Dano Dhandal - Thar since education is almost a rare commodity in Thar. At the request of the Friends of Education Foundation, Bank Alfalah provided financial assistance in the form of donations to the foundation.



Family Educational Services Foundation

Family Educational Services Foundation (FESF) is a charitable organization committed to education and social impact in Pakistan. They focus on the empowerment of disadvantaged deaf children and youth through a holistic approach to deaf education.

There are over 1 million deaf children in Pakistan, the majority of whom hail from slum areas living on the edge of poverty, and facing the dire threats that come with poverty and a high risk of being abused and exploited. Deaf Reach has created a safe haven for these children, and spent the past 3 decades in providing education, vocational training and job placement for Deaf youth nationwide.

The Bank sponsored a classroom for one year that brought abundant returns in the lives of these children and their families as they were nurtured along a path to both self-sufficiency and community engagement.



Scan to watch a video on Deaf Reach School



Health

Health remained a priority area for Bank Alfalah in the year 2022 as it supported the following organisations:

Child Aid Association

Child Aid Association is a non-governmental organization that provides free of cost treatment to cancer patients. The organization has established a state-of-the-art setup for the treatment of poor children suffering from cancer. Last year, Child Aid Association managed to provide free treatment to over 1,000 children suffering from cancer. At the request of the Child Aid Association, Bank Alfalah donated PKR 1 million to the NGO.



AKUH - The Patients' Behbud Society

The Patients Behbud Society has been providing high-quality care to children with multiple diseases often complicated ones. Majority of the treatment includes but not limited to cardiopulmonary, oncology, neurosciences and child development, gastroenterology, nutrition, endocrinology, nephrology, genetics, neonatal and infectious diseases. Mainly, these patients come to The Patients Behbud Society after being denied access to quality medical care elsewhere due to a lack of funds or lack of capacity to handle complex cases in other medical institutions. The Patients Behbud Society often becomes their saviour and last hope. On the request of The Patients Behbud Society for AKUH, Bank Alfalah donated PKR 1 million to the hospital.

Autism Spectrum Disorders Welfare Trust

Autism Spectrum Disorders Welfare Trust (ASDWT) was registered as ASD Welfare Trust in 2016. During the last few years, the incidence of autism has increased manifold in Pakistan, perhaps due to more awareness and diagnoses. At the same time, there are more cases of children with ADHD and Dyslexia, for which again, there is little awareness and remedial intervention. Bank Alfalah supported ASDWT to continue their operations in different cities and conduct seminars to create awareness on Autism and other neurodevelopmental disabilities. They are also focusing on providing these services to the Police, Lawyers and Jail officials. On the request of Autism Spectrum Disorders Welfare Trust (ASDWT), Bank Alfalah donated PKR 500,000 to the Trust.



Patients' Aid Foundation

Patients' Aid Foundation is a non-profit organization established in 1990 to alleviate the burden on Jinnah Postgraduate Medical Centre. Over the years, an increasing volume of patients along with limited resources had put a strain on this renowned government hospital named after the founding father of the country. Patients' Aid Foundation took responsibility for building back on its lost glory through a private-public partnership. Bank Alfalah donated PKR 1,500,000 to financially support the foundation.



ChildLife Foundation

The management of Bank Alfalah visited the emergency ward of ChildLife Foundation and distributed gifts amongst young patients. ChildLife Foundation has saved 4 million children in the last decade, in partnership with the government, by providing 24/7 free-of-cost quality emergency care. They manage 11 children's Emergency Rooms (ER) and 56 Telemedicine Satellite Centers in Sindh, Baluchistan and Punjab.



Bait ul Sukoon

Bait-ul-Sukoon is a free cancer hospital in Karachi. The Bait-ul-Sukoon foundation has constructed purpose-built premises with 50 beds for inpatients and diagnostic facilities for mammography, ultrasound radiography, pathological laboratory and in-house pharmacy offering a complete range of cancer treatment drugs. It provides a complete cancer treatment, including boarding and lodging. Since its inception, Bait-ul-Sukoon treated 32,000 cancer patients, where the average cost of treating one patient is PKR 1 million spread over a period of two to three years. Bank Alfalah donated PKR 500,000 to the hospital.

Murshid Hospital - The Patients Welfare Association

Murshid Hospital & Health Care Centre was established in 1987. It is a 200 bedded hospital. The non-profit facility provides free medical treatment to the poor or non-affording patients living in the vicinity, especially in Karachi. Patients Welfare Association is a registered body with the Government of Sindh and is managed by Senior Members of the Hospital. The Bank donated PKR 500,000 to the hospital this year.

Shaukat Khanum Karachi

Shaukat Khanum has a mission to bring cancer care closer to patients, hence, Pakistan's third Shaukat Khanum Memorial Cancer Hospital and Research Centre (SKMCH&RC) is being constructed in Karachi. Bank Alfalah has made a commitment of PKR 100 million towards the construction and dedication of the main reception and waiting area for clinical and radiation oncology along with the reception and waiting area for the Inpatient Unit. This contribution of Bank Alfalah is a source of relief and support to many indigent cancer patients who are to be treated at SKMCH&RC, Karachi.



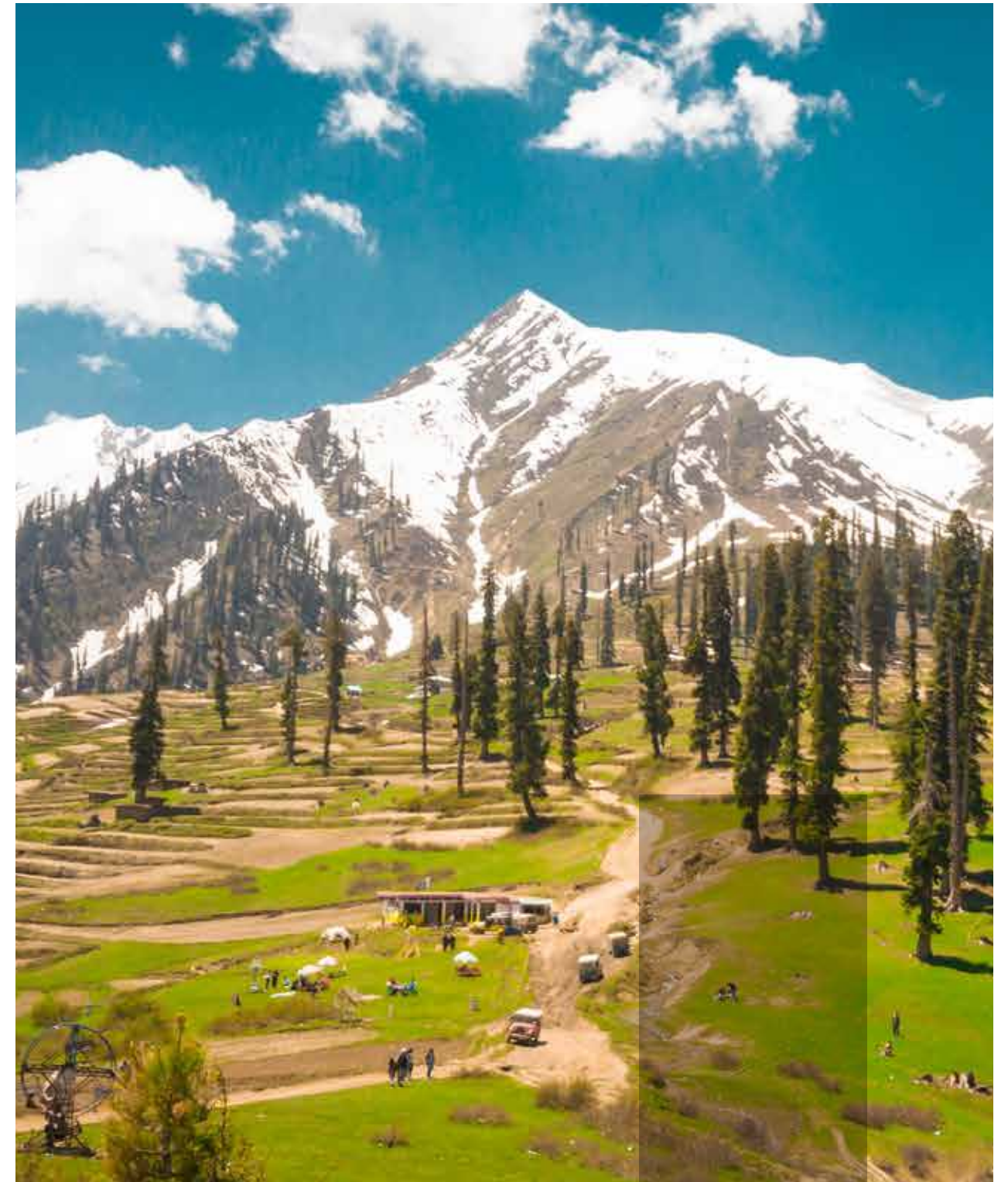
Indus Hospital and Health Network

Indus Hospital is the vision of Dr Abdul Bari and his colleagues who envisioned to establish a multi-disciplinary tertiary care hospital. The Indus Hospital is one of its kind in Pakistan and in 14 years, it has transformed itself into the nationwide Indus Hospital & Health Network (IHHN). The hospital has requested a medical equipment surgical drills. It helps a physician to in orthopaedic surgeries and can treat over 900 patients annually.



Environment

Bank Alfalah is making an effort to address priority environmental concerns of Pakistan and tackle them within the framework of the national environmental policies. The initiatives in this regard include plantation drives in the Northern Areas, and distribution of biodegradable bags to reduce the usage of plastic.



Youth Programmes

Youth programmes lead to numerous positive outcomes for young people. The Bank is keen to support opportunities and causes that promote healthy outcomes for the country's youth, particularly supporting special clubs and service programmes, scholarship programmes, community service organisations, academic enrichment programmes and so on.



Sport

The Bank believes that sports play an important role in fostering development and communication in any society and help shape the image of a country across local and international forums. Sports has always been an essential part of CSR agenda. Bank Alfalah partnered with the Pakistan Cricket Board (PCB) to boost Pakistan cricket team's performance. In 2022, the Bank sponsored appointment of Matthew Hayden as team mentor for PCB's for two tournaments T20 World Cup and Asia Cup.



Women Economic Empowerment

Women's economic empowerment is a prerequisite for inclusive and equitable economic growth. The CSR philosophy acknowledges women's economic empowerment. To put this into practice, Bank Alfalah has taken several initiatives, including a partnership with the Small and Medium Enterprises Development Authority's (SMEDA) Women Development Wing in order to create entrepreneurial awareness amongst women.

