



## **KEY ELEMENTS OF CORPORATE SOCIAL RESPONSIBILITY POLICY**

### **1. Background**

- Biafo formed a CSR Committee to give back to the community, recognizing its responsibility after years of successful business.

### **2. Objective**

- Promote compliance with ethical standards and laws.
- Ensure positive impact through philanthropy, environmental stewardship, ethical labor practices, and community volunteering.

### **3. SECP Guidelines on CSR**

- Align CSR with company vision, code of ethics, and strategy.
- CSR commitment to be reviewed at board level.
- Allocate 1–2% of profits/resources for CSR initiatives.
- Regular reporting and disclosure of CSR objectives, outcomes, and impact.

### **4. CSR Statement**

- Commitment to:
  - Conducting business ethically and responsibly.
  - Protecting environment and safety.
  - Supporting human rights.
  - Engaging with local communities and cultures.
- Allocate 1% of company income annually for CSR.

### **5. Focus Areas**

- Healthcare
- Education
- Earth-friendly/environmental causes
- Arts & culture
- Skill development
- Poverty alleviation

### **6. CSR Strategy Principles**

- **Sustainability** – avoid overextension.
- **Transparency** – all contributions must be recorded.
- **Accountability** – CSR committee ensures fairness.



## 7. Responsibilities

- **Board:** Provides vision, direction, and governance.
- **CSR Committee:** Sets principles, monitors framework, reviews policy, and ensures compliance.
- **CEO:** Ensures timely monitoring and reporting.
- **Staff & Contractors:** May propose CSR initiatives aligned with focus areas.

## 8. Risk Management Process

- Proposals must:
  - Include financial/accounting details.
  - Specify use of funds and follow-up mechanism.
  - Be submitted in written format.
- Preference for tax-exempt organizations and alignment with focus areas.
- Conflict of interest rules apply for committee members.

## 9. Training

- CSR awareness training for all levels:
  - **Board:** At every meeting.
  - **Senior staff:** One-time.
  - **New hires:** At induction.
  - **Existing staff:** One-time.
- Delivered via workshops/presentations.