Indus Earth Trust

Indus Earth Trust (IET) is Pakistan based, not-for-profit organization working in the area of sustainable development. It was established to combat the neglected rural communities in Sindh and Balochistan. Bank Alfalah partnered with IET and conducted Financial Literacy Training in rural areas for 1000+ women and donated PKR 4.75 million for financial literacy.



Volunteering in the Community

Employee Volunteering Leave: In order to become a socially responsible organisation and to provide employees with an opportunity to volunteer their time and talents for the communities around them, the Bank has introduced an Employee Volunteering Leave of up to two days.

Partnering with a Charity: The Bank has collaborated with The Citizen's Foundation to offer the following programmes for which employees can volunteer:

- Career Counseling - a one-day session with students of graduating batches to help them choose their career path.
- Rahbar Programme - a full day mentoring for students of grades eight and nine. The programme is run every Saturday for six weeks.
- Baghban Programme - a fundraising programme where volunteers brainstorm ideas to raise funds to support the education of TCF students.



Employee Welfare



i. Bank Alfalah Employee Welfare Programme

Bank Alfalah care for its employees and their families’ safety and well-being. The Bank always come forward with different welfare schemes for employees, specifically those in the lower grades/income class.

The Employee Welfare Programme, which is contributory in nature and aims at providing financial assistance to employees in need for the following purposes:

- Medical Grant: Provides funds for medical emergencies/treatment of employees and their families (insured dependents), where health insurance limit is exhausted as per the Bank’s hospitalisation policy.
- Marriage Grant: Provides funds for daughters’ marriages.
- Educational Grant: Provides funds to pay admission fee for professional/postgraduate degrees

Employees contribute to the fund on a monthly basis and the monthly contributions are matched by the Bank. During 2022, 453 employees (including third party staff) were facilitated through BAF Employee Welfare Programme. Further, the Bank also supported 279 employees (including third party staff) who were the victims of recent floods.

ii. Learning Resources for Culture

As part of the strategy for 2021-2025 that focuses on developing the Bank’s culture, this year, we have rolled out numerous e-learnings and in-person programmes to provide easy access to employees to align themselves with the Bank’s Culture and Values. The Bank took various initiatives to increase awareness about the four pillars of the BAFL Culture: One Bank, One Team; Focus on Customers; Empowering Employees; and Creativity and Innovation.

iii. Employee Well-being Survey

The Bank recognises that the employees require the Bank’s support for better connectivity and strong association with the Bank. Keeping the spirit of community in mind, and to maintain high morale, HR conducts various surveys.

Ensuring that best efforts were made to protect employees’ health and well-being, while continuing to deliver excellent products and services to the customers. Employee feedback was incorporated in policies and measures.

The Biggest Corporate Donor in 2022 with USD 10 Million Pledged for Flood-impacted Communities

When floods hit significant parts of the country, Bank Alfalah came to the forefront with a determination to provide immediate relief and rebuild impacted areas and formulated a strategic plan for redeveloping communities in a sustainable, equitable and financially inclusive way. In August 2022, Bank Alfalah’s Chairman, His Highness Sheikh Nahayan Mabarak Al Nahayan, and the Board of Directors graciously approved USD 10 million (PKR 2,180 million) to help with the extensive relief and rebuilding efforts.

Focus of Bank’s Efforts



Commitment to Pakistan

This gesture by the Chairman and Board of Bank Alfalah is unprecedented and is a testament to the strong bond between UAE and Pakistan while reaffirming the strong positioning of Bank Alfalah as being a truly caring bank. His Highness has always been a great supporter of Pakistan and expressed his concerns at the calamity that has recently overwhelmed the country. However, he has also been deeply impressed by the extraordinary fortitude and resilient spirit that characterizes the people of Pakistan as it advances to navigate a way to a safer shore.

He acknowledged that no amount of money is enough in the face of such devastation and irreversible loss; he was hopeful that this contribution will serve as a catalyst to partially alleviate the suffering of the victims.

In 2022, the pledged amount was being distributed by Bank Alfalah for the flood relief and rehabilitation efforts through select reliable and trusted NGOs to provide immediate relief and a substantial amount has been earmarked for infrastructure rebuilding in the medium to long term to help the affected areas attain normalcy.



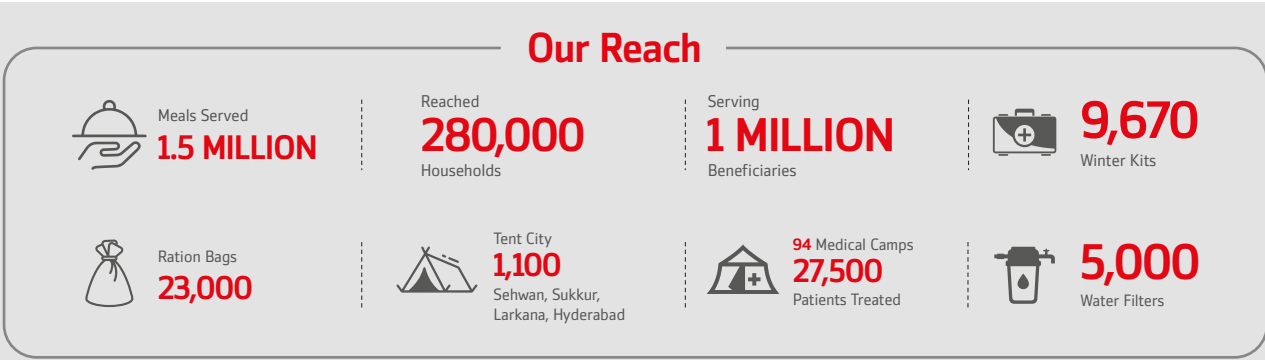
Spirit of the Employees

Bank Alfalah is working for the relief of flood affectees from the beginning and used the strong network of its branches and front-line staff to help those who were hit by floods. The Bank established Flood Relief Camps and started in-kind donation drives at 32 locations including the Head Office and branches across the country to collect clothes, food items and medicine for the flood-hit communities.

Additionally, the employees voluntarily donated their one-day base salary for flood relief work. All permanent employees were requested to make a one-time voluntary deduction of 1 day's base salary or any other amount to support fellow countrymen affected by floods and torrential rain.

Two-pronged approach: Relief and Rebuild

Bank Alfalah emerged as a leader with a resolve to aid in the relief and rehabilitation of flood-hit areas and created a two-phase plan of community redevelopment that was sustainable, equitable, and financially inclusive.



In the first phase, the Bank partnered with reliable and trusted non-governmental organisations (NGOs) across Pakistan to rescue the flood-impacted people from hard-hit geographical locations. The second phase is dedicated to rehabilitating and rebuilding the communities. In 2022, over PKR 300 million were disbursed for immediate relief and rescue.

In pursuant to the financial support, the Bank's vast network of colleagues working in over 850 branches volunteered to ensure transparency and provide assistance across the inundated areas.



By joining forces with its trusted partners, the Bank has provided 1.5 million meals, serving 280,000 households. As part of immediate rescue and relief, 94 medical camps were set up to provide urgent care to 27,500 patients with an epidemic of water-borne diseases, including dengue, malaria, cholera and typhoid. Furthermore, those in flood-hit locations were provided with 1,100 tents for immediate shelter.

Together with its 21 leading partners, the Bank provided relief and rehabilitation in 95 locations, including the remote areas of Dadu, Sibbi, Usta Muhammad, Kachi, Rajan Pur, Rojhan, Badin, Bala Nari, Chitral, Qilla Saifullah, Shadadkot and various locations across Pakistan.

Widespread network of operations over
95 locations



Standing with Employees

The Bank ensured that the colleagues impacted by the torrential rain and floods were adequately looked after. The Bank allocated the funds to address the needs of staff, their families, and their nearby communities. The Bank received 400 requests from different cities and remote locations where the houses and other assets of employees were damaged or completely wiped out. A contribution of PKR 40 million was made to ensure that the Bank stands tall with the staff and their families until their life returns to normalcy.

The Bank received
400 requests from different employees, effected by floods.

A contribution of
PKR 40 million was made to ensure that the Bank stands tall



Bank Alfalah
The Way Forward

EXPANDING OUR FLOOD RELIEF SUPPORT



OUT



It's a SIX 6

Bank Alfalah pledges to donate **\$1,000** for flood relief on every **Six** hit by Pakistan Team and every **Wicket** taken by **Pakistan Team** during this World Cup.



Scan QR Code to Access
Bank Alfalah Whatsapp
021 111 225 111 | bankalfalah.com

Cricket for Humanity

The Bank has always been the biggest allies when it comes to supporting cricket in Pakistan. In 2022, Bank Alfalah pledged to donate \$1000 for every six scored in Pakistan vs. England T20 series.

Throughout the course of the series, a total of 73 sixes were scored and a total of \$73,000 was donated by the Bank to JDC Welfare Organization for flood relief efforts. The donation was a part of the USD 10 million.

In addition to immediate aid through relief and rehabilitation, it is also essential to focus on long-term recovery and rebuilding efforts. This includes rebuilding homes, restoring infrastructure, and supporting livelihoods. Another important aspect of helping flood victims is providing education and awareness on disaster risk reduction.



Housing and infrastructure: This includes rebuilding or repairing homes and other structures, restoring essential services such as electricity, water, and transportation.

Livelihoods and economic recovery: This includes assisting individuals and businesses in getting back on their feet financially, such as small business loans and distribution of seeds and fertilisers.



Trusted and reliable charity organizations have played a huge role in helping flood victims. Overall, helping flood victims in Pakistan requires a multi-faceted approach, including immediate humanitarian aid, long-term recovery and rebuilding efforts, education and awareness on disaster risk reduction, and community-based organizations. By working together, we can ensure that those affected by floods receive the support and assistance

they need to rebuild their lives and communities. Community-based approaches include involving the local community in planning and implementation of rehabilitation efforts and addressing the specific needs and concerns of vulnerable groups such as women and children. The Bank has partnered with ChildLife Foundation, Aga Khan Foundation and Al-Khidmat Foundation to ensure quality healthcare to prevent child mortality in rural areas. The Bank is also supporting The Citizens Foundation to secure the future of flood-affected children by supporting their primary education.



Lastly, the Bank and Shahid Afridi Foundation have come together to build climate-resilient, low-cost homes to ensure a sustainable future. The Bank is also creating income opportunities for those affected to provide a sustainable livelihood. Financial inclusion programs are being designed to facilitate farmers and provide them access to microfinance to get back on track and rebuild their lives.



Bank's Trusted and Reliable Partners

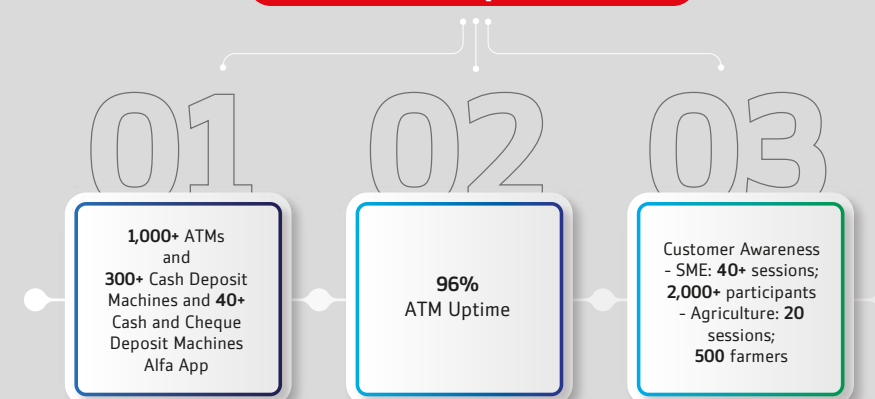


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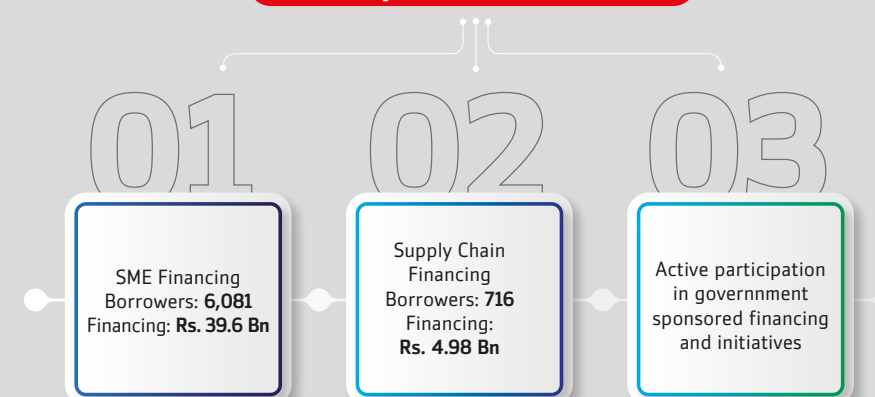


Economic Performance

Customer Empowerment



Responsible Finance



Economy



Customer Empowerment



Service Leadership and Digital Innovation

As an industry leader, the Bank aims to make banking simpler. This is achieved by continually introducing latest payment methods and financial technologies, including Alfa app, QR Payments, Alfa Payment Gateway, Alfalah Transact (OBDX), Alfa Fee Collection Portal, CDMs, ATMs/KIOSK, POS machines and Orbit Rewards, acquainting customers and businesses with the right payment tools.

Customer Protection

Customer Protection policy encompasses broad guidelines for customer management throughout the customer's journey ranging from product development, sales practices, marketing activities, communication protocols, and handling of customers. Fair Treatment of Customers policy is an integral part of the orientation and training programme.

Customer Experience Management

The infrastructure of Customer Experience (CE) Management at Bank Alfalah consists of several units, which monitors and oversees the quality of service at the touchpoints that make up a customer's journey.

Customer Satisfaction

In order to track customer satisfaction, the Voice of Customer team conducts daily surveys to collect detailed feedback from the customers directly, so the Bank can proactively continue to identify gaps and make improvements to adapt to the changing needs of the customers. Digital Survey Platform allows us to widen the outreach and gather instant feedback from customers on a daily, real-time basis through ROBO Calls and SMS Surveys.

Process Optimisation

At Bank Alfalah, we continue to keep a close eye on complaints, processes, and channels to identify gaps and areas of improvement, which are then undertaken as projects in order to improve operational efficiency and drive improvements within the organisation. This is done to ensure that the customers are served with utmost care and their experience is as convenient and up to the standard as the Bank has committed.

Quality Assurance

Customer Experience measures and manages performance quality through various service parameters across the Bank, at identified key touchpoints for the customer such as Retail and Islamic Banking, Consumer Finance, Digital Banking, Contact Centres, and other support units that enable these touchpoints through peripheral service provision.

Transactions Success Rates

Various score improvement initiatives were undertaken to accelerate the processing and transaction execution time. For example:



- Credit Card Transactions Success Rates improved in 2022 at 93% from 87%, an improvement of 6% compared to last year.
- Debit Card Transactions Success Rates improved in 2022 to 97% from 83%, an improvement of 14% compared to last year.

Safeguarding Customers’ Information

Bank Alfalah places high emphasis on security and safeguarding of customers’ information and has made strategic investments in security control enhancements, including Advanced Threat Analytics and Protection, Cyber-attack incident response and forensics, along with enhanced automated technical vulnerability compliance management solutions and improved DDOS Protection. The Bank’s Security Operating Centre operates proactively on a 24/7 basis.




















Customer Awareness

The Bank is at the forefront in implementing various awareness programmes for customers. These programmes provide product specific awareness such as unique features of various account categories, including Key Fact Statements of products, profit rates, charges and other features, assisting customers in the pursuit of banking services that best suit their needs.

Awareness is also provided through all the delivery channels for schemes such as Deposit Protection scheme, to keep customers abreast of critical developments in depositor insurance and other important areas.

Customer Engagement

Bank Alfalah is a customer centric bank, which cultivates customer convenience by seeking ways to take the services a step further. The communication channels used by the Bank are as follows:

 Branch Banking	 Consumer Finance Centres	 Alfalah Contact Centre	 Email	 Website	 Internet Banking	 Mobile Banking/Alfa
 Face-to-face meetings (at client premises)	 Vertika (screens displaying key information and these are placed in high footfall areas)	 Facebook Instagram Twitter	 ATM	 Letter	 Live Web Chat	 Television
	 Print Ads	 Radio	 WhatsApp Banking Channel	 Ask Alfa	 Press	

Financial Literacy

Bank Alfalah’s Non-Financial Advisory Services (NFAS) and Agri Division have jointly developed and conducted various programmes and sessions across Pakistan to increase awareness. Our market storming activities, helpdesks and awareness sessions have helped us broaden our horizons and allowed us to reach out to communities at the grassroots level. We engaged a considerable number of SMEs by switching to virtual sessions. We have successfully organised over forty (40+) awareness and knowledge sharing sessions on SME products and services along with specialised workshops with industry/subject matter experts to improve understanding of industries and business dynamics, and improve business affairs of the SMEs. We have interacted with over 5,000 SMEs and business owners during these sessions. Additionally, we have created a footprint in the digital sphere through SME Toolkit, which has attracted the attention of our potential clients. Over 35,000 users have made use of the digital platform.

Women Economic Empowerment

Bank Alfalah’s strategy for the financial inclusion of women is to provide handholding though awareness sessions and helpdesks, and continually introduce products and services tailored to the segment. Over the years, along with awareness sessions for SMEs, we conducted sessions for women-owned businesses in particular. We developed ties with Women Chamber of Commerce and Ladies Fund, and reached out to the wider women led business community of Pakistan.

Poverty Alleviation

Bank Alfalah continues to contribute towards poverty alleviation by increasing financial inclusion of the underprivileged and vulnerable segments of the society with digitally advanced products like Digital Payroll, BISP and EOBI wallets. In line with this vision, the Bank is at the forefront, enabling Pakistan’s largest welfare fund distribution under BISP Program to assist the under-privileged, excluded, marginalized and vulnerable sections of society.





Disbursed
PKR 2.3 billion
processed over
1,200 applications
under SAAF Scheme

Regulatory Products

We participated in various government drives and launched the following new products:

Electronic Money Institutions Account

State Bank of Pakistan, with an objective to promote digital payments, foster innovation in payments industry, increase financial inclusion in the country and provide Regulatory framework to Electronic Money Institutions (EMIs), a non-banking entities in payments landscape, allowed the Banks to open EMI accounts.

SME Asaan Finance (SAAF) Scheme

SAAF aims to provide clean financing to Small and Medium Enterprises (SMEs) customers, under SBP initiative in collaboration with the Government of Pakistan, who cannot offer security / collateral to access bank finance. Bank Alfalah is among a few banks who has been mandated with a target under I-SAAF and extended extensive financing thereunder to promote the SME sector of Pakistan. The Bank offers both variants of SAAF i.e. Conventional and Islamic loans.

Prime Minister's Youth Business & Agriculture Loan scheme (PMYB&ALS) Prime Minister's Youth Business & Agriculture Loan Scheme (PMYB&ALS) is an initiative by the Government of Pakistan to motivate the country's youth to utilize their entrepreneurial skills and contribute to economy's growth. Bank Alfalah in support to the government's initiative is offering different financing products with respect to the requirements of prospective customers to enable them to build self-driven SME business set ups.

Responsible Financing



Non-Financial Advisory Service

Our Non-Financial Advisory Services focus on providing SMEs with relevant trainings, advisory services, management education, and tools and techniques to structure their business. This has played a significant role in financial inclusion and supported business growth for SMEs in the country. We understand that small businesses have different pain points like access to resources, markets, finance, and trainings to name a few, and it is important to meet these needs end-to-end. Enabling SMEs to be more bankable helps build financially educated customers and garner long-term customer loyalty.

Bank Alfalah is the first and only commercial bank in Pakistan to venture into a structured Non-Financial Advisory Services (NFAS) initiative for SMEs. Since its inception, NFAS has embarked upon an extensive countrywide awareness campaign to create visibility. Advisory services help reduce management risk and allow the Bank to understand business dynamics better. These services are focused towards various empowering and knowledge sharing initiatives to make our customers more efficient. We consider NFAS an important component of our core business line that can help develop and grow the SME portfolio, deepen our relationship with our existing SME customers, mitigate risks, and differentiate us in a growing competitive market.

Green Financial Products and Services



The SME Division is proud to have introduced "Alfalah Green Energy," a product that is beneficial to the environment.

In the midst of the continuous energy crisis that the country is experiencing, we are proud to be leaders in financing the renewable energy sector. By doing this, we seek to maintain our corporate responsibility to society and preserve the environment. The portfolio's product offers align with SBP's refinancing programme for renewable energy. The SME Division is proud to have introduced "Alfalah Green Energy," a product that is beneficial to the environment. We are prepared to establish our footprint in this market as the globe progresses toward affordable and clean electricity, realising that green finance products may make a positive difference.



Karandaaz Pakistan

Bank Alfalah partners with Karandaaz, an organization funded by the UK Department for International Development (DFID) and the Bill & Melinda Gates Foundation, to help small and medium-sized businesses by easing access to finance through well-defined product programs. Karandaaz provides capital to Micro, Small and Medium Enterprises (MSMEs) by entering into structured finance agreements with partner financial institutions under defined product programs. One of the objectives of these programs is to introduce viable credit schemes and channel capital to viable SMEs that generate positive corporate value and employment. Another goal is to develop and demonstrate sustainable investment models and product programs. These are replicated and expanded by private commercial financiers to enable the mobilization of private and development capital.

Through this collaboration, the bank funded the development and growth of a wide range of clients, including those with need of fleet scalability, supply chain improvements and other business needs.

Karandaaz has provided over PKR 2.3 billion direct funding through Bank Alfalah to various commercial entities such as Al-Haj FAW, BF BioSciences and JSK Feeds.



Karandaaz has provided over **PKR 2.3 billion** direct funding through Bank Alfalah

Economy



Channelled **PKR 1,176 billion** in imports and **PKR 557 billion** in export payments

Contributed **PKR 17.3 billion** to the Government's tax revenue in the form of income taxes

Facilitated over **10 million customer** payments in Pakistan valued in excess of **USD 5.5 billion**

Hired **3,453 male** and **1,205 female** employees

Intermediation – Key Trade and Banking Figures

The Bank intermediated the economy by channeling business for various traders and firms, facilitating import and export business, and positively contributing to the economy. The Bank channelled Rs. 1,176 Bn in imports and Rs. 557 Bn in export payments during 2022.

Contribution to the Government

The Bank contributed Rs. 17.3 Bn to the Government's tax revenue in the form of income taxes along with collecting and depositing indirect taxes. The Bank remains focused on being a responsible taxpayer.

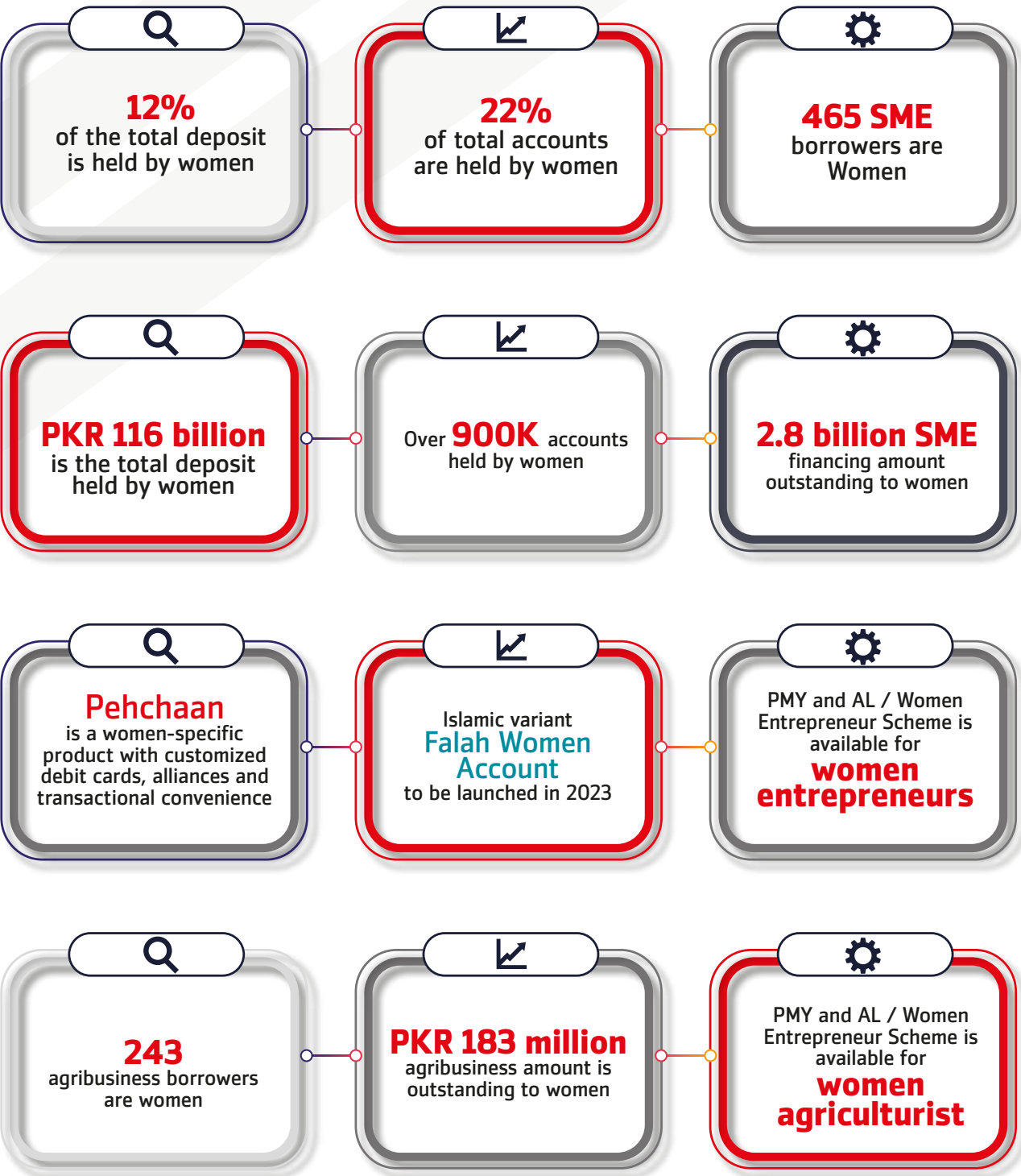
Remittances from Workers Abroad

The Bank has been a noticeable contributor in the flow of remittances to Pakistan through its global network of partner banks, money transfer operators and exchange companies that rely upon our technological rails to offer overseas Pakistanis smarter and faster ways of sending home remittance to Pakistan. The Bank has invested in various initiatives for financial inclusion, notably the launch of Asaan and Digital Remittance Accounts, and marketing activities to promote cash over-the-counter payments through our network of over 890 branches in more than 200 cities across the country. During the year, the Bank contributed to the economy by facilitating over 10 million customer payments in Pakistan valued in excess of USD 5.5 billion, bringing the Bank's remittance market share to 19% for 2022.

Jobs

The Bank has consistently created employment opportunities across Pakistan through its extensive recruitment programmes. In 2022, the Bank has on-boarded 4,658 resources to drive our vast business operations. The new hires include 3,453 male and 1,205 female employees. Moreover, through diverse batch hiring programmes, the Bank taps into the country's fresh talent pool in order to create worthwhile opportunities for young applicants.

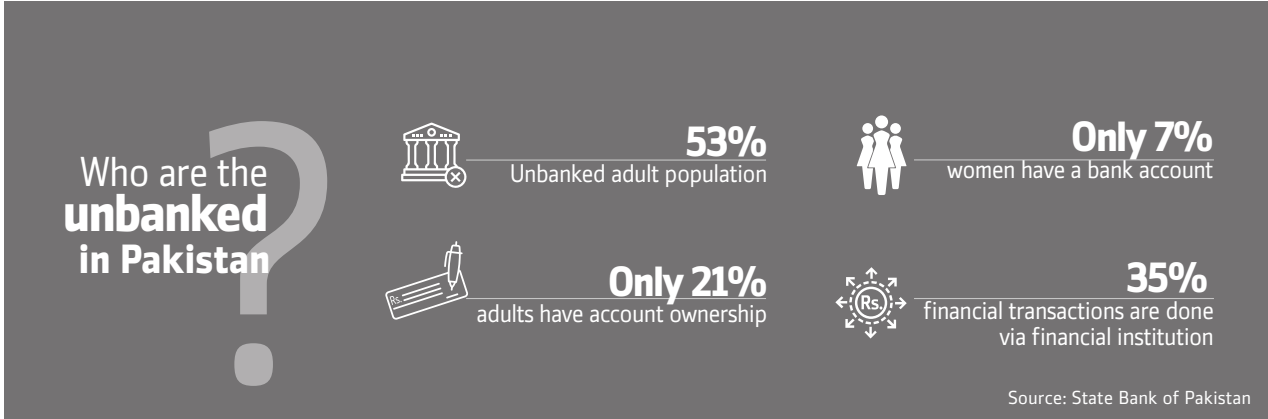
Banking on Equality - Business Perspective



Financial Inclusion - Leading the Way Forward with Gender Inclusion

Discrimination against women is prevalent in many societies, making them disproportionately vulnerable as a result. Inequality in gender roles affects the most basic aspects of self-determination, dignity and freedom, which in turn impact financial inclusion.

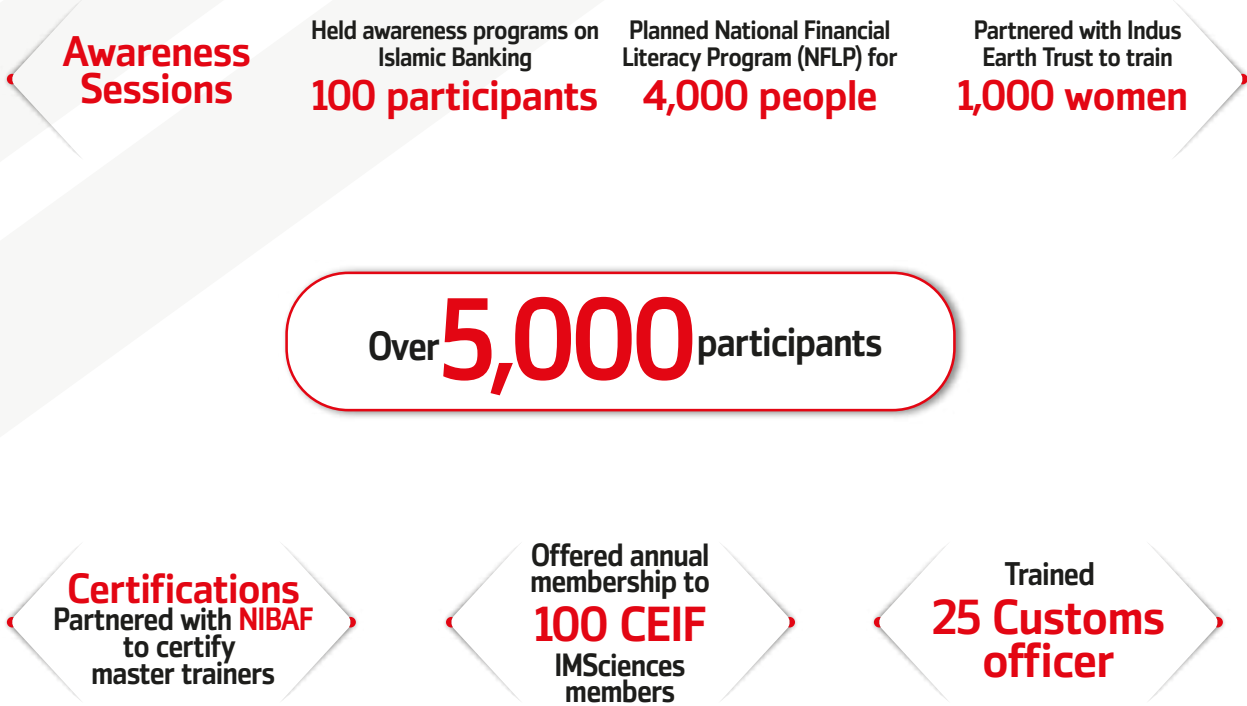
Women, all over the world have fewer employment opportunities and are more likely to be exploited at their jobs. Even today, women do not enjoy the same status as men when it comes to accessing financial services and it has been noted that 53% of the country's adult population is financially excluded.



The Government of Pakistan set up a National Financial Inclusion strategy prioritizing the financial inclusion of women as a part of its agenda. To aid this, the State Bank of Pakistan also launched a gender mainstreaming policy titled 'Banking on Equality: Reducing the Gender Gap in Financial Inclusion'. Bank Alfalah is actively taking part in implementing these strategies to reduce the gender gap in financial inclusion and improve women's access to financial services.



Staying true to the commitment to leading the way forward and empowering the women of the country, Bank Alfalah, in partnership with not-for-profit Indus Earth Trust (IET) conducted Financial Literacy Training in rural areas mainly for women with the sole purpose of assisting financial inclusion and supplementing economic growth and stability. This training focused on helping them manage household finances, teach them various saving methods, give them investment options, introduce them to micro-finance, and teach them about the importance of having a bank account, and the advantages of different insurance policies. During the course of these training, more than 200 women signed up for wallet accounts as well as Asaan women's digital accounts which will enable them to get multiple benefits such as easy withdrawal, savings and accessibility to investments.

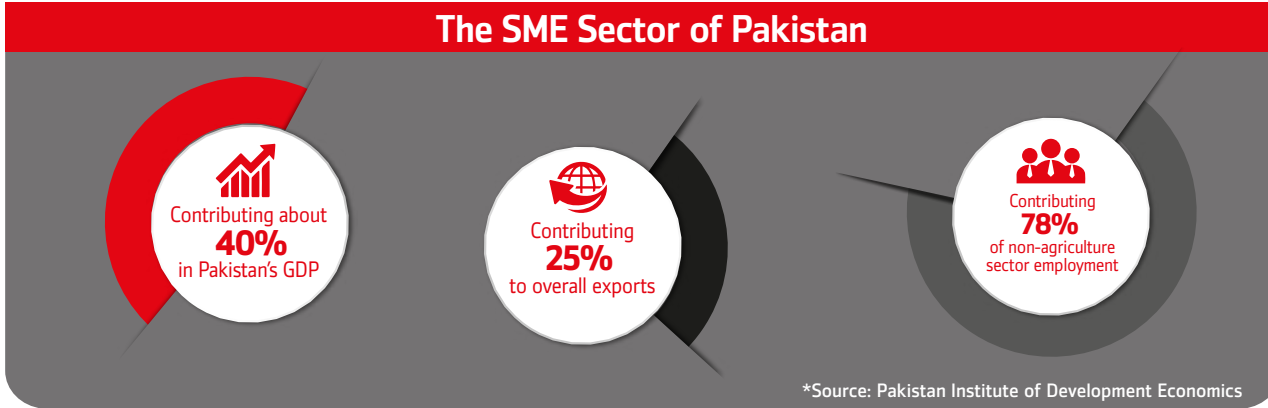


While the immediate focus of the Bank is on raising awareness and improving financial literacy amongst the population in rural areas, the longer-term vision is inclined to innovate financial solutions and building a reliable infrastructure that drives the economy of the country to great heights.

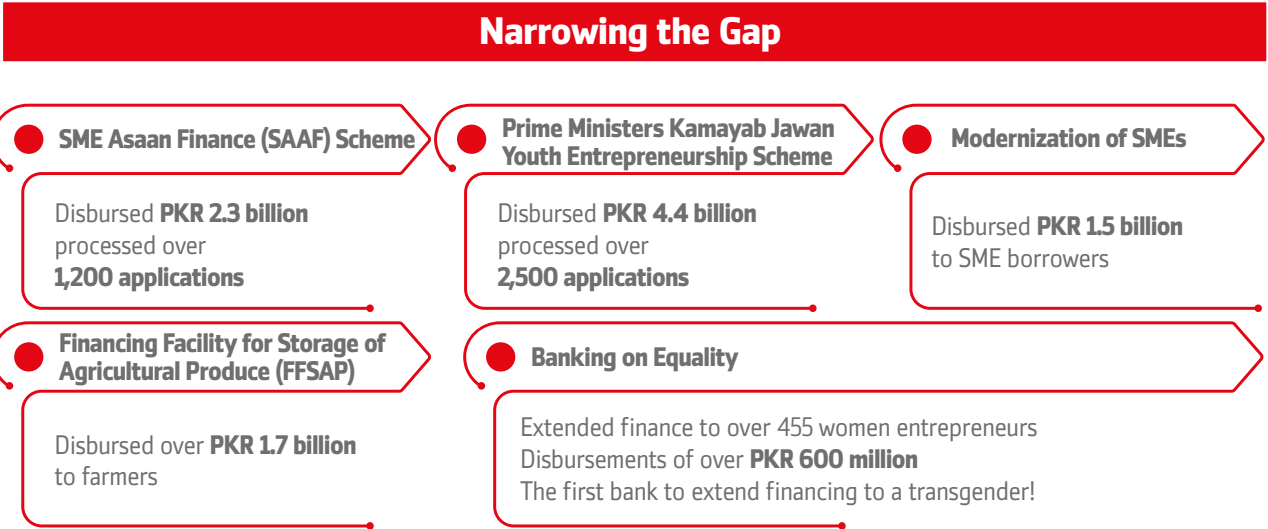


SME Financing – Accelerating Economic Growth Through Small and Medium-Sized Enterprise and Agribusinesses

Bank Alfalah is committed to supporting small and medium-sized businesses in Pakistan, recognizing their critical contribution to the economy. The SME sector accounts for 40% of Pakistan's GDP, 25% of overall exports, and 78% of non-agricultural sector employment. In line with this, Bank Alfalah has taken significant steps to enhance access to finance for SMEs in Pakistan.



Through the State Bank schemes, Bank Alfalah has disbursed PKR 2.321 billion through the SME Asaan Finance (SAAF) Scheme, processed around 1,200 loan applications, disbursed PKR 4.4 billion through the Prime Ministers Kamyab Jawan Youth Entrepreneurship Scheme, processed around 2,658 loan applications, disbursed PKR 1.5 billion through the Modernization of SMEs scheme, and disbursed PKR 1.7 billion through the Financing Facility for Storage of Agricultural Produce (FFSAP).



Women entrepreneurs play a crucial role in SME growth as they not only contribute to the economy but also help create jobs and drive innovation. However, they often face challenges such as limited access to capital and resources, and societal norms that hinder their ability to start or grow their businesses.



The Bank organised over **500 SME** awareness sessions to reach over **40,000 SMEs**

The Bank is a proud supporter of the State Bank's Banking on Equality policy and has extended finance to over 455 women entrepreneurs, with total disbursements of PKR 600 Million. The bank has also been a trailblazer, being the first bank to extend financing to a transgender. Bank Alfalah has solidified its position as a leader in SME finance, paving the way for more women entrepreneurs to contribute to the growth of Pakistan's economy.



ONLINE SME TOOLKIT

Trained over 55,000 startups and SMEs via dedicated online portal.



IN-PERSON FINANCIAL TRAINING PROGRAM

Reached over 40,000 farmers in over 500 trainings for financial literacy.

In addition to the State Bank schemes, Bank Alfalah offers a range of facilities to SMEs across the country. The SME Toolkit, a dedicated online portal, offered training to over 55,000 startups and SMEs. Bank Alfalah has also organised and participated in over 500 SME financial and non-financial advisory and awareness sessions, reaching out to over 40,000 SMEs.

Pakistan's SME sector has enormous potential for growth, but it faces several challenges. Access to finance remains a significant hurdle, with high interest rates making it difficult for small businesses to secure the funding they need. Additionally, many SMEs struggle with a lack of skilled labour, limited access to technology and digital infrastructure, and inadequate regulatory support. Despite these challenges, Bank Alfalah is committed to supporting SMEs in Pakistan and providing them with the resources and tools they need to thrive in a competitive market



Bank Alfalah's efforts to support SMEs in Pakistan are a testament to the bank's commitment to the economic development of the country. With its range of financial services and initiatives, Bank Alfalah is poised to make a significant impact on the growth and success of SMEs in Pakistan.

The Bank's focus on SME is aligned with SDG8 which is about promoting inclusive and sustainable economic growth, full and productive employment and decent work. The Bank's commitment to SDGs is a significant step towards promoting sustainable agriculture practices in Pakistan, which is critical for enhancing the country's agricultural productivity and resilience to climate change.

Partnerships & Collaborations



Improving the Economic Participation of Specially-abled People



Approximately 15% of the world’s population lives with some form of disability, and 2-4% of those people experience significant functional difficulties.

In Pakistan, the United Nations Development Program (UNDP) estimates that at least 6.2% of people are living with some form of disability. This can range from cognitive, developmental, mental, and physical to sensory impairments.

Bank Alfalah is committed to providing equal opportunity and accessibility to everyone, including differently abled persons. The Bank has state-of-the-art equipment such as talking ATMs, height-adjusted counters, braille stationery, and a privilege pass.

Talking ATMs	Out of queue assistance
Accessible infrastructure	Braille stationery
PwD option enabled QR metrics	Height adjusted counters
Privilege Pass for priority assistance	Wheelchair-accessible lockers

The bank proudly partners with all the leading organizations such as ConnectHear and NOWPDP that are working towards the simplification and improvement of people with disabilities to make Pakistan a more inclusive society.



850 branches across Pakistan have access to wheelchairs

16 branches specifically designed for PwDs, are live and operational

Branches offer dedicated parking spaces, tactile flooring, low-height Qmatics, and friendly notification boards

Banking products and services are accessible for all PwDs

Keeping in line with the code of accessibility, the Bank has been catering to people with disabilities since 2005. 850 of the branches all over Pakistan have access to a wheelchair while 16 branches are specifically designed keeping the needs of people with disabilities in mind.

PwDs often have to compromise on privacy when they’re being accommodated by others, Bank Alfalah has introduced wheelchair-accessible lockers and restrooms to help them maintain privacy.

Apart from these developments, the Bank has specially provided the staff with sensitization training as well as sign language trainings to help assist PwDs better courtesy of ConnectHear and HRLG. But this isn’t where the mission for accessibility ends because, in the post-pandemic world, accessibility has emerged as a critical factor for all customers.

Bank Alfalah has always been at the forefront when it comes to enabling its customers to succeed and advance the world of finance.

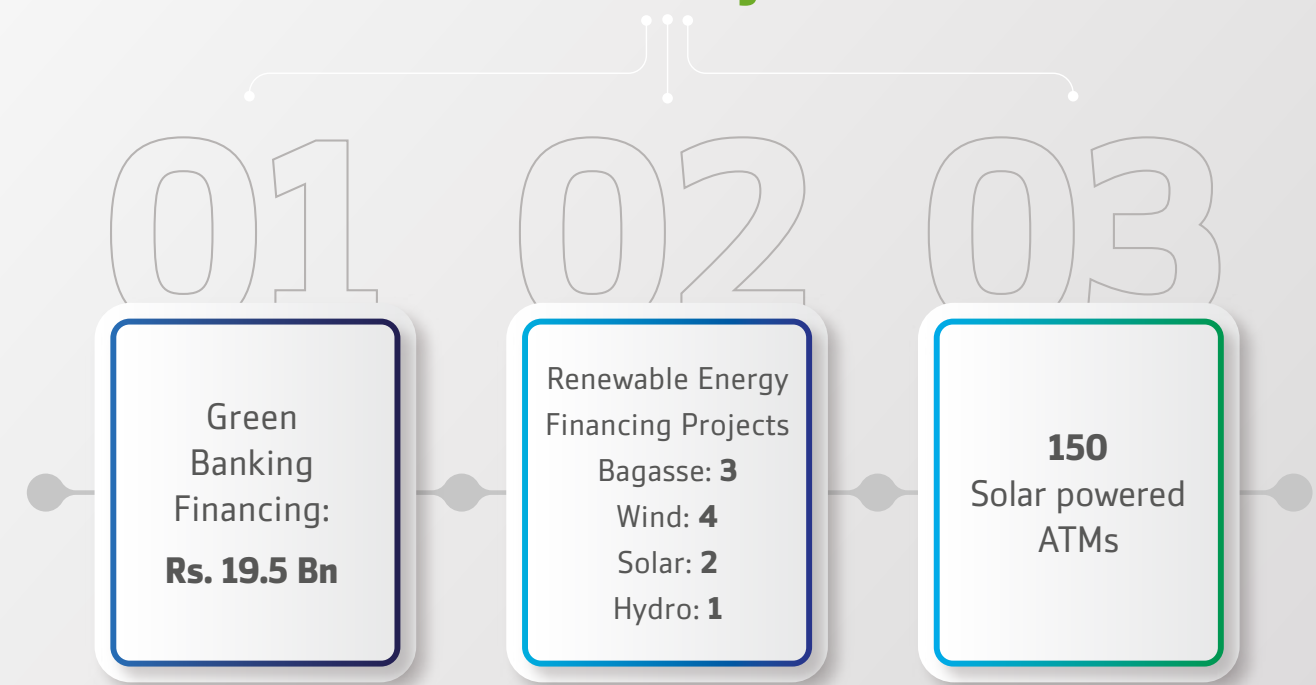




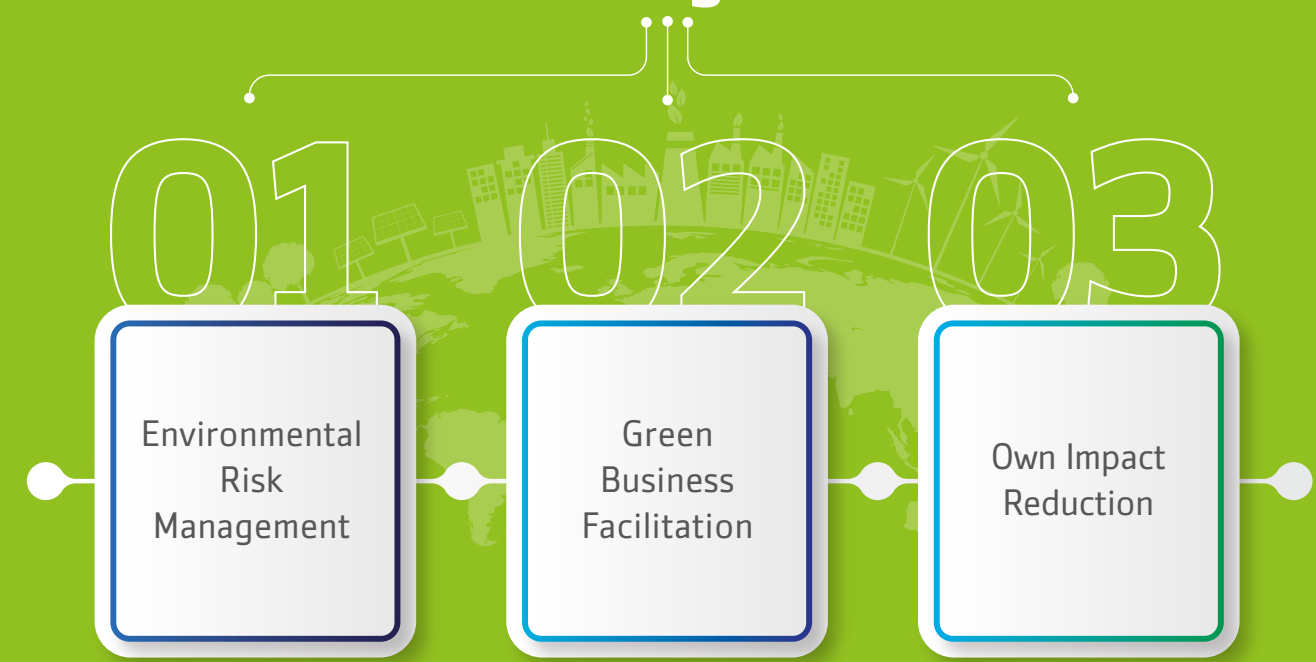
Environment Performance



Green Projects



Green Banking Guidelines



Green Banking Initiatives



Traditionally financial considerations have been the drivers of profit. The severity and accelerated pace of environmental degradation and social deterioration forced a redrawing of priorities for companies on how they should conduct business and for the banks as to what and whom they should finance.

By virtue of their role as intermediaries between people with shortages and surpluses of capital, banks hold a unique position in the economy for sustainable development. This intermediary role is both quantitative and qualitative. We believe that the greatest impact we have on the environment and society is through our financing activities.

Due to their efficient credit approval systems, banks are well-equipped to weigh and the Bank asks customers to rectify negative carbon impact.

Green banking integrates financial, social and environmental considerations into decision-making to enable sustained profits and higher returns on investments.

With its Green Banking Guidelines, the Central Bank introduced green banking in Pakistan and initiated the process of its incorporation in banks' systems. Bank Alfalah has an approved Green Banking Policy for implementation of SBP Guidelines. New joiners are given basic Green Banking awareness training during their orientation while existing staff are required to successfully complete an e-Learning module on 'Green Banking' every year. Furthermore credit staff has to clear tests related to Environmental Social Management System (ESMS) training to be eligible for ESMS review of low risk clients.

Green Banking is divided into the following three areas:

a) Environmental Risk Management This requires banks to integrate green banking in their credit approval processes and adopt environmental risk management practices, as well as ensure compliance with environmental laws by the borrowers in banks' credit portfolio.

As a responsible corporate citizen, Bank Alfalah had started the process in early 2015, in collaboration with IFC, to integrate ESMS in the credit approval process of the Bank. The ESMS Framework essentially requires that

any relevant lending opportunity is to be reviewed and evaluated under the:

- IFC exclusion list
- Applicable national laws on environment, health, and safety
- IFC performance standards

This framework is an integral part of the credit approval process and all relevant credit proposals require credit, environmental and social review prior to approval of the competent authority. The implementation of ESMS framework for clients of low risk sectors is being carried out by the credit professionals provided they clear ESMS module. For sectors of medium and high risk, the Environmental Risk Unit is responsible for identifying, vetting and rating projects from an Environmental and Social Management Risk (ESRM) perspective. All personnel working in this unit have acquired IFC online certification of 'Sustainability Training and E-Learning Program' (STEP). Additionally, in-house classroom trainings on Environmental and Social Management System (ESMS) are conducted for client-dealing Relationship Managers and credit staff. As a result, the borrowers are now aware of the importance of the environment, the need for environmental due diligence, environmental laws, and the role of environmental protection agencies in each province. The bank helps the borrowers to comply with the environmental laws and in case of non-compliance, pushes the customers towards compliance by giving short deferrals and maintain periodic follow-ups with the customers.

During 2022, the SBP issued ESRM Implementation Manual, based on IFC performance standards, which is applicable to all banks in Pakistan. Bank Alfalah is currently aligning its procedures with the afore-mentioned SBP manual.

b) Green Business Facilitation This entails providing finance to businesses (existing and/or fresh customers) willing to invest in operations and technologies bringing improvement in environmental risk management, and resource efficiency.

Clients are encouraged to improve their operations and technologies by initiating eco-friendly schemes. The Bank introduced a green financing product 'Alfalah Green Energy', which is a term finance facility for customers willing to install solar energy equipment for generation of electricity ranging from 4 KW to 1,000 KW with net metering. It allows repayment tenure of up to 5 years with 3 months' grace period.

Bank Alfalah has provided financing for the following Table 1 mega green projects:

c) Own Impact Reduction This entails reducing Bank Alfalah's own carbon footprint. This involves increasing the use of solar energy, which decreases the Bank's reliance on grid-energy/fossil fuel based energy; reduction in paper consumption; and rationalisation of water consumption.



Achievements in this regard include 150 ATMs converted on solar energy, declining paper consumption, replacement of diesel-fueled generators with UPSs for backup power supply, replacement of regular saver lights with low consumption LEDs, and the replacement of conventional ACs with inverter ACs. The Bank is also continually bringing about resource efficiency and reducing cost by optimal utilisation of all resources.

The cumulative impact of all steps taken so far shows that the Bank has successfully started to achieve the objective of Green Banking as laid down in the SBP Guidelines.



Sr. #	Name of Project	Source/Type	Capacity (in MW)
1	Fatima Energy Limited	Bagasse	118
2	Chiniot Power Limited	Bagasse	62
3	Hunza Steel (Pvt.) Ltd.	Bagasse	20
4	Gul Ahmed Wind Power Limited	Wind	49
5	Metro Power Company (Pvt.) Limited	Wind	49
6	Master Green Energy Limited	Wind	50
7	Din Energy Limited	Wind	50
8	Gharo Solar (Pvt.) Limited	Solar	50
9	Nizam Power (Pvt.) Ltd	Solar	9
10	Neelum Jhelum Hydropower Company (Pvt) Ltd	Hydro	969

Table 1

Health, Safety and Environment



Occupational Health Awareness and Measures

The Bank has a dedicated function to manage the Health, Safety & Environment (HSE) domain and build a culture of safety leading towards healthy and creative delivery of service, inside and outside the workplace. Our HSE team is running an active annual training programme, simulation exercises, incident tracking, and branch inspections to spread awareness and develop focused mitigation measures based on the preemptive knowledge rule. Awareness programmes include Premises Emergency Protocols, Dust and Rainstorm Precautions, Ramazan Advisory, Heat Wave Advisory, Housekeeping at Work, No Smoking, Inclement Weather Precautions, Eco-friendly Environment, Dengue Fever, SMOG, and communicable diseases precautions.

Automatic Fire Extinguishers

To protect the Bank’s assets and staff, adequate control measures have been taken to reduce elements of fire hazard, which include installation of automatic fire extinguishers (AFE) at critical locations. Currently 850+ branches and 16 key buildings are equipped with AFEs.

Emergency Preparedness and Responses

The Bank’s HSE team prepares staff through training and communication for possible adverse situations in a way that precautions become part of office culture and lifestyle. The emergency preparedness programme, includes delivering health and safety awareness communication, emergency evacuation and fire extinguishing trainings to the staff.





Blood Donation Drive

The Bank collaborated with Patient Aid Foundation and Fatimid Foundation to help the people in need. During the year blood donation drives were arranged in major cities i.e. Karachi, Lahore and Islamabad.

Rain Emergency Response Plan

Keeping in view heavy rains and its aftermaths, a detailed document was prepared on the basis of lessons learned and action taken to ensure safety of people, assets and business under rain crisis. All the actions and directives derived from Crisis Management Team (CMT) and execution teams at ground level were collaborated into form of a standard plan that shall act as a guiding tool while responding to emergency situation.



SUSTAINABILITY PARTNERS

SOCIAL WELFARE



ALAMGIR
WELFARE TRUST



MAKE A WISH
FOUNDATION



AZIZ JEHAN BEGUM
TRUST



KARIGAR
TRAINING INSTITUTE



ZAFAR AND
ATIA FOUNDATION

HEALTH



CHILD AID
ASSOCIATION



AKUH- THE PATIENTS'
BEHBUD SOCIETY



AUTISM SPECTRUM
DISORDERS WELFARE TRUST



PATIENT AID
FOUNDATION



CHILD LIFE
FOUNDATION



INDUS HOSPITAL &
HEALTH NETWORK



BAIT UL SAKOON



MURSHID HOSPITAL
THE PATIENTS
WELFARE ASSOCIATION



SHAUKAT KHANUM
KARACHI

FLOOD PARTNERS



AGHA KHAN
FOUNDATION



AKHUWAT
FOUNDATION



AL- KHIDMAT
WELFARE SOCIETY



KARACHI RELIEF
TRUST (KRT)



AL MUSTAFA TRUST



SAYLANI WELFARE



THE CITIZENS
POLICE LIAISON COMMITTEE



JDC FOUNDATION



THE CITIZENS
FOUNDATION (TCF)



BALUCHISTAN RURAL
SUPPORT PROGRAM



HANDS



SAHIL FOUNDATION



TARAQEE FOUNDATION
QUETTA



BAITUSSALAM
WELFARE TRUST



SHAHID AFRIDI
FOUNDATION

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Additional Disclosures

The following disclosures have been made in the Annual Report as per the BSR criteria.

Organisational Profile

- 1. Our Business, Products and Services**
Please refer to 'Organisational Overview' section, page number 73 of the Annual Report, 2022 for disclosure on this.
- 2. Group Ownership Structure**
Please refer to 'Organisational Overview' section, page number 64 of the Annual Report, 2022 for disclosure on this.
- 3. BAFL Business Model and SDGs**
Please refer to 'Organisational Overview' section, page number 71 of the Annual Report, 2022 for disclosure on the scale of the reporting organisation including the number of employees, operations, net revenues, total capitalisation, quantity of services produced, total assets, revenues and costs that are significant for the company and its stakeholders.
- 4. Achievement and Awards**
Please refer to 'Organisational Overview' section, page number 12 of the Annual Report, 2022 for disclosure on this.
- 5. Organisational Value Chain**
Please refer to 'Organisational Overview' section, page number 72 of the Annual Report, 2022 for disclosure on this.

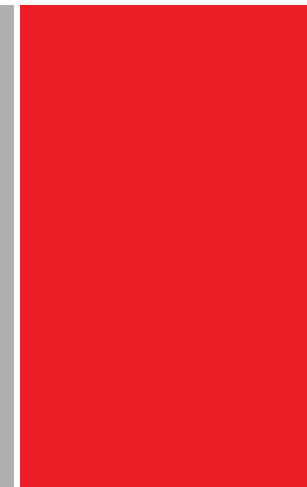


Sustainability Strategy

- 1. Role of the Board and the Management**
Please refer to 'Governance section, page number 221 and 222 of the Annual Report, 2022 for disclosure on Board and senior management commitment (presence of a committee addressing the economic, social and environmental issues, terms of reference of such specialised committee/governance system, if any).
- 2. Our Business Model**
Please refer to 'Organisational Overview' section, page number 140 of the Annual Report, 2022 for disclosure on how sustainability is integrated into the business model and value chain.
- 3. How the concept of sustainability is relevant for the company and its stakeholders?**
Please refer to 'Risk and Opportunities" section, page number 71 of the Annual Report, 2022 for Disclosure of how the concept of sustainability is relevant for the company and its stakeholders. Please specify the social and environmental impacts, risks, opportunities and financial implications arising out of sustainability.
- 4. Organisation's values, principles, standards and norms of behaviour**
Please refer to 'Organisational Overview' section, page number 58 of the Annual Report, 2022 for disclosure on the organisation's values and and code of ethics.

Report Parameters and Attributes

- 1. Process of Defining Report Content**
Please refer to page 22 of the Annual Report 2022 for the process for defining report content, including determining materiality and the rationale behind it, prioritising topics within the report, identifying stakeholders the organisation expects to use the report, and for the statement of any specific limitations on scope or boundary of the report.



GRI Content Index

		Full Compliance: <div></div> Partial Compliance: <div></div>	
	Disclosure	Response	Compliance
General disclosures			
GRI 2: General Disclosures 2021	2-1 Organizational details	About Bank Alfalah, Page 25	
	2-2 Entities included in the organization's sustainability reporting	"Stakeholder Engagement Process and Frequency of such Engagements, Page 37"	
	2-3 Reporting period, frequency and contact point	"Response: Jan to Dec 2022 Contact Information - Corporate Communication Team - Back Cover"	
	2-4 Restatements of information	"Response: Not Applicable - no restatements of information given"	
	2-5 External assurance	"Response: Not Applicable - no restatements of information given"	
	2-6 Activities, value chain and other business relationships	Organisational Value Chain- Annual Report Page 72	
	2-7 Employees	Employees, Page 41	
	2-8 Workers who are not employees	Response: Not Applicable	
	2-9 Governance structure and composition	Governance Section of Annual Report, Page 220	
	2-10 Nomination and selection of the highest governance body	Governance Section of Annual Report, Page 234	
	2-11 Chair of the highest governance body	Governance Section of Annual Report, Page 212	
	2-12 Role of the highest governance body in overseeing the management of impacts	Governance Section of Annual Report, Page 221	
	2-13 Delegation of responsibility for managing impacts	Governance Section of Annual Report, Page 231	
	2-14 Role of the highest governance body in sustainability reporting	Role of the Board and the Management, Page 59	
	2-15 Conflicts of interest	Response: Not Applicable	
	2-16 Communication of critical concerns	Response: Not Applicable	
	2-17 Collective knowledge of the highest governance body	Governance Section of Annual Report, Page 220	
	2-18 Evaluation of the performance of the highest governance body	Governance Section of Annual Report, Page 233	
	2-19 Remuneration policies	Governance Section of Annual Report, Page 253	
	2-20 Process to determine remuneration	Governance Section of Annual Report, Page 253	
	2-21 Annual total compensation ratio	Corporate Reporting Section of Annual Report, Page 496	
	2-22 Statement on sustainable development strategy	Sustainability and CSR Policy, Page 57	
	2-23 Policy commitments	Pillars of Sustainability Strategy, Page 58	
	2-24 Embedding policy commitments	Sustainability and CSR Policy, Page 57	
	2-25 Processes to remediate negative impacts	Risk Management Framework of Annual Report, Page 140	
	2-26 Mechanisms for seeking advice and raising concerns	Response: Not Applicable	
	2-27 Compliance with laws and regulations	Response: Not Applicable	

	Disclosure	Response	Compliance
	2-28 Membership associations	Corporate Affiliations, Page 31	
	2-29 Approach to stakeholder engagement	"Stakeholder Engagement Process and Frequency of such Engagements, Page 37"	
	2-30 Collective bargaining agreements	Response: Not Applicable	
Material topics			
GRI 3: Material Topics 2021	3-1 Process to determine material topics	Sustainability and CSR Policy, Page 57	
	3-2 List of material topics	Pillars of Sustainability Strategy, Page 58	
Economic performance			
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Section, Page 99-116	
GRI 201: Economic Performance 2016	201-1 Direct economic value generated and distributed	Economic Value Added Statement (EVA) in Annual Report, Page 325	
	201-2 Financial implications and other risks and opportunities due to climate change	Environmental Risk in Annual Report, Page 150	
	201-3 Defined benefit plan obligations and other retirement plans	Corporate Reporting Section of Annual Report, Page 364	
	201-4 Financial assistance received from government	Response: Not Applicable	
Market presence			
GRI 3: Material Topics 2021	3-3 Management of material topics	Organisational Profile Section, Page 29-30	
GRI 202: Market Presence 2016	202-1 Ratios of standard entry level wage by gender compared to local minimum wage	Bank's Initiatives, Page 69	
	202-2 Proportion of senior management hired from the local community	Response: Not Applicable	
Indirect economic impacts			
GRI 3: Material Topics 2021	3-3 Management of material topics	Economic Section, Page 99-116	
GRI 203: Indirect Economic Impacts 2016	203-1 Infrastructure investments and services supported	Economic Section, Page 99-116	
	203-2 Significant indirect economic impacts	Economic Section, Page 99-116	
Procurement practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Suppliers, service providers and vendors/outsourcing arrangements in Annual Report, Page 120-121	
GRI 204: Procurement Practices 2016	204-1 Proportion of spending on local suppliers	Suppliers, service providers and vendors/outsourcing arrangements in Annual Report, Page 120-121	
Anti-corruption			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 205: Anti-corruption 2016	205-1 Operations assessed for risks related to corruption	Response: Not Applicable	
	205-2 Communication and training about anti-corruption policies and procedures	Response: Not Applicable	
	205-3 Confirmed incidents of corruption and actions taken	Response: Not Applicable	
Anti-competitive behavior			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 206: Anti-competitive Behavior 2016	206-1 Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Response: Not Applicable	

	Disclosure	Response	Compliance
Tax			
GRI 3: Material Topics 2021	3-3 Management of material topics	Contribution to the Government, Page 108	
GRI 207: Tax 2019	207-1 Approach to tax	Contribution to the Government, Page 108	
	207-2 Tax governance, control, and risk management	Response: Not Applicable	
	207-3 Stakeholder engagement and management of concerns related to tax	Contribution to the Government, Page 108	
	207-4 Country-by-country reporting	Response: Not Applicable	
Materials			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 301: Materials 2016	301-1 Materials used by weight or volume	Response: Not Applicable	
	301-2 Recycled input materials used	Response: Not Applicable	
	301-3 Reclaimed products and their packaging materials	Response: Not Applicable	
Energy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Bank's Initiatives, Page 69	
GRI 302: Energy 2016	302-1 Energy consumption within the organization	Bank's Initiatives, Page 69	
	302-2 Energy consumption outside of the organization	Bank's Initiatives, Page 69	
	302-3 Energy intensity	Response: Not Applicable	
	302-4 Reduction of energy consumption	Bank's Initiatives, Page 69	
	302-5 Reductions in energy requirements of products and services	Response: Not Applicable	
Water and effluents			
GRI 3: Material Topics 2021	3-3 Management of material topics	Bank's Initiatives, Page 69	
GRI 303: Water and Effluents 2018	303-1 Interactions with water as a shared resource	Response: Not Applicable	
	303-2 Management of water discharge-related impacts	Response: Not Applicable	
	303-3 Water withdrawal	Response: Not Applicable	
	303-4 Water discharge	Response: Not Applicable	
	303-5 Water consumption	Bank's Initiatives, Page 69	
Biodiversity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 304: Biodiversity 2016	304-1 Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	Response: Not Applicable	
	304-2 Significant impacts of activities, products and services on biodiversity	Response: Not Applicable	
	304-3 Habitats protected or restored	Response: Not Applicable	
	304-4 IUCN Red List species and national conservation list species with habitats in areas affected by operations	Response: Not Applicable	
Emissions			
GRI 3: Material Topics 2021	3-3 Management of material topics	Statement of Adoption, Page 72	

	Disclosure	Response	Compliance
GRI 305: Emissions 2016	305-1 Direct (Scope 1) GHG emissions	Statement of Adoption, Page 72	
	305-2 Energy indirect (Scope 2) GHG emissions	Response: Not Applicable	
	305-3 Other indirect (Scope 3) GHG emissions	Response: Not Applicable	
	305-4 GHG emissions intensity	Statement of Adoption, Page 72	
	305-5 Reduction of GHG emissions	Statement of Adoption, Page 72	
	305-6 Emissions of ozone-depleting substances (ODS)	Response: Not Applicable	
	305-7 Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Response: Not Applicable	
Waste			
GRI 3: Material Topics 2021	3-3 Management of material topics	Statement of Adoption, Page 72	
GRI 306: Waste 2020	306-1 Waste generation and significant waste-related impacts	Statement of Adoption, Page 72	
	306-2 Management of significant waste-related impacts	Response: Not Applicable	
	306-3 Waste generated	Statement of Adoption, Page 72	
	306-4 Waste diverted from disposal	Statement of Adoption, Page 72	
	306-5 Waste directed to disposal	Response: Not Applicable	
Supplier environmental assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Environment Section, Page 117	
GRI 308: Supplier Environmental Assessment 2016	308-1 New suppliers that were screened using environmental criteria	Response: Not Applicable	
	308-2 Negative environmental impacts in the supply chain and actions taken	Environment Section, Page 117	
Employment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Employees, Page 41	
GRI 401: Employment 2016	401-1 New employee hires and employee turnover	Employees, Page 42	
	401-2 Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employees, Page 47-48	
	401-3 Parental leave	Employees, Page 47	
Labor/management relations			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 402: Labor/Management Relations 2016	402-1 Minimum notice periods regarding operational changes	Response: Not Applicable	
Occupational health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Health, Safety and Environment, Page 122-123	

	Disclosure	Response	Compliance
GRI 403: Occupational Health and Safety 2018	403-1 Occupational health and safety management system	Health, Safety and Environment, Page 122-124	
	403-2 Hazard identification, risk assessment, and incident investigation	Health, Safety and Environment, Page 122-125	
	403-3 Occupational health services	Health, Safety and Environment, Page 122-126	
	403-4 Worker participation, consultation, and communication on occupational health and safety	Health, Safety and Environment, Page 122-127	
	403-5 Worker training on occupational health and safety	Health, Safety and Environment, Page 122-128	
	403-6 Promotion of worker health	Health, Safety and Environment, Page 122-129	
	403-7 Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Response: Not Applicable	
	403-8 Workers covered by an occupational health and safety management system	Response: Not Applicable	
	403-9 Work-related injuries	Health, Safety and Environment, Page 122-132	
	403-10 Work-related ill health	Health, Safety and Environment, Page 122-133	
Training and education			
GRI 3: Material Topics 2021	3-3 Management of material topics	Learning and Development, Page 43	
GRI 404: Training and Education 2016	404-1 Average hours of training per year per employee	Learning and Development, Page 43	
	404-2 Programs for upgrading employee skills and transition assistance programs	Learning and Development, Page 43	
	404-3 Percentage of employees receiving regular performance and career development reviews	Learning and Development, Page 43	
Diversity and equal opportunity			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion (DE&I), Page 44	
GRI 405: Diversity and Equal Opportunity 2016	405-1 Diversity of governance bodies and employees	Board's Policy on Diversity, Page 62	
	405-2 Ratio of basic salary and remuneration of women to men	Response: Not Applicable	
Non-discrimination			
GRI 3: Material Topics 2021	3-3 Management of material topics	Diversity, Equity and Inclusion (DE&I), Page 44	
GRI 406: Non-discrimination 2016	406-1 Incidents of discrimination and corrective actions taken	Response: Not Applicable	
Child labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 408: Child Labor 2016	408-1 Operations and suppliers at significant risk for incidents of child labor	Response: Not Applicable	
Forced or compulsory labor			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 409: Forced or Compulsory Labor 2016	409-1 Operations and suppliers at significant risk for incidents of forced or compulsory labor	Response: Not Applicable	

	Disclosure	Response	Compliance
Security practices			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 410: Security Practices 2016	410-1 Security personnel trained in human rights policies or procedures	Response: Not Applicable	
Rights of indigenous peoples			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 411: Rights of Indigenous Peoples 2016	411-1 Incidents of violations involving rights of indigenous peoples	Response: Not Applicable	
Local communities			
GRI 3: Material Topics 2021	3-3 Management of material topics	Social Section, Page 75-98	
GRI 413: Local Communities 2016	413-1 Operations with local community engagement, impact assessments, and development programs	Social Section, Page 75-98	
	413-2 Operations with significant actual and potential negative impacts on local communities	Social Section, Page 75-98	
Supplier social assessment			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 414: Supplier Social Assessment 2016	414-1 New suppliers that were screened using social criteria	Response: Not Applicable	
	414-2 Negative social impacts in the supply chain and actions taken	Response: Not Applicable	
Public policy			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 415: Public Policy 2016	415-1 Political contributions	Response: Not Applicable	
Customer health and safety			
GRI 3: Material Topics 2021	3-3 Management of material topics	Response: Not Applicable	
GRI 416: Customer Health and Safety 2016	416-1 Assessment of the health and safety impacts of product and service categories	Response: Not Applicable	
	416-2 Incidents of non-compliance concerning the health and safety impacts of products and services	Response: Not Applicable	
Marketing and labeling			
GRI 3: Material Topics 2021	3-3 Management of material topics	Organisational Overview section, page 73	
GRI 417: Marketing and Labeling 2016	417-1 Requirements for product and service information and labeling	Response: Not Applicable	
	417-2 Incidents of non-compliance concerning product and service information and labeling	Response: Not Applicable	
	417-3 Incidents of non-compliance concerning marketing communications	Response: Not Applicable	
Customer privacy			
GRI 3: Material Topics 2021	3-3 Management of material topics	IT Governance & Cybersecurity section of Annual Report, page 461	
GRI 418: Customer Privacy 2016	418-1 Substantiated complaints concerning breaches of customer privacy and losses of customer data	Stakeholders' Engagement in Annual Report, page 105	



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OUR ECO-COMMITMENT

SEED PAPER

“THE BEST WAY TO PREDICT THE FUTURE IS TO CREATE IT.”
PETER DRUCKER

PLANT ME!



1
Cut and sow the front-back of this paper into the soil.



2
Water regularly. Keep the soil moist.



3
Expose to sunlight.



4
In time you will see the seeds sprout and grow into a banyan tree.

THE SEED PAPER COMPOSTS AND LEAVES NO WASTE

About Banyan Trees!

The word 'banyan' comes from 'bania' (or merchant) since traders used to set up stalls in the shadow.

Banyan can grow to a full sized tree within the five years in hot climate. Banyan trees are not only natural canopies but also add beauty to the city landscape.



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